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**MEDIA RELEASE**

**Unaudited Results of Keppel DC REIT for the Financial Period from the Listing Date of 12 December 2014 to Third Quarter ended 30 September 2015**

**15 October 2015**

The Directors of Keppel DC REIT Management Pte. Ltd., as Manager of Keppel DC REIT, are pleased to announce the unaudited results of Keppel DC REIT for the financial period from the listing date of 12 December 2014 to 30 September 2015.

The materials are also available at [www.keppeldcreit.com](http://www.keppeldcreit.com), [www.keppeltt.com.sg](http://www.keppeltt.com.sg) and [www.kepcorp.com](http://www.kepcorp.com).

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DBS Bank Ltd. and Standard Chartered Securities (Singapore) Pte. Limited are the Joint Financial Advisers and Issue Managers to the initial public offering of Keppel DC REIT (the "Offering"). DBS Bank Ltd., Standard Chartered Securities (Singapore) Pte. Limited and Credit Suisse (Singapore) Limited are the Joint Global Coordinators to the Offering. DBS Bank Ltd., Standard Chartered Securities (Singapore) Pte. Limited, Credit Suisse (Singapore) Limited, Deutsche Bank AG, Singapore Branch and Goldman Sachs (Singapore) Pte. are the Joint Bookrunners and Underwriters to the Offering.

## Keppel DC REIT's YTD<sup>1</sup> Distributable Income Up 1.8% From Forecast

### Results Highlights

- YTD<sup>1</sup>:
  - Net property income outperformed IPO forecast<sup>2</sup> by 1.7%
  - Distributable income was 1.8% higher than IPO forecast<sup>2</sup>
  - Annualised distribution yield<sup>3</sup> was 12bps above IPO forecast<sup>2</sup>
- 3Q 2015:
  - Net property income was marginally lower than IPO forecast<sup>2</sup>, due to higher property tax expenses as well as foreign exchange losses from the depreciation of certain foreign currencies that were not forecasted.
  - Distributable income was 2.2% above IPO forecast<sup>2</sup>, due to realisation of hedging gains and lower interest expenses due to the interest rate swaps entered into.
- Portfolio occupancy rate rose from 94.0% to 95.1%.
- Portfolio weighted average lease expiry (WALE) of 8.9 years by leased lettable area.
- Aggregate leverage remained healthy at 30.1%.
- Interest coverage ratio of 9.4 times.

### Summary of Results

	3Q 2015 Actual (\$'000)	YTD 2015 Actual <sup>1</sup> (\$'000)	YTD 2015 IPO Forecast <sup>2</sup> (\$'000)	YTD 2015 Variance
Gross Revenue	25,743	82,920	80,558	+2.9%
Property Expenses	(4,370)	(13,468)	(12,271)	+9.8%
Net Property Income	21,373	69,452	68,287	+1.7%
Distributable Income <sup>3</sup> to Unitholders	14,480	45,912	45,114	+1.8%
Distribution per Unit <sup>3</sup> (cents)	1.64	5.20	5.11	+1.8%
Annualised Distribution Yield (%)				
Based on IPO offering price \$0.930		6.96	6.84	+12 bps
Based on closing price <sup>4</sup> \$1.020		6.35	6.24	+11 bps

Notes:

(1) For the financial period from 12 December 2014 to 30 September 2015.

(2) On a pro-rata basis for the financial period 12 December 2014 to 30 September 2015, as derived from the Forecast Year 2015 figures disclosed in the Prospectus.

(3) Distributable income to Unitholders is based on 100% of the income available for distribution to Unitholders. Distributions will be declared on a half-yearly basis. No distribution has been declared for the quarter under review.

(4) Based on the market closing price per Unit of \$1.020 as at 30 September 2015.

### Financial Review

For the financial period from the listing date of 12 December 2014 to the end of third quarter in 2015, Keppel DC REIT Management Pte. Ltd. (the "Manager") is pleased to announce that Keppel DC REIT has achieved a net property income (NPI) of \$69.5 million, surpassing its IPO forecast of \$68.3 million by 1.7%. Distributable income was \$45.9 million for the period, a 1.8% increase over the IPO forecast of \$45.1 million.

Accordingly, annualised distribution yield based on the IPO offering price of \$0.930 rose from the forecasted 6.84% to 6.96%.

The increase in NPI and distributable income was due to higher variable rental income from the Singapore properties and other income derived from recovery of power costs and ad hoc service fees charged at Gore Hill Data Centre and Citadel 100 Data Centre, as well as rental contribution from the

newly acquired Intellicentre 2, as compared to the IPO forecast. Property expenses were above the IPO forecast due to higher contracted facility management costs for the Singapore properties and Gore Hill Data Centre, property tax, as well as repairs and maintenance incurred.

