Keppel DC REIT

Annual General Meeting

18 April 2017



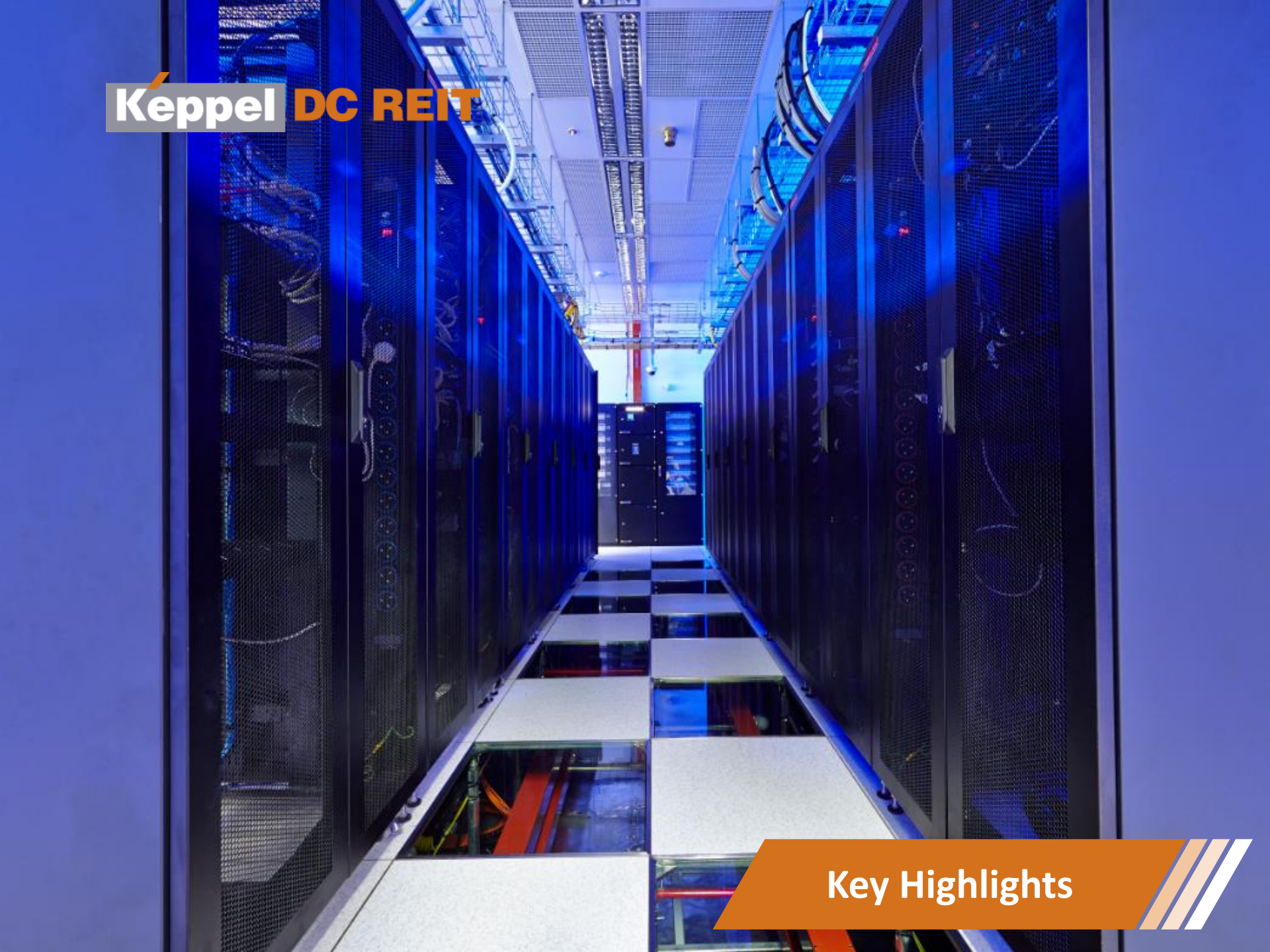
Important Notice

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.

