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MEDIA RELEASE

Unaudited Results of Keppel DC REIT for the Third Quarter and Nine Months Ended 30 September 2019

15 October 2019

The Directors of Keppel DC REIT Management Pte. Ltd., as Manager of Keppel DC REIT, are pleased to announce the unaudited results of Keppel DC REIT for the third quarter and nine months ended 30 September 2019.

The materials are also available at www.keppeldcreit.com, www.keppeltt.com.sg, www.kepcapital.com and www.kepcorp.com.

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Keppel DC REIT achieves 5.7% Y-o-Y growth in DPU to 5.78 cents for 9M 2019

Key Highlights

- Distributable income increased 16.9% y-o-y to \$81.8 million, and DPU increased by 5.7% y-o-y to 5.78 cents for 9M 2019
- Announced DPU-accretive acquisitions of two Singapore data centres that will increase AUM by 30.2% to approximately \$2.6 billion
- Inclusion in the FTSE EPRA Nareit Global Developed Index
- Lower aggregate leverage of 28.9% following a successful private placement; preferential offering allows Unitholders to participate in the REIT's growth
- Healthy portfolio occupancy of 93.6% and long WALE of 7.7 years support income visibility

(\$'000)	3Q 2019	3Q 2018	Change %	9M 2019	9M 2018	Change %
Gross Revenue	46,354	47,557	(2.5)	141,846	127,492	+11.3
Property Expenses	(4,085)	(4,514)	(9.5)	(13,088)	(12,286)	+6.5
Net Property Income	42,269	43,043	(1.8)	128,758	115,206	+11.8
Distributable Income to Unitholders ⁽¹⁾	27,427	26,024	+5.4	81,780	69,970	+16.9
Distribution per Unit ⁽²⁾ (DPU) (cents)	1.93	1.85	+4.3	5.78	5.47	+5.7
Annualised Distribution Yield ⁽³⁾ (%)				4.03	3.82	+21bps

(1) Distributable income includes Capex Reserves for Keppel DC Singapore 3 and Keppel DC Singapore 5.

(2) DPU was computed based on the distributable income to Unitholders and excluded Capex Reserves. The Manager has announced an advanced distribution of 1.81 cents per Unit to eligible Unitholders for the period from 1 July to 24 September 2019 in connection with the private placement launched on 16 September 2019. Keppel DC REIT declares distributions on a half-yearly basis. The next distribution will be for the period from 25 September to 31 December 2019. Semi-annual distributions will resume thereafter.

(3) Computed based on 3Q 2019's closing price of \$1.910 per Unit.

Financial Review

Keppel DC REIT Management Pte. Ltd., the Manager of Keppel DC REIT, is pleased to announce that the REIT has delivered distributable income of \$27.4 million for 3Q 2019, 5.4% higher than 3Q 2018's \$26.0 million. Distributable income for 9M 2019 was also higher at \$81.8 million, increasing by 16.9% from 9M 2018's \$70.0 million. The increases were mainly supported by higher contributions from the Singapore data centres, partially offset by overseas contribution due to currency depreciation against the Singapore dollar.

Accordingly, Keppel DC REIT achieved higher DPU of 1.93 cents for 3Q 2019, bringing 9M 2019 DPU to 5.78 cents, 5.7% higher than 9M 2018's 5.47 cents. Based on 9M 2019's market closing price of \$1.910 per Unit, the REIT's annualised distribution yield was 4.03%.

Portfolio Review

On 16 September 2019, the Manager announced the proposed acquisitions of Keppel DC Singapore 4 (KDC SGP 4) and the data centre located at 18 Riverside Road Singapore (DC1) at agreed values of approximately \$384.9 million and \$200.2 million respectively. The proposed acquisitions are expected to be highly accretive to Keppel DC REIT's DPU. When completed in 4Q 2019, subject to Unitholders'

approval at an extraordinary general meeting to be held on 23 October 2019, the REIT's assets under management will grow by 30.2% to approximately \$2.6 billion, comprising 17 data centres¹ in key data centre hubs globally, spanning an aggregate lettable area of approximately 1,411,412 sq ft.

The strategic acquisitions of these quality data centres will strengthen Keppel DC REIT's foothold in Singapore, which is amongst the world's fastest-growing data centre markets, driven by demand from internet enterprises as well as the IT services, telecommunications and financial services sectors.

On the operational front, the retrofitting works at Keppel DC Singapore 3 was completed in July 2019. The fit-out works at Keppel DC Dublin 2 to make way for client expansion was also completed, bringing the occupancy rate of Keppel DC Dublin 2 to 100%. Asset enhancement works to improve energy efficiency at Keppel DC Dublin 1 remains on track for completion in 2020.

As at 30 September 2019, the REIT's portfolio weighted average lease expiry (WALE) was 7.7 years, and portfolio occupancy rate remained healthy at 93.6%.

Capital Management

To partially fund the proposed acquisitions of KDC SGP 4 and DC1, the REIT raised approximately \$478.2 million in gross proceeds through a fully underwritten private placement and preferential offering of approximately 277.0 million new units. The private placement, which was over nine times covered, has reduced the REIT's aggregate leverage from 31.9% as at 30 June 2019, to 28.9% as at 30 September 2019. The preferential offering, which closed on 7 October 2019, was 175.4% subscribed and will further improve the REIT's aggregate leverage, providing more debt headroom to pursue growth.

Keppel DC REIT's average cost of debt remained competitive at 1.7% per annum while interest coverage ratio remained high at 12.7 times as at 30 September 2019. The Manager has refinanced its Singapore dollar-denominated loan due end-2019 by another six years, bringing the REIT's weighted average debt tenor to 3.8 years.

Keppel DC REIT has been included in the FTSE EPRA Nareit Global Developed Index from 23 September 2019. The Manager continues to mitigate the REIT's exposure to fluctuations in interest rates. The Manager has locked-in 80% of its borrowings through floating-to-fixed interest rate swaps and forecasted foreign-sourced distributions have also been substantially hedged with foreign currency forward contracts till 1H 2021 to safeguard distributions against exchange rates fluctuations.

Looking Ahead

In its interim economic outlook report published in September 2019, the Organisation for Economic Cooperation and Development expects global growth to slow to 2.9% in 2019 and 3% in 2020, citing escalating trade tensions and policy uncertainty which are weighing on risk sentiment in the financial markets.

The data centre market remains strong, supported by ongoing digitalisation and cloud deployments. Improved connectivity as well as the development and adoption of new technologies will continue to drive the growth of data creation and fuel demand for data storage requirements in key data centre hubs globally.

Notwithstanding increased competition in the data centre industry, Keppel DC REIT, with its established track record and enlarged portfolio of assets, is well-positioned to benefit from the growth

¹ Excludes IC3 East DC, which is currently under development and expected to be completed in 2020.

of the data centre market. The Manager will continue to leverage its competencies in investment, asset and capital management, building on the Keppel Group's capabilities in project development and facilities management, to seek opportunities and strengthen its presence across key data centre hubs globally.

- END -

About Keppel DC REIT (www.keppeldcreit.com)

Listed on 12 December 2014, Keppel DC REIT is the first pure-play data centre REIT listed in Asia and on the Singapore Exchange (SGX-ST).

Keppel DC REIT's investment strategy is to principally invest, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centre purposes, as well as real estate related assets.

As at 30 September 2019, its portfolio comprises 15² high-quality data centres strategically located in key data centre hubs. With an aggregate lettable area of approximately 1,113,898 sq ft, the portfolio spans 10 cities in eight countries in Asia Pacific and Europe. Following the completion of acquisition of the two data centres in Singapore by 4Q 2019, Keppel DC REIT will have a total of 17 data centres², spanning an aggregate lettable area of approximately 1,411,412 sq ft.

Keppel Telecommunications & Transportation Ltd (Keppel T&T), the Sponsor of the REIT, has also granted Rights of First Refusal (ROFR) to the REIT for future acquisition opportunities of its data centre assets.

The REIT is managed by Keppel DC REIT Management Pte. Ltd.. Keppel Capital Holdings Pte. Ltd. (Keppel Capital) has a 50% interest in the Manager, with the remaining interest held by Keppel T&T. Keppel Capital is a premier asset manager in Asia with assets under management comprising real estate, infrastructure and data centre properties in key global markets.

The Manager's key objectives are to provide the REIT's Unitholders with regular and stable distributions, as well as achieve long-term growth while maintaining an optimal capital structure.

Important Notice

The past performance of Keppel DC REIT is not necessarily indicative of its future performance. Certain statements made in this release may not be based on historical information or facts and may be "forward-looking" statements due to 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 from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes, and the continued availability of financing in the amounts and terms necessary to support future business.

Prospective investors and unitholders of Keppel DC REIT (Unitholders) are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Keppel DC REIT Management Pte. Ltd., as manager of Keppel DC REIT (the Manager) on future events. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained in this release. None of the Manager, the trustee of Keppel DC REIT or any of their respective advisors, representatives or agents shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this release or its contents or otherwise arising in connection with this release. The information set out herein may be

² Excludes IC3 East DC, which is currently under development and expected to be completed in 2020.

subject to updating, completion, revision, verification and amendment and such information may change materially. The value of units in Keppel DC REIT (Units) and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including possible loss of principal amount invested.

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 Singapore Exchange Securities Trading Limited (SGX-ST). Listing of the Units on SGX-ST does not guarantee a liquid market for the Units.

**KEPPEL DC REIT
FINANCIAL STATEMENTS ANNOUNCEMENT****UNAUDITED RESULTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED
30 SEPTEMBER 2019**

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SUMMARY OF KEPPEL DC REIT RESULTS

	3Q 2019 \$'000	3Q 2018 \$'000	+/(-) %	9M 2019 \$'000	9M 2018 \$'000	+/(-) %
Gross Revenue	46,354	47,557	(2.5)	141,846	127,492	11.3
Property Expenses	(4,085)	(4,514)	(9.5)	(13,088)	(12,286)	6.5
Net Property Income	42,269	43,043	(1.8)	128,758	115,206	11.8
Distributable Income to Unitholders (DI)	27,427	26,024	5.4	81,780	69,970	16.9
Distribution per Unit (DPU) (cents) ^{1,2}	1.93	1.85	4.3	5.78	5.47	5.7
Annualised Distribution Yield (%) ^{2,3}				4.03	3.82	21bps

Notes:

- 1 Excludes an amount of capital expenditure that has been set aside.
- 2 The Manager has declared an advanced distribution of 1.81 cents per Unit to eligible Unitholders for the period from 1 July to 24 September 2019 in connection with the private placement launched on 16 September 2019.

Keppel DC REIT declares distributions on a half-yearly basis. The next distribution will be for the period from 25 September to 31 December 2019. Semi-annual distributions will resume thereafter.
- 3 Annualised distribution yields were computed based on 3Q 2019 closing price of \$1.910.

For details, refer to **Paragraph 1A(i) - Statement of profit and loss and distribution statement** and **Paragraph 8 - Review of Performance**.

Distribution	<u>11th</u> Distribution Distribution for the period from 1 July to 24 September 2019
Distribution type	(a) Taxable Income (b) Tax-exempt Income
Distribution rate	Distribution for the period from 1 July to 24 September 2019 (a) Taxable Income – 1.24 cents per Unit (b) Tax-exempt Income – 0.57 cents per Unit
Distribution amount (\$'000)	24,476
Book Closure Date	24 September 2019
Payment Date	27 November 2019

INTRODUCTION

Keppel DC REIT was listed on Singapore Exchange Securities Trading Limited (SGX-ST) on 12 December 2014.

Keppel DC REIT's strategy is to invest, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centres purposes, as well as real estate-related assets, with an initial focus on Asia Pacific and Europe.

On 14 March 2018, Keppel DC REIT entered into a contract to acquire the remainder of the 999-year leasehold land interest in Keppel DC Dublin 1 in first half of 2020 for an agreed value of €30.0 million.

On 7 August 2018, Keppel DC REIT entered into an agreement to construct Intellicentre 3 East Data Centre on the vacant land within the current Intellicentre 2 Data Centre site. The completion is expected to be in 2020.