For the third quarter of 2015, NPI of \$21.4 million was 0.3% below IPO forecast mainly due to the higher property tax expenses and foreign exchange losses from the depreciation of AUD and EUR against SGD, which was partially offset by the rental contribution from Intellicentre 2. Disregarding the impact of the depreciation of foreign currencies and Intellicentre 2's contribution, NPI for the quarter would have been above forecast.

The distributable income for 3Q 2015 was 2.2% above IPO forecast due to the realised gains from the settlement of foreign currency forward contracts as well as lower interest expenses due to the interest rate swaps entered into.

As at 30 September 2015, Keppel DC REIT was trading at 19.0% above its NAV per Unit of \$0.857.

### **Steady Portfolio Performance**

During the quarter, Keppel DC REIT successfully completed the sale and leaseback transaction with Macquarie Telecom for the shell and core building of Intellicentre 2 in Sydney. This addition will increase the REIT's portfolio to nine quality data centre properties with aggregate lettable area of approximately 597,900 sq ft in key data centre hubs across Asia Pacific and Europe. The 20-year triple-net lease that came on the back of the acquisition extended the REIT's portfolio WALE to 8.9 years, enhancing its income stream stability and creating long-term value for Unitholders.

The portfolio performance is underpinned by proactive leasing efforts by the Manager, as well as strong commitment from a well-diversified and credit-worthy tenant base. Portfolio occupancy rate registered an improvement at 95.1% as at 30 September 2015, with seven of the nine assets at full occupancy.

In its efforts to pursue yield-accretive acquisitions that would complement the portfolio and provide Unitholders with stable distributions as well as long-term growth, the Manager will continue to evaluate third-party acquisition opportunities in Asia Pacific and Europe, on top of its Rights of First Refusal pipeline.

### **Disciplined Capital Management**

Amidst market volatilities, the Manager will continue to actively manage Keppel DC REIT's interest rate and foreign currency exposure to optimise risk-adjusted returns for Unitholders.

To mitigate currency risks, the Manager has hedged 100% of the forecasted foreign-sourced distribution up to 1H 2017 with foreign currency forward contracts. The Manager also adopts natural hedging by borrowing in currencies that match the corresponding investments and cash flows.

Aggregate leverage rose from 26.4% to 30.1% following the acquisition of Intellicentre 2 in Sydney. The Manager has entered into interest rate swaps to hedge 100% of interest rate exposure for long-term loans, which includes approximately 30% of Intellicentre 2's acquisition funding that was taken in five-year AUD-denominated term loan. Remaining portion was funded through one-year SGD-denominated revolving credit facility.

As at 30 September 2015, the REIT's weighted average debt maturity was 3.4 years. Annualised cost of debt was approximately 2.5% per annum, while interest coverage ratio remained healthy at 9.4 times.

## Outlook

Despite a volatile operating environment, the industry fundamentals remain sound.

With a global shift towards the digital age, demand for data centres is set to continue. The rise of social media, Internet penetration as well as compliance and regulatory requirements are expected to fuel the growth of data storage needs.

Keppel DC REIT is strategically positioned to tap the growth opportunities presented by the large and growing base of Internet users in its key investment regions. Approximately 67%<sup>1</sup> of the world's Internet users are located within Asia Pacific and Europe.

The increasing outsourcing of data centre bodes well for the REIT's co-location business as well. Corporates are increasingly outsourcing their data centre requirements as businesses seek capital and operational efficiency. 451 Research anticipates that the global co-location market annualised revenue will rise from the current \$22.8 billion to \$36.1 billion<sup>2</sup> by the end of 2017.

To capture the growth potential of this industry and deliver value to the REIT's stakeholders, the Manager will continue with its proactive asset management, disciplined investment and capital management strategies.

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<sup>1</sup> Internet World Stats, 2015

<sup>2</sup> 451 Research, 2015

## **About Keppel DC REIT ([www.keppeldcreit.com](http://www.keppeldcreit.com))**

Listed on 12 December 2014, Keppel DC REIT is the first data centre REIT listed in Asia and on the Singapore Exchange (SGX-ST).

Keppel DC REIT's investment strategy is to principally invest, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centre purposes, as well as real estate related assets, with an initial focus on Asia Pacific and Europe.

Its current portfolio comprises nine high-quality data centre properties with an aggregate lettable area of approximately 597,900 sq ft, strategically located in key data centre hubs across seven cities in Asia Pacific and Europe.

Keppel DC REIT's data centre properties in Asia Pacific include S25 and T25 in Singapore; Basis Bay Data Centre in Cyberjaya, Malaysia; Intellicentre 2 and Gore Hill Data Centre in Sydney, Australia; and iseek Data Centre in Brisbane, Australia.

