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MEDIA RELEASE

Unaudited Results of Keppel-KBS US REIT for the Financial Period since Listing on 9 November 2017 to 31 March 2018

17 April 2018

The Directors of Keppel-KBS US REIT Management Pte. Ltd., as Manager of Keppel-KBS US REIT, are pleased to announce the unaudited results of Keppel-KBS US REIT for the financial period since listing on 9 November 2017 to 31 March 2018.

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DBS Bank Ltd. is 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. are the Joint Bookrunners and Underwriters for the Offering.

Keppel-KBS US REIT delivers DPU of 2.32 US cents for the period since Listing on 9 November 2017 to 31 March 2018, above the IPO forecast of 2.31 US cents

Results Highlights for the Financial Period since Listing on 9 November 2017 to 31 March 2018

- Stable portfolio performance and one-off compensation income resulted in net property income of US$22.3 million, outperforming IPO forecast by 5.2%.
- Distribution per Unit (DPU) was 2.32 US cents, 0.4% higher than forecast of 2.31 US cents.
- Annualised distribution yield of 6.73% based on Unit trading price of US$0.88.
- Proactive leasing efforts and engagement with tenants to reconfigure and rationalise spaces to meet various business needs.
- Portfolio committed occupancy rate of 89.8% as at 1Q 2018.
- Aggregate leverage of 33.6% provides headroom to grow the portfolio.

Summary of Results

	Period of 9 November 2017 to 31 March 2018		
	Actual (US$'000)	**IPO Forecast[1] (US$'000)**	**+/-**
Gross Revenue	36,102	35,519	+1.6%
Property Expenses	(13,774)	(14,298)	-3.7%
Net Property Income	22,328	21,221	+5.2%
Income available for distribution to Unitholders[2]	14,616	14,607	+0.1%
Available DPU for the period (US cents)	2.32	2.31	+0.4%
Annualised available for distribution yield[3] (%)	6.73%	6.70%	+3bps

Notes:

(1) There was no forecast figure for the period from 9 November 2017 (Listing Date) to 31 December 2017. Forecast results for the period from Listing Date to 31 March 2018 comprise actual figures from Listing Date to 31 December 2017 and one quarter of 2018 forecast. The forecast figures were derived from the Forecast Year 2018 as disclosed in the Prospectus.

(2) The income available for distribution to Unitholders is based on 100% of the taxable income available for distribution to Unitholders. Distributions for Keppel-KBS US REIT are declared on a half-yearly basis. As such, no distribution has been declared for the financial period from the Listing Date to 1 March 2018. The first distribution for Keppel-KBS US REIT will be for the period from the Listing Date to 30 June 2018.

(3) Based on the Listing Date and 1Q 2018 closing price per Unit of US$0.88 respectively.

Financial Performance

Keppel-KBS US REIT Management Pte. Ltd., as Manager of Keppel-KBS US REIT, is pleased to deliver net property income of US$22.3 million for the financial period since listing on 9 November 2017 to 1Q 2018, exceeding its IPO forecast of US$21.2 million by 5.2%. This was driven by stable portfolio performance and a one-off compensation income.

The one-off compensation income of US$1.0 million was from a tenant at Westmoor Center in Denver, Colorado, that was granted permission to terminate its lease on 28 February 2018, ahead of its lease expiry in mid-2019. This was in connection with a new lease commencing July 2018 for an existing tenant that desired to expand into the space. The one-off income was commercially negotiated to offset the anticipated drop in rental income, and will be used to offset the anticipated drop in distribution from 2Q 2018 to 4Q 2018 in relation to the downtime and rent-free period for this space. The early lease termination follows the Manager's proactive engagement with both tenants to reconfigure and rationalise spaces to meet tenants' business needs.

DPU for the period of 9 November 2017 to 31 March 2018 is 2.32 US cents, which was 0.4% above the IPO forecast of 2.31 US cents. This translates to an annualised available for distribution yield of 6.73%, based on the Unit closing price of US$0.88 as at 31 March 2018. Keppel-KBS US REIT declares distributions on a half-yearly basis. No distribution has been declared for the quarter under review.

Portfolio Review

There was positive leasing momentum from IPO till 1Q 2018, with the Manager signing 32 leases amounting to more than 252,000 sf during this period.

Leasing demand for new spaces was mainly driven by tenants in the technology, financial services and manufacturing sectors. As at 31 March 2018, Keppel-KBS US REIT's committed portfolio occupancy was 89.8%. Additionally, the securing of a new lease from an existing tenant at Westmoor Center is advantageous as it provides certainty of income, and is indicative of continuing demand for the property.

The portfolio continues to enjoy a diversified tenant base driven by key growth sectors such as technology, professional services, finance and insurance, as well as medical and healthcare. As at 31 March 2018, portfolio weighted average lease expiry[1] (WALE) was 3.7 years. WALE[1] for the top 10 tenants was 5.3 years, comprising tenants in the technology sector such as Ball Aerospace & Tech Corp and Zimmer Biomet Spine Inc., as well as companies in the finance and insurance sectors.

Capital Management

As at 31 March 2018, the REIT had an aggregate leverage of 33.6%, providing headroom to acquire quality yield-accretive assets. All-in average borrowing costs were 3.40%, and the REIT's borrowings are entirely in USD, providing a natural hedge for its income and investments. The weighted average term to maturity was 4.1 years.

The Manager continually reviews the REIT's financing requirements to ensure an optimal capital structure, with appropriate hedging strategies especially in view of rising interest rates. As at 31 March 2018, 75% of the REIT's interest rate exposure was hedged.

Outlook

The International Monetary Fund is projecting 2.7% GDP growth for the US in 2018, an increase from their previous projection of 2.3%. The upward revision was due to stronger than expected economic activity in 2017, higher projected external demand, and the positive impact of the tax cuts enacted in December 2017. Additionally, US nonfarm payrolls expanded for the 90th consecutive month in March 2018, the longest growth streak on record; wage growth also continues to be robust, with hourly earnings increasing by 2.7% year-to-date.

According to CoStar, net absorption for the last 12 months[2] was 54.6 million sf. Deliveries for the same period were 68.4 million sf, with the majority of supply in gateway cities like New York, the Bay Area and Chicago. This resulted in a national average occupancy rate of 89.7% as at March 2018. Overall rent growth projection for 2018 is 1.5%. Property consultants expect the technology sector to continue to be the main driver for leasing demand, consistent with 2017. Other expansionary drivers of demand include co-working spaces and the life sciences sector.

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[1] By committed occupancy and NLA.

[2] Refers to the period from April 2017 to March 2018.

The Manager remains committed to delivering sustainable distributions and strong total returns to Unitholders, driven by its portfolio of assets located in key growth markets that exhibit strong economic fundamentals. Office demand in these markets is underpinned by strong and defensive sectors such as technology, IT, education and healthcare, as well as an employment base significantly made up of an educated workforce seeking a “Live, Work, Play” environment.

At the same time, the Manager continues to actively market the available space in its portfolio to improve net property income. To capture further upside from improving office market conditions, the Manager will also seek acquisition opportunities in key growth markets it currently has a presence in, as well as other US cities with similar growth characteristics.

- End -

About Keppel-KBS US REIT (www.kepkbsusreit.com)

Listed on 9 November 2017 on the mainboard of the Singapore Exchange Securities Trading Limited, Keppel-KBS US REIT is a distinctive office REIT with properties located in key growth markets of the United States (US). The REIT's investment strategy is to principally invest in a diversified portfolio of income-producing commercial and real estate assets in key growth markets of the US to provide sustainable distributions and strong total returns for Unitholders.

Its current portfolio comprises a balanced mix of 11 office properties located in seven key growth markets across US. With an aggregate Net Lettable Area (NLA) of 3.2 million square feet, these quality properties have a diversified tenant base led by tenants in the growth and defensive sectors such as technology, finance and insurance, professional services, as well as medical and healthcare.

The assets in the West Coast are The Plaza Buildings and Bellevue Technology Center, both located in Seattle, Washington, as well as Iron Point in Sacramento, California. In the Central region, the assets are Great Hills Plaza and Westech 360 in Austin, Texas; and 1800 West Loop South and West Loop I & II in Houston, Texas; and Westmoor Center in Denver, Colorado. In the East Coast, the REIT owns Powers Ferry and Northridge Center I & II in Atlanta, Georgia and Maitland Promenade II in Orlando, Florida.

Keppel-KBS US REIT is managed by Keppel-KBS US REIT Management Pte. Ltd., which is jointly owned by two reputable Sponsors, Keppel Capital Holdings Pte. Ltd. (Keppel Capital) and KBS Pacific Advisors Pte. Ltd. (KPA)[3]. Keppel Capital is a premier asset manager in Asia, with a diversified portfolio of real estate, infrastructure and data centre properties in key cities globally. It has an established track record of managing Singapore-listed REITs and Business Trust. With KPA as a co-sponsor of Keppel-KBS US REIT, the Manager is able to leverage KPA's affiliation with KBS Capital Advisors LLC (KBS), which is one of the largest US owner of office properties globally.

Through the association with Keppel Capital and KBS, the Manager will be able to harness synergies from two best-in-class management platforms to deliver long-term sustainable distributions and total returns to Unitholders.

[3] The co-founding partners of KBS include Peter McMillan III and Keith D. Hall, who are partners of KPA and together indirectly hold a one-third stake of KBS. As KPA is a co-sponsor of Keppel-KBS US REIT, the Manager is able to leverage KPA's affiliation with KBS.

Important Notice

The past performance of Keppel-KBS US REIT is not necessarily indicative of its future performance. Certain statements made in this release 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-KBS US REIT (Unitholders) are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Keppel-KBS US REIT Management Pte. Ltd., as manager of Keppel-KBS US 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 release. None of the Manager, the trustee of Keppel-KBS US 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 release or its contents or otherwise arising in connection with this release. 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-KBS US 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 possible loss of 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 KBS US REIT

(Constituted in the Republic of Singapore pursuant to a trust deed dated 22 September 2017)

KEPPEL-KBS US REIT
FINANCIAL STATEMENTS ANNOUNCEMENT
UNAUDITED RESULTS FOR THE PERIOD FROM
9 NOVEMBER 2017 (LISTING DATE) TO 31 MARCH 2018

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DBS Bank Ltd. is 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 (collectively, the "**Joint Bookrunners and Underwriters**").

INTRODUCTION

Keppel-KBS US REIT is a Singapore real estate investment trust constituted by the Trust Deed dated 22 September 2017 between Keppel-KBS US REIT Management Pte. Ltd., as the Manager of Keppel-KBS US REIT and Perpetual (Asia) Limited, as the Trustee of Keppel-KBS US REIT.

Keppel-KBS US REIT was listed on SGX-ST on 9 November 2017 ("Listing Date") with the investment strategy of principally investing, directly or indirectly, in a diversified portfolio of income-producing commercial assets and real estate-related assets in the key growth markets of the United States.

Keppel-KBS US REIT's key objectives are to provide Unitholders with attractive total returns primarily driven by regular and stable distributions, while maintaining an appropriate capital structure and striving for sustainable growth in distribution and net asset value per Unit.

The initial portfolio of Keppel-KBS US REIT (the "IPO Portfolio") comprise 11 office properties in the United States, with an aggregate NLA of 3,225,739 sq ft. The IPO Portfolio consists of the following properties (the "Properties"):

<u>West Coast</u>

The Plaza Buildings

Bellevue Technology Center

Iron Point

<u>Central</u>

Westmoor Center

Great Hills Plaza

Westech 360

1800 West Loop South

West Loop I & II

<u>East Coast</u>

Powers Ferry Landing East

Northridge Center I & II

Maitland Promenade II

As disclosed in the Prospectus, SGX-ST granted Keppel-KBS US REIT a waiver from compliance with Rule 705(1) of the SGX-ST Listing Manual which requires the announcement of financial statements for the full financial year immediately after the figures are available. Instead, Keppel-KBS US REIT will be announcing its first quarter results for the period from 9 November 2017 ("Listing Date") to 31 March 2018.