On 16 September 2019, Keppel DC REIT entered into (i) a conditional share purchase agreement to acquire 99.0% interest of Keppel DC Singapore 4 (KDC SGP 4) located at 20 Tampines Street 92, Singapore 528875, and (ii) a conditional share purchase agreement to acquire 100.0% interest of a data centre located at 18 Riverside Road, Singapore 739088 (DC1).

As at 30 September 2019, the REIT has a portfolio size of approximately \$1.97 billion. The portfolio comprises 15 high quality and well located data centres in Singapore, Malaysia, Australia, the United Kingdom (UK), the Netherlands, Republic of Ireland (Ireland), Italy and Germany.

Asia Pacific

1)	Keppel DC Singapore 1	Singapore	(KDC SGP 1)
2)	Keppel DC Singapore 2	Singapore	(KDC SGP 2)
3)	Keppel DC Singapore 3	Singapore	(KDC SGP 3)
4)	Keppel DC Singapore 5	Singapore	(KDC SGP 5)
5)	Basis Bay Data Centre	Malaysia	(Basis Bay DC)
6)	Gore Hill Data Centre	Australia	(Gore Hill DC)
7)	Intellicentre 2 Data Centre	Australia	(IC2 DC)
8)	iseek Data Centre	Australia	(iseek DC)

Europe

9)	GV7 Data Centre	UK	(GV7 DC)
10)	Cardiff Data Centre	UK	(Cardiff DC)
11)	Almere Data Centre	The Netherlands	(Almere DC)
12)	Keppel DC Dublin 1	Ireland	(KDC DUB 1)
13)	Keppel DC Dublin 2	Ireland	(KDC DUB 2)
14)	Milan Data Centre	Italy	(Milan DC)
15)	maincubes Data Centre	Germany	(maincubes DC)

The notes below shall be applicable to the relevant paragraphs thereafter:

- 9M – Refers to the financial period from 1 January to 30 September 2019 and the corresponding period of the preceding year.
- 3Q – Refers to the third quarter from 1 July to 30 September 2019 and the corresponding period of the preceding year.
- Distributable income includes an amount of capital expenditure set aside for KDC SGP 3 and KDC SGP 5 (Capex Reserves). The DPU has excluded Capex Reserves.
- Nm – Not meaningful

1 UNAUDITED RESULTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2019

The Directors of Keppel DC REIT Management Pte. Ltd., as the manager of Keppel DC REIT, advise the following unaudited results of the Group for the third quarter and nine months ended 30 September 2019:

1(A)(i) STATEMENT OF PROFIT AND LOSS AND DISTRIBUTION STATEMENT

Performance between 2019 and 2018 results

Statement of profit and loss and distribution statement, together with a comparative statement for the corresponding period of the immediately preceding financial year

Statement of Profit and Loss (Group)

		3Q 2019 \$'000	3Q 2018 \$'000	+ / (-) %	9M 2019 \$'000	9M 2018 \$'000	+ / (-) %
	Note						
Gross rental income	1	46,209	44,569	3.7	136,979	122,498	11.8
Other income	2	145	2,988	(95.1)	4,867	4,994	(2.5)
Gross Revenue		46,354	47,557	(2.5)	141,846	127,492	11.3
Property operating expenses	3	(4,085)	(4,514)	(9.5)	(13,088)	(12,286)	6.5
Net Property Income		42,269	43,043	(1.8)	128,758	115,206	11.8
Finance income		197	111	77.5	501	707	(29.1)
Finance costs	4	(4,064)	(4,241)	(4.2)	(12,193)	(12,448)	(2.0)
Trustees' fees		(87)	(73)	19.2	(284)	(220)	29.1
Manager's base fee	5	(2,458)	(2,442)	0.7	(7,371)	(6,502)	13.4
Manager's performance fee	5	(1,341)	(1,391)	(3.6)	(4,228)	(3,702)	14.2
Net realised gains on derivatives	6	1,599	57	>100.0	2,642	555	>100.0
Other trust expenses	7	(1,181)	(3,021)	(60.9)	(6,889)	(6,325)	8.9
Profit before tax		34,934	32,043	9.0	100,936	87,271	15.7
Tax expenses	8	(1,970)	(2,805)	(29.8)	(7,175)	(6,008)	19.4
Profit after tax		32,964	29,238	12.7	93,761	81,263	15.4
Attributable to:							
Unitholders		32,156	28,457	13.0	91,357	78,981	15.7
Non-controlling interests		808	781	3.5	2,404	2,282	5.3
		32,964	29,238	12.7	93,761	81,263	15.4
<u>Distribution Statement</u>							
Profit after tax attributable to Unitholders		32,156	28,457	13.0	91,357	78,981	15.7
Net tax and other adjustments	9	(4,729)	(2,433)	94.4	(9,577)	(9,011)	6.3
Income available for distribution	10	27,427	26,024	5.4	81,780	69,970	16.9
Distribution per Unit (cents)	11	1.93	1.85	4.3	5.78	5.47	5.7

Notes (2019 and 2018):

1 In 3Q 2019, higher gross rental income was mainly due to higher contribution from KDC SGP 5.

In 9M 2019, higher gross rental income was mainly due to the acquisitions of maincubes DC and KDC SGP 5.

2 In 3Q 2019, lower other income was mainly due to the absence of rental top up income provided by the relevant vendors for KDC SGP 5, KDC DUB 2 and Milan DC. These rental top up incomes had been fully recognised as at 30 June 2019.

3 Included as part of the property operating expenses were the following:

	3Q 2019 \$'000	3Q 2018 \$'000	9M 2019 \$'000	9M 2018 \$'000
Property-related taxes	(700)	(624)	(2,124)	(1,823)
Facility management costs	(2,172)	(2,201)	(6,575)	(6,268)
Repairs and maintenance	(232)	(702)	(1,230)	(1,330)
Other property-related costs	(981)	(987)	(3,159)	(2,865)
	<u>(4,085)</u>	<u>(4,514)</u>	<u>(13,088)</u>	<u>(12,286)</u>

4 Included in finance costs were interest expense, amortisation of debt-related transaction costs from borrowings and lease charges recognised.

5 In 9M 2019, higher Manager's base fees and performance fees were mainly due to the acquisitions of maincubes DC and KDC SGP 5, as well as the higher net property income.

6 Net realised gains on derivatives relate to the settlement of foreign currency forward contracts hedged.

7 Lower other trust expenses in 3Q 2019 was mainly due to the absence of amortisation of intangible assets, offset by higher foreign exchange loss. Included in other trust expenses in 9M 2019 were higher foreign exchange loss offset by lower amortisation of intangible assets, as compared to 9M 2018.

8 Tax expenses comprise (i) tax in relation to the taxable income that are not accorded full tax transparency treatment, (ii) tax expenses of the Group's overseas properties, and (iii) net deferred tax expenses recognised on tax losses carried forward and fair value changes in investment properties.

9 Included in the net tax and other adjustments were the following:

	3Q 2019 \$'000	3Q 2018 \$'000	9M 2019 \$'000	9M 2018 \$'000
Trustee's fees	70	54	229	162
Rental income adjustment on a straight-line basis	(972)	(1,386)	(1,901)	(3,559)
Amortisation of capitalised transaction costs	109	80	285	234
Foreign exchange losses	469	3	1,319	321
Deferred tax	71	157	2,638	713
Amortisation of intangible assets	-	2,336	4,000	4,287
Other net adjustments	(4,476)	(3,677)	(16,147)	(11,169)
Net tax and other adjustments	<u>(4,729)</u>	<u>(2,433)</u>	<u>(9,577)</u>	<u>(9,011)</u>

Included in other net adjustments were dividends and distribution income, lease charges, other non-taxable income and non-deductible expenses.

10 Higher DI in 3Q 2019 was mainly due to higher contributions from the Singapore properties, lower tax expenses and higher net realised gains on derivatives. These were partially offset by lower other income.

Higher DI in 9M 2019 was mainly due to acquisitions of maincubes DC and KDC SGP 5. These were partially offset by higher Manager's fees.

11 The DPU was computed based on DI (Note 10) and has excluded Capex Reserves.

The Manager has declared an advanced distribution of 1.81 cents per Unit to eligible Unitholders for the period from 1 July to 24 September 2019 in connection with the private placement launched on 16 September 2019.

Keppel DC REIT declares distributions on a half-yearly basis. The next distribution will be for the period from 25 September to 31 December 2019. Semi-annual distributions will resume thereafter.

1(A)(ii) STATEMENT OF COMPREHENSIVE INCOME

Statement of comprehensive income, together with a comparative statement for the corresponding period of the immediate preceding financial year

Statement of Comprehensive Income (Group)

	3Q 2019 \$'000	3Q 2018 \$'000	+/(-) %	9M 2019 \$'000	9M 2018 \$'000	+/(-) %
Profit after tax	32,964	29,238	12.7	93,761	81,263	15.4
Other comprehensive income						
Movement in fair value of cash flow hedges	(1,084)	254	Nm	(6,486)	1,239	Nm
Foreign currency translation movement	(6,141)	2,629	Nm	(18,995)	(5,712)	>100.0
Total other comprehensive (loss)/gain	(7,225)	2,883	Nm	(25,481)	(4,473)	>100.0
Total comprehensive income	25,739	32,121	(19.9)	68,280	76,790	(11.1)
Attributable to:						
Unitholders	24,931	31,343	(20.5)	65,876	74,576	(11.7)
Non-controlling interests	808	778	3.9	2,404	2,214	8.6
	25,739	32,121	(19.9)	68,280	76,790	(11.1)

Note:

These other comprehensive income items relate to the fair value changes of the cash flow hedges as a result of interest rate swaps and foreign currency forward contracts entered into by the Group and the movement in foreign currency transaction reserve that arises from the translation of foreign entities and intercompany loans that form part of the Group's net investment in foreign entities.

1(B)(i) BALANCE SHEETS

Balance sheets together with a comparative statement for the end of the immediately preceding financial year

	Note	Group			Trust		
		30-Sep-19 \$'000	31-Dec-18 \$'000	+ / (-) %	30-Sep-19 \$'000	31-Dec-18 \$'000	+ / (-) %
Non-current assets							
Investment properties	1	2,025,693	2,028,672	(0.1)	458,080	456,000	0.5
Investment in subsidiaries	2	-	-	-	1,205,017	1,205,063	-
Loans to subsidiaries	2	-	-	-	252,517	223,338	13.1
Deposits	3	2,766	777	>100.0	2,766	777	>100.0
Derivative financial assets	4	464	3,238	(85.7)	464	2,044	(77.3)
Deferred tax assets	5	8,299	-	Nm	-	-	-
Total non-current assets		2,037,222	2,032,687	0.2	1,918,844	1,887,222	1.7
Current assets							
Trade and other receivables	6	84,075	85,723	(1.9)	16,210	32,060	(49.4)
Intangible assets	7	-	4,000	(100.0)	-	4,000	(100.0)
Other asset	8	-	6,213	(100.0)	-	-	-
Derivative financial assets	4	3,060	2,106	45.3	3,030	1,952	55.2
Cash and cash equivalents		346,525	128,415	>100.0	270,114	67,752	>100.0
Total current assets		433,660	226,457	91.5	289,354	105,764	>100.0
TOTAL ASSETS		2,470,882	2,259,144	9.4	2,208,198	1,992,986	10.8
Current liabilities							
Loans from subsidiaries	9	-	-	-	12,294	130,000	(90.5)
Loans and borrowings	10	15,786	133,563	(88.2)	-	-	-
Derivative financial liabilities	4	181	-	Nm	-	-	-
Trade and other payables	11	53,275	42,481	25.4	42,815	29,569	44.8
Provision for taxation	12	9,518	16,948	(43.8)	4,932	2,781	77.3
Total current liabilities		78,760	192,992	(59.2)	60,041	162,350	(63.0)
Non-current liabilities							
Loans from subsidiaries	9	-	-	-	683,460	543,952	25.6
Loans and borrowings	10	711,920	573,084	24.2	-	-	-
Derivative financial liabilities	4	8,944	4,459	>100.0	-	341	(100.0)
Deferred tax liabilities	5	23,387	12,615	85.4	4	4	-
Total non-current liabilities		744,251	590,158	26.1	683,464	544,297	25.6
TOTAL LIABILITIES		823,011	783,150	5.1	743,505	706,647	5.2
NET ASSETS		1,647,871	1,475,994	11.6	1,464,693	1,286,339	13.9
Represented by:							
Unitholders' funds		1,616,400	1,444,839	11.9	1,464,693	1,286,339	13.9
Non-controlling interests	13	31,471	31,155	1.0	-	-	-
		1,647,871	1,475,994	11.6	1,464,693	1,286,339	13.9
Net asset value per Unit (\$)	14	1.09	1.07	1.9	0.98	0.95	3.2
Aggregate leverage / Deposited properties (%)	15	28.9	30.8	(190bps)	Nm	Nm	Nm

Notes:

- 1 Included in the investment properties were leases of \$32.4 million capitalised at the lower of its fair value and the present value of the minimum lease payments for isseek DC and KDC DUB 1.