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.

Keppel DC REIT



Key Highlights

Portfolio Growth

IPO (Dec 2014)
AUM of $1.02b

2015
AUM of $1.07b

Current
AUM of $1.40b[1]

Keppel DC Singapore 1



Keppel DC Singapore 2



maincubes Data Centre[1]



Milan Data Centre



Gore Hill Data Centre



iseek Data Centre



Intellicentre 2 Data Centre



Cardiff Data Centre



Basis Bay Data Centre



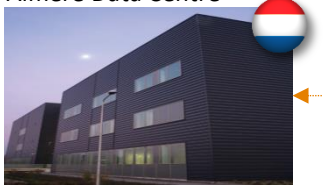
GV7 Data Centre



Keppel DC Singapore 3[1]



Almere Data Centre

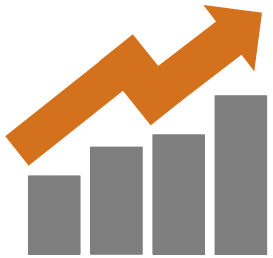


Keppel DC Dublin 1



Note:
(1) Includes Keppel DC Singapore 3 as announced on 17 October 2016 and completed on 20 January 2017. Excludes maincubes Data Centre which is under construction by the vendor in Germany.

FY 2016 Key Highlights



Delivering Resilient Value

DPU Declared[1]

6.14 cents

for FY 2016

Distribution Yield[1]

6.60%

based on IPO price $0.930



Building Diversified Portfolio

Portfolio Occupancy

94.4%

as at 31 Dec 2016

Acquisitions

3 deals

announced in FY 2016



Maintaining Healthy Balance Sheet

Aggregate Leverage

28.3%

as at 31 Dec 2016

Interest Coverage

9.4 times

as at 31 Dec 2016

Note:

(1) Distributable income to Unitholders is based on 100% of the taxable income available for distribution to Unitholders. Keppel DC REIT has distributed 6.14 cents per Unit in FY 2016. Excluding the impact from the pro-rata preferential offering, the later completion of Keppel DC Singapore 3 acquisition as well as the one-off property tax refund in 3Q 2016, the adjusted DPU for FY 2016 would have been 6.68 cents, higher than both IPO forecast and FY 2015 Actual. Adjusted distribution yield for FY 2016 would also be correspondingly higher than IPO forecast and FY 2015 Actual.

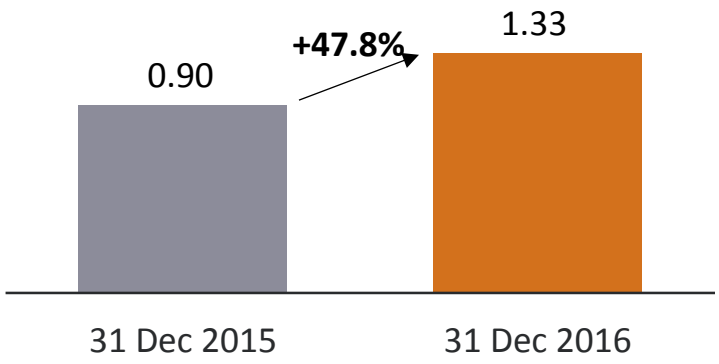
Preferential Offering Completed

Pro-rata preferential offering of 242.0 million new Units

- Approximately 1.6 times subscribed
- Raised gross proceeds of approximately $279.5 million
- Increased market capitalisation and free float quantum

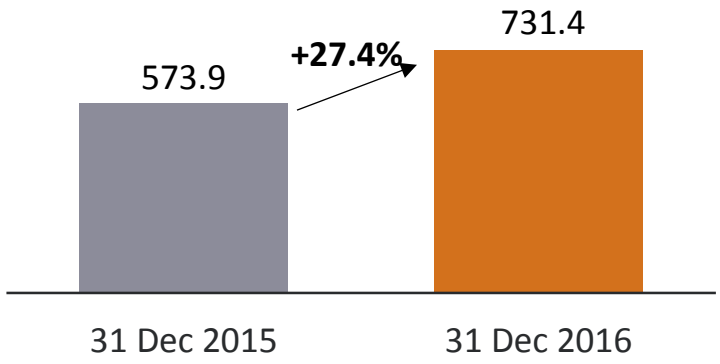
Increase in market capitalisation[1]

($'billion)



Increase in free float

(million Units)



Note:

(1) Derived using the relevant market closing price of $1.015 for the year ended 31 December 2015 and $1.185 for the year ended 31 December 2016.

