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RENOUNCEABLE AND UNDERWRITTEN RIGHTS ISSUE FINAL RESULTS OF THE RIGHTS ISSUE

Unless otherwise defined, all terms and references used herein shall bear the same meaning ascribed to them in the offer information statement dated 30 October 2018 issued in connection with the Rights Issue (the "Offer Information Statement").

1. RESULTS OF THE RIGHTS ISSUE

1.1 Level of Subscription

Keppel-KBS US REIT Management Pte. Ltd., in its capacity as manager of Keppel-KBS US REIT (the "**Manager**"), wishes to announce that valid acceptances and excess applications for a total of 238,290,766 Rights Units, representing approximately 127.9% of the total number of Rights Units available under the Rights Issue of 186,236,224 Rights Units, were received as at the close of the Rights Issue on 19 November 2018.

The valid acceptances received include the acceptances by KCIH and KBS SORP of their aggregate *pro rata* entitlements, each representing 6.97% of the total number of Rights Units under the Rights Issue.

Details of the valid acceptances and excess applications received are as follows:

	Number of Rights Units	% of Rights Issue
Valid acceptances	175,287,415	94.1
Excess applications	63,003,351	33.8
Total	238,290,766	127.9

1.2 Allotment of Rights Units for Excess Rights Units Applications

The balance of 10,948,809 Rights Units which were not validly accepted will be allotted to satisfy excess applications. In such allotment, preference will be given to the rounding of

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.

odd lots (if any) followed by allotment to Unitholders who are neither Directors¹ nor Substantial Unitholders².

Directors and Substantial Unitholders who have control or influence over Keppel-KBS US REIT or the Manager in connection with the day-to-day affairs of Keppel-KBS US REIT or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of Directors, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Units.

2. ALLOTMENT OF RIGHTS UNITS

2.1 Allotment

Successful subscribers of the Rights Units with securities accounts with CDP (“**Securities Accounts**”), including those who have elected to receive their Rights Units in their respective Securities Accounts, will receive via ordinary post, at their own risk, within 10 Market Days³ after closing, at their mailing addresses in Singapore as maintained with CDP, a notification letter from CDP stating the number of Rights Units that have been credited to their respective Securities Accounts.

2.2 Refunds

When any acceptance of Rights Entitlements and/or Excess Rights Units application is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within five business days after commencement of trading of the Rights Units, by any one or a combination of the following:

- (i) where the acceptance and/or application had been made through CDP, by means of a cheque or demand draft drawn in US currency on a bank in Singapore and sent by ordinary post at their own risk to their mailing address as maintained with CDP or in such other manner as they have agreed with CDP for the payment of any cash distributions; and
- (ii) where the acceptance and/or application had been made through Electronic Applications, by crediting their bank accounts with the relevant Participating Bank⁴ at the Participating Bank’s Foreign Exchange Rate at the relevant time at their own risk, the receipt by such bank being a good discharge of the Manager’s and CDP’s obligations. The different Participating Bank’s Foreign Exchange Rate at the time of application and at the time of refund of the application monies may result in either a foreign exchange profit or loss to such application monies.

1 “**Directors**” refers to the directors of the Manager.

2 “**Substantial Unitholders**” refers to Unitholders with interests in not less than 5.0% of all Units in issue.

3 “**Market Day**” refers to any day (other than a Saturday, Sunday or gazetted public holiday) on which banks are open for business in Singapore and the SGX-ST is open for trading.

4 “**Participating Banks**” refers to DBS Bank Ltd. (including POSB), Oversea-Chinese Banking Corporation Limited or United Overseas Bank Limited.

2.3 Fixed foreign exchange rate through DBS' and POSB'S ATMs

Eligible Unitholders making Electronic Applications through ATMs of DBS Bank Ltd. (“**DBS**”) (including POSB) will pay the application monies in Singapore dollars based on the exchange rate of US\$1.00 = S\$1.3935 (“**DBS Fixed FX Rate**”). Any refund monies for Eligible Unitholders who make Electronic Applications through ATMs of DBS (including POSB) will be credited in Singapore dollars based on the DBS Fixed FX Rate.

2.4 Prevailing foreign exchange rate through OCBC'S and UOB'S ATMs

Eligible Unitholders making Electronic Applications through ATMs of Oversea-Chinese Banking Corporation Limited (“**OCBC**”) and United Overseas Bank Limited (“**UOB**”) will pay the application monies in Singapore dollars based on the respective bank's prevailing board rate at the time of application. Any refund monies for Eligible Unitholders who make Electronic Applications through ATMs of OCBC and UOB will be credited in Singapore dollars based on the respective bank's prevailing board rate at the time of refund. The different prevailing board rate at the time of application and at the time of refund of the application monies may result in either a foreign exchange profit or loss to such application monies.