<u>Investment Properties</u>	<u>Tenure</u>	<u>Carrying Value (\$'000)</u>
Keppel DC Singapore 1	Leasehold, expiring 30 September 2055 [^]	288,767
Keppel DC Singapore 2	Leasehold, expiring 31 July 2051 [^]	169,312
Keppel DC Singapore 3	Leasehold, expiring 31 January 2052 [^]	257,510
Keppel DC Singapore 5	Leasehold, expiring 31 August 2041	322,753
Basis Bay Data Centre	Freehold	28,041
Gore Hill Data Centre	Freehold	192,368
Intellicentre 2 Data Centre	Freehold	50,052
iseek Data Centre	Leasehold, expiring 29 June 2047 [^]	40,958
GV7 Data Centre	Leasehold, expiring 28 September 2183 [^]	61,373
Cardiff Data Centre	Freehold	63,199
Almere Data Centre	Freehold	137,123
Keppel DC Dublin 1	Leasehold, expiring 11 April 2041 [^]	110,992
Keppel DC Dublin 2	Leasehold, expiring 31 December 2997	113,076
Milan Data Centre	Freehold	56,493
maincubes Data Centre	Freehold	133,676
		<hr/>
		2,025,693

[^] Include options to renew between 7 to 30 years

- 2 These relate to the investments in subsidiaries as well as interest-bearing and quasi-equity loans to subsidiaries.
- 3 These relate to deposits paid in 2019 to the respective vendors of KDC SGP 4 and DC1 in relation to the two conditional share purchase agreements entered into and deposits paid in 2018 to the vendor for the acquisition of the remainder of the 999-year leasehold land interest in KDC DUB 1.
- 4 These relate to the fair value of the foreign currency forward contracts entered into in relation to the income from overseas investment properties, and the fair value of interest rate swaps entered into by the Group for hedging purposes.
- 5 These relate to the net deferred tax assets/liabilities recognised in different tax jurisdictions that arose on tax losses carried forward and fair value changes in certain investment properties.
- 6 Included in trade and other receivables were accrued rental revenue from the clients and deferred lease receivables relating to lease income which had been recognised due to the straight-lining of rental revenue in accordance with SFRS(I) 1-17 Leases in 2018 and SFRS(I) 16 Leases in 2019, but not yet received from the clients.
- 7 This relates to intangible assets with finite useful lives recognised in relation to a rental top up provided by the vendors. The intangible assets have been amortised on a straight-line basis over the relevant rental top up periods.
- 8 2018 other asset relates to the economic benefits to be derived from an overseas asset acquired in 2017.
- 9 These relate to loans from subsidiaries. The higher balances as at 30 September 2019 were mainly due to the additional loans drawn, partially offset by the repayment of certain loans.
- 10 These relate to external borrowings of \$695.8 million (refer to Paragraph 1(B)(ii)), lease liabilities recognised for isseek DC and KDC DUB 1 and capitalised debt-related transaction costs. The higher external borrowings as at 30 September 2019 were mainly due to issuance of medium term notes, partially offset by the repayment of certain bank borrowings.
- 11 Included in trade and other payables were trade creditors, accrued liabilities and deferred revenue.
- 12 Included in income tax provision were income tax expense accrued for the Group and provision of withholding tax expense in relation to the income received from the Group's overseas investments.
- 13 This relates to the non-controlling interests' share of net assets.
- 14 This excludes the non-controlling interests' share of net assets.
- 15 Aggregate leverage relates to the \$695.8 million external borrowings drawn down (refer to Paragraph 1(B)(ii)) over deposited properties which refers to the value of the Group's total assets based on the latest valuation defined in the property fund guidelines in the Code on Collective Investment Schemes issued by MAS, without considering lease liabilities pertaining to the land rent commitments for isseek DC and KDC DUB 1. If these lease liabilities pertaining to land rent commitments were included, the ratio would be 29.9% (31 December 2018: 31.9%).

1(B)(ii) AGGREGATE AMOUNT OF BORROWINGS AND DEBT SECURITIES

	Group	
	As at 30 Sept 19 \$'000	As at 31 Dec 18 \$'000
<u>Unsecured borrowings¹</u>		
Amount repayable within one year	12,294	130,000
Amount repayable after one year	683,460	543,952
	695,754	673,952

Note:

- 1 Keppel DC REIT has unsecured borrowings of approximately \$475.2 million (2018: \$523.6 million) and \$67.4 million (2018: \$72.7 million) and \$153.2 million (2018: \$77.7 million) under its term loan facilities, revolving credit facilities and Multicurrency Medium Term Note Programme respectively.

As at 30 September 2019, the Group had total borrowings of approximately \$695.8 million and unutilised facilities of approximately \$216.6 million to meet its future obligations. The all-in average interest rate for borrowings was 1.7% per annum for the financial period ended 30 September 2019.

1(C) CONSOLIDATED STATEMENT OF CASH FLOWS

	3Q 2019 \$'000	3Q 2018 \$'000	9M 2019 \$'000	9M 2018 \$'000
Operating activities				
Profit after tax for the financial period	32,964	29,238	93,761	81,263
Adjustments for:				
Tax expenses	1,970	2,805	7,175	6,008
Finance income	(197)	(111)	(501)	(707)
Finance costs	4,064	4,241	12,193	12,448
Amortisation of intangible assets	-	2,336	4,000	4,287
Management fees payable in Units	388	99	1,169	311
Unrealised currency translation differences	2,651	548	(1,617)	10,397
	41,840	39,156	116,180	114,007
Changes in working capital:				
- Trade and other receivables	(2,999)	(4,176)	4,245	(20,382)
- Trade and other payables	2,457	1,841	(8,378)	(16,032)
Cash generated from operations	41,298	36,821	112,047	77,593
Net tax paid	(5,726)	(383)	(12,282)	(1,477)
Net cash generated from operating activities	35,572	36,438	99,765	76,116
Cash flows from investing activities				
Acquisition of interests in investment properties (Note A)	-	-	-	(414,543)
Acquisition of an intangible asset	-	-	-	(8,000)
Rental top up received	-	-	-	8,000
Additions to investment properties	(392)	-	(9,502)	(9,893)
Capital expenditures on investment properties	(6,075)	(10,514)	(22,295)	(17,029)
Deposits paid	(2,000)	-	(2,000)	(808)
Net cash used in investing activities	(8,467)	(10,514)	(33,797)	(442,273)
Cash flows from financing activities				
Gross proceeds from equity fund-raising	235,440	-	235,440	303,072
Proceeds from borrowings and medium term notes	120,000	7,962	203,326	229,165
Payment of financing transaction costs	(345)	(4)	(460)	(156)
Repayment of borrowings	(120,000)	(7,958)	(166,890)	(83,934)
Finance costs paid	(3,802)	(4,012)	(11,447)	(11,766)
Distributions paid to Unitholders	(52,057)	(42,713)	(102,065)	(82,051)
Dividends paid to non-controlling interests	(692)	(677)	(2,089)	(1,996)
Payment of equity fund-raising transaction costs	(2,393)	-	(2,393)	(4,037)
Net cash generated from/(used in) financing activities	176,151	(47,402)	153,422	348,297
Net increase/(decrease) in cash and cash equivalents	203,256	(21,478)	219,390	(17,860)
Cash and cash equivalents at beginning of period	143,889	120,409	128,415	116,098
Effects of exchange rate fluctuations on cash held	(620)	237	(1,280)	930
Cash and cash equivalents at end of period	346,525	99,168	346,525	99,168
Cash and cash equivalent balances	346,525	99,690	346,525	99,690
Less: Rental top up received in advance held in a designated account (Note B)	-	(522)	-	(522)
Cash and cash equivalents per Consolidated Statement of Cash Flows	346,525	99,168	346,525	99,168

Note A – Acquisition of interests in investment properties

In June 2018, Keppel DC REIT announced the completion of the acquisition of a 99% interest in Keppel DC Singapore 5 Pte. Ltd. (KDCS5PL), which in turn holds KDC SGP 5, located at 13 Sunview Way, Singapore 627541. A business transfer agreement with Keppel DCS3 Services Pte. Ltd. (Facility Manager) was entered into to transfer the employees, contracts and assets for the purpose of providing facility management services of KDCS5PL to the Facility Manager. This acquisition has been accounted for as an asset acquisition.

Keppel DC REIT completed the acquisition of maincubes DC in Offenbach am Main, Germany on 30 March 2018. The remaining 90% balance of the purchase consideration was paid, along with the release of the 10% deposit, to the vendor as settlement of the purchase consideration.

1(C) CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

Note B – Rental top up received in advance held in a designated account

This refers to the remaining rental top up payments received in advance by the Group held in a designated account for the 100% interest in Milan DC. These rental top up payments had been recognised periodically under other income till December 2018.

Cash flow analysis (9M 2019 vs 9M 2018)

Cash generated from operating activities for the 9M 2019 was \$99.8 million, \$23.7 million higher than the \$76.1 million for the corresponding period last year. This was mainly due to higher operational cash inflow and lower working capital requirement, partially offset by higher net tax paid during the period.

Net cash used in investing activities for 9M 2019 was \$33.8 million, comprising mainly an additional consideration paid to a vendor of an overseas asset acquired in 2017, upfront land premium paid for KDC SGP 5 and capital expenditures. Net cash used in investing activities for the corresponding period last year was \$442.3 million, comprising the acquisitions of KDC SGP 5 and maincubes DC, capital expenditures and deposit paid for the acquisition of the remaining 999-year leasehold land interest in KDC DUB 1.

The Group recorded net cash generated from financing activities of \$153.4 million in 9M 2019 as compared to net cash generated from financing activities of \$348.3 million for the corresponding period last year. Net cash generated in 9M 2019 was mainly due to proceeds from private placement raised to partially finance the acquisitions of KDC SGP 4 and DC1, bank borrowings and medium term notes issued. These were partially offset by distributions paid to Unitholders, repayment of borrowings and finance costs. Net cash generated from financing activities for 9M 2018 comprised mainly due to the private placement proceeds to partially finance the acquisition of KDC SGP 5, net borrowing proceeds drawn down to finance the acquisition of maincubes DC, partially offset by distributions paid to Unitholders and finance costs.

Cash flow analysis (3Q 2019 vs 3Q 2018)

Cash generated from operating activities for the quarter was \$35.6 million, \$0.8 million lower than the \$36.4 million for the corresponding quarter last year. This was mainly due to higher net tax paid during the period, partially offset by higher operational cash inflow.

Net cash used in investing activities for 3Q 2019 was \$8.5 million, comprising mainly capital expenditures and deposits paid to vendors of KDC SGP 4 and DC1. Net cash used in investing activities for the corresponding quarter last year was \$10.5 million for capital expenditures and for the investment properties.

The Group recorded net cash generated from financing activities of \$176.2 million in 3Q 2019 as compared to net cash used in financing activities of \$47.4 million for the corresponding quarter last year. Net cash generated in 3Q 2019 was mainly due to the private placement proceeds to partially finance the acquisitions of KDC SGP 4 and DC1, partially offset by distributions paid to Unitholders. Net cash used in 3Q 2018 was mainly due to distributions paid to Unitholders, as well as repayment of borrowings and finance costs.