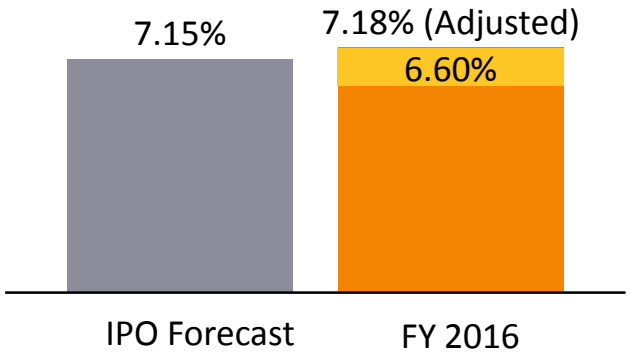
FY 2016 Distribution

- DPU of 6.14 cents per Unit declared in FY 2016
- Adjusted DPU for FY 2016 would have been 6.68 cents, 0.5% higher than IPO forecast, excluding the impact from:

i. the pro-rata preferential offering
ii. the later completion of Keppel DC Singapore 3 acquisition
iii. the one-off property tax refund in 3Q 2016

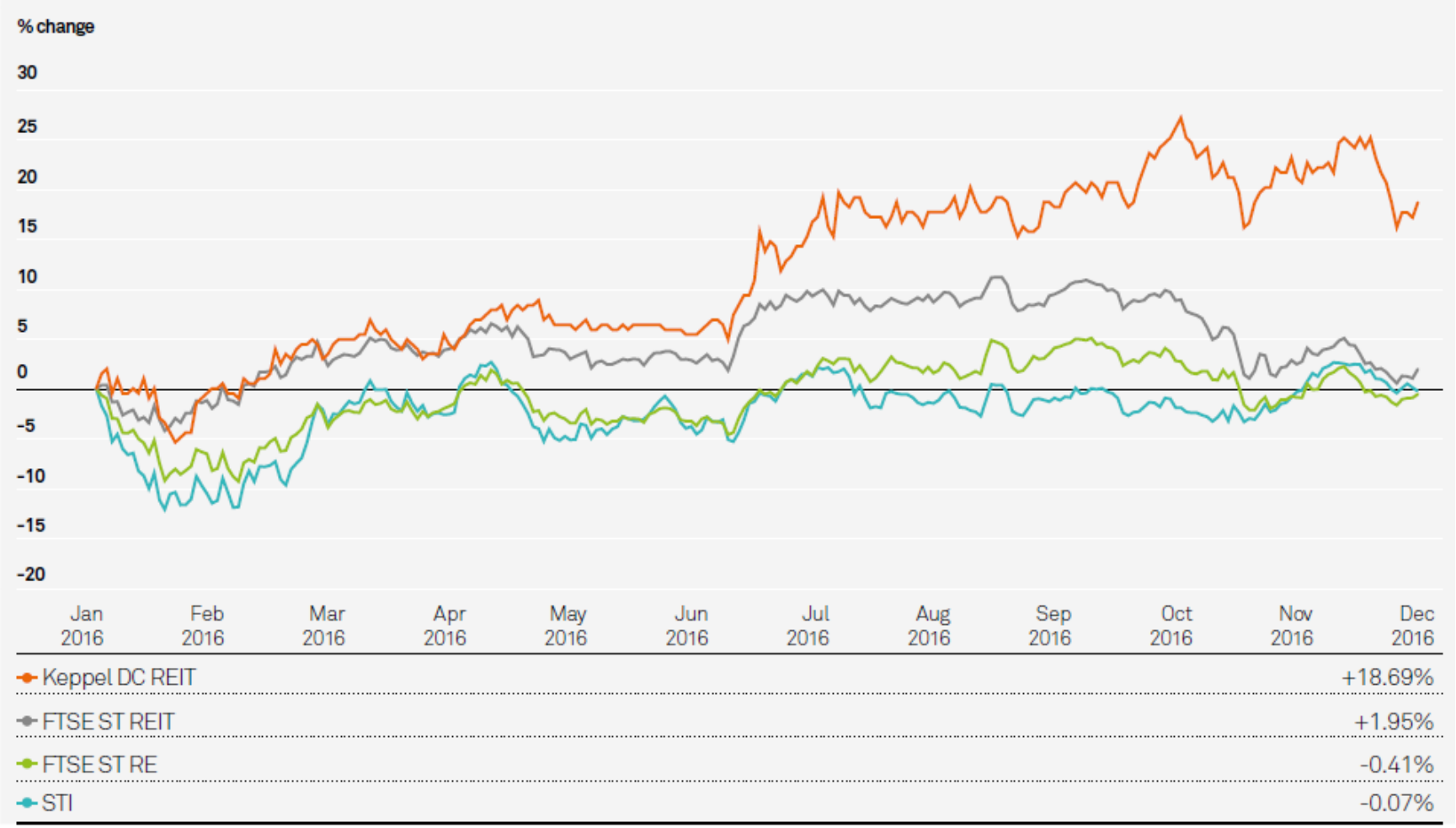
Distribution yield

(Based on the IPO price of $0.930)



Unit Price Performance Against Indices

For the financial year from 1 Jan 2016 to 31 Dec 2016:



