

Keppel DC REIT

Investor Meetings in Singapore and Hong Kong

9 - 14 October 2019

Outline

- Introduction
- Proposed Acquisitions of KDC SGP 4 and DC1
- Additional Information

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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.

Introduction



Investment merits

- ✓ Proxy to fast-growing data centre sector
- ✓ Resilient income stream
- ✓ Focused investment strategy
- ✓ Prudent capital management

Highlights for 1H 2019

Steady DPU growth since listing

Stable income stream with portfolio occupancy of 93.2% and long WALE of 7.8 years

Constituent of the FTSE EPRA Nareit Global Developed Index

Low aggregate leverage of 31.9% provides financial flexibility to pursue growth

Limited interest rate exposure with 80% of borrowings hedged over the entire loan term

Forecasted foreign-sourced distributions hedged till 2H 2020 through foreign currency forward contracts

1. Aggregate Leverage was computed based on gross borrowings as a percentage of the deposited properties, both of which do not take into consideration the lease liabilities pertaining to land rent commitments for iseek Data Centre and Keppel DC Dublin 1.

Portfolio Growth since Listing



Intellicentre 2 Data Centre

12 Dec 2014
AUM: $1.0b

IPO with 8 assets across 6 countries





Milan Data Centre

31 Dec 2015
AUM: $1.1b



Cardiff Data Centre

31 Dec 2016
AUM: $1.2b



Keppel DC Singapore 3



Keppel DC Dublin 2

31 Dec 2017
AUM: $1.5b



maincubes Data Centre



Keppel DC Singapore 5



Intellicentre 3 East Data Centre

31 Dec 2018
AUM: $2.0b[1]



Keppel DC Singapore 4 (KDC SGP 4)[2]



DC located at 18 Riverside Road Singapore (DC1)[2]

Post-completion
AUM: $2.6b[1]

17 assets across 8 countries



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.

Proposed Acquisitions of KDC SGP 4 and DC1

Keppel DC REIT

Strengthening Foothold in Singapore

Portfolio AUM to increase by 30.7% to $2.58b with an enlarged base of 17 assets

✓ **DPU- accretive**

✓ **Greater income resilience with enlarged portfolio**

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



99% Interest in Keppel DC Singapore 4 (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. $8.712m
- Agreed value of $384.9m is below Cushman & Wakefield's and Savills' valuations of approx. $385.1m (including rental support)
- Expected completion: 4Q 2019



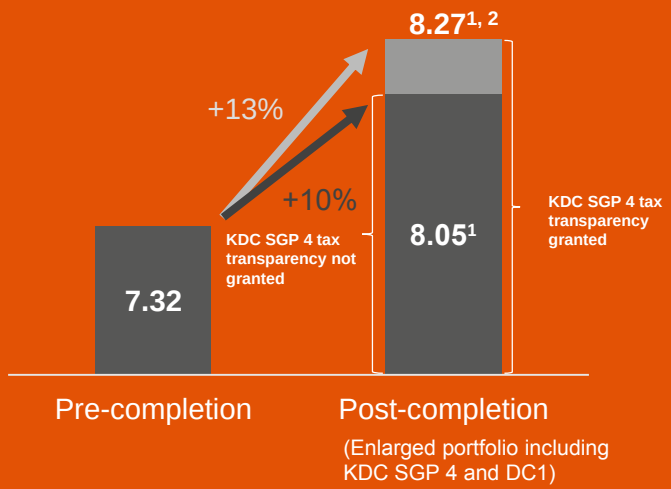
100% Interest in the DC located at 18 Riverside Road Singapore (DC1)

- 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 2019

DPU-accretive Acquisitions

Pro Forma DPU[1] (cents)

Proposed Acquisitions are expected to be DPU-accretive



- **Accretion without KDC SGP 4 tax transparency:** 10%
- **Accretion with KDC SGP 4 tax transparency:** 13%

Effects of the Proposed Acquisitions For pro forma FY 2018		**Actual** FY2018	**With KDC SGP 4**	**With DC1**	**With KDC SGP 4 and DC1**
KDC SGP 4 Tax Transparency not Granted	**DPU (cents)**	7.32	7.63	7.79	8.05
	Accretion (%)	-	4.2%	6.4%	10.0%
KDC SGP 4 Tax Transparency Granted[2]	**DPU (cents)**	7.32	7.88	7.79	8.27
	Accretion (%)	-	7.6%	6.4%	13.0%

[1] Assuming the Proposed Acquisitions are funded via a combination of private placement issuance, preferential offering issuance and external debt and completed on 1 Jan 2018

[2] An application to Inland Revenue Authority of Singapore (IRAS) to seek a ruling that the income from KDC SGP 4 Target Entity would be tax transparent will be submitted.