SUMMARY OF KEPPEL-KBS US REIT RESULTS
FOR THE PERIOD FROM 9 NOVEMBER 2017 (LISTING DATE) TO 31 MARCH 2018

	Group		
	9 November 2017 to 31 March 2018 [(1)]		
	Actual	Forecast [(2)]	
	US$'000	US$'000	+/(-) %
Gross Revenue	36,102	35,519	1.6
Property Expenses	(13,774)	(14,298)	(3.7)
Net Property Income [(3)]	22,328	21,221	5.2
Net Income for the period [(4)]	19,141	13,647	40.3
Income available for distribution to Unitholders [(5)]	14,616	14,607	0.1
Available distribution per Unit (DPU) (US cents) for the period [(5)]	2.32	2.31	0.4
Annualised available for distribution yield (%) [(5) (6)] - Based on IPO and 1Q2018 closing price of US$0.880	6.73%	6.70%	3bps

Notes:

(1) No comparative figures have been presented as Keppel-KBS US REIT was constituted on 22 September 2017 and dormant since its constitution to the Listing Date.

(2) There was no forecast figure for the period from Listing Date to 31 December 2017. Hence, forecast results for the period from Listing Date to 31 March 2018 comprise actual figures from Listing Date to 31 December 2017 and one quarter of the 2018 forecast. The one quarter forecast figures were derived from the Forecast Year 2018 as disclosed in the Prospectus.

(3) Net property income of US$22.3 million was higher than forecast largely due to a one-off compensation income of US$1.0 million from a tenant at Westmoor Center that was granted permission to terminate its lease on 28 February 2018, ahead of its lease expiry in mid-2019. This was in connection with a new lease commencing July 2018 for an existing tenant that desired to expand into the space. The one-off income was commercially negotiated to offset the anticipated drop in rental income and will be used to offset the anticipated drop in distribution from 2Q 2018 to 4Q 2018 in relation to the downtime and rent-free period for this space. The early lease termination follows the Manager's proactive engagement with both tenants to reconfigure and rationalise spaces to meet tenants' business needs. For more details, please see Paragraph 9 – Variance from Forecast Statement.

(4) Included in net income for the period is a derivative gain of US$4.8 million due to the change in fair value of the interest rate swaps for the period from Listing Date to 31 March 2018.

For the period from 1 January 2018 to 31 March 2018, derivative gain amounted to US$3.8 million, which was not part of the forecast. Excluding the derivative gain of US$3.8 million in 1Q 2018 and the one-off compensation income of US$1.0 million mentioned above, actual net income for the period was higher than forecast by US$0.6 million.

(5) The income available for distribution to Unitholders is based on 100% of the taxable income available for distribution to Unitholders. No distribution has been declared for the period from the Listing Date to 31 March 2018. Keppel-KBS US REIT will be declaring distributions on a half-yearly basis. The first distribution for Keppel-KBS US REIT will be for the period from the Listing Date to 30 June 2018.

For the period from Listing Date to 31 December 2017, actual income available for distribution to Unitholders and available distribution per unit are US$5.2 million and 0.82 US cents respectively.

Excluding the results for the period from Listing Date to 31 December 2017, actual income available for distribution to Unitholders and available distribution per Unit for 1Q2018 are:

	Group		
	1 January 2018 to 31 March 2018		
	Actual	**Forecast**	
	US$'000	**US$'000**	**+/(-) %**
Income available for distribution to Unitholders	9,454	9,445	0.1
DPU (US cents)	1.50	1.49	0.7

(6) The annualised available for distribution yield for Listing Date to 31 March 2018 is on a pro-rata basis of 143 days following the Listing Date.

1 UNAUDITED RESULTS FOR THE PERIOD FROM 9 NOVEMBER 2017 (LISTING DATE) TO 31 MARCH 2018

The Directors of Keppel-KBS US REIT Management Pte. Ltd., as the Manager of Keppel-KBS US REIT, advise the following unaudited results of the Group for the period from 9 November 2017 (Listing Date) to 31 March 2018:

1 (A)(i)(ii) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND DISTRIBUTION STATEMENT

	Note	9 November 2017 to 31 March 2018		
		Actual	**Forecast (1)**	**+/(-)%**
Consolidated Statement of Comprehensive Income		**US$'000**	**US$'000**	
Rental income		28,058	27,240	3.0
Recoveries income		6,604	6,805	(3.0)
Other operating income		1,440	1,474	(2.3)
Gross Revenue		**36,102**	**35,519**	**1.6**
Utilities		(2,510)	(2,664)	(5.8)
Repairs and maintenance		(1,572)	(1,580)	(0.5)
Property management fees		(1,703)	(1,880)	(9.4)
Property taxes		(4,319)	(4,205)	2.7
Other property expenses		(3,670)	(3,969)	(7.5)
Property expenses		**(13,774)**	**(14,298)**	**(3.7)**
Net Property Income		**22,328**	**21,221**	**5.2**
Finance income		24	12	100.0
Finance expenses	2	(3,949)	(4,074)	(3.1)
Manager's base fee	3	(1,461)	(1,461)	-
Trustee's fee		(58)	(67)	(13.4)
Fair value change in derivatives	4	4,799	989	>100
Other trust expenses	5	(1,197)	(1,176)	1.8
Net income for the period before tax		**20,486**	**15,444**	**32.6**
Tax expense	6	(1,345)	(1,797)	(25.2)
Net income for the period		**19,141**	**13,647**	**40.3**
Distribution Statement				
Net income for the period		**19,141**	**13,647**	**40.3**
Distribution adjustments	7	(4,525)	960	NM
Income available for distribution to Unitholders	8	**14,616**	**14,607**	**0.1**
Available distribution per Unit (DPU) (US cents)	8	**2.32**	**2.31**	**0.4**

NM – Not meaningful

Notes:

(1) There was no forecast figure for the period from Listing Date to 31 December 2017. Hence, forecast results for the period from Listing Date to 31 March 2018 comprise actual figures from Listing Date to 31 December 2017 and one quarter of the 2018 forecast. The one quarter forecast figures were derived from the Forecast Year 2018 as disclosed in the Prospectus.

(2) Finance expenses comprise the following:

	9 November 2017 to 31 March 2018		
	Actual US$'000	**Forecast US$'000**	**+/(-)%**
Interest expense on borrowings	3,597	3,685	(2.4)
Amortisation of upfront debt-related transaction costs	246	239	2.9
Dividends on preferred units	67	108	(38.0)
Commitment fees	39	42	(7.1)
	3,949	4,074	(3.1)

(3) The Manager has elected to receive 100% of its base fee in the form of units for the period from Listing Date to 31 December 2018.

(4) This relates to fair value gain of the interest rate swaps entered into by the Group for hedging purpose. During the period from 1 January 2018 to 31 March 2018, derivative gain from mark-to-market of the interest rate swaps amounted to US$3.8 million as interest rates increased during the period. For the period from Listing Date to 31 December 2017, derivative gain was US$1.0 million.

(5) Other trust expenses comprise audit, tax compliance and other corporate expenses.

(6) Tax expense comprise current and deferred tax expenses. Current tax expense comprise mainly income tax expense on the Barbados entities, Keppel-KBS US REIT B1 SRL and Keppel-KBS US REIT B2 SRL.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Tax expense mostly related to deferred tax expense arising from capital allowances claimed on the investment properties.

(7) Included in distribution adjustments are the following:

	9 November 2017 to 31 March 2018		
	Actual US$'000	**Forecast US$'000**	**+/(-)%**
Property related non-cash items [a]	(1,404)	(1,577)	(11.0)
Manager's base fee paid/payable in units	1,461	1,461	-
Trustee's fee	58	67	(13.4)
Amortisation of upfront debt-related transaction costs [b]	246	239	2.9
Deferred tax expense	1,235	1,759	(29.8)
Fair value change in derivatives	(4,799)	(989)	>100.0
Others [c]	(1,322)	-	NM
Net distribution adjustments	(4,525)	960	NM

(a) Property related non-cash items mainly comprise straight-line rent and amortisation of lease incentives.
(b) Upfront debt-related transaction costs are amortised over the life of the borrowings.
(c) Included in others are other non-tax deductible items and other adjustments.

(8) The income available for distribution and DPU to Unitholders is based on 100% of the taxable income available for distribution to Unitholders. Keppel-KBS US REIT declares distribution on a half-yearly basis. No distribution has been declared for the financial period under review.

1 (B)(i) STATEMENTS OF FINANCIAL POSITION

	Note	Group As at 31 March 2018 US$'000	Trust As at 31 March 2018 US$'000
Current assets			
Cash and cash equivalents		43,697	7,241
Trade and other receivables		2,402	1,014
Prepaid expenses		1,280	19
Total current assets		**47,379**	**8,274**
Non-current assets			
Derivative asset	1	4,799	4,799
Investment properties	2	808,873	-
Investment in subsidiaries		-	810,760
Total non-current assets		**813,672**	**815,559**
Total Assets		**861,051**	**823,833**
Current liabilities			
Trade and other payables		13,389	4,700
Rental security deposits		554	-
Rent received in advance		3,877	-
Total current liabilities		**17,820**	**4,700**
Non-current liabilities			
Borrowings		286,931	286,931
Rental security deposits		2,657	-
Preferred units		125	-
Deferred tax liabilities		1,235	-
Total non-current liabilities		**290,948**	**286,931**
Total liabilities		**308,768**	**291,631**
Net assets		**552,283**	**532,202**
Represented by:			
Unitholders' funds		**552,283**	**532,202**
Net asset value per Unit (US$)		**0.88**	**0.85**

Notes:

(1) This relates to fair value of the interest rate swaps entered into by the Group for hedging purpose.

(2) All the investment properties held are freehold.

Investment Properties	**Carrying value US$'000**
The Plaza Buildings	240,833
Bellevue Technology Center	131,423
Iron Point	36,801
Westmoor Center	118,760
Great Hills Plaza	33,290
Westech 360	41,677
1800 West Loop South	79,928
West Loop I & II	46,090
Powers Ferry Landing East	18,900
Northridge Center I & II	20,781
Maitland Promenade II	40,390
	808,873

	Group As at 31 March 2018 US$'000
As at 22 September 2017 (Date of constitution)	-
Acquisitions (including acquisition costs) [1]	796,894
Capital expenditure and straight-line rent capitalised	11,979
Investment properties	**808,873**

Notes:

(1) The actual acquisition consideration was net of seller's portion of capital and leasing costs as at IPO date.

1 (B)(ii) AGGREGATE AMOUNT OF BORROWINGS AND DEBT SECURITIES

Unsecured borrowings	**Group As at 31 March 2018 US$'000**
Amount repayable after one year	289,440
Less: Unamortised upfront debt-related transaction costs	(2,509)
Total unsecured loans and borrowings	**286,931**

Notes:

Keppel-KBS US REIT has obtained unsecured credit facilities comprising: (i) term loan facilities maturing four and five years amounting to US$289.4 million and (ii) revolving credit facilities, amounting to a total of US$50.0 million.

As at 31 March 2018, the Group had total gross borrowings of US$289.4 million and unutilised US$50.0 million of facilities to meet its future obligations. 75% of the term loans had been hedged using floating-for-fixed interest rate swaps. The year-to-date all-in average interest rate for borrowings, including upfront debt-related transaction costs, was 3.40%. Aggregate leverage, as defined in the Property Funds Appendix, is 33.6%.

1 (C) CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Group 9 November 2017 to 31 March 2018 US$'000
Operating activities		
Net income before tax		20,486
Adjustments for:		
Property related non-cash items		(1,404)
Manager's fee paid/payable in Units		1,461
Finance expenses		3,949
Fair value change in derivative		(4,799)
		19,693
Changes in working capital		
Trade and other receivables		(3,326)
Trade and other payables		3,563
Rental security deposits		(14)
Rent received in advance		1,349
Net cash generated from operations		**21,265**
Cash flows from investing activities		
Acquisition of investment properties and related assets and liabilities	1	(784,600)
Additions to investment properties		(10,575)
Net cash used in investing activities		**(795,175)**
Cash flows from financing activities		
Proceeds from issuance of units	2	553,137
Payment for IPO related expenses		(19,995)
Proceeds from debt financing		289,440
Payment of debt related transaction costs		(2,755)
Proceeds from preferred units		1,625
Redemption of preferred units		(1,500)
Financing expense paid on loans and borrowings		(2,278)
Financing expense paid on preferred shares		(67)
Net cash generated from financing activities		**817,607**
Net increase in cash and cash equivalents		**43,697**
Cash and cash equivalents at beginning of the period		-
Cash and cash equivalents at end of the period		**43,697**

Notes:

(1) Acquisition of investment properties and related assets and liabilities based on the closing statement is set out below.