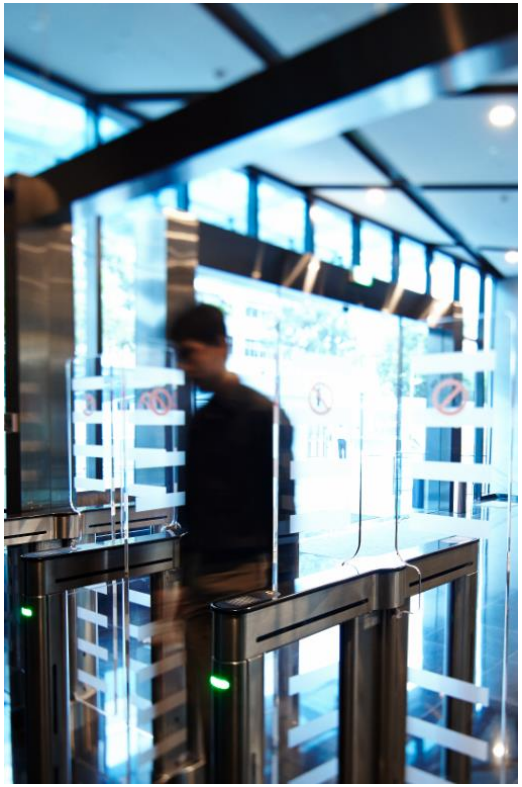
Keppel DC REIT

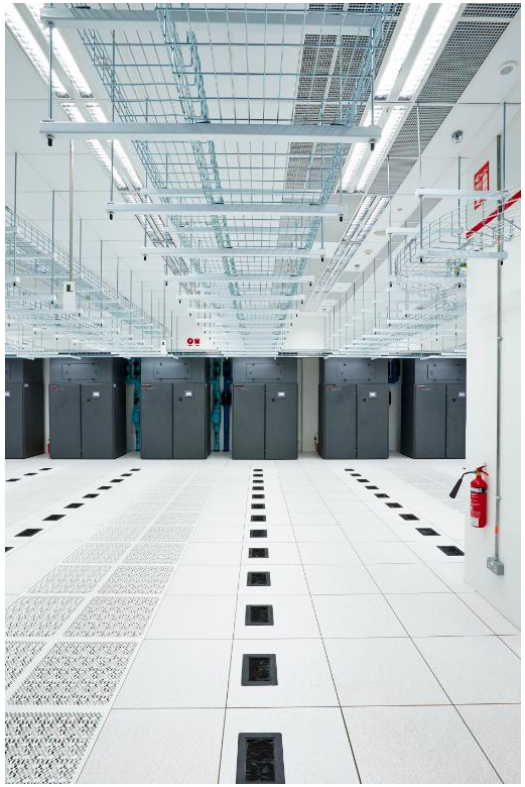


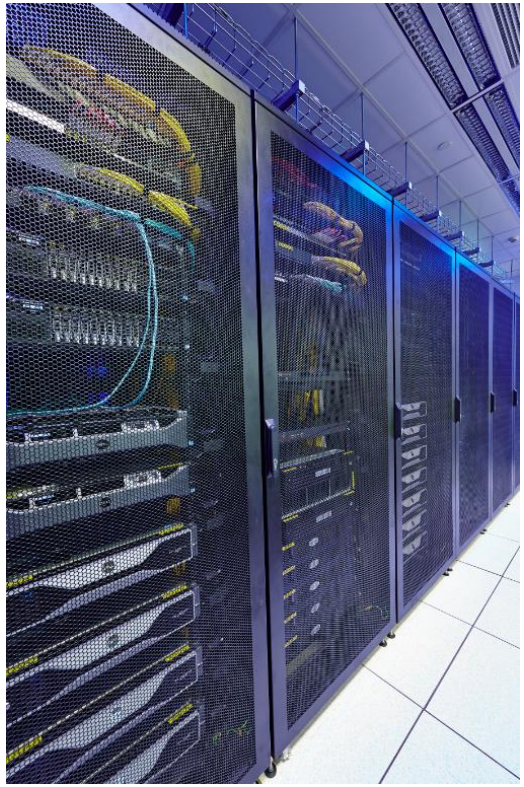
Data Centre Industry

What is a Data Centre?

Secure facility for mission-critical operations + **Power and cooling with redundancy, connectivity and fire protection system** + **24/7 data centre monitoring systems**