Usage of proceeds of the Preferential Offering

Further to the announcement dated 16 July 2019 titled “Unaudited Results for the Second Quarter and Half Year ended 30 June 2019”, the Manager wishes to update that the remaining net proceeds raised from the Preferential Offering launched on 17 October 2016 have been fully utilised.

Usage of proceeds of the Private Placement

Further to the announcement dated 16 September 2019 titled “Results of the Private Placement and Pricing of New Units under the Private Placement and the Preferential Offering”, the Manager wishes to update that there has been no significant use of the net proceeds raised from the Private Placement (Private Placement Proceeds) for the quarter ended 30 September 2019.

1(D)(i) STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

GROUP (2019)	Note	Units in Issue \$'000	Foreign Currency Translation Reserve \$'000	Hedging Reserve \$'000	Other Reserve \$'000	Accumulated Profits \$'000	Unitholders' Funds \$'000	Non-Controlling Interests \$'000	Total \$'000
At 1 January 2019		1,378,025	16,416	885	(95,751)	145,264	1,444,839	31,155	1,475,994
Operations									
Profit after tax for the period		-	-	-	-	59,201	59,201	1,596	60,797
Net increase in net assets resulting from operations		-	-	-	-	59,201	59,201	1,596	60,797
Unitholders' transactions									
Distributions to Unitholders		-	-	-	-	(50,008)	(50,008)	-	(50,008)
Payment of management fees in Units		761	-	-	-	-	761	-	761
Net decrease in net assets resulting from Unitholders' transactions		761	-	-	-	(50,008)	(49,247)	-	(49,247)
Dividends paid to non-controlling interests		-	-	-	-	-	-	(1,397)	(1,397)
Other comprehensive income									
Movement in hedging reserve	1	-	-	(5,402)	-	-	(5,402)	-	(5,402)
Foreign currency translation movement	1	-	(12,855)	-	-	-	(12,855)	1	(12,854)
Net decrease in other comprehensive income		-	(12,855)	(5,402)	-	-	(18,257)	1	(18,256)
At 30 June 2019		1,378,786	3,561	(4,517)	(95,751)	154,457	1,436,536	31,355	1,467,891
Operations									
Profit after tax for the period		-	-	-	-	32,156	32,156	808	32,964
Net increase in net assets resulting from operations		-	-	-	-	32,156	32,156	808	32,964
Unitholders' transactions									
Net increase in net assets resulting from Unitholders' contribution	2	231,203	-	-	-	-	231,203	-	231,203
Distributions to Unitholders		-	-	-	-	(76,533)	(76,533)	-	(76,533)
Payment of management fees in Units		263	-	-	-	-	263	-	263
Net increase in net assets resulting from Unitholders' transactions		231,466	-	-	-	(76,533)	154,933	-	154,933
Dividends paid to non-controlling interests		-	-	-	-	-	-	(692)	(692)
Other comprehensive income									
Movement in hedging reserve	1	-	-	(1,084)	-	-	(1,084)	-	(1,084)
Foreign currency translation movement	1	-	(6,141)	-	-	-	(6,141)	-	(6,141)
Net decrease in other comprehensive income		-	(6,141)	(1,084)	-	-	(7,225)	-	(7,225)
At 30 September 2019		1,610,252	(2,580)	(5,601)	(95,751)	110,080	1,616,400	31,471	1,647,871

Note:

- 1 These other comprehensive income items relate to the fair value changes of the cash flow hedges as a result of interest rate swaps and foreign currency forward contracts entered into by the Group and the movement in foreign currency translation reserve that arises from the translation of foreign entities and intercompany loans that form part of the Group's net investment in foreign entities.
- 2 This relates to the placement of 135,000,000 new Units at an issue price of \$1.744 per Unit on 25 September 2019.

The Manager has declared an advanced distribution of 1.81 cents per Unit to eligible Unitholders for the period from 1 July to 24 September 2019 in connection with the Private Placement.

1(D)(i) STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS (CONT'D)

GROUP (2018)	Note	Foreign Currency		Hedging Reserve	Other Reserve	Accumulated Profits	Unitholders' Funds	Non- Controlling Interests	Total
		Units in Issue	Translation Reserve						
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2018		1,078,173	22,145	(285)	(95,751)	85,434	1,089,716	26,786	1,116,502
Operations									
Profit after tax for the period		-	-	-	-	50,524	50,524	1,501	52,025
Net increase in net assets resulting from operations		-	-	-	-	50,524	50,524	1,501	52,025
Unitholders' transactions									
Net increase in net assets resulting from Unitholders' contribution		299,035	-	-	-	-	299,035	-	299,035
Distributions to Unitholders		-	-	-	-	(70,565)	(70,565)	-	(70,565)
Payment of management fees in Units		212	-	-	-	-	212	-	212
Net increase in net assets resulting from Unitholders' transactions		299,247	-	-	-	(70,565)	228,682	-	228,682
Acquisition of an interest in a subsidiary		-	-	-	-	-	-	1,204	1,204
Dividends paid to non-controlling interests		-	-	-	-	-	-	(1,319)	(1,319)
Other comprehensive income									
Movement in hedging reserve	1	-	-	985	-	-	985	-	985
Foreign currency translation movement	1	-	(8,276)	-	-	-	(8,276)	(65)	(8,341)
Net decrease in other comprehensive income		-	(8,276)	985	-	-	(7,291)	(65)	(7,356)
At 30 June 2018		1,377,420	13,869	700	(95,751)	65,393	1,361,631	28,107	1,389,738
Operations									
Profit after tax for the period		-	-	-	-	28,457	28,457	781	29,238
Net increase in net assets resulting from operations		-	-	-	-	28,457	28,457	781	29,238
Unitholders' transactions									
Distributions to Unitholders		-	-	-	-	(11,486)	(11,486)	-	(11,486)
Payment of management fees in Units		99	-	-	-	-	99	-	99
Net decrease in net assets resulting from Unitholders' transactions		99	-	-	-	(11,486)	(11,387)	-	(11,387)
Acquisition of an interest in a subsidiary		-	-	-	-	-	-	-	-
Dividends paid to non-controlling interests		-	-	-	-	-	-	(677)	(677)
Other comprehensive income									
Movement in hedging reserve	1	-	-	254	-	-	254	-	254
Foreign currency translation movement	1	-	2,632	-	-	-	2,632	(3)	2,629
Net increase in other comprehensive income		-	2,632	254	-	-	2,886	(3)	2,883
At 30 September 2018		1,377,519	16,501	954	(95,751)	82,364	1,381,587	28,208	1,409,795

Note

- 1 These other comprehensive income items relate to the fair value changes of the cash flow hedges as a result of interest rate swaps and foreign currency forward contracts entered into by the Group and the movement in foreign currency translation reserve that arises from the translation of foreign entities and intercompany loans that form part of the Group's net investment in foreign entities.

1(D)(i) STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS (CONT'D)

<u>TRUST (2019)</u>	<u>Note</u>	<u>Unit in Issue</u> <u>\$'000</u>	<u>Hedging</u> <u>Reserve</u> <u>\$'000</u>	<u>Other</u> <u>Reserve</u> <u>\$'000</u>	<u>Accumulated</u> <u>Profits</u> <u>\$'000</u>	<u>Unitholders'</u> <u>Funds</u> <u>\$'000</u>
At 1 January 2019		1,378,025	3,655	(95,751)	410	1,286,339
Operations						
Profit after tax for the period		-	-	-	46,677	46,677
Net increase in net assets resulting from operations		-	-	-	46,677	46,677
Unitholders' transactions						
Distribution to Unitholders		-	-	-	(50,008)	(50,008)
Payment of management fees in Units		761	-	-	-	761
Net increase in net assets resulting from Unitholders' transactions		761	-	-	(50,008)	(49,247)
Other comprehensive income						
Movement in hedging reserve	1	-	380	-	-	380
Net increase in other comprehensive income		-	380	-	-	380
At 30 June 2019		1,378,786	4,035	(95,751)	(2,921)	1,284,149
Operations						
Profit after tax for the period		-	-	-	26,154	26,154
Net increase in net assets resulting from operations		-	-	-	26,154	26,154
Unitholders' transactions						
Net increase in net assets resulting from Unitholders' contribution	2	231,203	-	-	-	231,203
Distribution to Unitholders		-	-	-	(76,533)	(76,533)
Payment of management fees in Units		263	-	-	-	263
Net increase in net assets resulting from Unitholders' transactions		231,466	-	-	(76,533)	154,933
Other comprehensive income						
Movement in hedging reserve	1	-	(543)	-	-	(543)
Net decrease in other comprehensive income		-	(543)	-	-	(543)
At 30 September 2019		1,610,252	3,492	(95,751)	(53,300)	1,464,693

Note

1 The other comprehensive income item relates to the fair value changes of the cash flow hedges as a result of foreign currency forward contracts and interest rate swaps entered into by the Trust.

2 This relates to the placement of 135,000,000 new Units at an issue price of \$1.744 per Unit on 25 September 2019.

The Manager has declared an advanced distribution of 1.81 cents per Unit to eligible Unitholders for the period from 1 July to 24 September 2019 in connection with the Private Placement.

1(D)(i) STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS (CONT'D)

<u>TRUST (2018)</u>	<u>Note</u>	<u>Unit in Issue</u> <u>'000</u>	<u>Hedging</u> <u>Reserve</u> <u>\$'000</u>	<u>Other</u> <u>Reserve</u> <u>\$'000</u>	<u>Accumulated</u> <u>Profits</u> <u>\$'000</u>	<u>Unitholders'</u> <u>Funds</u> <u>\$'000</u>
At 1 January 2018		1,078,173	99	(95,751)	(23,336)	959,185
Operations						
Profit after tax for the period		-	-	-	54,527	54,527
Net increase in net assets resulting from operations		-	-	-	54,527	54,527
Unitholders' transactions						
Net increase in net assets resulting from Unitholders' contribution		299,035	-	-	-	299,035
Distribution to Unitholders		-	-	-	(70,565)	(70,565)
Payment of management fees in Units		212	-	-	-	212
Net increase in net assets resulting from Unitholders' transactions		299,247	-	-	(70,565)	228,682
Other comprehensive income						
Movement in hedging reserve	1	-	828	-	-	828
Net increase in other comprehensive income		-	828	-	-	828
At 30 June 2018		1,377,420	927	(95,751)	(39,374)	1,243,222
Operations						
Profit after tax for the period		-	-	-	4,179	4,179
Net increase in net assets resulting from operations		-	-	-	4,179	4,179
Unitholders' transactions						
Distribution to Unitholders		-	-	-	(11,486)	(11,486)
Payment of management fees in Units		99	-	-	-	99
Net decrease in net assets resulting from Unitholders' transactions		99	-	-	(11,486)	(11,387)
Other comprehensive income						
Movement in hedging reserve	1	-	(223)	-	-	(223)
Net decrease in other comprehensive income		-	(223)	-	-	(223)
At 30 September 2018		1,377, 519	704	(95,751)	(46,681)	1,235,791

Note

- 1 The other comprehensive income item relates to the fair value changes of the cash flow hedges as a result of foreign currency forward contracts and interest rate swaps entered into by the Trust.

1(D)(ii) DETAIL OF CHANGES IN THE UNITS

GROUP AND TRUST	1 July 19 to 30 Sept 19	1 Jan 19 to 30 Jun 19	1 Jan 18 to 30 Sept 18
	No. of Units	No. of Units	No. of Units
Issued Units as at beginning of period	1,352,121,046	1,351,578,450	1,127,171,336
Management fees paid in Units	161,027	542,596	223,948
Issuance of placement Units	135,000,000	-	224,000,000
Issued Units as at end of period	1,487,282,073	1,352,121,046	1,351,395,284

1(D)(iii) TOTAL NUMBER OF ISSUED UNITS

Keppel DC REIT did not hold any treasury units as at 30 September 2019 and 31 December 2018.