Improvement in portfolio occupancy and lease profile

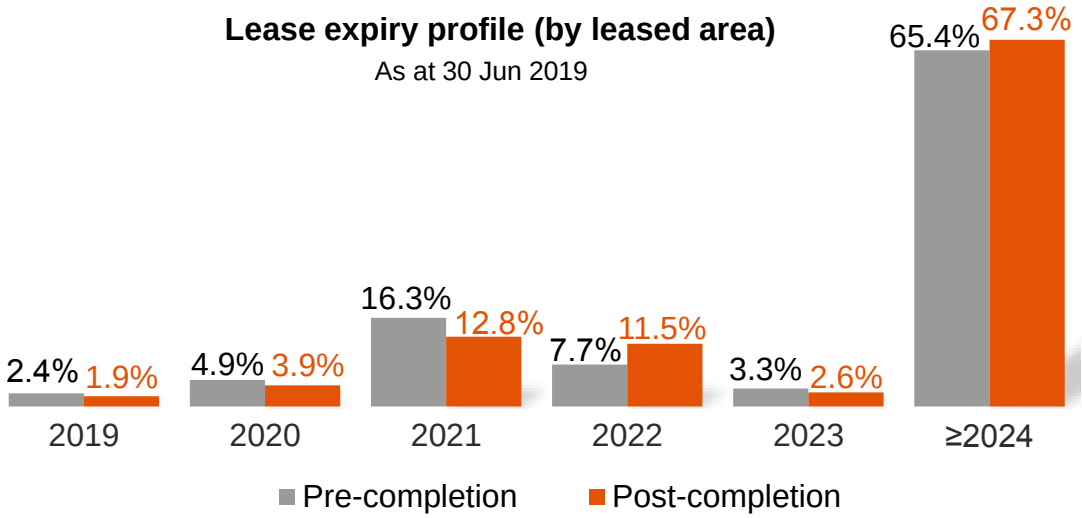
Higher portfolio occupancy and longer WALE

Portfolio Occupancy
from 93.2% to
94.1[1]%

Portfolio WALE
from 7.8 years to
8.9 years[1]
by leased area

[1]Pro forma figures as at 30 Jun 2019

- Well-spread lease expiry with less than 5% of leases up for renewal between 2019 and 2020



Stronger platform for growth

Aggregate Leverage
from 31.9% to

30.3%[1]

post-completion

- Higher debt headroom to pursue further growth opportunities
- Better access to the debt and equity markets with an enlarged and fully unencumbered portfolio

[1] Pro forma figure as at 30 Jun 2019, and include funds raised for capital expenditures

Greater leasing synergies and operational efficiency

KDC SGP 4:

- Proximity to KDC SGP 2 and KDC SGP 3: Strengthens the REIT's presence within Tampines Industrial Park
- Potential to achieve leasing synergies, increase operational efficiency and economies of scale with enlarged portfolio

DC1:

- Provides diversification of location to the Northern part of Singapore, complementing Keppel DC REIT's existing assets in the Central, Eastern and Western regions
- Located just outside the Woodlands Regional Centre: A planned key commercial hub expected to be the largest in Singapore's Northern region

New demand in Singapore is estimated to grow at a CAGR of 9.4% between 2018 and 2022[1]

Large hyperscale cloud providers could potentially take up around 40% of Singapore's colocation space

- **Singapore is one of the world's fast-growing data centre markets**
  - Strong demand from internet enterprises as well as the IT services, telecommunications and financial services sectors
  - Robust connectivity, strong legal and regulatory framework, pro-business environment
- **Market expected to continue to tighten in 2019 with limited supply[1]**