What is a Data Centre? (Cont'd)

- As data centres support clients' critical business operations, technical expertise and intricate understanding of the industry and clients' needs are required

Internet Connectivity

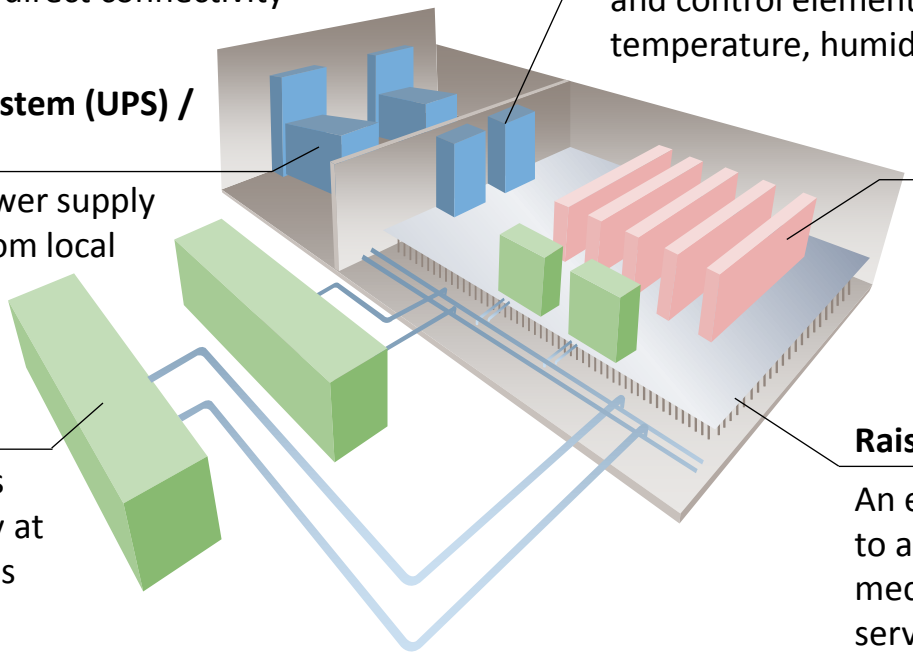
Physical telecommunication cables brought into the data centre to allow direct connectivity

