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MEDIA RELEASE

Keppel DC REIT strengthens data centre portfolio with acquisition in Europe
Expands portfolio with data centre on long lease to one of the largest global cloud service providers

Singapore, 6 October 2016 – Keppel DC REIT Management Pte. Ltd., as Manager of Keppel DC REIT, has acquired the shell and core building of a data centre in Cardiff, the capital city of Wales within the United Kingdom (UK), from Cardiff Data Investments Limited. The purchase consideration is GBP 34.0 million (approximately S$59.7 million[1]).

Strategically located within the Celtic Gateway Business Park, the facility comprises a two-storey data centre that is connected to a three-storey office block. The facility is approximately four kilometres away from the Cardiff city centre and is well-served by major modes of transportation. Sited on approximately 26,000 sqm (279,864 sq ft) of freehold land, the facility has a total lettable area of approximately 7,380 sqm (approximately 79,439 sq ft) and was completed in 2003.

The data centre is fully-leased to one of the largest global cloud service providers on a 15-year triple-net lease which commenced in June 2016 with annual rental escalations. Under the lease structure, the client manages the facility, as well as bears all operating expenses and capital expenditure of the data centre.

The acquisition is expected to be accretive to Keppel DC REIT's Distribution Per Unit. Post-acquisition, the portfolio weighted average lease expiry (WALE) will improve from 8.7 years to 9.5 years while the percentage of freehold assets will increase from 39.7% to 43.2%. The addition of another well-established client will also diversify and further strengthen Keppel DC REIT's client base.

DBS Bank Ltd. and Standard Chartered Securities (Singapore) Pte. Limited are the Joint Financial Advisers and Issue Managers to the initial public offering of Keppel DC REIT (the "Offering"). DBS Bank Ltd., Standard Chartered Securities (Singapore) Pte. Limited and Credit Suisse (Singapore) Limited are the Joint Global Coordinators to the Offering. DBS Bank Ltd., Standard Chartered Securities (Singapore) Pte. Limited, Credit Suisse (Singapore) Limited, Deutsche Bank AG, Singapore Branch and Goldman Sachs (Singapore) Pte. are the Joint Bookrunners and Underwriters to the Offering (collectively, the "Joint Bookrunners").

The Joint Bookrunners for the Offering assume no responsibility for the contents of this announcement.

[1] Based on an exchange rate of GBP 1.00 to S$1.7562 as at 30 September 2016.

Apart from rebalancing the portfolio with an increased proportion of master-leased facilities, the addition of the shell and core asset on a triple-net basis further enhances the portfolio's stability through income and geographical diversification.

Mr Chua Hsien Yang, CEO of the Manager, said, "The strategic addition of this facility presents an attractive opportunity for Keppel DC REIT to participate in Cardiff's growth as one of the emerging digital clusters that hosts an internet exchange point outside of London. The city is undergoing a digital transformation, driven by strong government support and a growing business community.

"This marks Keppel DC REIT's fourth acquisition since its listing in end-2014. In addition to the visible pipeline of assets from the Sponsor, Keppel DC REIT will continue to pursue income-producing assets from third parties, such as the Cardiff data centre, that will complement its portfolio profile and enhance total returns to its investors," he added.

Notwithstanding near-term uncertainties post-Brexit, heightened data residency requirements as well as stricter compliance needs may increase the onshoring of data in both the UK and the EU. According to BroadGroup, demand for data centre services in the UK is expected to remain unabated, rising steadily at a CAGR of 13% from 2016 to 2020 while Cardiff's demand is expected to grow further at a CAGR of 19% from 2016 to 2020.

The acquisition has been completed on the same day as the contract signing and is fully funded by GBP-denominated debt. Keppel DC REIT's aggregate leverage has increased from 29.1% to approximately 32.5% with the acquisition. Assets under management have also increased to approximately S$1.13 billion across 10 data centres with total lettable area of approximately 62,927 sqm (677,348 sq ft), excluding maincubes Data Centre which is under construction by the vendor in Germany and Milan Data Centre which is pending transaction completion.

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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, with an initial focus on Asia Pacific and Europe.

As at 6 October 2016, its portfolio comprises 10 high-quality data centres strategically located in key data centre hubs. With an aggregate lettable area of approximately 677,348 sq ft, the portfolio spans eight cities in six countries in Asia Pacific and Europe.

