



SGX & CGS-CIMB Invest Singapore Virtual Forum 2020

18 November 2020

Sustainable Pan-Asian Portfolio with Income Resilience

98.3% occupancy

Grade A commercial portfolio with strong committed occupancy to an established and diversified tenant base

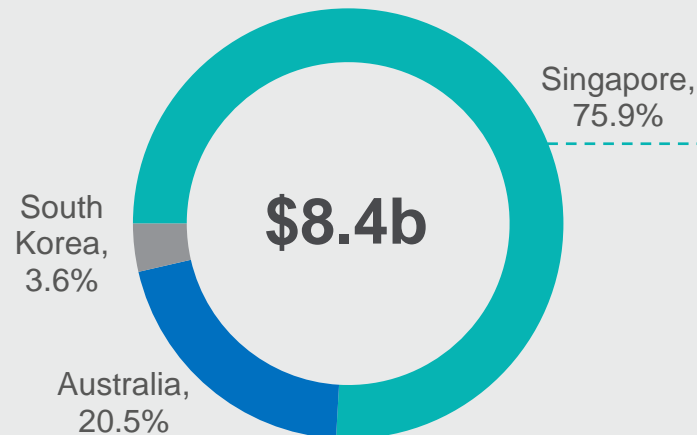
7.1 years WALE

Long portfolio weighted average lease expiry (WALE)

Green portfolio

BCA Green Mark Platinum award for all Singapore assets; 5 Stars NABERS Energy rating for most Australian assets

AUM⁽¹⁾ by Geography (As at 30 Sep 2020)



Managing the COVID-19 Situation

- Keppel REIT's quality office portfolio and high-quality tenant profile continue to provide income stability and resilience
- Safety measures in place to facilitate the return of tenants to the workplace
- To support tenants, and in line with government measures, measures were implemented to alleviate tenants' cashflow and cost pressures
- Rental collection remains high for Grade A office, with limited deferrals and rental relief impact



Rental collection⁽¹⁾

97%

in 3Q 2020



Rental deferrals

\$1.7m

as at 30 Sep 2020



Tenant relief measures⁽²⁾

Approx. \$13.8m

including estimated \$10.0m of government property tax rebates and cash grant

Continuing Active Portfolio Optimisation

- Portfolio optimisation to improve yield and create long-term value for Unitholders
- Holding quality assets across different markets enhances income diversification and long-term stability



*Dec 2018: Divested
20% of Ocean Financial
Centre in Singapore
(Sale Price: \$537.3m)*



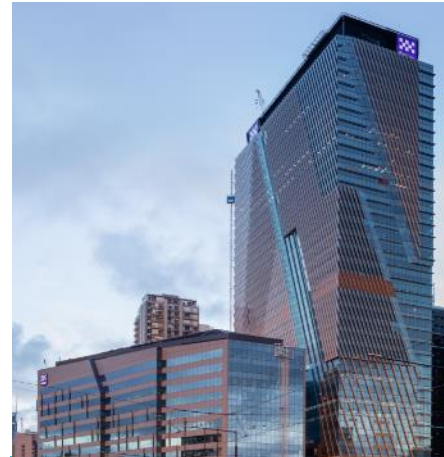
*May 2019: Acquired
T Tower in Seoul
(Acquisition Price:
\$292.0m⁽¹⁾)*



*Nov 2019: Divested
Bugis Junction Towers
in Singapore
(Sale Price: \$547.7m)*

3Q 2020 developments:

- Commencement of 311 Spencer Street's income contribution
- Acquiring Pinnacle Office Park to expand into Sydney Grade A metropolitan office space



*Jul 2020: Completed
311 Spencer Street
in Melbourne
(Carrying Amount:
\$372.5m⁽²⁾)*



*Sep 2020: Acquiring
Pinnacle Office Park
in Sydney
(Agreed Property Value:
\$303.3m⁽³⁾)*

(1) Based on an exchange rate of KRW 1,000 to \$1.156 used for payment.

