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(a real estate investment trust constituted on 22 September 2017 under the laws of the Republic of Singapore)

Managed by Keppel-KBS US REIT Management Pte. Ltd.

LISTING OF KEPPEL-KBS US REIT

DBS Bank Ltd. is the Sole Financial Adviser and Issue Manager for the Offering (the "**Sole Financial Adviser and Issue Manager**"). DBS Bank Ltd., Citigroup Global Markets Singapore Pte. Ltd., Credit Suisse (Singapore) Limited and Merrill Lynch (Singapore) Pte. Ltd. are the Joint Bookrunners and Underwriters for the Offering (collectively, the "**Joint Bookrunners and Underwriters**").

*Capitalised terms used herein, unless otherwise defined, have the meanings as defined in the prospectus of Keppel-KBS US REIT dated 2 November 2017 and registered by the Monetary Authority of Singapore on 2 November 2017 (the "**Prospectus**").*

Issue of Units in Keppel-KBS US REIT

Keppel-KBS US REIT Management Pte. Ltd., as manager of Keppel-KBS US REIT (the "**Manager**"), is pleased to announce that the Manager has issued 628,564,999 units in Keppel-KBS US REIT ("**Units**") comprising:

- (i) 262,772,400 Units issued pursuant to the initial public offering of Keppel-KBS US REIT (the "**Offering**"), consisting of (a) an international placement of 228,681,800 Units to investors outside the United States of America (the "**Placement Tranche**") and (b) an offering of 34,090,600 Units to the public in Singapore ("**Public Offer**");
- (ii) an aggregate of 119,427,199 Units (the "**Relevant Entities Subscription Units**") subscribed for by Keppel Capital Investment Holdings Pte. Ltd. ("**KCIH**"), which is the wholly-owned subsidiary of Keppel Capital Holdings Pte. Ltd. ("**KC**"), and KBS SOR Properties LLC, a Delaware limited liability company ("**KBS SORP LLC**" and together with KCIH, the "**Relevant Entities**"), which is the indirect wholly-owned subsidiary of KBS Strategic

Opportunity REIT, Inc. (“**KBS SOR**”), pursuant to the subscription agreements dated 25 October 2017 with the Manager as disclosed in the prospectus;

- (iii) an aggregate of 246,365,400 Units (the “**Cornerstone Units**”) subscribed for by the cornerstone investors pursuant to separate subscription agreements with the Manager as disclosed in the Prospectus; and

together with the one Unit held by KCIH (which is the wholly-owned subsidiary of KC) in issue prior to the issuance of the 628,564,999 Units as described above (the “**Initial Unit**”, together with the Relevant Entities Subscription Units, the “**Relevant Entities Units**”), the total number of Units in issue after completion of the Offering will be 628,565,000 Units.

The Units will commence trading on a “ready” basis at 2.00 p.m. on 9 November 2017.

Completion of Acquisition of the IPO Portfolio

The Manager is pleased to announce that Keppel-KBS US REIT has today completed the acquisition of The Plaza Buildings, Bellevue Technology Center, Iron Point, Westmoor Center, Great Hills Plaza, Westech 360, 1800 West Loop South, West Loop I & II, Power Ferry Landing East, Northridge Center I & II and Maitland Promenade II (the “**IPO Portfolio**”). The Manager expects that the title deeds for the IPO Portfolio will be submitted for recordation to each of the relevant Recording Authorities on 9 November 2017 (local time in the United States). The Manager will provide a further update via SGXNET after the recording of the title deeds for the IPO Portfolio is completed.

Use of Proceeds

Gross proceeds of US\$553.1 million have been raised from the Offering and the issuance of the Relevant Entities Units and the Cornerstone Units, and an amount of US\$289.4 million has been drawn down from the Facilities (as defined herein). Of the gross proceeds raised and amount drawn down, US\$844.2 million has been disbursed towards the following:

- (i) US\$804.0 million towards the acquisition of the IPO Portfolio; and
- (ii) US\$30.3 million towards the payment of transaction costs;

with the balance of US\$9.9 million to be held for working capital purposes.

The above is in accordance with the stated use and amount allocated in the Prospectus. The Manager will make periodic announcements on the utilisation of the remainder of the gross proceeds from the Offering, the Relevant Entities Units and the Cornerstone Units as and when such funds are materially disbursed.

Disclosures pursuant to Rule 704(31) of the Listing Manual

The Manager has put in place unsecured bank facilities for Keppel-KBS US REIT obtained from Bank of America, Singapore Branch and Citibank N.A., Singapore Branch (the “**Lenders**”) aggregating approximately US\$339.4 million, which comprises:

- (i) a four-year term loan facility of US\$144.7 million and a five-year term loan facility of US\$144.7 million from the Lenders (collectively, the “**Term Loan Facilities**”); and

- (ii) a three-year committed revolving credit facility of US\$50.0 million from Bank of America, Singapore Branch (the “**Revolving Credit Facility**”, and collectively with the Term Loan Facilities, the “**Facilities**”).

Pursuant to Rule 704(31) of the Listing Manual of the SGX-ST (the “**Listing Manual**”), the Manager wishes to disclose that the terms of the Facilities contain a condition making reference to the shareholding interests in the Manager. Under the terms of the Facilities, Keppel-KBS US REIT is required to pay all outstanding loans within five business days if Keppel Corporation Limited, KBS Capital Advisors LLC, KBS Pacific Advisors Pte. Ltd. and their respective subsidiaries cease to collectively, directly or indirectly, own and maintain an effective shareholding of 100% of the Manager.

As of the Listing Date, there has not been any breach of the above conditions. Assuming that a breach of the above condition occurs, the aggregate sum of the Facilities that may be affected will be US\$339.4 million.

By Order of the Board
David Snyder
Chief Executive Officer / Chief Investment Officer

Keppel-KBS US REIT Management Pte. Ltd.
(Company Registration No.: 201719652G)
As manager of Keppel-KBS US REIT

9 November 2017

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.

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, the Sole Financial Adviser and Issue Manager, the Joint Bookrunners and Underwriters 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.

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 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.

This announcement is not an offer or sale of the Units in the United States. The Units have not been and will not be registered under the Securities Act and may not be offered or sold in the United States absent registration except pursuant to an exemption from, or in a transaction not subject to, the registration requirements under the Securities Act. Any public offering of the Units in the United States would be made by means of a prospectus that would contain detailed information about Keppel-KBS US REIT, the Manager and its management, as well as financial statements. There is no intention to register any portion of the offering in the United States or to conduct a public offering of securities in the United States. The Units are being offered and sold outside the United States (including to institutional and other investors in Singapore) in reliance on Regulation S under the Securities Act.

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.