Keppel DC REIT's data centre properties in Asia Pacific include Keppel DC Singapore 1 (formerly known as S25) and Keppel DC Singapore 2 (formerly known as T25) in Singapore; Basis Bay Data Centre in Cyberjaya, Malaysia; Intellicentre 2 and Gore Hill Data Centre in Sydney, Australia; and iseek Data Centre in Brisbane, Australia.

In Europe, Keppel DC REIT owns GV7 Data Centre in London, United Kingdom; Cardiff Data Centre in Cardiff, United Kingdom; Keppel DC Dublin 1 (formerly known as Citadel 100 Data Centre) in Dublin, Ireland; and Almere Data Centre in Almere, the Netherlands. The current portfolio excludes the REIT's forward purchase of maincubes Data Centre which is under construction by the vendor in Offenbach am Main, Germany and slated for completion in 2018, as well as the acquisition of the shell and core building of a data centre in Milan which was announced in August 2016 and pending transaction completion.

Keppel Telecommunications & Transportation (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 of approximately $26 billion in 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

This Announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units.

This Announcement may contain forward-looking statements that involve 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. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale or distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events. The past performance of Keppel DC REIT and the Manager are not necessarily indicative of the future performance of any of them.

The value of 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 the SGX-ST does not guarantee a liquid market for the Units.

Keppel DC REIT

Strengthens Data Centre Portfolio with Acquisition in Europe

6 October 2016



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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.

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Content

- Overview
- Key Merits of Investment
- Improving Earnings Stability

Overview

- Maintains portfolio growth momentum with the REIT's fourth acquisition since listing
- Acquisition of a data centre's shell and core in Cardiff, the capital city of Wales
- Fully leased to one of the largest global cloud service providers on a 15-year triple-net lease basis



Acquisition of data centre in the United Kingdom

Location	Cardiff, Wales, United Kingdom (4km from Cardiff city centre)
Land Tenure	Freehold
Land Area	26,000 sqm
Lettable Area	7,380 sqm
Purchase Price	GBP 34.0 million
Lease Structure	15-year triple-net lease with mechanism for annual rental escalations

Key Merits of Investment

Consistent with the REIT's investment strategy of acquiring income-producing assets that would enhance total return to Unitholders and increase potential for future growth

1. Demand growth of emerging digital cluster

- Cardiff is an emerging digital cluster driven by strong government support and a growing business community
- Potential onshoring of data in the UK following Brexit

2. Favourable lease structure with creditworthy client

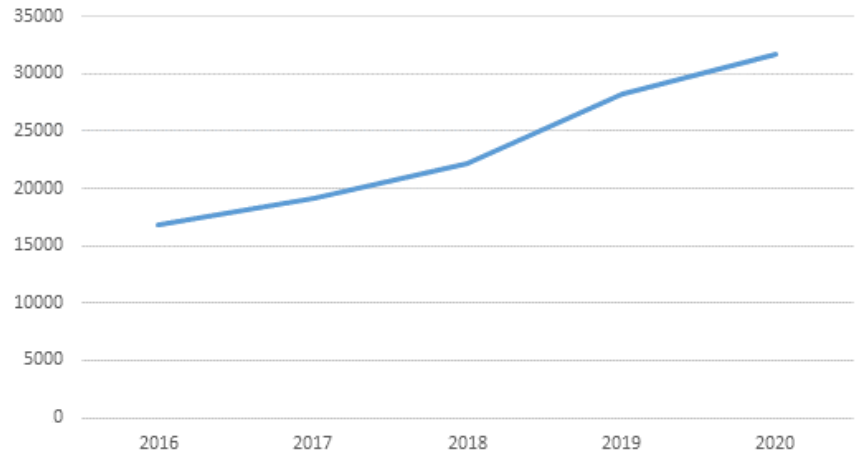
- Fully leased asset on 15-year triple-net lease structure enhances the REIT's income stream stability
- Addition of one of the largest global cloud service providers diversifies the REIT's client base

3. Rebalanced portfolio with enhanced stability

- Increased proportion of master-leased facilities
- Geographical and income diversification
- Portfolio WALE lengthened from 8.7 years to 9.5 years