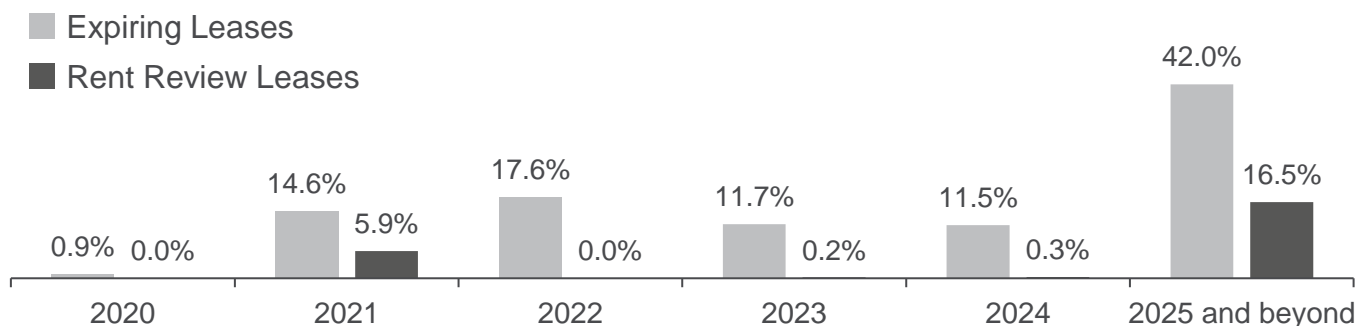
(2) Based on "as is" valuation as at 31 Dec 2019, as well as progress payments and capitalised costs from 1 Jan 2020 to 9 Jul 2020. Includes A\$5.4 million of estimated final payment to be made after 9 Jul 2020. Based on an exchange rate of A\$1 to S\$0.9695 as at 9 Jul 2020.

(3) Based on an exchange rate of A\$1.00 to S\$0.9912 as at 9 Sep 2020.

Leasing Reversions Positive; 3Q DPU from Operations Increases

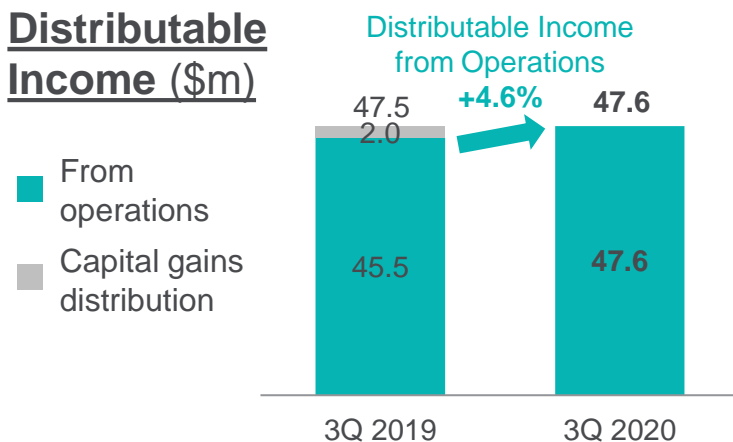
Lease Expiries and Rent Reviews

(by Committed Attributable Area)



- Average signing rent for Singapore office leases concluded in 9M 2020 was \$11.03⁽¹⁾ psf pm
- Average expiring rents⁽²⁾ of Singapore office leases (psf pm): \$9.72 in 2021, \$10.25 in 2022 and \$11.00 in 2023

Distributable Income (\$m)



- 3Q 2020 distributable income from operations⁽³⁾ was \$47.6m; Up 12.0% q-o-q and 4.6% y-o-y
- Aggregate leverage was 35.0%, with all-in interest rate reduced y-o-y to 2.39% p.a. from 2.82% p.a.

(1) Based on a weighted average calculation. Simple average signing rent was \$11.81 psf pm.

(2) Weighted average based on attributable NLA of office lease expiries and reviews in Singapore.

(3) As Keppel REIT has adopted half-yearly distributions, any distribution of capital gains for 2H 2020 will be disclosed at the FY 2020 results announcement.

Operating in the New Environment

- Tenants continue to maintain physical offices as a necessity for business, although the form and functions of the office is evolving
- Keppel REIT will continue to optimise the portfolio and calibrate its leasing strategy to meet potential shifts in occupier demand

Keppel REIT's Strategic Approach:



Thank You

For more information, please visit:
www.keppelreit.com

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