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MEDIA RELEASE

IPO OF KEPPEL-KBS US REIT REGISTERS STRONG DEMAND

A Distinctive Office REIT with Investment Properties in Key US Growth Markets

- ***Largest Property Trust IPO on the SGX year-to-date with approximately US\$448.0 million¹ raised***
- ***Public Offer of 34,090,600 Units approximately 6.7 times subscribed, valid applications amount to approximately US\$200.4 million***
- ***Trading commences on the Main Board of the SGX-ST at 2.00 pm on Thursday, 9 November 2017***

Singapore, 8 November 2017 – Keppel-KBS US REIT Management Pte. Ltd., as manager of Keppel-KBS US REIT (the “**Manager**”), is pleased to announce that its Initial Public Offering (“**IPO**”) of 262,772,400 Units (the “**Offering**”), subject to an Over-Allotment Option, at the Offering Price of US\$0.88 per Unit, has attracted positive demand from both institutional and retail investors.

DBS Bank Ltd. is the Sole Financial Adviser and Issue Manager for the IPO. DBS Bank Ltd., Citigroup Global Markets Singapore Pte. Ltd., Credit Suisse (Singapore) Limited and Merrill Lynch (Singapore) Pte. Ltd. are the Joint Bookrunners and Underwriters for the IPO.

¹ Refers to proceeds raised from the Offering and Cornerstone Units, excluding the Relevant Entities Units (each as defined in the Prospectus) and before the exercise of the over-allotment option.

The Offering consists of an international placement of 228,681,800 Units to investors outside of the US (the “**Placement Tranche**”), and an offering of 34,090,600 Units to the public in Singapore (the “**Public Offer**”). The Placement Tranche, which was oversubscribed, drew positive demand from institutional investors.

At the close of the Public Offer at 12 noon on Tuesday, 7 November 2017, 9,064 valid applications for an aggregate of 227,764,700 Units amounting to approximately US\$200.4 million were received, resulting in the Public Offer being approximately 6.7 times subscribed.

Combined with the Relevant Entities Units of 119,427,199 Units and Cornerstone Units of 246,365,400 Units, a total of 628,564,999 Units were issued to raise gross proceeds of approximately US\$553.1 million.

Commenting on the robust investor demand, Mr David Snyder, CEO and CIO of the Manager, said, “The positive demand from both institutional and retail investors is a reflection of their confidence in Keppel-KBS US REIT’s high quality portfolio and unique investment proposition that is backed by strong visible growth opportunities, both organically and through future acquisitions.

“The successful listing is the start of an exciting growth journey for Keppel-KBS US REIT. We will continue to leverage the strength of both Sponsors, while executing our sound growth strategy, as well as exercising active portfolio and capital management initiatives to provide stable and growing distributions to Unitholders.”

Keppel-KBS US REIT is backed by two reputable Sponsors² – Keppel Capital Holdings Pte. Ltd. and KBS Pacific Advisors Pte. Ltd.³. Through the association with the Sponsors, the Manager is able to harness synergies and draw competencies from two best-in-class management platforms.

² Please refer to page 5 for information on the Sponsors.

³ The co-founding partners of KBS Capital Advisors (“**KBS**”) include Peter McMillan III and Keith D. Hall, who are partners of KBS Pacific Advisors Pte. Ltd. (“**KPA**”) and together indirectly hold a one-third stake of KBS. As KPA is a co-sponsor of Keppel-KBS US REIT, the Manager is able to leverage KPA’s affiliation with KBS.

The REIT has a distinctive portfolio of 11 quality investment assets strategically located in key US growth markets that are poised to see rising rental growth. This is underscored by strong and sustainable economic growth in these markets that is expected to continue to outpace the national average.

With a combined aggregate net lettable area of approximately 3.2 million sq ft, these properties are located in key growth markets in the West Coast (Seattle and Sacramento), Central Region (Denver, Austin and Houston) and East Coast (Atlanta and Orlando).

Based on the Offering Price of US\$0.88 per Unit, Keppel-KBS US REIT offers an attractive distribution yield⁴ of 6.8% in Forecast Year 2018 and expected distribution yield growth of 5.8%⁵ in Projection Year 2019, translating to a total return of 12.6%⁶. This is driven by built-in rental escalations, positive rental reversion, as well as potential growth in portfolio occupancy through a proactive leasing strategy.

Trading of Keppel-KBS US REIT is expected to commence on the SGX-ST at 2.00 pm, 9 November 2017. Details on allotments and/or allocations will be published in The Business Times and SGXNET prior to the listing of the Units on the Main Board of the SGX-ST. The announcement will also be posted on the website of the SGX-ST at <http://www.sgx.com>.

- End -

APPENDIX A – LIST OF CHINESE TERMS AND NAMES

Keppel-KBS US REIT	吉宝-KBS 美国房地产信托
Keppel-KBS US REIT Management Pte. Ltd.	吉宝-KBS 美国房地产信托管理私人有限公司
Keppel Capital Holdings Pte. Ltd.	吉宝资本控股私人有限公司
Mr David Snyder	大卫·时耐德

⁴ Based on the Offering Price of US\$0.88 per Unit and the forecast and projected distribution per Unit for Forecast Year 2018 and Projection Year 2019, together with the accompanying assumptions in the Prospectus. Such yields and yield growth will vary accordingly for investors who purchase Units in the secondary market at a market price different from the Offering Price.

⁵ Calculated as the growth in distribution yield from Forecast Year 2018 to Projection Year 2019.