	Group	
	As at 30 Sept 19	As at 31 Dec 18
Total number of issued Units	1,487,282,073	1,351,578,450

1(D)(iv) SALES, TRANSFER, DISPOSALS, CANCELLATION OR USE OF TREASURY UNITS

Not applicable

2 AUDIT

Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have neither been audited nor reviewed by the auditors.

3 AUDITORS' REPORT

Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4 ACCOUNTING POLICIES

Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The accounting policies and methods of computation have been consistently applied during the current reporting period except that in the current financial year, the Group has adopted new and revised standards and SFRS (I) Interpretation that are effective for annuals period beginning on 1 January 2019.

5 CHANGES IN ACCOUNTING POLICIES

If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Refer to Paragraph 4 - Accounting Policies.

6 CONSOLIDATED EARNINGS PER UNIT AND DISTRIBUTION PER UNIT

	3Q 2019	3Q 2018	9M 2019	9M 2018
Earnings per Unit (EPU)				
EPU (basic and diluted) (cents)	2.38	2.11	6.61	6.30
Weighted average number of Units ¹	1,352,062,020	1,351,395,284	1,382,714,668	1,254,498,786
Profit after tax ² (\$'000)	32,156	28,457	91,357	78,981
Distribution per Unit (DPU)				
DPU³ (cents)	1.93	1.85	5.78	5.47
Total number of Units in issue at end of period	1,487,282,073	1,351,395,284	1,487,282,073	1,351,395,284
Income available for distribution to Unitholders (\$'000)	27,427	26,024	81,780	69,970

7 NET ASSET VALUE (NAV) / NET TANGIBLE ASSET (NTA) PER UNIT

	Group	
	As at 30 Sept 19	As at 31 Dec 18
NAV² per Unit⁴ (\$)	1.09	1.07
NTA² per Unit⁴ (\$)	1.09	1.07

Notes:

- 1 The weighted average number of Units was based on the issued Units during the financial period in review.
- 2 This excludes the non-controlling interests' share of net asset value / net tangible asset and profit and loss for the period after tax.
- 3 The Manager has declared an advanced distribution of 1.81 cents per Unit to eligible Unitholders for the period from 1 July to 24 September 2019 in connection with the Private Placement launched on 16 September 2019.
- 4 The NAV per Unit and the NTA per Unit were computed based on the issued Units at the end of the financial period.

8 REVIEW OF PERFORMANCE

Review of the Performance between 2019 and 2018 results

(9M 2019 vs 9M 2018)

Gross rental income for 9M 2019 was \$137.0 million, an increase of \$14.5 million or 11.8% from 9M 2018 of \$122.5 million. This was mainly contributed by the acquisitions of KDC SGP 5 and maincubes DC. The increase was partially offset by lower variable income from the other Singapore properties. Furthermore, overseas contributions decreased from the depreciation of AUD, EUR, GBP and MYR against SGD.

Other income of \$4.9 million was \$0.1 million lower than 9M 2018 due to lower rental top up income recognised.

Property operating expenses for 9M 2019 was \$13.1 million, an increase of \$0.8 million or 6.5% from 9M 2018 of \$12.3 million. This was mainly due to the acquisition of KDC SGP 5 and higher property-related expenses recorded at KDC DUB 2. The increase is partially offset by lower property-related expenses recorded at Gore Hill DC.

Net property income of \$128.8 million for 9M 2019 was \$13.6 million or 11.8% higher than 9M 2018.

Profit after tax for 9M 2019 was \$93.8 million, an increase of \$12.5 million or 15.4% as compared to 9M 2018 of \$81.3 million. This was mainly due to higher net property income and higher net realised gains on derivatives, partially offset by higher Manager's fees and tax expenses.

(3Q 2019 vs 3Q 2018)

Gross rental income for 3Q 2019 was \$46.2 million, an increase of \$1.6 million or 3.7% from 3Q 2018 of \$44.6 million. This was mainly due to higher contributions from the Singapore properties. The increase was partially offset by lower overseas contribution due to the depreciation of AUD, EUR, GBP and MYR against SGD.

Other income of \$0.1 million was \$2.9 million lower than 3Q 2018 due to absence of rental top up income recognised.

Property operating expenses for 3Q 2019 was \$4.1 million, a decrease of \$0.4 million or 9.5% from 3Q 2018. This was mainly due to lower property-related expenses recorded at Gore Hill DC and KDC DUB 1.

Net property income of \$42.3 million for 3Q 2019 was \$0.7 million or 1.8% lower than 3Q 2018.

Profit after tax for 3Q 2019 was \$33.0 million, an increase of \$3.8 million or 12.7% as compared to 3Q 2018. This was mainly due to higher net realised gains on derivatives and tax expenses.

9 PROSPECTS

A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

In its interim economic outlook published in September 2019, the Organization for Economic Cooperation and Development expects global growth to slow to 2.9% in 2019 and 3% in 2020, citing escalating trade tensions and policy uncertainty which are weighing on risk sentiment in the financial markets.

The data centre market however remains strong, supported by ongoing digitalisation and cloud deployments. Improved connectivity as well as the development and adoption of new technologies will continue to drive the growth of data creation and fuel demand for data storage requirements in key data centre hubs globally.

Notwithstanding increased competition in the data centre industry, Keppel DC REIT, with its established track record and enlarged portfolio of assets, is well-positioned to benefit from the growth of the data centre market. The Manager will continue to leverage its competencies in investment, asset and capital management, building on the Keppel Group's capabilities in project development and facilities management, to seek opportunities and strengthen its presence across key data centre hubs globally.

10 RISK FACTORS AND RISK MANAGEMENT

The Manager ascribes importance to risk management and constantly takes initiatives to systematically review the risks it faces and mitigates them. Some of the key risks that the Manager has identified are as follows:

Interest rate risk

The Manager constantly monitors its exposure to changes in interest rates for its interest-bearing financial liabilities. Interest rate risk is managed on an on-going basis with the primary objective of limiting the extent to which net interest expense can be affected by adverse movements in interest rates through financial instruments or other suitable financial products.

Liquidity risk

The Manager monitors and maintains Keppel DC REIT's cash flow position and working capital to ensure that there are adequate liquid reserves in terms of cash and credit facilities to meet short-term obligations. Consideration has been given to funding and expense requirements so as to manage the cash position at any point in time.

Credit risk

Credit risk assessments of prospective clients are carried out by way of evaluation of information from corporate searches conducted prior to the signing of lease agreements. In addition, the Manager also monitors the property portfolio's client trade sector mix to assess and manage exposure to any potentially volatile trade sector.

Currency risk

The Group's foreign currency risk relates mainly to its exposure from its investments in Australia, Europe and Malaysia, and the distributable income and interest income from progressive payments related to such foreign investments. The Group maintains a natural economic hedge, whenever possible, by borrowing in the currency of the country in which the property or investment is located or by borrowing in currencies that match the future revenue stream to be generated from its investments.

The Manager monitors the Group's foreign currency exposure on an on-going basis and will manage its exposure to adverse movements in foreign currency exchange rates through financial instruments or other suitable financial products.

Operational risk

Measures have been put in place to ensure sustainability of net property income. These measures include steps taken to negotiate for favourable terms/covenants, manage expenses, and actively monitor rental payments from clients and continuously evaluate the Group's counter-parties.

In addition, the Manager also continuously reviews disaster and pandemic business continuity plans and modifies them, when necessary. The Manager manages such risks through multiple layers of redundancy and back-up systems supported by detailed operational procedures and maintenance programmes. However, the Manager notes that no system of risk management can provide absolute assurance against all potential risks.

Competition risk

The Manager will actively manage the properties and grow strong relationships with its clients by providing value-added property-related services. Through such active asset management and enhancements, the Manager seeks to maintain high client retention and occupancy levels and achieve stable rental growth, as well as minimise the costs associated with marketing and leasing space to new clients.

The Manager will work with the facility managers (where applicable) to actively manage (i) contract and colocation renewals and (ii) new contracts and colocation arrangements to maintain high client retention levels and minimise vacancy periods. The Manager also intends to leverage on its relationship with existing data centre clients as well as data centre brokers to secure new clients for the Group's new and existing data centre facilities.

11 DISTRIBUTIONS

(a) Current Financial Period reported on

Any distribution recommended for the current financial period reported on?

Name of distribution:	<u>11th</u> Distribution Distribution for the period from 1 July to 24 September 2019
Distribution type:	(a) Taxable income (b) Tax-exempt income
Distribution rate:	Distribution for the period from 1 July to 24 September 2019 (a) Taxable income – 1.24 cents per Unit (b) Tax-exempt income – 0.57 cents per Unit
Distribution amount (\$'000)	24,476
Tax rate:	<p>(a) <u>Taxable Income Distribution:</u></p> <p>Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distribution. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Such individual unitholders, i.e. to whom the exemption will not apply, must declare the distribution received as income in their tax returns.</p> <p>Investors using CPF funds and SRS funds will also receive pre-tax distributions. These distributions are tax-exempt.</p> <p>Subject to meeting certain conditions, qualifying foreign non-individual investors and qualifying non-resident funds will receive their distributions after deduction of tax at the rate of 10%.</p> <p>All other investors will receive their distributions after deduction of tax at the rate of 17%.</p> <p>(b) <u>Tax-exempt income distribution</u></p> <p>Tax-exempt income distribution is exempt from tax in the hands of all Unitholders. Tax-exempt income relates to net taxed income, exempt dividend income and interest income received by Keppel DC REIT.</p>

The Manager has declared an advanced distribution of 1.81 cents per Unit to eligible Unitholders for the period from 1 July to 24 September 2019 in connection with the private placement launched on 16 September 2019.

Keppel DC REIT declares distributions on a half-yearly basis. The next distribution will be for the period from 25 September to 31 December 2019. Semi-annual distributions will resume thereafter.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any distribution declared for the corresponding period of the immediately preceding financial year?

No.

(c) Book Closure Date

The Transfer Books and Register of Unitholders of Keppel DC REIT for the 11th Distribution will be closed at 5.00 p.m. on **24 September 2019** for the purposes of determining each Unitholder's entitlement to the REIT's distribution.

(d) Date payable

The date the distribution is payable: **27 November 2019**

12 DISTRIBUTION STATEMENT

If no distribution has been declared / recommended, a statement to that effect.

Other than as disclosed in Paragraph 11(a), no distribution has been declared / recommended.

13 INTERESTED PERSON TRANSACTIONS

Name of Interested Persons	Aggregate value of all interested person transaction during the financial period under review (excluding transactions less than \$100,000)	
	9M 2019 \$'000	9M 2018 \$'000
Keppel Corporation Limited and its subsidiaries		
- Manager's acquisition fees	86	4,308
- Manager's management fees	11,599	10,207
- Fixed rental income in relation to 99% interest of KDC SGP 5	62,667 ¹	2,970
- Variable rental income	56,054	45,589
- Facility management and property management fees	2,265	1,842
- Support services fees	429	426
Perpetual (Asia) Limited		
- Trustee fees	229	162

¹ Pursuant to Unitholders' approval obtained at the Annual General Meeting held on 16 April 2019, the lease agreement and the facility management agreement between Keppel DC Singapore 5 and Keppel DCS3 Services Pte. Ltd. were executed on 12 June 2019.

Keppel DC REIT has not obtained a general mandate from Unitholders for Interested Person Transactions for the financial period under review.

14 CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS UNDER RULE 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

The past performance of Keppel DC REIT is not necessarily indicative of its future performance. Certain statements made in this announcement may not be based on historical information or facts and may be “forward-looking” statements due to 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 from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes, and the continued availability of financing in the amounts and terms necessary to support future business.

Prospective investors and unitholders of Keppel DC REIT (Unitholders) are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Keppel DC REIT Management Pte. Ltd., as manager of Keppel DC REIT (the Manager) on future events. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained in this announcement. None of the Manager, the trustee of Keppel DC REIT or any of their respective advisors, representatives or agents shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection with this announcement. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially. The value of units in Keppel DC REIT (Units) and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

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 Singapore Exchange Securities Trading Limited (SGX-ST). Listing of the Units on SGX-ST does not guarantee a liquid market for the Units.