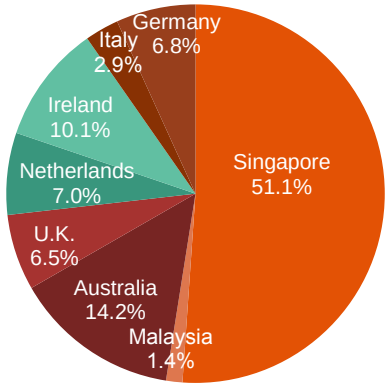
[1] Source: Broadgroup

Strengthens foothold in Singapore

Portfolio AUM in Singapore to increase from 51.1% as of 30 Jun 2019 to 62.7% post-completion

Portfolio AUM breakdown

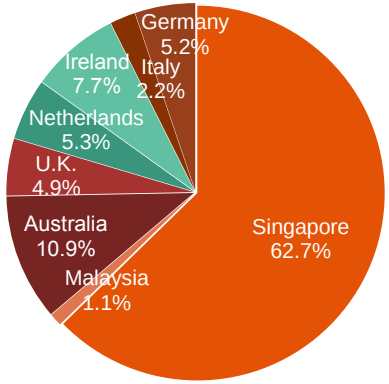
Pre-completion



Portfolio AUM breakdown

Post-completion

(Enlarged portfolio including KDC SGP 4 and DC1)



The proposed acquisitions are subject to, and conditional upon, among others, the approval of the Unitholders of Keppel DC REIT at an extraordinary general meeting.

- **Resolution 1**: The Proposed Acquisition of 99% Interest in Keppel DC Singapore 4 (KDC SGP 4) and the entry into the Keppel Lease Agreement, the Facility Management Agreement and the LLP Agreement

- **Resolution 2**: The Proposed Acquisition of a 100% Interest in the company which holds the data centre located at 18 Riverside Road Singapore (DC1)

Thank You

Additional Information

Key Property Information

The proposed acquisitions are subject to, and conditional upon, among others, the approval of the Unitholders of Keppel DC REIT at an extraordinary general meeting.



99% Interest in Keppel DC Singapore 4 (KDC SGP 4)

Location	20 Tampines Street 92, Singapore 528875
Land tenure	30-year leasehold till 30 June 2020; option to renew for another 30 years
Building description	Five-storey carrier-neutral and purpose-built facility completed in 2017
Net Lettable area	Approx. 84,544 sq ft
Occupancy[1]	▪ Occupancy: 92.0% ▪ IT power fully-committed
WALE[1]	3.0 years
Independent Valuations[2]	▪ Cushman & Wakefield[3]: S$385.1m ▪ Savills[4]: S$385.1m
Agreed Value	S$384.9 million
Vendors	Thorium DC Pte. Ltd., a 70:30 joint venture between Alpha Data Centre Fund and Keppel Data Centres Holding



100% Interest in the DC located at 18 Riverside Road, Singapore (DC1)

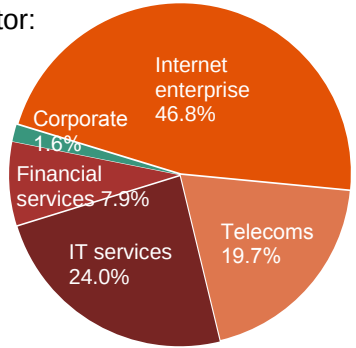
Location	18 Riverside Road, Singapore 739088
Land tenure	70-year 5-month leasehold till 31 July 2044
Building description	Five-storey purpose-built data centre facility completed in 2016
Net Lettable area	Approx. 213,815 sq ft
Occupancy[1]	100% committed on a triple-net master lease with ~17 years remaining; Option to renew for another 7.6 years
WALE[1]	16.8 years
Independent Valuations	▪ Knight Frank[3]: $200.5m ▪ Edmund Tie[4]: $201.5m
Agreed Value	S$200.2 million
Vendors	51% from CityDC Pte. Ltd. (subsidiary of Keppel Infrastructure Trust) and 49% from WDC Development Pte. Ltd (subsidiary of Shimizu Corporation)

[1] As at 30 Jun 2019
[2] Based on 99% interest and includes rental support
[3] Appointed by the Manager
[4] Appointed by the Trustee