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

Uninterruptible Power System (UPS) / Generators

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



Client's servers

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

Cooling equipment

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

Raised flooring

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

Source: BroadGroup Research

Sustainable Growth

- Continued growth of the data centre industry with developing technologies forming the next wave of digital revolution and data creation

Internet of Things[1]

+17%

CAGR from 2014 to 2020

Connected Devices[2]

+34%

CAGR from 2016 to 2020

Cloud Market[3]

+61%

CAGR from 2015 to 2020



Sources:

(1) IDC, 2014-2020

(2) Gartner, 2016-2020

(3) Structure Research, 2015-2020


Keppel DC REIT
Keppel
Portfolio Expansion

Acquisitions in FY 2016

1

Foray into Italy



Milan Data Centre

- Fully leased to one of the world's largest telecommunications companies on 12-year double-net lease

2

Deepen Presence in UK



Cardiff Data Centre

- Fully leased to one of the largest global cloud service providers on 15-year triple-net lease

3

Strengthen Foothold in Singapore



Keppel DC Singapore 3

- 90% interest in a data centre situated adjacent to Keppel DC Singapore 2

Addition of Third Asset in Singapore

- Completed acquisition of 90% interest in Keppel DC Singapore 3 on 20 January 2017

- Obtained tax transparency for the REIT's share of taxable income

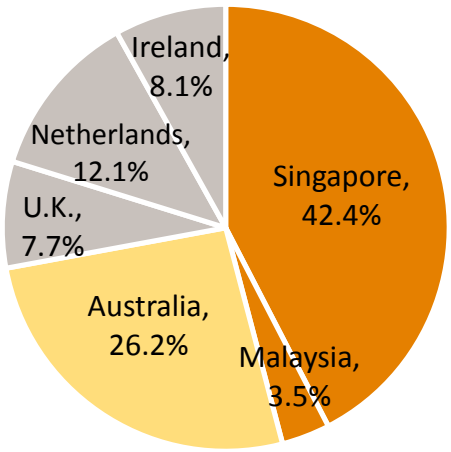


Keppel DC Singapore 3

Enhanced Portfolio Resilience

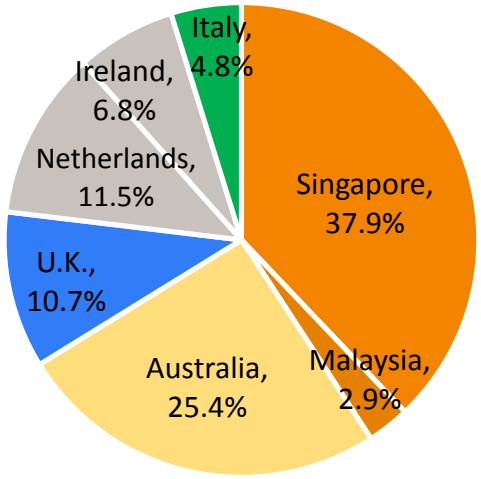
- Acquisitions further diversified income streams as well as provided long-term growth and income sustainability

Portfolio AUM Breakdown
(as at 31 December 2015)



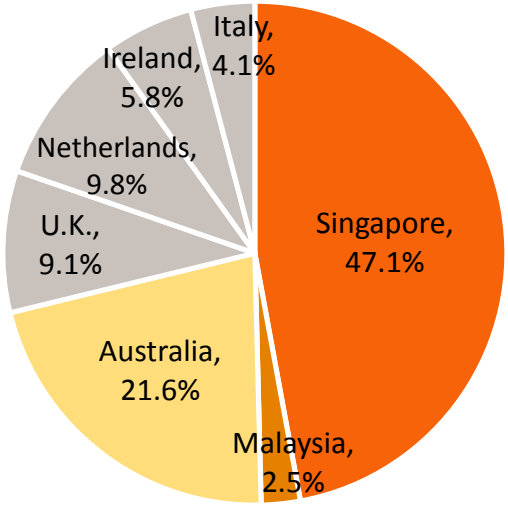
AUM	$1.07b
No. of assets	9
No. of cities	7