1. Demand Growth of Emerging Digital Cluster

Projected demand in Wales



"Cardiff, as capital of Wales, is positioned to benefit from Wales' increase in data centre demand which is projected to grow at CAGR of 19% from 2016 to 2020"

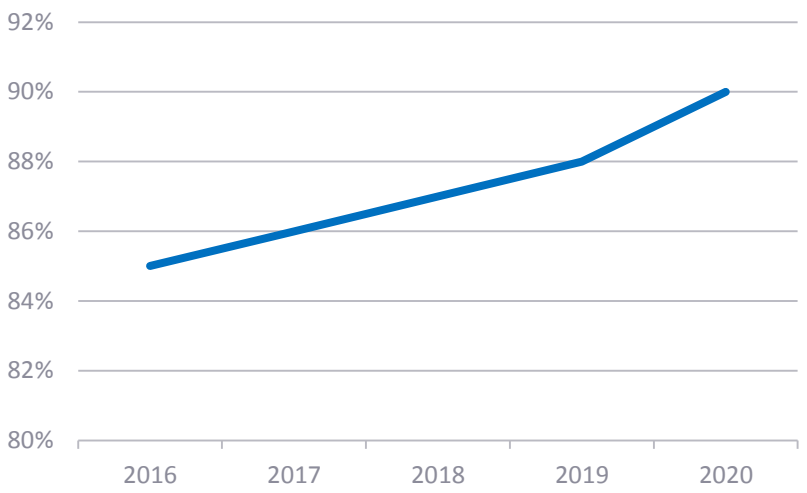
– BroadGroup

- **Thriving digital economy:** South Wales is among the five fastest growing digital clusters in the UK according to Tech City UK, a government agency responsible for promoting the growth of technology business UK-wide
  - **High internet traffic:** The Cardiff Internet Exchange serves as an intersection for internet traffic in the region
  - **Strong support:** Undergoing digital transformation driven by government support and a growing business community in a city that is well served by major modes of transportation

1. Demand Growth of Emerging Digital Cluster (Cont'd)

- **Distribution of DCs for broader coverage:** BroadGroup sees data centre users looking to increase domestic presence or distribute data centres throughout the UK for broader coverage
- **Potential of IoT:** Strong potential from the Internet of Things (IoT) in the UK with significant investments in new technologies
- **On-shoring of data:** Divergence of UK and EU data residency and compliance requirements following Brexit could increase the onshoring of data in both regions

Projected utilisation rate in the UK



"Demand for data centre services in the UK is expected to remain unabated, rising steadily at CAGR of 13% from 2016 to 2020"

– BroadGroup

2. Favourable Lease Structure with Creditworthy Client



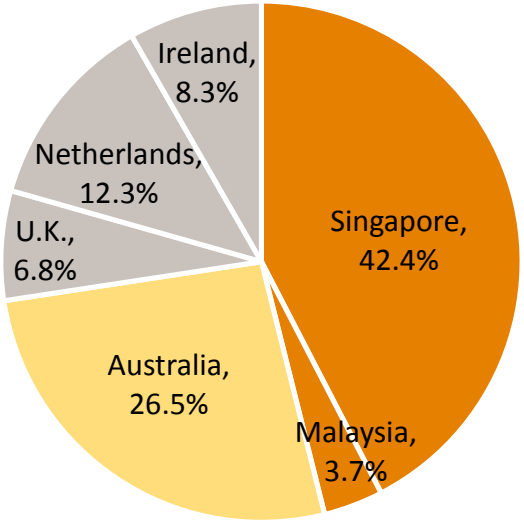
Data centre interior

- Increase portfolio income resilience with facility fully leased to and operated by one of the largest global cloud service providers
  - 15-year triple-net lease provides stable cashflow with annual rental escalations mechanism
  - No requirement for operating expenses or capital expenditure
- REIT's income sources diversified with addition of one of the largest global cloud service providers into client base