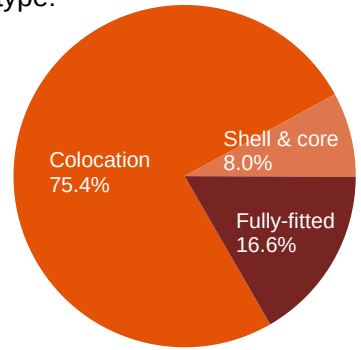
Rental income breakdown for the month of Jun 2019[1]

Existing Portfolio

By trade sector:

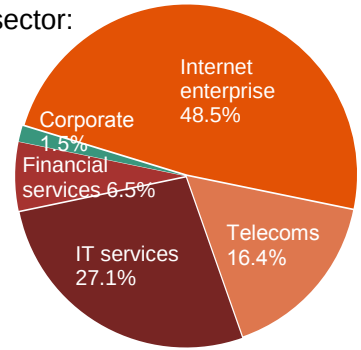


By lease type:

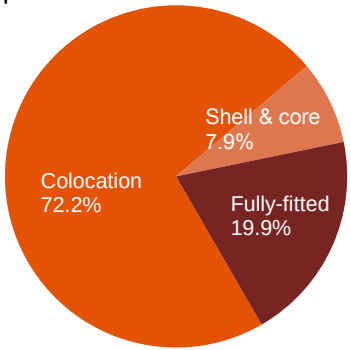


Enlarged Portfolio

By trade sector:



By lease type:



[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.

What is a Data Centre?

- Facilities that house servers and network equipment, supporting clients' critical business operations
- Requires technical expertise and intricate understanding of the industry and clients' needs

Internet Connectivity

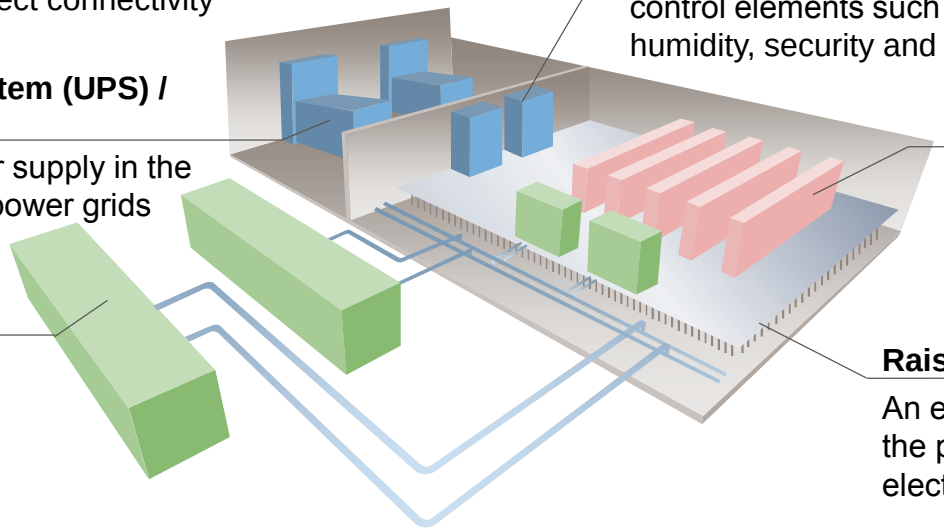
Physical telecommunication cables brought into the data centre to allow direct connectivity

Uninterruptible Power System (UPS) / Generators

To provide continuous power supply in the event of outages from local power grids

Cooling equipment

To maintain a facility's temperature, typically at 18 - 24 degrees Celsius



Fire suppression and building monitoring systems

Hardware and associated software to monitor and control elements such as the facility's temperature, humidity, security and operations

Client's servers

Enclosures to house client's computer servers and connect to power and cooling sources

Raised flooring

An elevated structural floor to allow the passage of mechanical and electrical services