	Group 9 November 2017 to 31 March 2018 US$'000
Investment properties (see breakdown below)	796,894
Prepaid expenses and other receivables	356
Accrued expenses and other payables	(6,898)
Rental security deposits	(3,224)
Rent received in advance	(2,528)
Net assets acquired	784,600
Agreed purchase consideration for investment properties	804,000
Acquisition costs	622
Capital and leasing costs under seller’s responsibility	(7,728)
Net cash consideration of investment properties	796,894

(2) An aggregate of 628,565,000 units issued at US$0.88 per unit and amounting to US$553.1 million were issued on Listing Date.

The use of proceeds raised from the initial public offering, including proceeds from the IPO Loan Facilities, is in accordance with the stated uses as disclosed in the Prospectus, and is set out below.

	Actual US$'000	Per Prospectus US$'000	Variance US$'000
Cash consideration of investment properties [a]	796,894	804,000	(7,106)
Transaction costs [b]	23,372	30,251	(6,879)
Working capital	9,951	9,951	-
	830,217	844,202	(13,985)

Notes:

(a) Actual cash consideration was net of seller's portion of capital and leasing costs as at IPO date.

(b) The favourable variances are mainly from lower than expected IPO related costs and GST refund on transaction costs. These savings will be used for general working capital purposes. The Manager will make the appropriate announcements on any material development on the use of proceeds in compliance with the listing requirement of the SGX-ST, as and when required.

1 (D)(i) STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS

	22 September 2017 to 31 March 2018		
Group	**Units in issue US$'000**	**Retained earnings US$'000**	**Total US$'000**
At 22 September 2017 (Date of Constitution) [1]	-	-	-
Operations			
Net income for the period	-	**19,141**	**19,141**
Unitholders' transactions			
Issue of new units			
- Initial Public Offering	553,137	-	553,137
Issue costs [2]	(19,995)	-	(19,995)
Net increase in net assets resulting from Unitholders' transactions	**533,142**	**-**	**533,142**
At 31 March 2018	**533,142**	**19,141**	**552,283**

Trust	22 September 2017 to 31 March 2018		
	Units in issue US$'000	Retained earnings US$'000	Total US$'000
At 22 September 2017 (Date of Constitution) (1)	-	-	-
Operations			
Net loss for the period	**-**	**(940)**	**(940)**
Unitholders' transactions			
Issue of new units			
- Initial Public Offering	553,137	-	553,137
Issue costs (2)	(19,995)	-	(19,995)
Net increase in net assets resulting from Unitholders' transactions	**533,142**	**-**	**533,142**
At 31 March 2018	**533,142**	**(940)**	**532,202**

Notes:

(1) Less than US$1,000

(2) Issue costs comprise underwriting and selling commissions, professionals and other fees, and other issue expenses.

1 (D)(ii) DETAILS OF ANY CHANGES IN UNITS

	22 September 2017 to 31 March 2018 Units
Units in Issue:	
At 22 September 2017 (Date of constitution)	-
New Units issued:	
- at Initial Public Offering	628,565,000
Total issued Units as at end of the period	**628,565,000**

1 (D)(iii) TOTAL NUMBER OF ISSUED UNITS

Keppel-KBS US REIT does not hold any treasury units as at 31 March 2018.

	Actual As at 31 March 2018
Total number of issued units	628,565,000

1 (D)(iv) SALES, TRANSFER, DISPOSALS, CANCELLATION OR USE OF TREASURY UNITS

Not applicable.

2. AUDIT

The figures have neither been audited nor reviewed by the auditors.

3. AUDITORS' REPORT

Not applicable.

4. ACCOUNTING POLICIES

The Group has applied the same accounting policies and methods of computation as described in the Prospectus in the preparation of the consolidated financial statements for the current reporting period.

5. CHANGES IN ACCOUNTING POLICIES

Not applicable.

6. CONSOLIDATED EARNINGS PER UNIT ("EPU") AND DISTRIBUTION PER UNIT ("DPU")

	9 November 2017 to 31 March 2018
EPU	
Weighted average number of Units in issue [(1)]	628,565,000
Net income for the period (US$'000)	19,141
Basic and diluted EPU (US cents)	3.05
DPU	
Number of Units in issue at end of period	628,565,000
Income available for distribution to Unitholders (US$'000)	14,616
DPU (US cents) [(2)]	2.32

Notes:

(1) The weighted average number of units was based on the number of units in issue during the period.

(2) The DPU was computed and rounded based on the number of units entitled to distribution at the end of the period.

7. NET ASSET VALUE ("NAV") AND NET TANGIBLE ASSET ("NTA") PER UNIT

	As at 31 March 2018	
	Group	**Trust**
Number of Units in issue	628,565,000	628,565,000
Net assets (US$'000)	552,283	532,202
NAV and NTA per Unit [(1)] (US$)	0.88	0.85

Notes:

(1) The computation of NAV and NTA is based on number of units in issue at the end of the period. NAV and NTA is the same as there is no intangible asset as at the end of the period.

8. REVIEW OF PERFORMANCE

Please refer to section 9 on the review of the actual results for the period from Listing Date to 31 March 2018 against the forecast as disclosed in the Prospectus.

9. VARIANCE FROM FORECAST STATEMENT

The gross revenue of US$36.1 million was 1.6% or US$0.6 million above forecast largely due to a one-off compensation income of US$1.0 million from a tenant at Westmoor Center that was granted permission to terminate its lease on 28 February 2018, ahead of its lease expiry in mid-2019. This was in connection with a new lease commencing July 2018 for an existing tenant that desired to expand into the space. The one-off income was commercially negotiated to offset the anticipated drop in rental income and will be used to offset the anticipated drop in distribution from 2Q 2018 to 4Q 2018 in relation to the downtime and rent-free period for this space. The early lease termination follows the Manager's proactive engagement with both tenants to reconfigure and rationalise spaces to meet tenants' business needs. The compensation income was offset by lower rental from the vacated space mentioned above as well as lower rental from the rest of the portfolio as the straight lined forecast factored in rental escalation and higher occupancy which are projected to occur in later part of the year.

Property expenses were lower than forecast by 3.7% or $0.5 million, arising from lower net property management fees of $0.2 million and lower actual property expenses as forecast straight lined higher expenses such as utilities and other property expenses which are projected to increase later in the year.

Accordingly, net property income of US$22.3 million was higher than forecast by US$1.1 million or 5.2%.

During the period from 1 January 2018 to 31 March 2018, derivative gain from mark-to-market of interest rate swaps amounted to US$3.8 million as interest rates increased during the period. Derivative gain for the period from 9 November 2017 to 31 December 2017 was US$1.0 million.

Finance expenses of US$3.9 million were 3.1% lower than forecast as the revolving credit facilities had yet to be drawn down. The remaining other trust expenses were generally in line with forecast.

Consequently, profit before tax of US$20.5 million was above forecast by 32.6%.

Tax expense of US$1.3 million, mainly relating to deferred tax expenses, was below forecast as the US corporate tax rate in relation to distribution of capital gains was reduced from 35% to 21%. This was partially offset by higher current tax expense from tax provision for the Barbados entities as a result of the tax restructuring.

Due to the net effects of the above, net income for the period from 9 November 2017 to 31 March 2018 of US$19.1 million was higher than forecast by 40.3%.

Overall, income available for distribution to Unitholders of US$14.6 million was higher than forecast by 0.1%.

10. PROSPECTS

The International Monetary Fund is projecting 2.7% GDP growth for the US in 2018, an increase from their previous projection of 2.3%. The upward revision was due to stronger than expected economic activity in 2017, higher projected external demand, and the positive impact of the tax cuts enacted in December 2017. Additionally, US nonfarm payrolls expanded for the 90th consecutive month in March 2018, the longest growth streak on record; wage growth also continues to be robust, with hourly earnings increasing by 2.7% year-to-date.

According to CoStar, net absorption for the last 12 months[1] was 54.6 million sf. Deliveries for the same period were 68.4 million sf, with majority of supply in gateway cities like New York, the Bay Area and Chicago. This resulted in a national average occupancy rate of 89.7% as at March 2018. Overall rent growth projection for 2018 is 1.5%. Property consultants expect the technology sector to continue to be the main driver for leasing demand, consistent with 2017. Other expansionary drivers of demand include co-working spaces and the life sciences sector.

The Manager remains committed to deliver sustainable distributions and strong total returns to Unitholders, driven by its portfolio of assets located in growth markets that exhibit strong economic fundamentals. Office demand in these markets is underpinned by strong and defensive sectors such as technology, IT, education and healthcare, as well as an employment base significantly made up of an educated workforce seeking a "Live, Work, Play" environment.

At the same time, the Manager continues to actively market the available space in its portfolio to improve net property income. To capture further upside from improving office market conditions, the Manager will also seek acquisition opportunities in key growth markets it currently has a presence in, as well as other US cities with similar growth characteristics.

[1] Refers to the period from April 2017 to March 2018.

11. RISK FACTORS AND RISK MANAGEMENT

The Manager ascribes importance to risk management and constantly takes initiatives to systematically review the risks it faces and mitigates them. Some of the key risks that the Manager has identified are as follows:

Tax risk

There may exist uncertainties with respect to the complex tax regulations in the jurisdictions the Group operates in. While the Manager cannot predict when changes may occur and the impact of the changes on the Group, the Manager will continue to monitor future changes and clarifications. The Manager will make future announcements if and when appropriate.

Interest rate risk

The Manager constantly monitors its exposure to changes in interest rates for its interest-bearing financial liabilities. Interest rate risk is managed on an on-going basis with the primary objective of limiting the extent to which net interest expense can be affected by adverse movements in interest rates through financial instruments or other suitable financial products.

Liquidity risk

The Manager monitors and maintains the Group's cash flow position and working capital to ensure that there are adequate liquid reserves in terms of cash and credit facilities to meet short-term obligations. Steps have been taken to plan for capital and expense requirements so as to manage the cash position at any point of time.

Credit risk

Credit risk assessments of tenants are carried out by way of evaluation of information from corporate searches conducted prior to the signing of lease arrangements. Tenants are generally required to pay a security deposit as a multiple of monthly rents and maintain sufficient deposits in their accounts. In addition, the Manager also monitors the tenant mix.

Currency risk

Currency risk arises from future commercial transactions, recognised assets and liabilities and net investments denominated in foreign currencies. The Group's business is not exposed to significant currency risk as the portfolio of properties is located in the United States and the cash flows from the operations of the properties are denominated in US$. The Group also borrows in the same currency as the assets in order to manage the foreign currency risk. Keppel-KBS US REIT will receive US$ distributions from the investment properties which will be passed to the Unitholders, either in US$ or converted to SG$ at the spot foreign exchange rate at the time of distribution. Keppel-KBS US REIT is exposed to fluctuations in the cross currency rates of the US$ and SG$ for operating expenses incurred in Singapore, which are not material. If and when appropriate, based on the prevailing market conditions, the Group may adopt suitable hedging strategies to minimise any foreign exchange risk.

Operational risk

Measures have been put in place to manage expenses, actively monitor rental payments from tenants and evaluate the Group's counter-parties on an ongoing basis. The Manager also performs an annual review of the adequacy and appropriateness of insurance coverage, reviews disaster and pandemic business continuity plans, and updates and modifies regularly.

12. DISTRIBUTIONS

(a) Current Financial Period reported on

Any distribution recommended for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any distribution declared for the corresponding period of the immediately preceding financial year?

Not applicable.

(c) Date payable

The date of the distribution is payable:

Not applicable.

(d) Book closure date

Not applicable.

13. DISTRIBUTION STATEMENT

No distribution has been declared / recommended.

14. INTERESTED PERSON TRANSACTIONS

The Group does not have any IPT and no general IPT mandate has been obtained for the period under review.