In Europe, Keppel DC REIT owns GV7 Data Centre in London, United Kingdom; Citadel 100 Data Centre in Dublin, Ireland; and Almere Data Centre in Amsterdam, Netherlands.

Keppel Telecommunications & Transportation (Keppel T&T), the Sponsor of the REIT, has also granted Rights of First Refusal (ROFR) to acquire all of its income-producing data centre assets.

The REIT is managed by Keppel DC REIT Management Pte. Ltd., a wholly-owned subsidiary of Keppel T&T, with the key objectives of providing Unitholders of Keppel DC REIT with regular and stable distributions, and achieving long-term growth while maintaining an appropriate capital structure.

### **Important Notice**

The past performance of Keppel DC 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 DC REIT ("Unitholders") are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Keppel DC REIT Management Pte. Ltd., as manager of Keppel DC REIT (the "Manager") on future events. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained in this release. None of the Manager, the trustee of Keppel DC REIT or any of their respective advisors, representatives or agents shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this 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 DC REIT ("Units") and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An

investment in Units is subject to investment risks, including 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 DC REIT  
FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT****UNAUDITED RESULTS FOR THE FINANCIAL PERIOD FROM  
12 DECEMBER 2014 (LISTING DATE) TO 30 SEPTEMBER 2015****TABLE OF CONTENTS**

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DBS Bank Ltd. and Standard Chartered Securities (Singapore) Pte. Limited are the Joint Financial Advisers and Issue Managers to the initial public offering of Keppel DC REIT (the "Offering"). DBS Bank Ltd., Standard Chartered Securities (Singapore) Pte. Limited and Credit Suisse (Singapore) Limited are the Joint Global Coordinators to the Offering. DBS Bank Ltd., Standard Chartered Securities (Singapore) Pte. Limited, Credit Suisse (Singapore) Limited, Deutsche Bank AG, Singapore Branch and Goldman Sachs (Singapore) Pte. are the Joint Bookrunners and Underwriters to the Offering.

## SUMMARY OF KEPPEL DC REIT RESULTS

### ACTUAL VS FORECAST

	Actual 3Q 2015 <sup>2</sup> \$'000	Forecast 3Q 2015 <sup>2</sup> \$'000	+/(-) %	Actual YTD 2015 <sup>2</sup> \$'000	Forecast <sup>1</sup> YTD 2015 <sup>2</sup> \$'000	+/(-) %
Gross Revenue	25,743	25,295	1.8	82,920	80,558	2.9
Property Expenses	(4,370)	(3,853)	13.4	(13,468)	(12,271)	9.8
Net Property Income	21,373	21,442	(0.3)	69,452	68,287	1.7
Distributable Income to Unitholders <sup>3</sup>	14,480	14,165	2.2	45,912	45,114	1.8
Distribution per Unit (cents) <sup>3</sup>	1.64	1.60	2.5	5.20	5.11	1.8
Annualised distribution yield <sup>4</sup> (%)				6.96%	6.84%	Nm

#### Notes:

Nm – Not meaningful

- Keppel DC REIT (formerly known as Securus Data Property Trust) was established on 17 March 2011 and the acquisition of the Singapore Properties, remaining issued share capital of subsidiaries and an associate it does not already hold, except for a 1.0% non-controlling interest in Basis Bay Data Centre, were completed on Listing Date. The forecast figures were derived from the Forecast Year FY2015 (for the period from Listing Date to 30 September 2015 and for the period from 1 July to 30 September 2015) as disclosed in the Prospectus.
- "3Q 2015" refer to the third quarter of 92 days from 1 July to 30 September 2015 and "YTD 2015" refers to the financial period of 293 days from Listing Date to 30 September 2015.
- The distributable income to unitholders is based on 100% of the income available for distribution to unitholders. Keppel DC REIT has distributed 3.56 cents per Unit for the financial period from Listing Date to 30 June 2015. No distribution has been declared for the quarter ended 30 September 2015. The next distribution will be for the financial period from 1 July to 31 December 2015.
- The annualised distribution yield is on a pro-rata basis from the results following the Listing Date based on the listing price of \$0.93. The forecast figures were derived from the Forecast Year 2015 as disclosed in the Prospectus.

For details, refer to **Paragraph 1A(i)(ii) Statement of total return and distribution statement –performance between Actual and Forecast results** and **Paragraph 9 - Variance from Forecast Statement**.

## INTRODUCTION

Keppel DC REIT (formerly known as “Securus Data Property Trust”) is a Singapore-domiciled real estate investment trust constituted by the trust deed dated 17 March 2011 (as amended) (the “Trust Deed”) between AEP Investment Management Pte Ltd and Keppel DC REIT Management Pte. Ltd., together as Trustee-Managers.