By Order of the Board
Keppel DC REIT Management Pte. Ltd.
(Company Registration Number: 199508930C)
As Manager of Keppel DC REIT

Kelvin Chua / Winnie Mak
Company Secretaries
15 October 2019

CONFIRMATION BY THE BOARD
Pursuant to Rule 705(5) of the Listing Manual

We, Christina Tan Hua Mui and Lee Chiang Huat, being two Directors of Keppel DC REIT Management Pte. Ltd. (the Company), as manager of Keppel DC REIT, do hereby confirm on behalf of the Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements of Keppel DC REIT for the financial period from 1 January 2019 to 30 September 2019 to be false or misleading in any material respects.

On behalf of the Board,



Christina Tan Hua Mui
Chairman

15 October 2019



Lee Chiang Huat
Director

Keppel DC REIT

Third Quarter & Nine Months 2019 Financial Results

15 October 2019



Outline

- Key Highlights
- Financial Performance
- Capital Management
- Portfolio Update
- Outlook

Important Notice: The past performance of Keppel DC REIT is not necessarily indicative of its future performance. Certain statements made in this presentation may not be based on historical information or facts and may be “forward-looking” statements due to 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 from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes, and the continued availability of financing in the amounts and terms necessary to support future business.

Prospective investors and unitholders of Keppel DC REIT (“Unitholders”) are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Keppel DC REIT Management Pte. Ltd., as manager of Keppel DC REIT (the “Manager”) on future events. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained in this presentation. None of the Manager, the trustee of Keppel DC REIT or any of their respective advisors, representatives or agents shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially. The value of units in Keppel DC REIT (“Units”) and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

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 Singapore Exchange Securities Trading Limited (“SGX-ST”). Listing of the Units on SGX-ST does not guarantee a liquid market for the Units.

Key Highlights



- **Steady y-o-y growth in distributable income and DPU**, increasing 16.9% to \$81.8m and 5.7% to 5.78 cents respectively in 9M 2019



- **Announced DPU-accretive acquisitions** of two Singapore data centres that will increase AUM by 30.2% to approximately \$2.6 billion



- **Inclusion in FTSE EPRA Nareit Global Developed Index**

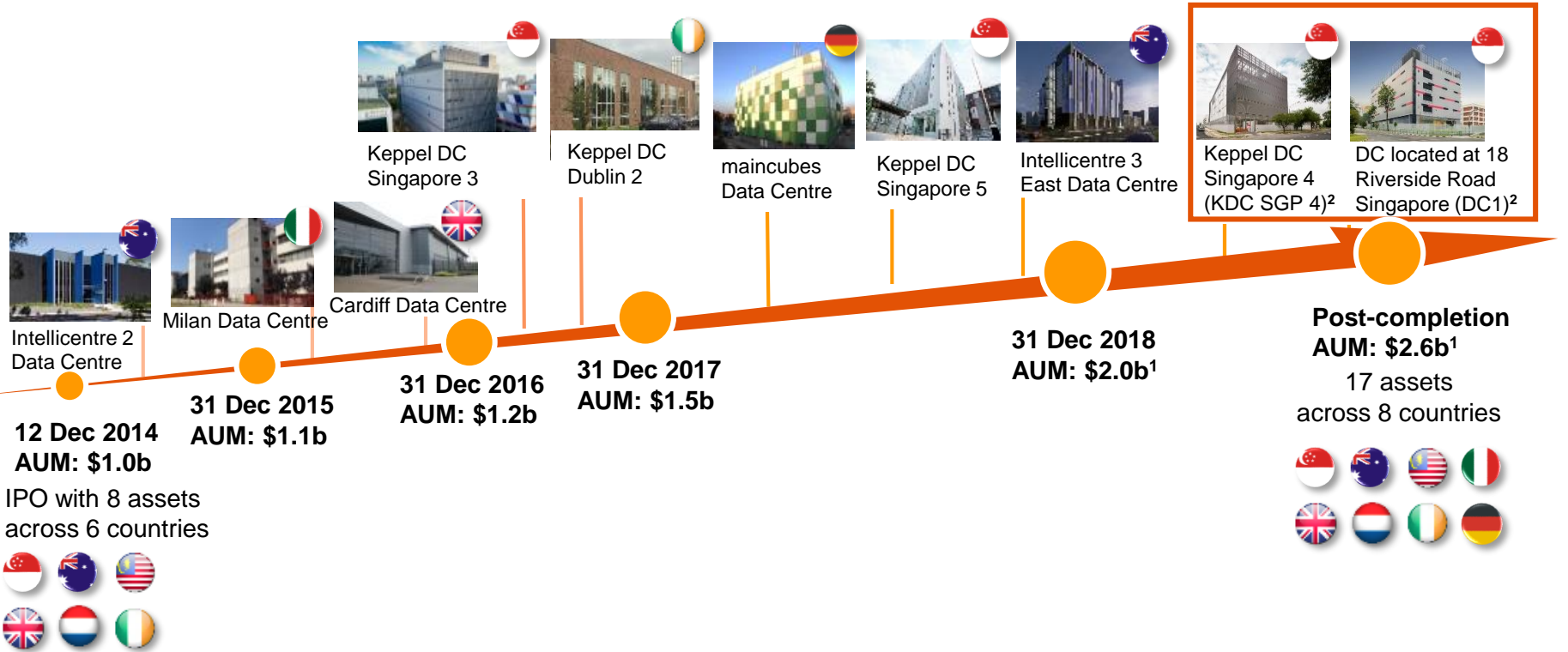


- **Stable income stream** with healthy portfolio occupancy of 93.6% and long WALE of 7.7 years



- **Low aggregate leverage** of 28.9% as at 30 Sep 2019 provides comfortable debt headroom to pursue growth

Portfolio Growth since Listing



¹ Exclude Intellicentre 3 East Data Centre which is expected to be completed in 2020.

² Proposed acquisitions expected to be completed in 4Q 2019, subject to Unitholders' approval at an extraordinary general meeting to be held on 23 Oct 2019.

Strengthening Foothold in Singapore



Grow portfolio AUM by 30.2% to approx. \$2.6b



✓ DPU-accretive



✓ Greater income resilience with enlarged portfolio



✓ Stronger platform and better access to debt and equity markets for growth



99% Interest in KDC SGP 4

- Five-storey carrier-neutral and purpose-built colocation facility completed in 2017
- Occupancy rate of 92.0% with IT power fully-committed
- Two-year rental support of approx. \$8.7m
- Agreed value of \$384.9m is below Cushman & Wakefield's and Savills' valuations of approx. \$385.1m (including rental support)
- Expected completion: 4Q 2019¹



100% Interest in DC1

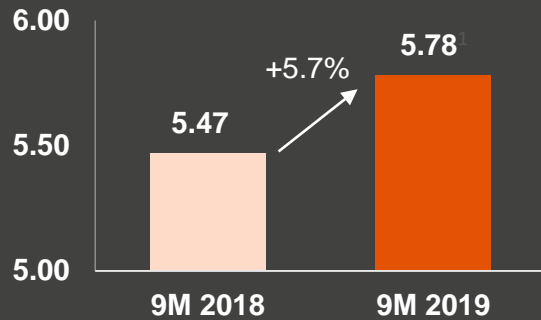
- Five-storey purpose-built facility completed in 2016
- Triple-net master lease – No capital and operating expense obligations
- Agreed value of \$200.2m is below Knight Frank's valuation of \$200.5m and Edmund Tie's \$201.5m
- Expected completion: 4Q 2019¹

¹ Proposed acquisitions expected to be completed in 4Q 2019, subject to Unitholders' approval at an extraordinary general meeting to be held on 23 Oct 2019.

Financial Performance

Distributable Income

Distribution Per Unit (cents)



Advanced Distribution

for the period from 1 July to 24 September 2019

DPU
 a) Taxable Income: 1.24 cents
 b) Tax-exempt Income: 0.57 cents

Book Closure Date 24 Sep 2019

Payment Date 27 Nov 2019

(\$'000)	3Q 2019	3Q 2018	+ /(-) %	9M 2019	9M 2018	+ /(-) %
Distributable Income to Unitholders	27,427	26,024	5.4	81,780	69,970	16.9
Comprising						
Gross Revenue	46,354	47,557	(2.5)	141,846	127,492	11.3
Property Expenses	(4,085)	(4,514)	(9.5)	(13,088)	(12,286)	6.5
Net Property Income	42,269	43,043	(1.8)	128,758	115,206	11.8
Distribution per Unit^{1,2} (DPU) (cents)	1.93	1.85	4.3	5.78	5.47	5.7
Distribution Yield^{2,3} (%)				4.03	3.82	21 bps

1. Exclude Capex Reserves set aside for Keppel DC Singapore 3 and Keppel DC Singapore 5.
2. Manager has declared an advanced distribution of 1.81 cents per Unit to eligible Unitholders for the period from 1 July to 24 September 2019 in connection with the private placement launched on 16 September 2019. Keppel DC REIT declares distributions on a half-yearly basis. The next distribution will be for the period from 25 September to 31 December 2019. Semi-annual distributions will resume thereafter.
3. Annualised distribution yields were computed based on 3Q 2019 closing price of \$1.910.

Balance Sheet Highlights

(\$'000)	As at 30 Sep 2019	As at 31 Dec 2018	+/(-) %
Investment Properties	2,025,693	2,028,672	(0.1)
Total Assets	2,470,882	2,259,144	+9.4
Gross Borrowings ¹	695,754	673,952	+3.2
Total Liabilities	823,011	783,150	+5.1
Unitholders' Funds	1,616,400	1,444,839	+11.9
Units in Issue ('000)	1,487,282	1,351,578	+10.0
Net Asset Value (NAV) per Unit (\$)	1.09	1.07	+1.9
Unit Price (Closing price of last trading day) (\$)	1.910	1.350	+41.5
Premium to NAV (%)	+75.2	+26.2	+49 pp

1. Gross borrowings relates to borrowings drawn down from loan facilities and the medium term note programme.

Aggregate Leverage

(\$'000)	As at 30 Sep 2019	As at 31 Dec 2018	+/(-) %
Investment Properties¹ <i>(excluding lease liabilities commitments)</i>	1,993,244	1,995,206	(0.1)
Deposited Properties¹ <i>(excluding lease liabilities commitments)</i>	2,406,214	2,187,396	+10.0
Gross Borrowings + Deferred Payment	695,754	673,952	+3.2
Aggregate Leverage²	28.9%	30.8%	(190bps)

1. Investment properties relates to carrying value and deposited properties relates to total assets as stipulated in the Property Fund Appendix in CIS Code, without considering lease liabilities pertaining to land rent commitments.
2. Aggregate Leverage was computed based on gross borrowings as a percentage of the deposited properties (Note 1). Taking into consideration lease liabilities pertaining to land rent commitments, the Aggregate Leverage will be 29.9% (2018: 31.9%).

Capital Management

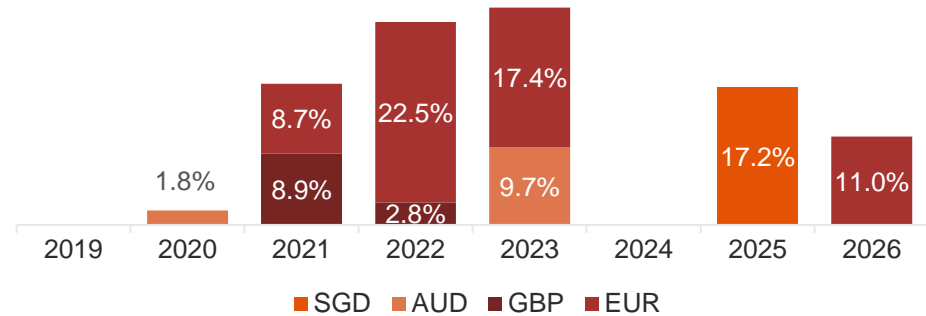
- **Refinanced Singapore dollar-denominated loan due end-2019 by 6 years to 2025**
- **Lower aggregate leverage provides healthy debt headroom for growth:**
Raised \$478.2m in gross proceeds through private placement and preferential offering of approx. 277.0m new Units
- **Diversifying sources of funding:**
Issued €50m 7-year floating rate notes due 2026

1. Computed based on gross borrowings as a percentage of deposited properties, both of which do not consider the lease liabilities pertaining to land rent commitments for isek Data Centre and Keppel DC Dublin 1.
2. Including amortisation of upfront debt financing costs and excluding lease charges.
3. Calculated as EBIT / Finance costs. EBIT is NPI less Manager's base and performance fees, Trustee's fee and Other trust expenses. Finance costs pertain to interest expense based on total debt drawn and debt amortisation costs.