15. CONFIRMATION PURSUANT TO RULE 720(1) OF THE LISTING MANUAL

The Manager confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

The past performance of Keppel-KBS US 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 unitholder of Keppel-KBS US REIT (**"Unitholders"**) are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Keppel-KBS US REIT Management Pte. Ltd., as Manager of Keppel-KBS US 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-KBS US REIT or any of their respective advisors, representative 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-KBS US 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 (**"SGXST"**). Listing of the Units on SGX-ST does not guarantee a liquid market for the Units.

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

CHUA HUA YEOW KELVIN
Company Secretary
17 April 2018

CONFIRMATION BY THE BOARD

We, PETER MCMILLAN and PAUL THAM, being two Directors of Keppel-KBS US REIT Management Pte. Ltd. (the "Company"), as Manager of Keppel-KBS US REIT, do hereby confirm on behalf of the Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements of Keppel-KBS US REIT for the financial period from 9 November 2017 to 31 March 2018 to be false or misleading in any material respect.

On behalf of the Board,

PETER MCMILLAN Chairman	PAUL THAM Director

17 April 2018

Keppel KBS US REIT

1Q 2018 Financial Results

For the period 9 November 2017
to 31 March 2018

Contents

Important Notice

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Prospective investors and unitholders of Keppel-KBS US REIT (Unitholders) are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Keppel-KBS US REIT Management Pte. Ltd., as manager of Keppel-KBS US 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 release. None of the Manager, the trustee of Keppel-KBS US 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 release or its contents or otherwise arising in connection with this release. 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-KBS US 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 possible loss of principal amount invested.

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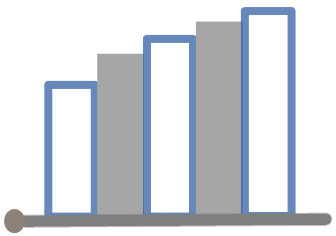
Keppel KBS US REIT

Key Highlights

The Plaza Buildings, Seattle, Washington

Key Highlights

Available distribution per Unit (DPU) of 2.32 US cents, 0.4% above IPO forecast



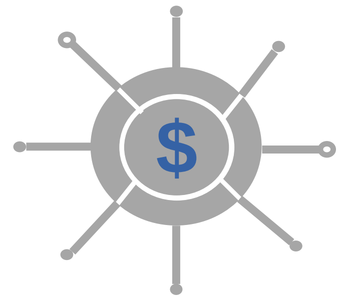
Income Available for Distribution

US$14.6 million

Annualised Distribution Yield

6.73%

Based on the Unit closing price of US$0.88

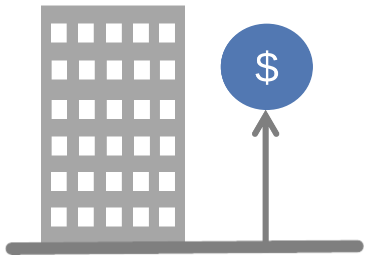


Aggregate Leverage

33.6%

Interest Coverage

6.1x



Portfolio Committed Occupancy

89.8%

Portfolio WALE[1]

3.7 years

All information as at 31 March 2018.

(1) Portfolio WALE is by net lettable area

Keppel KBS US REIT

Distinctive portfolio with quality assets

Well-positioned to capture opportunities in key growth markets

The Plaza Buildings

Market: **Seattle**
Valuation: **US$243.9mn**

Westmoor Center

Market: **Denver**
Valuation: **US$121.4mn**

Westech 360

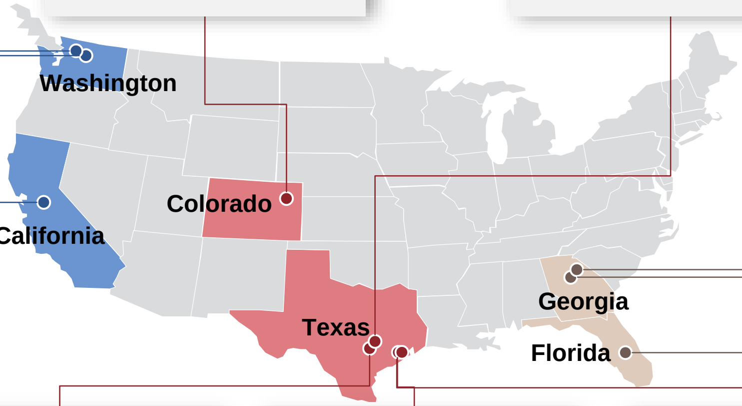
Market: **Austin**
Valuation: **US$43.8mn**

Powers Ferry

Market: **Atlanta**
Valuation: **US$19.2mn**

Bellevue Technology Center

Market: **Seattle**
Valuation: **US$133.0mn**



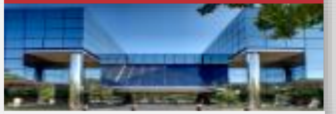
Northridge Center I & II

Market: **Atlanta**
Valuation: **US$20.5mn**

Iron Point

Market: **Sacramento**
Valuation: **US$38.2mn**

Great Hills Plaza



Market: **Austin**
Valuation: **US$33.3mn**

1800 West Loop South

Market: **Houston**
Valuation: **US$82.0mn**

West Loop I & II

Market: **Houston**
Valuation: **US$50.7mn**

Maitland Promenade II

Market: **Orlando**
Valuation: **US$43.4mn**

Valuation figures as at 30 Jun 2017

West Coast *Central* *East Coast*

Keppel KBS US REIT

Keppel KBS US REIT

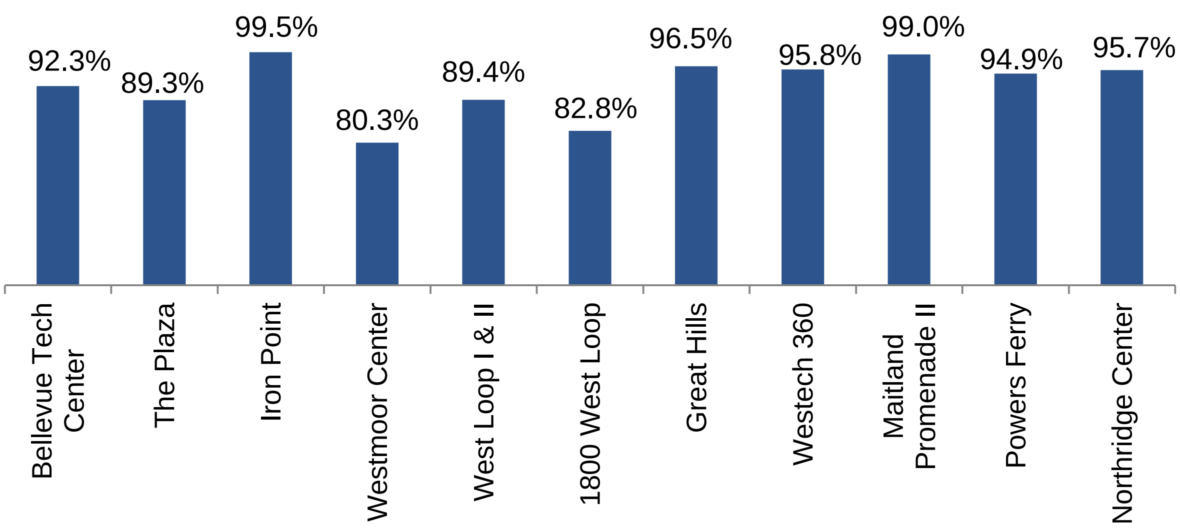
Portfolio Review

Great Hills Plaza, Austin, Texas

Portfolio Overview

Key Statistics as at 31 Mar 2018	
No. of Assets	11
Total NLA (sf)	3,225,739
Land Tenure	100% Freehold
WALE by NLA	3.7
Occupancy[1]	89.8%
No. of Tenants	333

Committed Occupancy Rates[(1)] (as at 1Q 2018)



The Plaza Buildings, Seattle

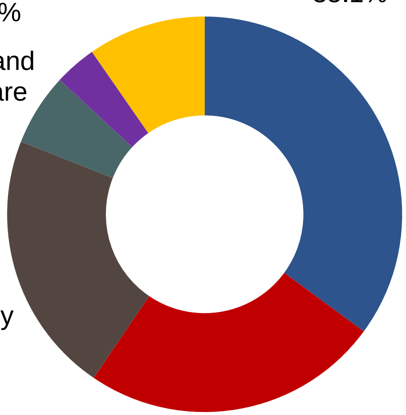
Great Hills Plaza, Austin

Maitland Promenade II, Orlando

(1) All occupancy figures refer to Committed Occupancy by NLA

Diversified tenant base with low tenant concentration

Portfolio tenant base composition(1)



Top 10 tenants(1)

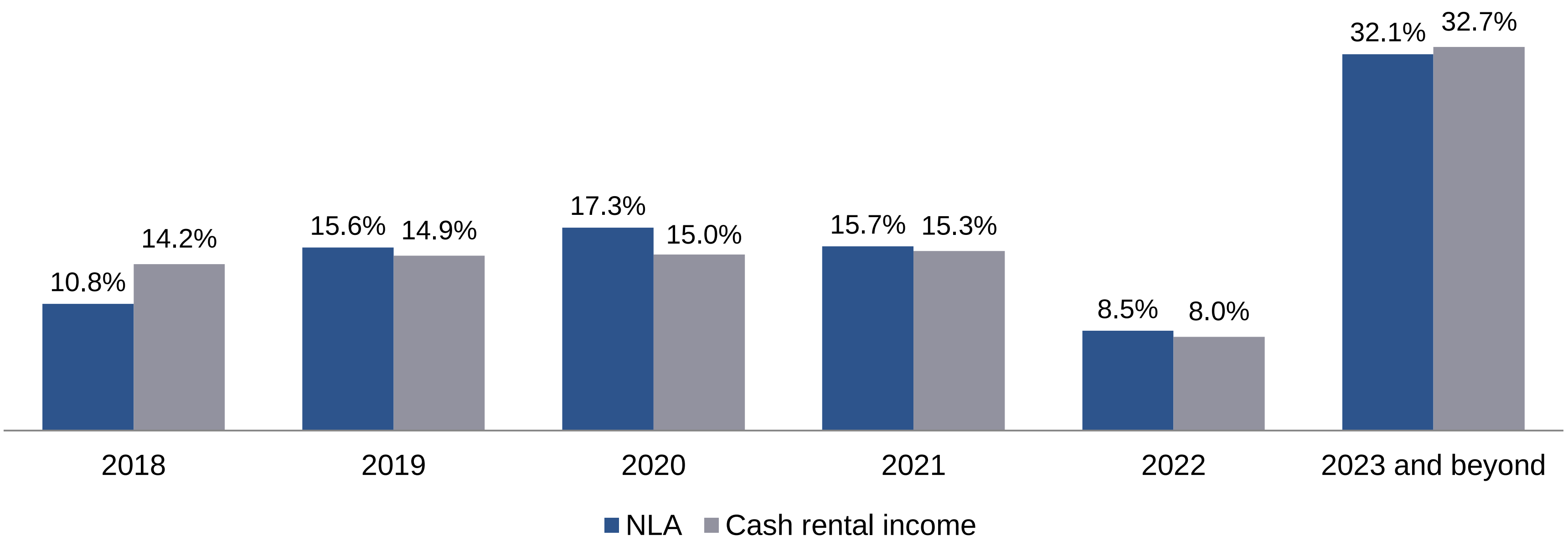
Tenant	Sector	Asset	%
Ball Aerospace & Tech Corp	Technology	Westmoor Center	3.9%
Zimmer Biomet Spine, Inc.	Technology	Westmoor Center	3.0%
Unigard Insurance Company[2]	Finance and Insurance	Bellevue Technology Center	2.5%
US Bank National Association	Finance and Insurance	The Plaza Buildings	2.5%
Blucora, Inc.	Technology	The Plaza Buildings	2.3%
Health Care Service Corp	Finance and Insurance	1800 West Loop South	2.2%
Reed Group, Ltd	Finance and Insurance	Bellevue Technology Center	2.0%
Regus PLC	Professional Services	Bellevue Technology Center	1.8%
Nintex USA LLC	Technology	The Plaza Buildings	1.7%
PointMarc LLC	Technology	The Plaza Buildings	1.5%
Total			**23.4%**
WALE[1]			**5.3 years**

All information as at 31 March 2018.
(1) Based on committed occupancy and NLA.
(2) Subsidiary of QBE Insurance Group.