2.5 The Rights Entitlements of Ineligible Unitholders

A total of 120,034 Rights Units, which would otherwise have been provisionally allotted to Unitholders other than Eligible Unitholders (“**Ineligible Unitholders**”), were sold “nil-paid” on the SGX-ST.

The net proceeds from such sales of the Rights Entitlements, which would otherwise have been allotted to Ineligible Unitholders, after deducting all expenses therefrom, will be pooled and thereafter distributed to Ineligible Unitholders in proportion to their respective unitholdings held as at 5.00 p.m. on 30 October 2018, being the Rights Issue Books Closure Date, and sent to them at their own risk by ordinary post, without interest or any share of revenue or other benefit arising therefrom, provided that where the amount of net proceeds to be distributed to any single Ineligible Unitholder is less than S\$10.00, the Manager shall be entitled to retain or deal with such net proceeds as the Manager may, in its absolute discretion, deem fit for the sole benefit of Keppel-KBS US REIT and no Ineligible Unitholder shall have any claim whatsoever against the Manager, the Trustee⁵, the Joint Lead Managers⁶, the Joint Underwriters⁷ or CDP in connection herewith.

3. ISSUE AND LISTING OF RIGHTS UNITS

3.1 Issue of Rights Units

The Manager expects that the Rights Units will be issued on or about 26 November 2018.

⁵ “**Trustee**” refers to Perpetual (Asia) Limited, in its capacity as trustee of Keppel-KBS US REIT.

⁶ “**Joint Lead Managers**” refers to DBS Bank Ltd. and United Overseas Bank Limited.

⁷ “**Joint Underwriters**” refers to DBS Bank Ltd., United Overseas Bank Limited and Credit Suisse (Singapore) Limited.

3.2 Listing and Quotation

The Manager further expects that the Rights Units will be listed and quoted on the Main Board of the SGX-ST with effect from **9.00 a.m. on 27 November 2018**.

The Rights Units will, upon allotment and issue, rank *pari passu* in all respects with the existing Units in issue as at the date of issue of the Rights Units, including the right to any distributions which may accrue for the period from 1 July 2018 to 31 December 2018, as well as all distributions thereafter.

3.3 Trading of Odd Lots

For the purposes of trading on the SGX-ST, each board lot of Units will comprise 100 Units. There will be no temporary counter established for Unitholders and investors to trade Units in board lots other than board lots of 100 Units.

Eligible Unitholders who hold odd lots of Units (that is, lots other than board lots of 100 Units) and who wish to trade in odd lots are able to trade odd lots of Units on the SGX-ST's Unit Share Market⁸.

The Manager wishes to take this opportunity to thank Unitholders for their support in ensuring the successful completion of the Rights Issue.

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
21 November 2018

IMPORTANT NOTICE

This announcement is for information purposes only and does not constitute or form part of an offer, invitation or solicitation of 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.

Any offering of Rights Units will be made in and accompanied by the Offer Information Statement. A potential investor should read the Offer Information Statement before deciding whether to subscribe for Rights Units under the Rights Issue. The Offer Information Statement may be accessed online at the website of the MAS at <<https://eservices.mas.gov.sg/opera>>. The MAS assumes no responsibility for the contents of the Offer Information Statement. The availability of the Offer Information Statement on the MAS website does not imply that the Securities and Futures Act, Chapter 289 of Singapore, or any other legal or regulatory requirements, have been

⁸ "Unit Share Market" refers to the ready market of the SGX-ST for trading of odd lots of Units with a minimum size of one Unit.

complied with. The MAS has not, in any way, considered the investment merits of Keppel-KBS US REIT. This announcement is qualified in its entirety by, and should be read in conjunction with the full text of the Offer Information Statement.

The value of the 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, Perpetual (Asia) Limited, in its capacity as trustee of Keppel-KBS US REIT, Keppel Capital Holdings Pte. Ltd. and KBS Pacific Advisors Pte. Ltd., as the sponsors 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. 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 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 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 similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.

This announcement is not for release, publication or distribution, directly or indirectly, in or into the United States, European Economic Area, Canada, Japan or Australia, and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations. 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.

The securities of Keppel-KBS US REIT have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or under the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold within the United States except pursuant to an exemption from, or transactions not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws. The Manager does not intend to conduct a public offering of any securities of Keppel-KBS US REIT in the United States. Neither this announcement nor any part thereof may be (a) used or relied upon by any other party or for any other purpose, (b) copied, photocopied, duplicated or otherwise reproduced in any form or by any means, or (c) forwarded, published, redistributed, passed on or otherwise disseminated or quoted, directly or indirectly, to any other person either in your organisation or elsewhere.

Notification under Section 309B of the Securities and Futures Act, Chapter 289 of Singapore: The Units are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).