3. Rebalanced Portfolio with Enhanced Stability

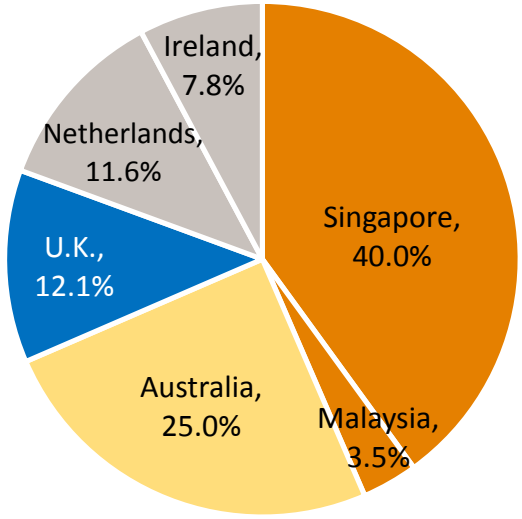
- The acquisition of Cardiff Data Centre further diversifies the geographical profile of the REIT's portfolio and increases the proportion of European assets in the portfolio

Current



AUM:	$1.07b
No. of assets	9
No. of countries	6
No. of cities	7

After acquisition of Cardiff DC[1] (excluding maincubes DC and Milan DC)



AUM:	$1.13b
No. of assets	10
No. of countries	6
No. of cities	8

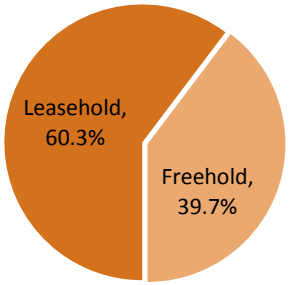
Note:
(1) Assuming acquisition completed as at 30 June 2016

3. Rebalanced Portfolio with Enhanced Stability (Cont'd)

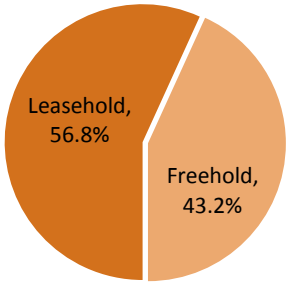
- The addition of the shell and core asset enhances the REIT's income stability and rebalances the portfolio with an increased proportion of master-leased facilities

Increases Portion of Freehold Assets (by AUM)

Before



After[1]



Extends Weighted Lease to Expiry (WALE)

Before

WALE

8.7 years

by lettable area

After[1]

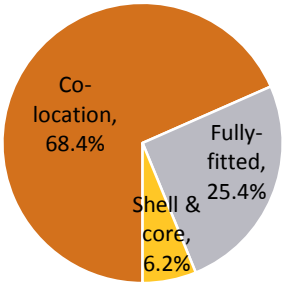
WALE

9.5 years

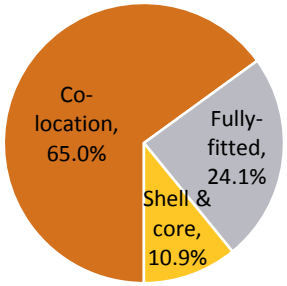
by lettable area

Balances Portfolio Lease Types[2]

Before

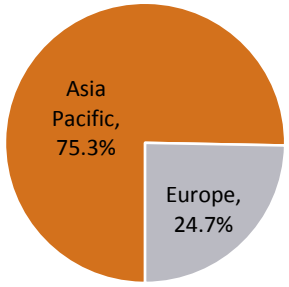


After[1]

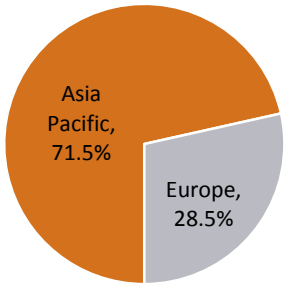


Balances Investment Regions[2]

Before



After[1]



Notes:

(1) Assuming acquisition completed as at 30 June 2016

(2) Based on percentage contribution of rental income for the month of June 2016

Improving Earnings Stability

Interest Rate Volatility

- The Manager will look to hedge the loan's exposure with interest rate swaps over the 5-year loan tenure

Foreign Currency Exposure

- Acquisition fully funded by GBP debt to increase the natural hedge for the REIT's assets in the UK
- As with the rest of the portfolio, the Manager will look to hedge the REIT's forecasted foreign-sourced distribution from this asset on a 2-year forward basis

Operational Risk

- Shell & core asset requires no obligation for operating expenses or capital expenditure
- Under the triple-net lease structure, the client manages the facility, as well as bears all operating expenses and capital expenditure

Thank you.