Proactive lease management

- **32 leases signed** since IPO, amounting to **252,000 sf** of leasing activity as at 1Q 2018
- New leases were signed with reputable tenants from diverse sectors, primarily from:
  - Technology, Financial Services and Manufacturing sectors
- Generally **2.0% to 4.0% rental escalations** for new leases
  - With these new leases, **~98% of the portfolio** has **built-in rental escalations**, mostly in the range of **2.0% to 3.0%**

Lease Expiry Profile (1Q 2018, %)



Keppel KBS US REIT

Keppel KBS US REIT

Market Outlook

Westech 360, Austin, Texas

Attractive US office real estate fundamentals

- 12-month national average occupancy of 89.7%
- 12-month net absorption was 54.6 million sf
- Deliveries were 68.4 million sf, with the majority of supply in gateway cities such as New York, the Bay Area and Chicago
- Projected rent growth for 2018 is 1.5%
- Consultants expect the main driver of leasing demand to be the technology sector, as well as co-working spaces and life sciences sector

Source: CoStar, as at 31 March 2018; JLL, as at 31 Dec 2017

Overview of portfolio markets

Favourable dynamics in key growth cities

The Plaza Buildings

Sub-market snapshot:
- Avg. vacancy rate: **6.4%**
- Avg. asking rent: **US$45.3**
- T-12M deliveries: 0.0
- T-12M net absorption: 1.1M
- T-12M rent growth: 8.1%

Westmoor Center

Sub-market snapshot:
- Avg. vacancy rate:**9.9%**
- Avg. asking rent: **US$20.3**
- T-12M deliveries:0.0
- T-12M net absorption: 26.1K
- T-12M rent growth: 3.0%

Westech 360 & Great Hills Plaza

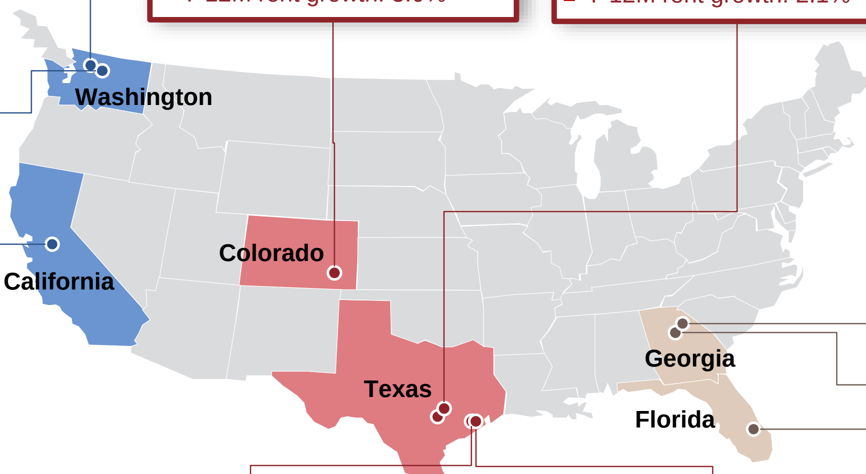
Sub-market snapshot:
- Avg. vacancy rate: **9.1%**
- Avg. asking rent: **US$33.1**
- T-12M deliveries: 0.0
- T-12M net absorption: -235.0K
- T-12M rent growth: 2.1%

Powers Ferry Landing East

Sub-market snapshot:
- Avg. vacancy rate: **15.5%**
- Avg. asking rent: **US$23.3**
- T-12M deliveries: 619.0 K
- T-12M net absorption: 236.1K
- T-12M rent growth: 2.9%

Bellevue Technology Center

Sub-market snapshot:
- Avg. vacancy rate: **5.3%**
- Avg. asking rent: **US$31.9**
- T-12M deliveries: 99.0 K
- T-12M net absorption: 118.0 K
- T-12M rent growth: 3.7%



Northridge Center I & II

Sub-market snapshot:
- Avg. vacancy rate: **14.0%**
- Avg. asking rent: **US$27.6**
- T-12M deliveries: 605.6K
- T-12M net absorption 121.0K
- T-12M rent growth: 4.4%

Iron Point

Sub-market snapshot:
- Avg. vacancy rate: **6.1%**
- Avg. asking rent: **US$23.8**
- T-12M deliveries: 0.0
- T-12M net absorption: 101.0k
- T-12M rent growth: 5.9%

1800 West Loop South

Sub-market snapshot:
- Avg. vacancy rate: **16.8%**
- Avg. asking rent: **US$31.6**
- T-12M deliveries: 181.0K
- T-12M net absorption: 104.6K
- T-12M rent growth:-0.3%

West Loop I & II

Sub-market snapshot:
- Avg. vacancy rate: **9.9%**
- Avg. asking rent: **US$24.1**
- T-12M deliveries: 0.0 K
- T-12M net absorption: 2.8k
- T-12M rent growth: -0.7%

Maitland Promenade II

Sub-market snapshot:
- Avg. vacancy rate: **9.8%**
- Avg. asking rent: **US$21.8**
- T-12M deliveries:16.5K
- T-12M net absorption: 56.4K
- T-12M rent growth: 3.7%

Source: CoStar
Note: Data as at 1Q 2018.

West Coast *Central* *East Coast*

Keppel KBS US REIT

Keppel KBS US REIT

Financial Performance & Capital Management

Bellevue Technology Centre, Seattle, Washington

Distributable Income

DPU outperformed forecast by 0.4%

	9 Nov 2017 to 31 March 2018		+/(-) %
	Actual[1] (U$'000)	Forecast[2] (U$'000)	
Distributable Income	14,616	14,607	+0.1%
Comprising:			
Gross Revenue	36,102	35,519	+1.6%
Property Expenses	(13,774)	(14,298)	-3.7%
Net Property Income	22,328	21,221	+5.2%

- DPU of **2.32** cents, **0.4%** higher than forecast
- Annualised distribution yield of **6.73%** based on IPO and 1Q 2018 closing price of US$0.88

(1) Actual income available for distribution to Unitholders for the financial period 9 November 2017 (Listing Date) to 31 March 2018.
(2) There was no forecast figure for the period from 9 November 2017 (Listing Date) to 31 December 2017. Forecast results for the period from Listing Date to 31 March 2018 comprise actual figures from Listing Date to 31 December 2017 and one quarter of 2018 forecast. The forecast figures were derived from the Forecast Year 2018 as disclosed in the Prospectus..

Balance Sheet

Maintained healthy balance sheet

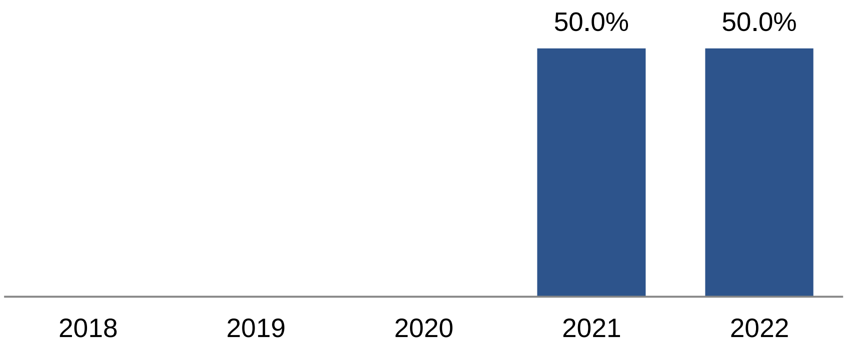
	As at 31 Mar 2018 (US$'000)
Total Assets	861,051
Gross Borrowings	286,931
Total Liabilities	308,768
Unitholders' Funds	**552,283**
Units in Issue ('000)	628,565
Net Asset Value per Unit (US cents)	0.88
Unit Price (US cents)	0.88

Capital Management

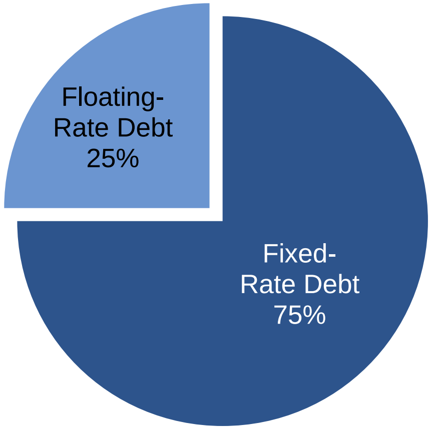
As at 31 March 2018

Total debt	■ US$289.4m of external loans (unencumbered)
Available facilities	■ US$50m of undrawn revolving credit facility
Aggregate leverage (1)	■ 33.6%
Average cost of debt (2)	■ 3.4% per annum
Interest coverage (3)	■ 6.1 times
Average term to maturity	■ 4.1 years

Debt Maturity Profile



Interest Rate Exposure



Sensitivity to LIBOR (4)

Every **+/- 50bps in LIBOR** translates to **-/+ 0.04 US cents in DPU** for FY 2018

(1) Calculated as the total borrowings and deferred payments (if any) as a percentage of the total assets.
(2) Includes amortisation of upfront debt financing costs.
(3) Ratio of EBITDA over interest expense paid or payable
(4) Based on the 25% debt which are unhedged, and the total number of Units in issue as at 31 March 2018.

Sustainable distributions and total returns

1 Exposure to attractive US economic fundamentals

- Economic growth led by consumer and business spending, boosted by recent tax cuts

2 Positive leasing momentum

- Strong leasing capabilities, as shown in the new lease commitment at Westmoor Center

3 Favourable dynamics in key cities

- Economic indicators above national average, with leasing demand led by companies in the technology sector

4 Growth potential

- Organic growth from rental escalations, and inorganic growth from potential acquisitions

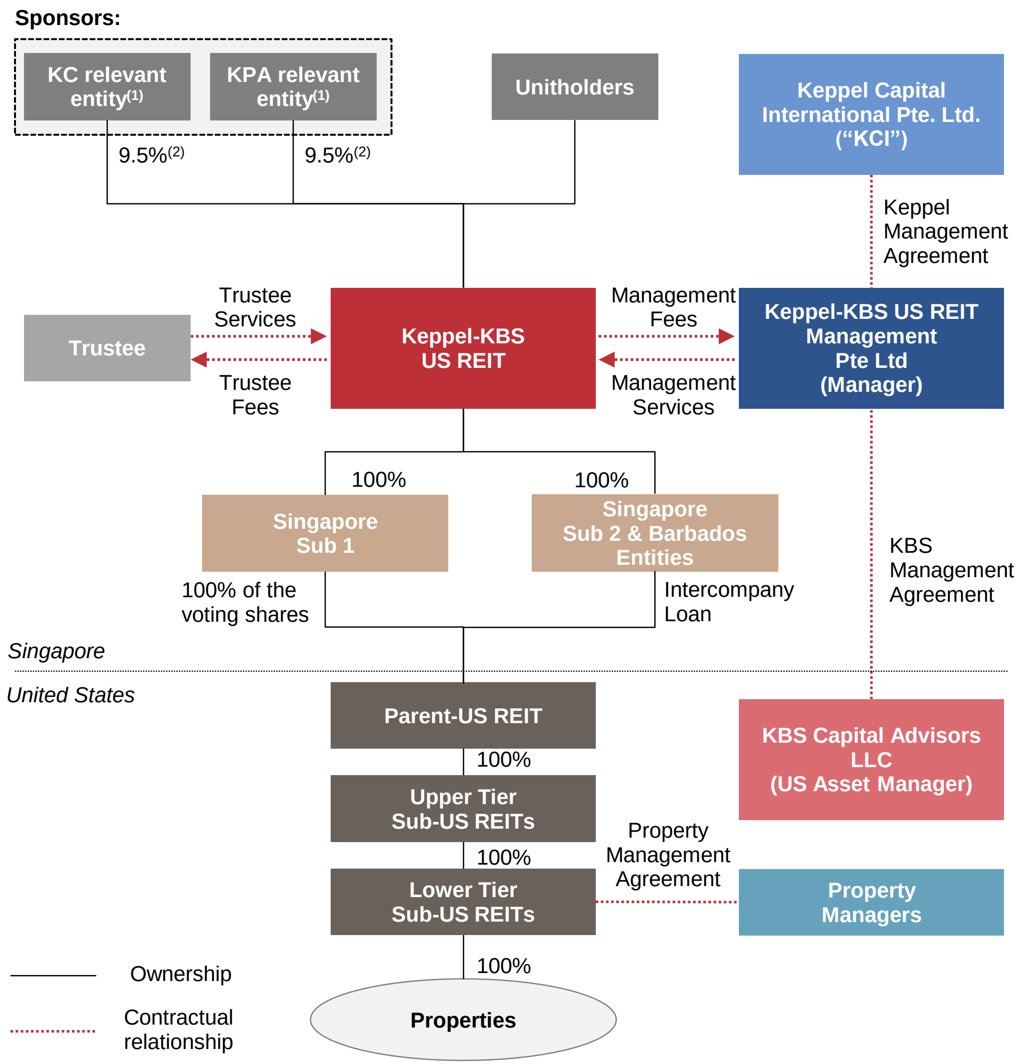
Thank you

Keppel KBS US REIT

Additional Information

Great Hills Plaza, Austin, Texas

Structure of Keppel-KBS US REIT



Tax-efficient structure for holding US properties

Leverage Sponsors' expertise and resources to optimise returns for Unitholders

Alignment of interests among Sponsors, Manager and Unitholders

(1) Keppel Capital Investment Holdings Pte. Ltd., which is the wholly-owned subsidiary of KC will hold stake in Keppel-KBS US REIT. KBS SOR Properties, LLC, which is the wholly-owned subsidiary of KBS Strategic Opportunity REIT, Inc. will hold stake in Keppel-KBS US REIT.