Prudent Capital Management

Debt Maturity Profile

As at 30 Sep 2019



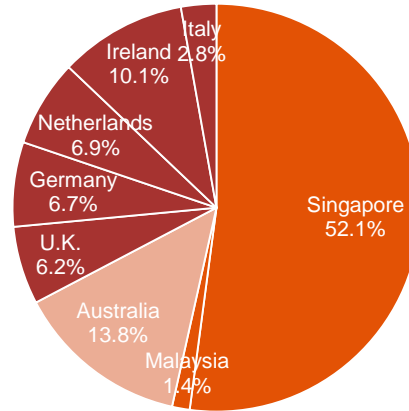
As at 30 Sep 2019

Total debt	~\$695.8m of external loans/notes (unencumbered)
Available facilities	~\$216.6m of undrawn credit facilities
Aggregate Leverage¹	28.9%
Average cost of debt²	1.7% per annum
Debt tenor	3.8 years
Interest coverage³	12.7 times

Prudent Capital Management

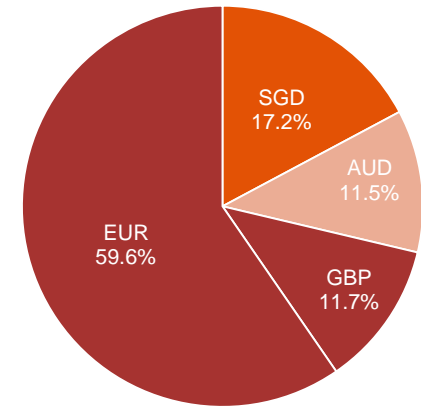
- **Managing interest rate exposure:**
80% of loans hedged with floating-to-fixed interest rate swaps
- **Mitigating impact of currency fluctuations:**
 - Hedged forecasted foreign-sourced distributions till 1H 2021 through foreign currency forward contracts
 - Adopted natural hedging by borrowing in currencies that match the corresponding investments

Investment properties breakdown¹
(as at 30 Sep 2019)



Total carrying value:
Approx. \$2.00b

Debt currency breakdown
(as at 30 Sep 2019)



Total borrowings:
Approx. \$695.8m

■ Asia ■ Australia ■ Europe

1. Based on 100% carrying value as at 30 Sep 2019 without taking into consideration the lease liabilities pertaining to the land rent commitments for isseek Data Centre and Keppel DC Dublin 1.

Portfolio Update

Portfolio Update

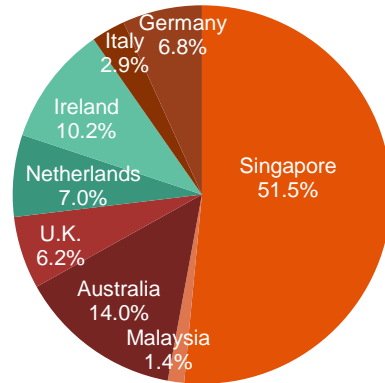
- **Keppel DC Singapore 3**
 - Retrofitting works for client's expansion completed in July 2019
- **Keppel DC Dublin 2:**
 - Completed fit-out works for client's expansion in July 2019: Occupancy rate increased to 100%
- **Keppel DC Dublin 1**
 - Asset enhancement works to improve energy efficiency on track for completion in 2020

Diversified and Resilient Portfolio

- **66.9% of portfolio in Asia Pacific and 33.1% in Europe**

Portfolio AUM breakdown

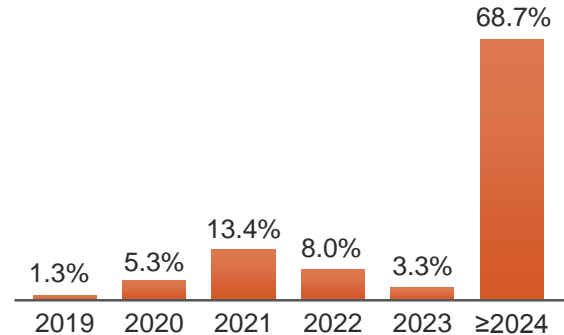
As at 30 Sep 2019



- **Healthy portfolio occupancy of 93.6% and long WALE of 7.7 years**

Lease expiry profile (by leased area)

As at 30 Sep 2019



Diversified and Resilient Portfolio

- **Quality data centres that cater to the requirements of global clientele**

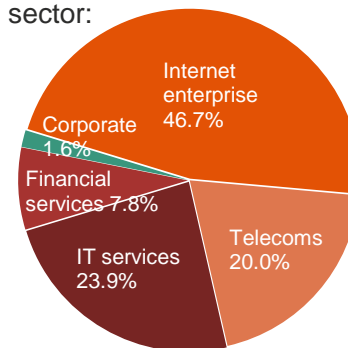
- Colocation facilities provide diverse client profile and lease expiry
- Fully-fitted and shell & core facilities provide income stability with typically longer lease terms

Lease Type	Client Count	WALE ² (years)	Ownership of Data Centre Components		
			M&E Equipment	Facility Management	Servers & Racks
Colocation	Multi	3.1	✓	✓	-
Fully-fitted	Single	10.4	✓	-	-
Shell & core	Single	10.4	-	-	-

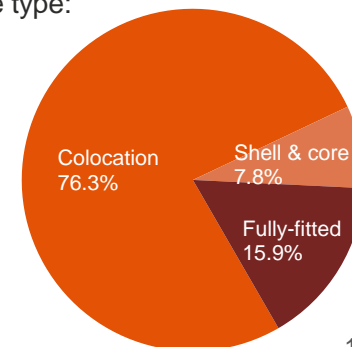
1. Based on the colocation agreements and lease agreements with clients of the properties, treating the Keppel leases on a pass-through basis to the underlying clients.
2. By leased area as at 30 Sep 2019, and does not include KDC SGP 4 and DC1.

Rental income breakdown for the month of Sep 2019¹

By trade sector:



By lease type:



Outlook



Supported by Sound Industry Fundamentals



Cloud provider spending on colocation and data center leasing grew by 17% in 1H 2019¹



Mobile data traffic expected to increase by up to 3.5 times from 2018 to 2021³



Global cloud infrastructure market expected to grow by 25% CAGR in 2019-2023¹



Worldwide IoT spending to grow at 13.6% CAGR between 2017 and 2024⁴



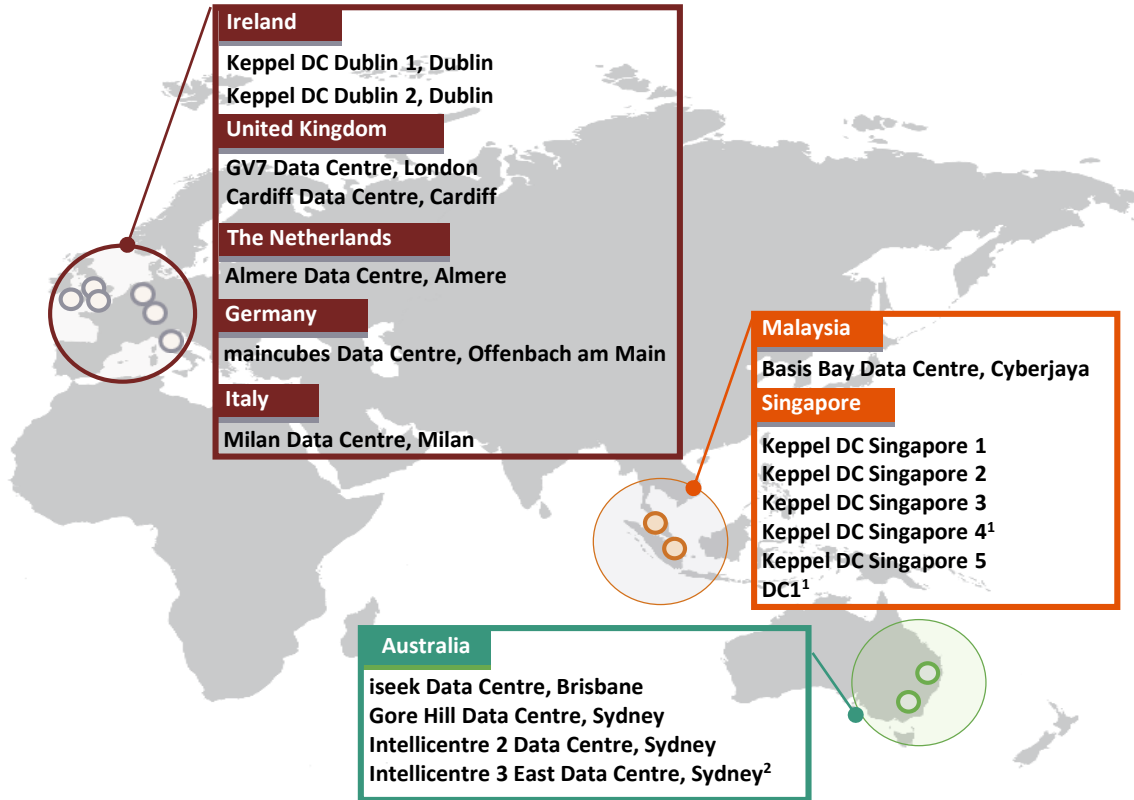
5G connection to generate 2.6 times more traffic than the average 4G connection, and take up 12% of total mobile traffic by 2022²



Virtual reality market expected to grow at 33% CAGR between 2018 and 2024⁵

- Data centre market supported by ongoing digitalisation and cloud deployment
- Improved connectivity as well as the development and adoption of new technologies will continue to drive the growth of data creation and fuel demand for data storage requirements in key data centre hubs globally

Positioned for Growth



The Manager will continue to strengthen Keppel DC REIT's presence and position it to capitalise growth opportunities in the data centre industry



Committed to Deliver Value

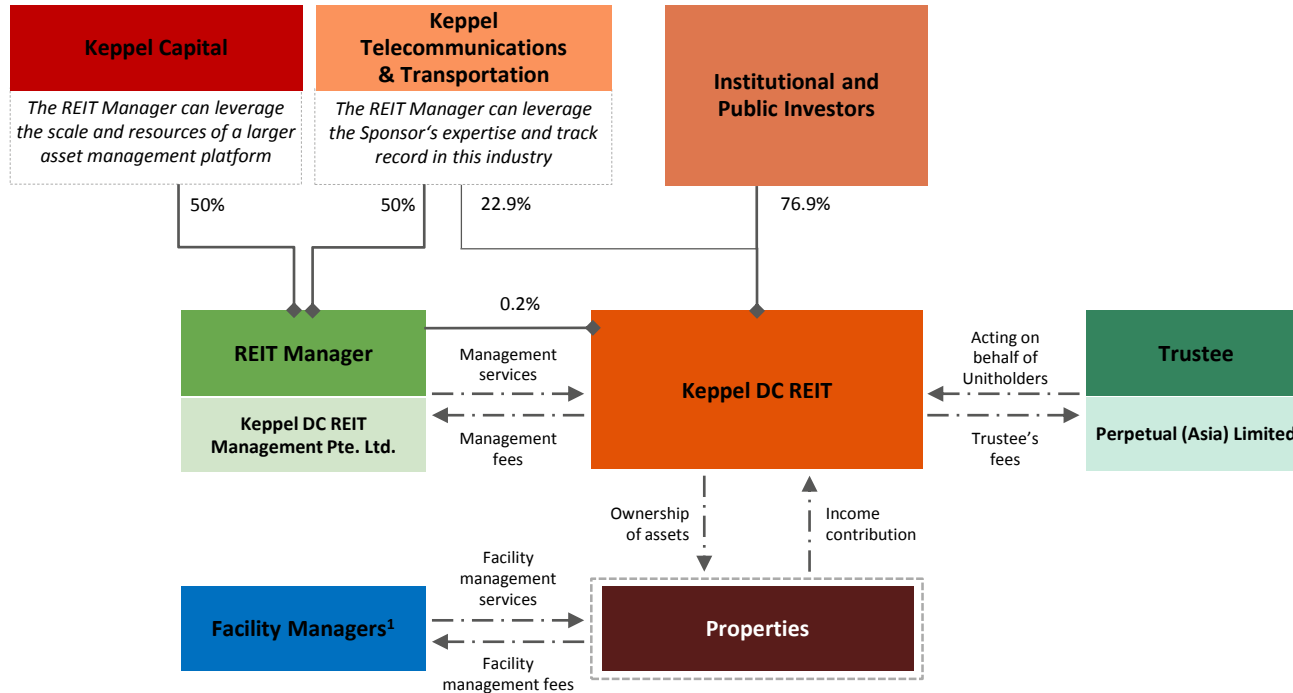
- **Vision:** To be the preferred data centre real estate investment trust, serving as a trusted partner to our stakeholders.
- **Mission:** Guided by the Keppel Group's operating principles and core values, we will create value for our investors by growing a quality portfolio of data centre assets that generates sustainable returns.