Portfolio AUM Breakdown
(as at 31 December 2016)



AUM	$1.20b
No. of assets	11
No. of cities	9

Portfolio AUM Breakdown
(including KDC SGP 3)



AUM	$1.40b
No. of assets	12
No. of cities	9


Keppel DC REIT
Capital Management

Prudent Capital Management

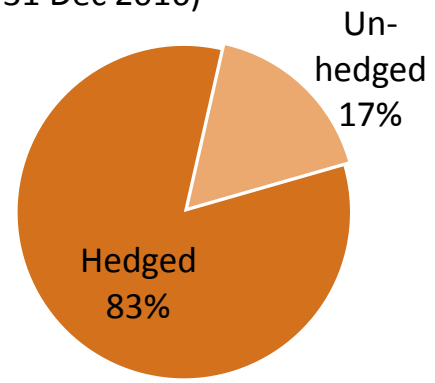
- Managed interest rate exposure:
  Locked in interest rates of the long-term loans with interest rate swaps

- Mitigated impact of currency fluctuations:
  Hedged foreign-sourced distribution using foreign currency forward contracts

- Maintained adequate debt headroom:
  Aggregate leverage lowered to approximately 28% post preferential offering

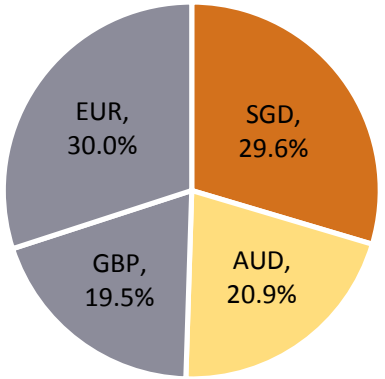
Hedging of borrowing costs

(As at 31 Dec 2016)



Debt currency breakdown

(As at 31 Dec 2016)





Outlook

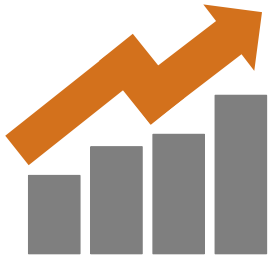
Limited Exposure to Brexit



GV7 Data Centre, London

- The REIT's two assets in the UK contributed ~9% of the portfolio in FY 2016
- Low occupancy risk as both facilities are on long master leases to well-established clients until 2027 and 2031
- Hedging policies in place against impact of currency volatility on income stream

1Q 2017 Updates



Delivering Sustainable Returns

1Q 2017 Distributable Income[1]

+47.6%

year-on-year

Annualised Distribution Yield[1]