(2) Unitholding in Keppel-KBS US REIT will be subject to an ownership restriction of 9.8% of the total units outstanding for each Sponsor. Before over-allotment option of 5.0%.

Portfolio overview

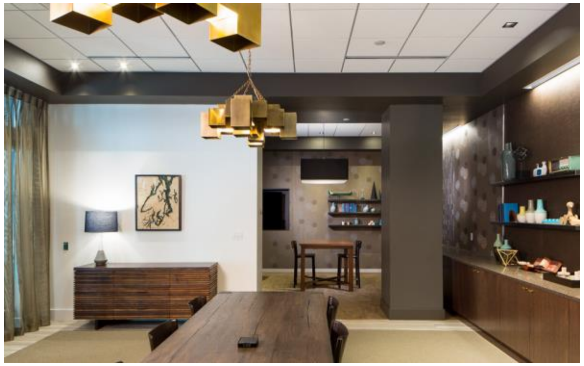
Property	City	Type	Location	NLA (sf)	Committed occupancy(1)	WALE (in years)(1)	Valuation (US$mn)(2)
The Plaza Buildings	Seattle	Class A CBD	Bellevue CBD, one of the most active leasing sub-market in Seattle	490,994	89.3%	2.6	243.9
Bellevue Technology Center	Seattle	Class A & B Suburban	Bellevue, one of the most active leasing sub-market in Seattle	330,508	92.3%	3.4	133.0
Iron Point	Sacramento	Class A Suburban	Carmichael / Fair Oaks / Citrus Heights; expected to outperform the overall Sacramento market	211,887	99.5%	2.7	38.2
Westmoor Center	Denver	Class A Suburban	Northwest Denver; Well-positioned to capture tenants that outgrow nearby Boulder, and has better quality real estate	607,755	80.3%	5.4	121.4
Great Hills Plaza	Austin	Class B Suburban	Northwest sub-market, a popular office locale along the Capital of Texas Highway corridor	139,252	96.5%	5.1	33.3
Westech 360	Austin	Class B Suburban	Northwest sub-market, a popular office locale along the Capital of Texas Highway corridor	173,058	95.8%	2.7	43.8
1800 West Loop South	Houston	Class A CBD	West Loop, which is amenity-rich and highly sought after	398,490	82.8%	2.7	82.0
West Loop I & II	Houston	Class A Suburban	Bellaire, one of Houston's most desirable and affluent neighbourhoods	313,873	89.4%	4.7	50.7
Powers Ferry	Atlanta	Class B Suburban	Cumberland / I-75: Have been outperforming greater Atlanta market in terms of occupancy rate	146,352	94.9%	3.4	19.2
Northridge Center I & II	Atlanta	Class B Suburban	North Central / I-285 / GA 400: Home to numerous Fortune 500 companies, which solidifies the positive attributes of the location	186,580	95.7%	3.1	20.5
Maitland Promenade II	Orlando	Class A Suburban	Maitland Center, which is dominated by finance, insurance, tech and overwhelming activity in the Class A market	226,990	99.0%	4.4	43.4
Total/Average				3,225,739	89.8%	3.7	829.4

Note: Data as at 31 March 2018 unless otherwise stated.
(1) Based on NLA.
(2) Higher of two independent values from Cushman and JLL as at 30 June 2017.

Keppel KBS US REIT

The Plaza Buildings, Seattle

Class A office buildings in the heart of Bellevue CBD



Property overview

Type	Two Class A office buildings with a freestanding garage
Completion date	1978 – 1983
Refurbishment date	2014 – 2015
NLA (sf)	490,994
Committed occupancy[(1)]	89.3%
WALE by NLA	2.6 years
Notable tenants	▪ Blucora, Inc. ▪ US Bank National Association ▪ Nintex USA LLC ▪ Pointmarc Consulting LLC

All data is as at 31 March 2018, unless otherwise stated

(1) Based on NLA

The Plaza Buildings, Seattle

Class A office buildings in the heart of Bellevue CBD

Location map

Market dynamics and outlook

- Bellevue is the fifth largest city in the state of Washington, and the third largest in the Seattle metropolitan area
- Bellevue CBD is one of the fast growing metro due to strong demographics and forecast growth in various employment sectors (e.g. cloud)
- Seattle office market expected to remain strong in near future supported by large undersupply of office space and low vacancy rate. Large scale expansion of cloud and IT firms will also fuel the office market
- Office construction activity suggests developers' confidence about future demand. Office rents likely to remain high or increase as employment growth drives demand for office space

Key landmarks / amenities

- The Bravern is a mixed-use project containing world class shopping, dining, entertainment and top-end residential accommodations

Accessibility features

Roads

- Full block frontage along NE 8th street, the primary east-west arterial in downtown Bellevue that connects high-density commercial uses to Interstate 405

Train

- Close proximity to the Bellevue Transit Center Station and upcoming East Link Extension, which will provide connection from the East side's biggest population and employment centers to downtown Seattle, Sea-Tac Airport and the University of Washington

Source: Cushman.

Bellevue Technology Center, Seattle

Modern office campus with diverse functionalities

Property overview

Type	Class A and B office buildings with an underground parking garage
Completion date	1973, 1980 and 2000
Refurbishment date	2013 – 2014
NLA (sf)	330,508
Committed occupancy(2)	92.3%
WALE by NLA	3.4 years
Notable tenants	▪ Unigard Insurance Company ▪ Regus LLC ▪ Trane U.S. LLC ▪ MOD Super Fast Pizza

All data is as at 31 March 2018, unless otherwise stated
(1) Based on NLA

Bellevue Technology Center, Seattle

Modern office campus with diverse functionalities

Location map

Market dynamics and outlook

- Seattle's eastside suburban office market has historically been among the most active in the region due to its relatively large inventory of office space
- One of the strongest suburban markets in the Seattle area with low vacancy rates despite high construction activity
- East suburban market contains a large supply of more affordable class A inventory than Seattle CBD or the Bellevue CBD, which should be attractive to tenants seeking lower rents for high quality space

Key landmarks / amenities

- Located just south of the Microsoft headquarters campus
- New ventures by Microsoft could result in increased demand for space office in the area by vendors and contractors who work with the software company

Accessibility features

Roads

- Situated near State Route 520, which provides access to the greater Seattle region, including the Seattle-Tacoma International Airport and the entire Puget Sound region
- 148th Avenue NE and NE 40th Street provide residents and businesses access to the greater Seattle region

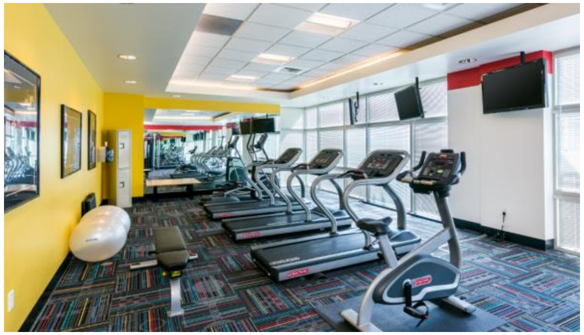
Train

- Close proximity to the East Link Extension of Sound Transit's Link Light Rail which is scheduled to open in 2023
- This line will run from Redmond to downtown Seattle through Bellevue and across the I-90 floating bridge

Source: Cushman.

Iron Point, Sacramento

Centrally located high-quality office asset in Folsom



Property overview

Type	Class A business campus
Completion date	1999 and 2001
Refurbishment date	2013 - 2016
NLA (sf)	211,887
Committed occupancy[(2)]	99.5%
WALE by NLA	2.7 years
Notable tenants	▪ Sierra Pacific Mortgage Co ▪ Pro Unlimited, Inc. ▪ CorVel Healthcare Corporation ▪ FPI Management, Inc.

All data is as at 31 March 2018, unless otherwise stated

(1) Based on NLA

Iron Point, Sacramento

Centrally located high-quality office asset in Folsom

Location map

Market dynamics and outlook

- Sacramento is the state capital
- Region offers pro-business climate, an educated workforce from the research and educational institutions, relatively low housing costs and a strong diversified economic base
- Office demand supported by new business migration from surrounding metros such as San Francisco due to lower costs and a strong workforce
- New construction activity not expected to surpass absorption; average asking rents forecast to increase between 2017-21F
- Subject sub-market expected to outperform the overall Sacramento market

Key landmarks / amenities

- Located directly across from Intel Corporation's Folsom campus
- Serves as one of Intel's four major U.S. sites

Accessibility features

Roads

- Situated near U.S. Highway 50, which is one of the three main throughways into Sacramento, providing regional access to Interstate 80 and 5
- Public transportation available through the Sacramento Regional Transit bus

Train

- Access to light rail system, which serves the city of Folsom as well as a number of suburban communities

Source: Cushman, CoStar

Westmoor Center, Denver

Class A office campus between downtown Denver and Boulder

Property overview

Type	Class A business campus
Completion date	1999 – 2000
Refurbishment date	2014 – 2016
NLA (sf)	607,755
Committed occupancy(2)	80.3%
WALE by NLA	5.4 years
Notable tenants	▪ Ball Aerospace & Tech Corp ▪ Zimmer Biomet Spine, Inc. ▪ Reed Group, Ltd. ▪ ServiceLink Field Services LLC

All data is as at 31 March 2018, unless otherwise stated
(1) Based on NLA

Westmoor Center, Denver

Class A office campus between downtown Denver and Boulder

Location map

Market dynamics and outlook

- The Denver area's highly educated workforce and slightly below average business costs continue to attract employers and support job growth
- Significant residential base that supports numerous corporate headquarters, professional and financial services, high-tech firms, major healthcare-organisations, R&D in aerospace and software technology, and growing data storage and security firms.
- New construction expected to surpass absorption in the near term; nonetheless, rents forecast to increase between 2017-21F

Key landmarks / amenities

- The property is part of the wider Westmoor Technology Park, which is a developing 425 acre office / high-tech campus with several major tenants

Accessibility features

Roads

- Located west of U.S. Highway 36 providing access to the city of Boulder to the west and Interstate 25 to the east
- Interstate 25 provides link to Central Business District

Airport

- In close proximity to Rocky Mountain Metropolitan Airport (one of the nation's busiest general aviation executive airports) and Denver International Airport

Source: Cushman.