⁶ Calculated as the sum of Forecast Year 2018 distribution yield and growth in distribution yield from Forecast Year 2018 to Projection Year 2019. Total return is a measure of investment returns and includes distributions and increase in unit price. For REITs, where distributions are relatively stable over a long term, the annual DPU growth rate is a proxy for the appreciation in unit price, assuming the REIT's trading distribution yield remains unchanged.

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About Keppel-KBS US REIT

Keppel-KBS US REIT is a Singapore real estate investment trust that offers investors the opportunity to gain exposure to the attractive office real estate sector in key growth markets of the United States (“US”). The REIT aims to provide Unitholders with attractive total returns driven by regular and stable distributions.

Its distinctive portfolio consists of 11 high quality commercial real estate properties with a combined aggregate net lettable area of approximately 3.2 million sq ft. These properties are located in key growth markets in the West Coast (Seattle and Sacramento), Central Region (Denver, Austin and Houston) and East Coast (Atlanta and Orlando).

The REIT’s diversified tenant base is led by those in growth and defensive sectors such as technology, finance and insurance, professional services, as well as medical and healthcare. With stable and well-spread lease expiries, the REIT is well-positioned to enjoy stable cash flows in the long-term.

About the Sponsors

Keppel-KBS US REIT is backed by two reputable Sponsors – Keppel Capital Holdings Pte. Ltd. (“**Keppel Capital**”) and KBS Pacific Advisors Pte. Ltd.⁷ (“**KPA**”), both of whom have strong expertise in office real estate and fund management, as well as a proven track record and ability to create value and elevate portfolio performance.

A premier asset manager in Asia, Keppel Capital is the asset management arm of Keppel Corporation Limited. Keppel Capital has approximately S\$28 billion⁸ in assets under management (“**AUM**”) through 11 funds – two SGX-listed REITs, Keppel REIT and Keppel DC REIT; one SGX-listed business trust, Keppel Infrastructure Trust; and eight private funds managed by Alpha Investment Partners Limited.

Incorporated in Singapore, KPA is owned by shareholders who also hold stakes in KBS Capital Advisors LLC (“**KBS**”), one of the US’ premier commercial real estate investment managers that has completed more than US\$33 billion of transaction volume since its inception in 1992. Managing over US\$11.4 billion⁹ in AUM, KBS was ranked the 11th largest US owner of office properties globally¹⁰ with a portfolio of more than 41.8 million sq ft of NLA and presence in more than 30 markets in the US.

⁷ The co-founding partners of KBS Capital Advisors (“**KBS**”) include Peter McMillan III and Keith D. Hall, who are partners of KBS Pacific Advisors Pte. Ltd. (“**KPA**”) and together indirectly hold a one-third stake of KBS. As KPA is a co-sponsor of Keppel-KBS US REIT, the Manager is able to leverage KPA’s affiliation with KBS.

⁸ As at October 2017.

⁹ As at 31 December 2016.

¹⁰ Source: National Real Estate Investor, December 2016. National Real Estate Investor has not provided its consent, for the purposes of Section 249 of the Securities and Futures Act, Chapter 289 of Singapore (“SFA”) (read with Section 302(1) of the SFA), to the inclusion of the ranking information quoted above in this media release and therefore is not liable for such information under Sections 253 and 254 of the SFA (read with Section 302(1) of the SFA). While the Manager has taken reasonable action to ensure that the ranking information from the above published by National Real Estate Investor is reproduced in its proper form and context, and that the information is extracted accurately and fairly, neither the Manager nor any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

IMPORTANT NOTICE

Capitalised words and expressions used in this media release and not otherwise defined shall have the meanings given to them in the prospectus of Keppel-KBS US REIT dated 2 November 2017 (the "**Prospectus**"), which has been registered by the Monetary Authority of Singapore ("**MAS**") on 2 November 2017. Keppel-KBS US REIT is a Singapore REIT established with the investment strategy of principally investing, directly or indirectly, in a diversified portfolio of income-producing commercial assets and real estate-related assets in the key growth markets of the United States.

This media release is for information purposes only and does not constitute or form part of an offer, invitation or solicitation of any offer to purchase or subscribe for any securities of Keppel-KBS US REIT in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever. The information in this media release in respect of Keppel-KBS US REIT is qualified in its entirety by, and is subject to, the more detailed information set out in the Prospectus.

The value of the Units and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by the Manager, Perpetual (Asia) Limited (as trustee of Keppel-KBS US REIT), the Sponsors, the Sole Financial Adviser and Issue Manager, the Joint Bookrunners and Underwriters or any of their respective affiliates.

*The Manager has made an application for the Units to be listed on the SGX-ST. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Holders of Units ("**Unitholders**") have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.*

This media release may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of Keppel-KBS US REIT. The forecast financial performance of Keppel-KBS US REIT is not guaranteed. A potential investor is cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

This media release is not an offer or sale of the Units in the United States. The Units have not been and will not be registered under the Securities Act and may not be offered or sold in the United States absent registration except pursuant to an exemption from, or in a transaction not subject to, the registration requirements under the Securities Act. Any public offering of the Units in the United States would be made by means of a prospectus that would contain detailed information about Keppel-KBS US REIT, the Manager and their management, as well as financial statements. There is no intention to register any portion of the offering in the United States or to conduct a public offering of securities in the United States. The Units are being offered and sold in offshore transactions as defined in and in reliance on Regulation S under the Securities Act.

This announcement is not to be distributed or circulated outside of Singapore. Any failure to comply with this restriction may constitute a violation of United States securities laws or the laws of any other jurisdiction. This media release may be restricted by law in certain jurisdictions. Persons who may come into possession of this media release are advised to consult with their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This media release may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.