6.01%

based on 1Q 2017's closing price of $1.200



Engaging Global Clientele

Portfolio Occupancy

95.1%

as at 31 Mar 2017

Portfolio WALE

9.2 years

by leased lettable area



Optimising Capital Structure

Aggregate Leverage

27.9%

as at 31 Mar 2017

Interest Coverage

11.6 times

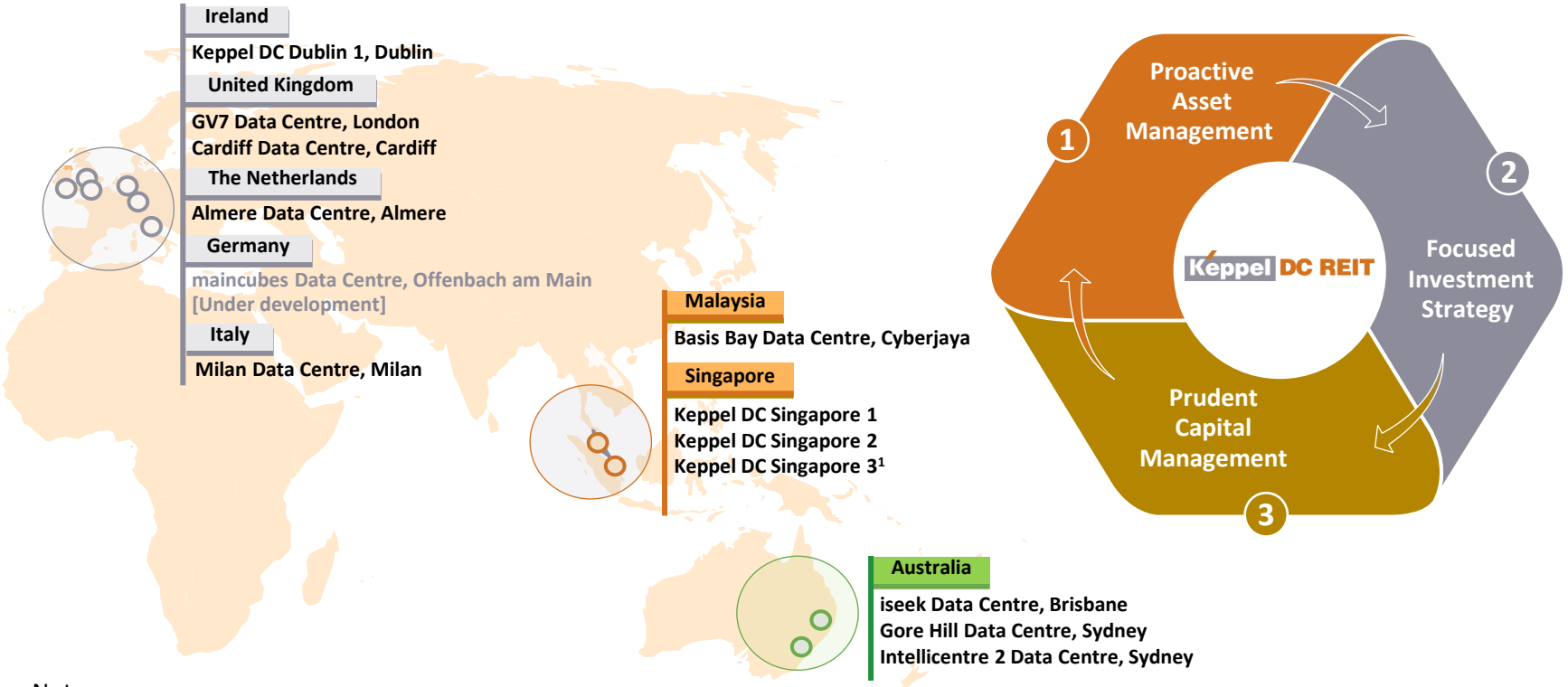
as at 31 Mar 2017

Note:

(1) Arising from the later completion of Keppel DC Singapore 3 and where the vendor had agreed that all the rights and obligations shall pass to the REIT as if completion had occurred on 1 December 2016, the distributable income included a one-off capital distribution of approximately $1.7 million for the month of December 2016. Pursuant to the lease agreement entered into for Keppel DC Singapore 3, the distributable income would also include an amount of capital expenditure that had been set aside for this asset.

Capturing Value

- Positioned to capture opportunities across Asia Pacific and Europe
- Focused on three-pronged strategy to tap growth potential of the data centre industry and deliver sustainable value to stakeholders



Note:
(1) The acquisition of Keppel DC Singapore 3 was announced on 17 October 2016 and completed on 20 January 2017.

Committed to Deliver Value



Vision: To be the preferred data centre real estate investment trust, serving as a trusted partner to our stakeholders.

Mission: Guided by the Keppel Group's operating principles and core values, we will create value for our investors by growing a quality portfolio of data centre assets that generates sustainable returns.


Keppel DC REIT
Thank you

Keppel DC REIT

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