Source: BroadGroup

Portfolio Overview (as at 30 Jun 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	17	86.9	287.0	Keppel lease / Colocation	2.8	Leasehold (Expiring 30 Sep 2025, with option to extend by 30 years)
Keppel DC Singapore 2	Singapore	100%	38,090	4	100.0	169.0	Keppel lease / Colocation	2.1	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	2.9	Leasehold (Expiring 31 Jan 2022, with option to extend by 30 years)
Keppel DC Singapore 4	Singapore	99%	83,698	5	92.0%	Cushman & Wakefield: 385.1[4] Savills: 385.1[4]	Keppel lease / Colocation	3.0	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	2.3	Leasehold (Expiring 31 Aug 2041)
DC1	Singapore	100%	213,815	1	100%	Knight Frank: 200.5 Edmund Tie: 201.5	Triple-net/ (Fully-fitted/ Shell & core)	16.8	Leasehold (Expiring 31 Jul 2044)
Basis Bay Data Centre	Cyberjaya, Malaysia	99%	48,193	1	63.1	27.7	Colocation	3.0	Freehold
Gore Hill Data Centre	Sydney, Australia	100%	90,955	3	100.0	196.2	Triple-net (Shell & core) / Colocation	5.9	Freehold
iseek Data Centre	Brisbane, Australia	100%	12,389	1	100.0	32.9	Double-net[3] (Fully-fitted)	7.0	Leasehold (Expiring 29 Sep 2040, with option to extend by 7 years)

Portfolio Overview (as at 30 Jun 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	51.0	Triple-net (Shell & core)	16.1	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	64.9	Triple-net (Shell & core)	12.0	Freehold
GV7 Data Centre	London, United Kingdom	100%	24,972	1	100.0	63.0	Triple-net (Fully-fitted)	7.6	Leasehold (Expiring 28 Sep 2183)
Almere Data Centre	Almere, Netherlands	100%	118,403	1[6]	100.0	137.6	Double-net (Fully-fitted)	9.2	Freehold
Keppel DC Dublin 1	Dublin, Ireland	100%	68,118	19	61.8	76.0	Colocation	1.7	Leasehold[7] (Expiring 11 Apr 2041)
Keppel DC Dublin 2	Dublin, Ireland	100%	25,127	4	90.7	103.8	Colocation	9.0	Leasehold (Expiring 31 Dec 2997)
Milan Data Centre	Milan, Italy	100%	165,389	1	100.0	56.7	Double-net (Shell & core)	8.5	Freehold
maincubes Data Centre	Offenbach am Main, Germany	100%	97,043	1	100.0	134.1	Triple-net (Fully-fitted)	13.8	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]	■ Client: Pays rent ■ Owner: Bears all expenses; responsible for facilities management	✓	✓	✓	✓
Keppel DC Singapore 2	Keppel lease[1] / Colocation[4]	■ Client: Pays rent ■ Owner: Bears all expenses; responsible for facilities management	✓	✓	✓	✓
Keppel DC Singapore 3	Keppel lease[2] / Colocation[4]	■ Client: Pays rent ■ Owner: Bears all expenses; responsible for facilities management	✓	✓	✓	✓
Keppel DC Singapore 4	Keppel lease[3] / Colocation[4]	■ Client: Pays rent ■ Owner: Bears all expenses; responsible for facilities management	✓	✓	✓	✓
Keppel DC Singapore 5	Keppel lease[2] / Colocation[4]	■ Client: Pays rent ■ Owner: Bears all expenses; responsible for facilities management	✓	✓	✓	✓
DC1	Triple-net lease	■ Client: Pays rent and all outgoings except insurance for the shell of the building; responsible for facilities management	-	-	-	-
Basis Bay Data Centre	Colocation[4]	■ 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	■ Client: Pays rent and all outgoings; responsible for facilities management in their space	-	-	-	-
Gore Hill Data Centre (for two clients)	Colocation[4]	■ Client: Pays rent ■ Owner: Bears all expenses; responsible for facilities management	✓	✓	✓	✓
Intellicentre 2 Data Centre	Triple-net lease	■ Client: Pays rent and all outgoings; responsible for facilities management	-	-	-	-
iseek Data Centre	Double-net lease[5]	■ Client: Pays rent and all outgoings except building insurance; responsible for facilities management	-	✓	-	✓
Intellicentre 3 East Data Centre[6] (under development)	Triple-net lease	■ 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	-	-	-	-

1. 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.
2. 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.
3. 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.
4. 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.
5. 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 thereof are structured as effectively equivalent to a double-net lease.
6. 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.
7. Keppel DC REIT has in place colocation arrangements with the clients of Keppel DC Dublin 1 and Keppel DC Dublin 2.