Great Hills Plaza, Austin

Class A office building with excellent access to major thoroughfares

Property overview

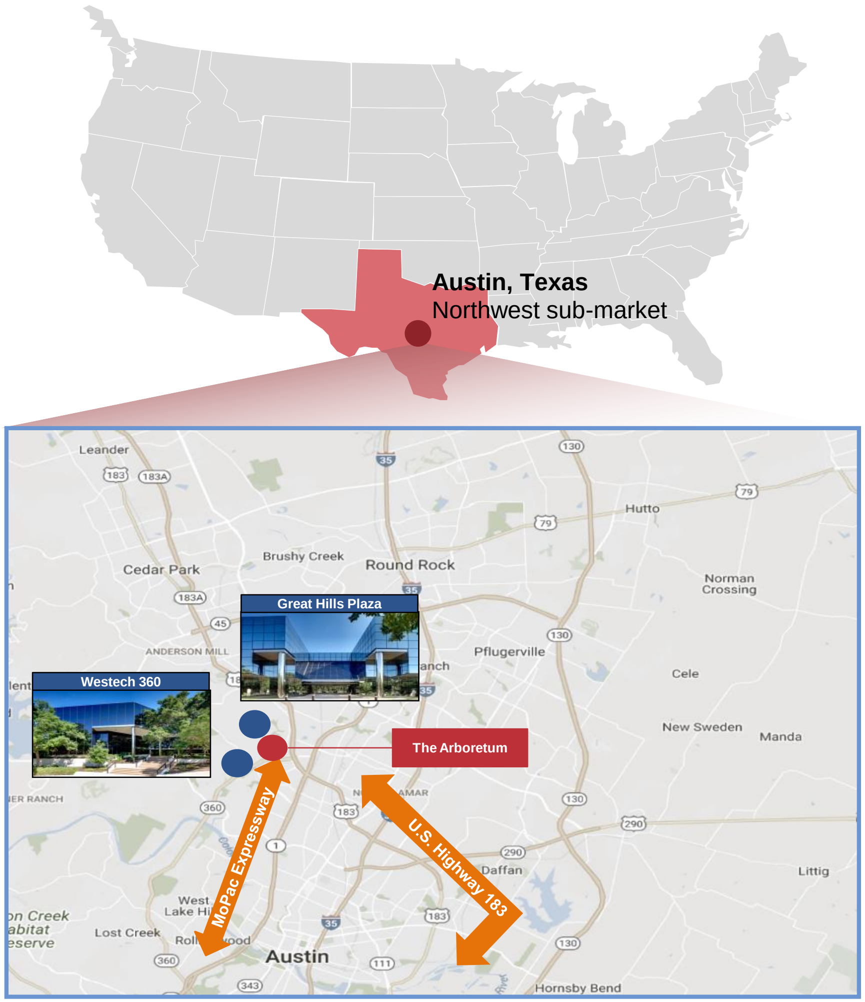
Type	Three-storey Class A office building
Completion date	1985
Refurbishment date	2014
NLA (sf)	139,252
Committed occupancy(2)	96.5%
WALE by NLA	5.1 years
Notable tenants	▪ E20pen, LLC ▪ Cintra US, LLC ▪ Regus, LLC

All data is as at 31 March 2018, unless otherwise stated
(1) Based on NLA

Great Hills Plaza, Austin

Class A office building with excellent access to major thoroughfares

Location map



Market dynamics and outlook

- Austin is the state capital and one of the biggest tech hubs in the US; an attractive destination for growing businesses given access to capital and a highly educated workforce amidst growing population
- Large-scale corporate footprints by Google, Samsung, Dell, IBM, Apple etc have supported low vacancy rates with their own expansions as well as attraction of vendors and similar tenants
- The absorption rate in the Austin office market slowed but the fundamentals of the office market remained stable

Key landmarks / amenities

- The Arboretum is one of Austin's major destination retail centers
- The Arboretum features a variety of F&B offerings as well as upmarket retailers and specialty shops

Accessibility features

Roads

- Access to many major state highways such as MoPac Expressway and U.S. Highway 183 (which extends through northwest Austin)
- Public bus system is part of a 500 square-mile Central Texas system of >3,000 bus stops and 53 routes

Source: Cushman.

Westech 360, Austin

Office park with excellent access to major thoroughfares

Property overview

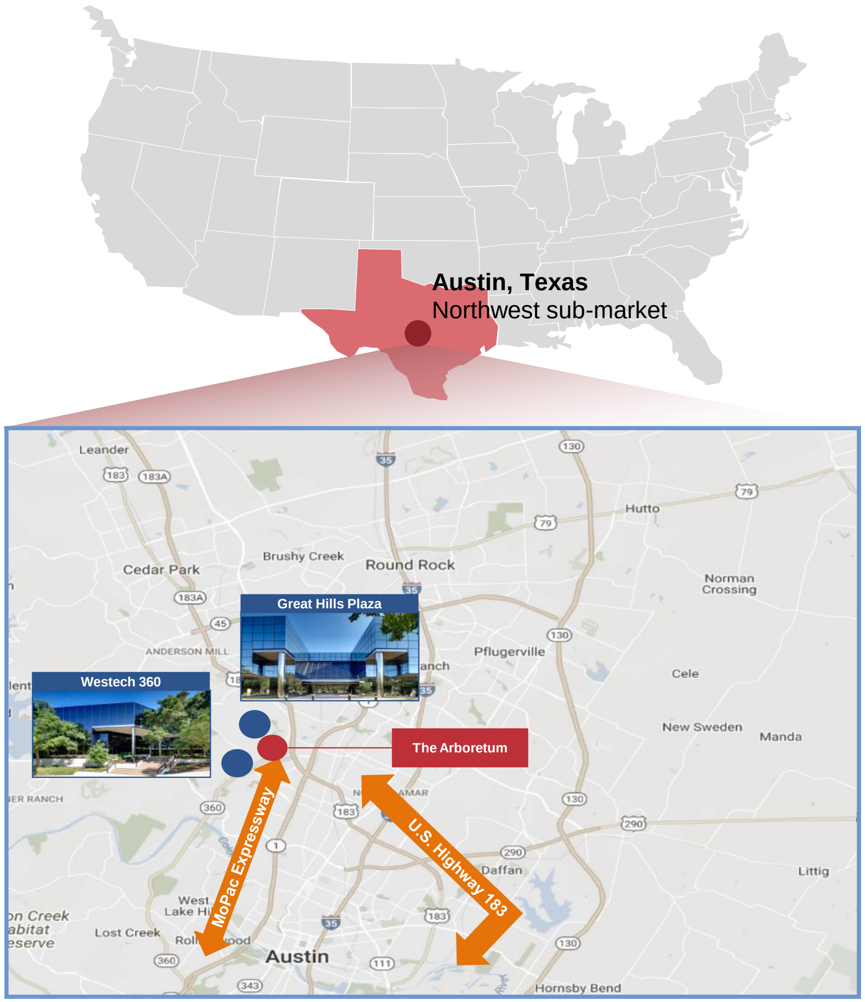
Type	Office park with four Class B buildings
Completion date	1986
Refurbishment date	2014
NLA (sf)	173,058
Committed occupancy[(2)]	95.8%
WALE by NLA	2.7 years
Notable tenants	▪ Maxpoint Interactive, Inc ▪ D&S Residential Holdings, Inc ▪ Flahive, Ogden, & Latson, PC ▪ Roku, Inc

All data is as at 31 March 2018, unless otherwise stated
(1) Based on NLA

Westech 360, Austin

Office park with excellent access to major thoroughfares

Location map



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- Public bus system is part of a 500 square-mile Central Texas system of >3,000 bus stops and 53 routes

Source: Cushman.

1800 West Loop South, Houston

Class A office building in Uptown Houston

Property overview

Type	Class A office building with 12 storeys of onsite parking
Completion date	1982
Refurbishment date	2013-2014
NLA (sf)	398,490
Committed occupancy[(2)]	82.8%
WALE by NLA	2.7 years
Notable tenants	▪ Health Care Service Corp ▪ Quanex Building Products ▪ Project Consulting Services ▪ General Service Administration

All data is as at 31 March 2018, unless otherwise stated
(1) Based on NLA

1800 West Loop South, Houston

Class A office building in Uptown Houston

Location map

Market dynamics and outlook

- Located in Uptown Houston, among the largest suburban business districts in the U.S. Houston is second only to New York City in terms of number of Fortune 500 companies with headquarters in a city
- Widely regarded as Houston's second CBD, the area is a diversified economic centre, densely developed with office, retail, hotel, restaurant and residential sites
- Economy driven by energy and healthcare sectors as well as port activities
- Slow and steady recovery is expected as new construction is limited and vacancies have bottomed. Rents expected to stagnate over the next 2 years followed by a market rise thereafter

Key landmarks / amenities

- Vicinity of Port Houston, 25-mile-long complex of 150+ diversified facilities, including nine public terminals managed or leased
- Handles 8,000+ vessels annually coupled with 200,000 barge movements

Accessibility features

Roads

- Close proximity to the 610 Loop and East Freeway, which splits the city from the middle, connecting from east to west

Source: Cushman, CoStar

West Loop I & II, Houston

Class A office building located in an affluent suburb in Houston

Property overview

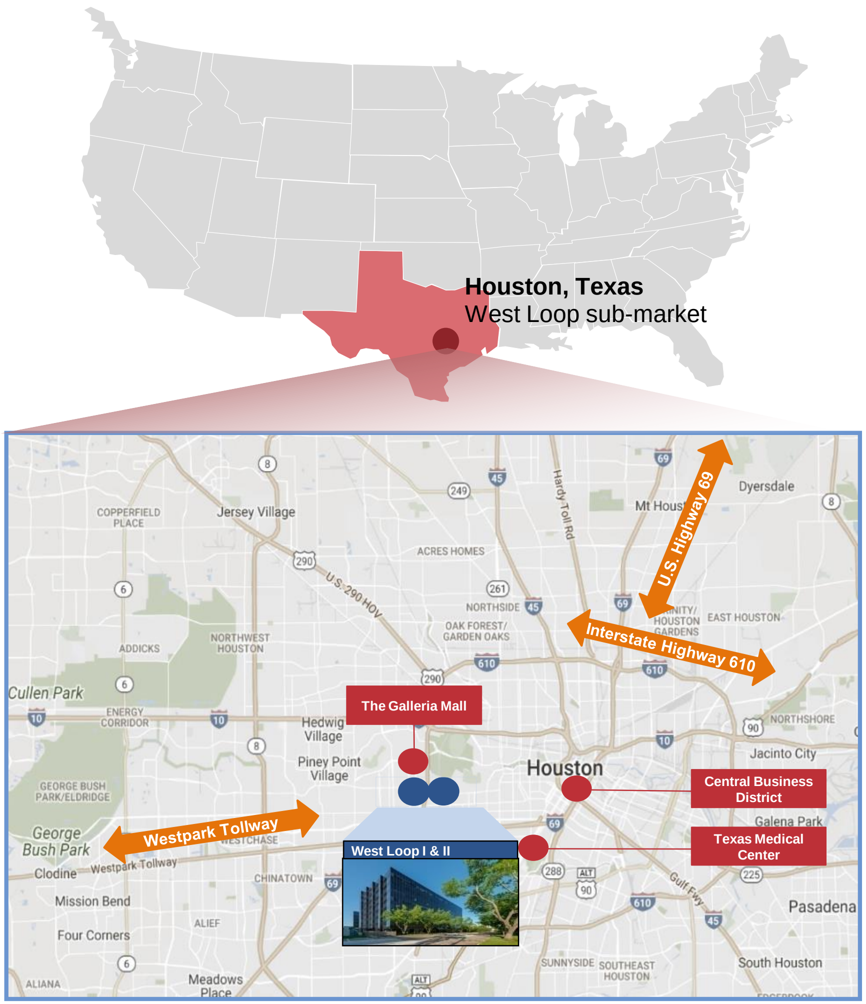
Type	Two Class A office buildings targeting healthcare and professional services tenants
Completion date	1980
Refurbishment date	2013-2014
NLA (sf)	313,873
Committed occupancy[(2)]	89.4%
WALE by NLA	4.7 years
Notable tenants	▪ Synergy Healthcare ▪ The Rand Group, LLC ▪ Mitratech Holdings, Inc. ▪ Eye Centers of Texas, LLP

All data is as at 31 March 2018, unless otherwise stated
(1) Based on NLA

West Loop I & II, Houston

Class A office building located in an affluent suburb in Houston

Location map



Market dynamics and outlook

- The West Loop is Houston's largest suburban (non-CBD) office sub-market
- The property is located within the Bellaire area which has a significant residential household base
- Economy driven by energy and healthcare sectors as well as port activities; office market continues to be tied to the energy market, although general sense is that Houston may have bottomed out. However, this asset is in a sub-market that is not significantly impacted by energy
- Slow and steady recovery expected as new construction has ceased and vacancies bottomed. Rents expected to stagnate over the next 2 years followed by a market rise thereafter

Key landmarks / amenities

- Centrally located upscale shopping mall with access to 375 well-known stores, dining and entertainment options

- Texas Medical Center is the largest medical centre in the world
- One of the highest densities of clinical facilities globally for patient care, basic science and research

Accessibility features

Roads

- Regional access via Interstate Highway 610, Westpark Tollway and U.S. Highway 69, which extends from South Texas through Houston and continues northward

Bus

- Access to local and commuter bus routes providing transportation within the local area and from the local area into the Houston CBD

Source: Cushman.