Additional Information

Keppel DC REIT Structure

as at 15 Oct 2019



Portfolio Overview (as at 30 Sep 2019)

	Location	Interest	Attributable lettable area (sq ft)	No. of clients ¹	Occupancy rate (%)	Valuation ² (\$m)	Lease type	WALE (years)	Land lease title
Asia Pacific									
Keppel DC Singapore 1	Singapore	100%	109,721	18	87.2	287.0	Keppel lease / Colocation	4.0	Leasehold (Expiring 30 Sep 2025, with option to extend by 30 years)
Keppel DC Singapore 2	Singapore	100%	38,480	4	100.0	169.0	Keppel lease / Colocation	1.8	Leasehold (Expiring 31 Jul 2021, with option to extend by 30 years)
Keppel DC Singapore 3	Singapore	90%	49,433	2	100.0	231.3	Keppel lease / Colocation	2.7	Leasehold (Expiring 31 Jan 2022, with option to extend by 30 years)
Keppel DC Singapore 4 (Proposed acquisition)	Singapore	99%	83,698	5	92.0	Cushman & Wakefield: 385.1 ⁴ Savills: 385.1 ⁴	Keppel lease / Colocation	2.8	Leasehold (Expiring 30 June 2020, with option to extend by 30 years)
Keppel DC Singapore 5	Singapore	99%	97,781	3	84.2	316.8	Keppel lease / Colocation	2.1	Leasehold (Expiring 31 Aug 2041)
DC1 (Proposed acquisition)	Singapore	100%	213,815	1	100	Knight Frank: 200.5 Edmund Tie: 201.5	Triple-net (Fully-fitted/ Shell & core)	16.5	Leasehold (Expiring 31 Jul 2044)
Basis Bay Data Centre	Cyberjaya, Malaysia	99%	48,193	1	63.1	27.8	Colocation	2.7	Freehold
Gore Hill Data Centre	Sydney, Australia	100%	90,955	3	100.0	192.3	Triple-net (Shell & core) / Colocation	5.6	Freehold
iseek Data Centre	Brisbane, Australia	100%	12,389	1	100.0	32.2	Double-net ³ (Fully-fitted)	6.7	Leasehold (Expiring 29 Sep 2040, with option to extend by 7 years)

Portfolio Overview (as at 30 Sep 2019)

	Location	Interest	Attributable lettable area (sq ft)	No. of clients ¹	Occupancy rate (%)	Valuation ² (\$m)	Lease type	WALE (years)	Land lease title
Intellicentre 2 Data Centre	Sydney, Australia	100%	87,930	1	100.0	49.9	Triple-net (Shell & core)	15.9	Freehold
Intellicentre 3 East Data Centre ⁵	Sydney, Australia	100%	Min. 86,000	1	100.0 ³	A\$26.0-A\$36.0m (development costs)	Triple-net (Shell & core)	20.0 ³	Freehold
Europe									
Cardiff Data Centre	Cardiff, United Kingdom	100%	79,439	1	100.0	63.2	Triple-net (Shell & core)	11.7	Freehold
GV7 Data Centre	London, United Kingdom	100%	24,972	1	100.0	61.4	Triple-net (Fully-fitted)	7.4	Leasehold (Expiring 28 Sep 2183)
Almere Data Centre	Almere, Netherlands	100%	118,403	1 ⁶	100.0	137.1	Double-net (Fully-fitted)	8.9	Freehold
Keppel DC Dublin 1	Dublin, Ireland	100%	68,118	22	65.7	75.7	Colocation	2.1	Leasehold ⁷ (Expiring 11 Apr 2041)
Keppel DC Dublin 2	Dublin, Ireland	100%	25,652	4	100.0	103.4	Colocation	8.8	Leasehold (Expiring 31 Dec 2997)
Milan Data Centre	Milan, Italy	100%	165,389	1	100.0	56.5	Double-net (Shell & core)	8.3	Freehold
maincubes Data Centre	Offenbach am Main, Germany	100%	97,043	1	100.0	133.7	Triple-net (Fully-fitted)	13.5	Freehold

1. Certain clients have signed more than one colocation arrangement using multiple entities.

2. Based on respective independent valuations and respective ownership interests as at 31 Dec 2018, unless otherwise stated.

3. Keppel DC REIT has in place the iseek Lease with the client of iseek Data Centre. While the iseek Lease is called a colocation arrangement, the terms are structured as effectively equivalent to a double-net lease.

4. Based on 99% interest and include rental support.

5. This development is expected to be completed in 2020 and is excluded from the portfolio's asset under management; Facility will be fully leased to Macquarie Telecom upon completion.

6. Keppel DC REIT, through its wholly-owned subsidiary has entered into the Ground Lease with Borchveste. With the Ground Lease in place, the lease with the underlying client becomes conceptually similar to a sub-lease, with Borchveste being (i) the leasehold client of KDCR Almere B.V. and (ii) the lessor to the underlying client.

7. On 14 Mar 2018, Keppel DC REIT entered into a contract to acquire the remainder of the 999-year (from 1 Jan 2000) leasehold land interest in Keppel DC Dublin 1. Legal completion of the acquisition is expected in 1H 2020.

Overview of Lease Arrangements

Asia Pacific	Lease Arrangement	Description	Responsibilities of Owner			
			Property Tax	Building Insurance	Maintenance Opex	Refresh Capex
Keppel DC Singapore 1	Keppel lease ¹ / Colocation ⁴	<ul style="list-style-type: none"> Client: Pays rent Owner: Bears all expenses; responsible for facilities management 	✓	✓	✓	✓
Keppel DC Singapore 2	Keppel lease ¹ / Colocation ⁴	<ul style="list-style-type: none"> Client: Pays rent Owner: Bears all expenses; responsible for facilities management 	✓	✓	✓	✓
Keppel DC Singapore 3	Keppel lease ² / Colocation ⁴	<ul style="list-style-type: none"> Client: Pays rent Owner: Bears all expenses; responsible for facilities management 	✓	✓	✓	✓
Keppel DC Singapore 4 (Proposed acquisition)	Keppel lease ³ / Colocation ⁴	<ul style="list-style-type: none"> Client: Pays rent Owner: Bears all expenses; responsible for facilities management 	✓	✓	✓	✓
Keppel DC Singapore 5	Keppel lease ² / Colocation ⁴	<ul style="list-style-type: none"> Client: Pays rent Owner: Bears all expenses; responsible for facilities management 	✓	✓	✓	✓
DC1 (Proposed acquisition)	Triple-net lease	<ul style="list-style-type: none"> Client: Pays rent and all outgoings except insurance for the shell of the building, responsible for facilities management 	-	-	-	-
Basis Bay Data Centre	Colocation ⁴	<ul style="list-style-type: none"> Client: Pays rent; responsible for facilities management Owner: Bears pre-agreed facilities management amount, insurance and property tax 	✓	✓	✓	✓
Gore Hill Data Centre (for one client)	Triple-net lease	<ul style="list-style-type: none"> Client: Pays rent and all outgoings; responsible for facilities management in their space 	-	-	-	-
Gore Hill Data Centre (for two clients)	Colocation ⁴	<ul style="list-style-type: none"> Client: Pays rent Owner: Bears all expenses; responsible for facilities management 	✓	✓	✓	✓
Intellicentre 2 Data Centre	Triple-net lease	<ul style="list-style-type: none"> Client: Pays rent and all outgoings; responsible for facilities management 	-	-	-	-
iseek Data Centre	Double-net lease ⁵	<ul style="list-style-type: none"> Client: Pays rent and all outgoings except building insurance; responsible for facilities management 	-	✓	-	✓
Intellicentre 3 East Data Centre ⁶ (under development)	Triple-net lease	<ul style="list-style-type: none"> Client: Pays rent and all outgoings; responsible for facilities management 	-	-	-	-

Overview of Lease Arrangements

Europe	Lease Arrangement	Description	Responsibilities of Owner			
			Property Tax	Building Insurance	Maintenance Opex	Refresh Capex
Cardiff Data Centre	Triple-net lease	■ Client: Pays rent and all outgoings; responsible for facilities management	-	-	-	-
GV7 Data Centre	Triple-net lease	■ Client: Pays rent and all outgoings; responsible for facilities management	-	-	-	-
Almere Data Centre	Double-net lease	■ Client: Pays rent and all outgoings except building insurance and property tax; responsible for facilities management	✓	✓	-	-
Keppel DC Dublin 1	Colocation ^{4,7}	■ Client: Pays rent ■ Owner: Bears all expenses; responsible for facilities management	✓	✓	✓	✓
Keppel DC Dublin 2	Colocation ^{4,7}	■ Client: Pays rent ■ Owner: Bears all expenses; responsible for facilities management	✓	✓	✓	✓
Milan Data Centre	Double-net lease	■ Client: Pays rent and all outgoings except building insurance and property tax; responsible for facilities management	✓	✓	-	-
maincubes Data Centre	Triple-net lease	■ Client: Pays rent and all outgoings; responsible for facilities management	-	-	-	-

- Refers to the leases entered into by Keppel DC REIT with the Keppel lessees (Keppel DC Singapore 1 Ltd and Keppel DC Singapore 2 Pte Ltd) in relation to Keppel DC Singapore 1 and Keppel DC Singapore 2 respectively. Due to the pass-through nature of the Keppel leases, Keppel DC REIT will substantially enjoy the benefits and assume the liabilities of the underlying colocation arrangements between Keppel lessees and the underlying clients.
- Refers to the leases entered into by Keppel DC Singapore 3 LLP and Keppel DC Singapore 5 LLP with the Keppel lessee (Keppel DCS3 Services Pte Ltd) in relation to Keppel DC Singapore 3 and Keppel DC Singapore 5 respectively.
- In connection with the proposed acquisition, the KDC SGP 4 Target Entity will also enter into the Keppel Lease Agreement with the Keppel lessee (Keppel DC Singapore 2 Pte Ltd). Due to the pass-through nature of the Keppel lease, Keppel DC REIT will substantially enjoy the benefits and assume the liabilities of the underlying colocation arrangement between Keppel lessee and the underlying client.
- Colocation arrangements are typically entered into by end-clients who utilise colocation space for the installation of their servers and other mission critical IT equipment. Keppel DC REIT is usually responsible for facilities management in respect of such colocation arrangements, except in the case of Basis Bay Data Centre where the client is responsible for facilities management.
- Keppel DC REIT has in place the isek Lease with the client of isek Data Centre. While the isek Lease is called a colocation arrangement, the terms thereof are structured as effectively equivalent to a double-net lease.
- This development is expected to be completed in 2020 and is excluded from the portfolio's assets under management; Facility will be leased to Macquarie Telecom upon completion.
- Keppel DC REIT has in place colocation arrangements with the clients of Keppel DC Dublin 1 and Keppel DC Dublin 2.

Thank You