

PAYMENT OF ACQUISITION FEE BY WAY OF ISSUE OF UNITS IN KEPPEL-KBS US REIT

The Board of Directors of Keppel-KBS US REIT Management Pte. Ltd., as manager of Keppel-KBS US REIT (the “**Manager**”), wishes to announce that 2,996,271 Units (“**Acquisition Fee Units**”) in Keppel-KBS US REIT have been issued today at a price of US\$0.5658 per Unit as acquisition fee earned in respect of Keppel-KBS US REIT’s acquisition of 21 buildings located in Redmond, Washington (the “**Westpark Portfolio**”).

As the acquisition of the Westpark Portfolio constitutes an “interested party transaction” under Appendix 6 of the Code on Collective Investment Schemes (the “**Property Fund Appendix**”) issued by the Monetary Authority of Singapore, the acquisition fee must be paid in the form of Units which shall not be sold within one year from the date of issuance of such Units in accordance with paragraph 5.7 of the Property Funds Appendix.

The issue price per Acquisition Fee Unit is the volume weighted average price for a Unit for all trades done on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) in the ordinary course of trading for the last ten business days for the period ended 30 November 2018, being the date of completion of the acquisition of the Westpark Portfolio.

Following the issuance of the Acquisition Fee Units, the Manager holds 6,567,355 Units, representing approximately 0.799% of the total number of 821,731,379 issued Units in Keppel-KBS US REIT.

By Order of the Board
Keppel-KBS US REIT Management Pte. Ltd.
(Company Registration Number: 201719652G)
as manager of Keppel-KBS US REIT

Kelvin Chua
Company Secretary
27 December 2018

IMPORTANT NOTICE

DBS Bank Ltd. was the sole financial adviser and issue manager for the initial public offering of Keppel-KBS US REIT (the “Offering”). DBS Bank Ltd., Citigroup Global Markets Singapore Pte. Ltd., Credit Suisse (Singapore) Limited and Merrill Lynch (Singapore) Pte. Ltd. were the joint bookrunners and underwriters for the Offering.

This announcement 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 value of units in Keppel-KBS US REIT (“**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) or any of their respective affiliates.

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 on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of Keppel-KBS US REIT is not necessarily indicative of the future performance of Keppel-KBS US REIT.

This announcement 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 and for potential changes to the tax or other laws 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.