Powers Ferry, Atlanta

Multi-tenanted office building located within a well-established sub-market

Property overview

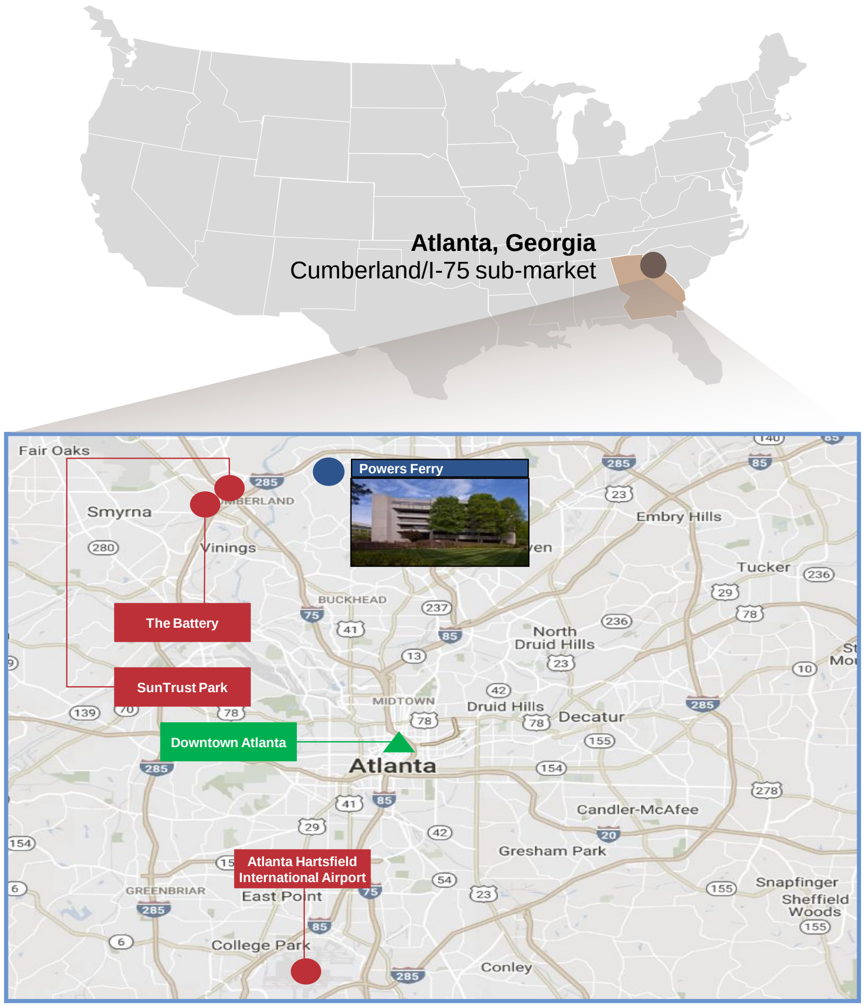
Type	Class B office building
Completion date	1985
Refurbishment date	2013
NLA (sf)	146,352
Committed occupancy[2]	94.9%
WALE by NLA	3.4 years
Notable tenants	▪ LL Global Inc ▪ Georgia Banking Company ▪ Penton Business Media Inc ▪ Mortgage Guaranty Insurance Corp

All data is as at 31 March 2018, unless otherwise stated
(1) Based on NLA

Powers Ferry, Atlanta

Multi-tenanted office building located within a well-established sub-market

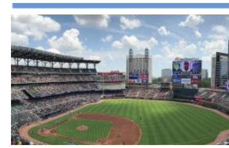
Location map



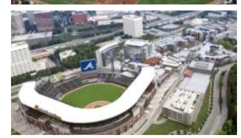
Market dynamics and outlook

- Situated in the Cumberland/I-75 sub-market of the Atlanta office market
- The sub-market has been outperforming the greater Atlanta market with recent development in key amenities
- Heightened office demand driven by large corporate relocations. Attractive business environment supported by well-educated workforce, diverse industrial structure, strong population growth and tax incentives
- Near-term office outlook positive with continued improvement in rates

Key landmarks / amenities



- Sun Trust Park- newly constructed stadium which is home to the Atlanta Braves MLB baseball team



- The Battery- mix of branded retailers, acclaimed restaurants and high-end hotels & residential sites surrounding the SunTrust Park

Accessibility features

Roads

- Proximity to major Atlanta highway
- Located south of Interstate 285, which is known locally as “the perimeter”, and rings the city and intersects other interstate highways

Source: Cushman.

Northridge Center I & II, Atlanta

Office park buildings in the Central Perimeter

Property overview

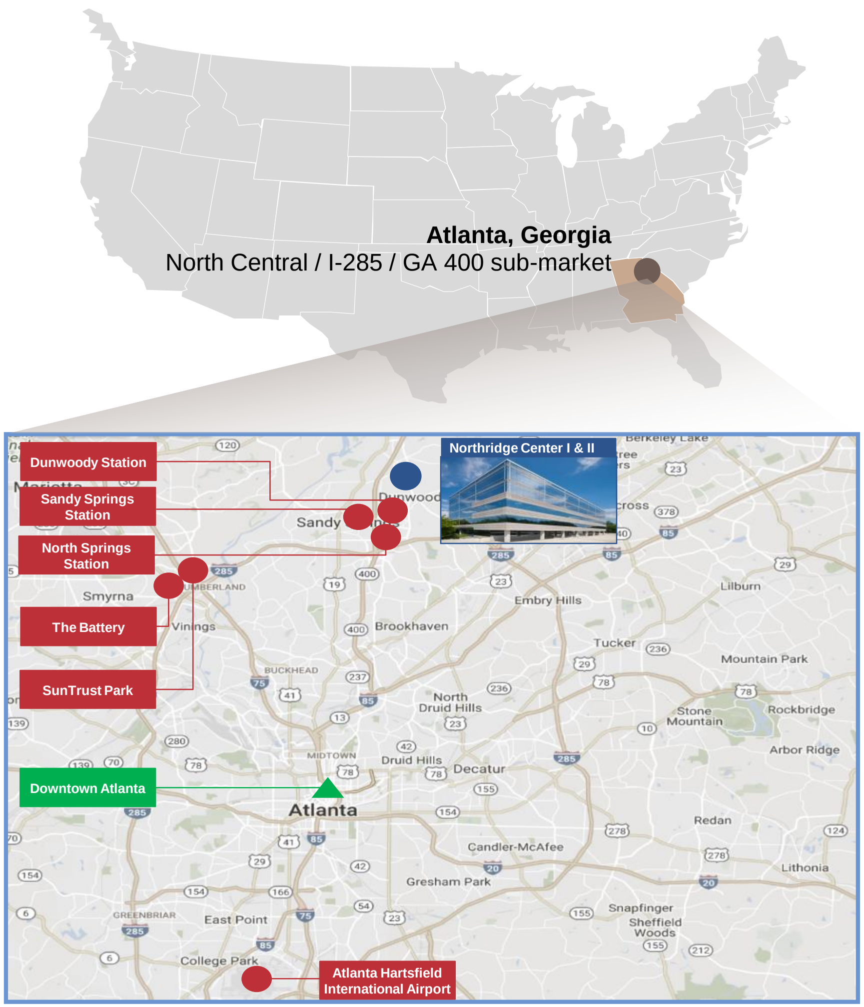
Type	Two Class B office buildings
Completion date	1985 – 1989
Refurbishment date	2013
NLA (sf)	186,580
Committed occupancy[(2)]	95.7%
WALE by NLA	3.1 years
Notable tenants	▪ Allstar Financial Group Inc ▪ Kuck Baxter Immigration LLC ▪ Nolan Transportation Group Inc ▪ Calero Software LLC

All data is as at 31 March 2018, unless otherwise stated
(1) Based on NLA

Northridge Center I & II, Atlanta

Office park buildings in the Central Perimeter

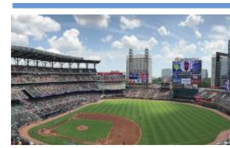
Location map



Market dynamics and outlook

- Atlanta is home to numerous Fortune 500 companies within Atlanta; ranks 3rd in no. of Fortune 500 company HQs, behind NY and Houston
- Heightened office demand driven by large corporate relocations and expansions. Attractive business environment supported by well-educated workforce, diverse industries, strong population growth and tax incentives
- Near-term office outlook remains positive with continued improvement in rates despite fluctuations in vacancy

Key landmarks / amenities



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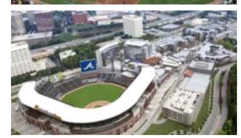


- The Battery- mix of branded retailers, acclaimed restaurants and high-end hotels & residential sites surrounding the SunTrust Park

Accessibility features

Roads

- Proximity to major Atlanta highway
- Located south of Interstate 285 which is known locally as "the perimeter" rings the city and intersects other interstate highways

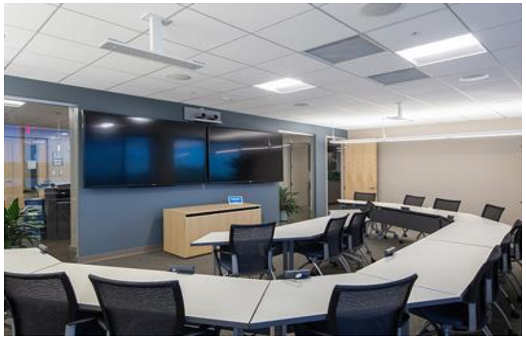
Train

- Boasts one of the nation's cutting-edge rapid transit systems known as MARTA (Metropolitan Atlanta Rapid Transit Authority)
- Operates 240 electric rail cars over 62.7 km of track

Source: Cushman.

Maitland Promenade II, Orlando

Modern Class A building located in Orlando's largest sub-market



Property overview

Type	Class A office building with a three-storey garage
Completion date	2001
Refurbishment date	2013 – 2016
NLA (sf)	226,990
Committed occupancy(2)	99.0%
WALE by NLA	4.4 years
Notable tenants	▪ Zurich American Insurance Co ▪ Akerman, Senterfitt & Edison ▪ United Health Care Services ▪ Sonepar Management US Inc

All data is as at 31 March 2018, unless otherwise stated
(1) Based on NLA

Maitland Promenade II, Orlando

Modern Class A building located in Orlando's largest sub-market

Location map

Market dynamics and outlook

- Maitland is one of the largest office sub-markets in Orlando, which is dominated by technical, finance and insurance companies
- Robust job growth and in-migration expected to fuel demand for office space
- No significant pipeline development projects leaves few options for quality space and implies market conditions shifting to favour landlords
- Sub-market expected to experience stabilising vacancy over the next few years
- Rents are projected to increase as absorption outpaces projected construction completions

Key landmarks / amenities

- 20 minutes drive to the Orlando Central Business District- thriving retail and office market that consists of theaters, galleries, museums and parks connected by public transit

Accessibility features

Roads

- Located near Maitland Boulevard, which serves as a local arterial and provides direct access to Interstate 4

Source: Cushman.