Pursuant to the Deed of Appointment and Retirement dated 24 October 2014, the Trustee-Managers were replaced by Keppel DC REIT Management Pte. Ltd. (the “Manager”), as the manager of Keppel DC REIT and The Trust Company (Asia) Limited (the “Trustee”), as the trustee of Keppel DC REIT on 24 October 2014.

Keppel DC REIT was listed on Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 12 December 2014 (“Listing Date”).

Keppel DC REIT’s strategy is to invest, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centres purposes, as well as real estate-related assets, with an initial focus on Asia-Pacific and Europe.

As at 30 September 2015, Keppel DC REIT has a portfolio size of approximately \$1.05 billion. The portfolio comprises 9 high quality well located data centres in Singapore, Australia, Ireland, Malaysia, Netherlands and the United Kingdom.

- |                                |   |   |
|--------------------------------|---|---|
| 1) S25 Data Centre             | } | (collectively, “Singapore Properties”)    |
| 2) T25 Data Centre             |   |   |
| 3) Gore Hill Data Centre       |   |   |
| 4) iSeek Data Centre           |   |   |
| 5) Intellicentre 2 Data Centre |   | (acquisition completed on 10 August 2015) |
| 6) Citadel 100 Data Centre     |   |   |
| 7) Basis Bay Data Centre       |   |   |
| 8) Almere Data Centre          |   |   |
| 9) GV7 Data Centre             |   |   |

The notes below shall be applicable to the relevant paragraphs thereafter:

- “Actual” - Although Keppel DC REIT was constituted on 17 March 2011, it was listed on the SGX-ST on the Listing Date. The results of Keppel DC REIT for the current financial periods were from Listing Date to 30 September 2015 and 1 July to 30 September 2015.
- “Pro forma” - The comparative figures were derived from the Prospectus for the financial period ended 30 September 2014 (for the financial periods 3Q 2014 and YTD 2014).
- “Forecast” - The forecast figures were derived from the Forecast Year FY2015 (for the financial periods 3Q 2015 and YTD 2015) as disclosed in the Prospectus.
- “3Q” – Refers to the third quarter of 92 days from 1 July to 30 September 2015 for the current year or the corresponding third quarter of the preceding year.
- “YTD” - Refers to the financial period of 293 days from Listing Date to 30 September 2015 or the corresponding financial period of the preceding year.

## 1 UNAUDITED RESULTS FOR THE FINANCIAL PERIOD FROM LISTING DATE TO 30 SEPTEMBER 2015

The Directors of Keppel DC REIT Management Pte. Ltd., as the manager of Keppel DC REIT, advise the following unaudited results of the Group for the financial periods ended 30 September 2015:

### 1(A)(i)(ii) STATEMENT OF TOTAL RETURN AND DISTRIBUTION STATEMENT

#### Performance between Actual and Forecast results<sup>1</sup>

##### Statement of Total Return (Group)

	Actual 3Q 2015 \$'000	Forecast 3Q 2015 \$'000	+ / (-) %	Actual YTD 2015 \$'000	Forecast YTD 2015 \$'000	+ / (-) %
Gross rental income	25,241	25,275	(0.1)	81,375	80,495	1.1
Other income	502	20	>100.0	1,545	63	>100.0
<b>Gross Revenue</b>	<b>25,743</b>	<b>25,295</b>	<b>1.8</b>	<b>82,920</b>	<b>80,558</b>	<b>2.9</b>
Property operating expenses	(4,370)	(3,853)	13.4	(13,468)	(12,271)	9.8
<b>Net Property Income</b>	<b>21,373</b>	<b>21,442</b>	<b>(0.3)</b>	<b>69,452</b>	<b>68,287</b>	<b>1.7</b>
Finance costs	(2,887)	(3,297)	(12.4)	(9,245)	(10,499)	(11.9)
Trustee's fees	(45)	(45)	-	(144)	(144)	-
Manager's base fee	(1,249)	(1,326)	(5.8)	(3,974)	(4,222)	(5.9)
Manager's performance fee	(1,148)	(705)	62.8	(2,747)	(2,245)	22.4
Fair value change in investment properties	-	-	-	(784)	-	Nm
Other trust expenses	1,485	(686)	Nm	34	(2,185)	Nm
<b>Total return for the period before tax</b>	<b>17,529</b>	<b>15,383</b>	<b>14.0</b>	<b>52,592</b>	<b>48,992</b>	<b>7.3</b>
Tax expenses	(614)	(1,009)	(39.1)	(3,178)	(3,213)	(1.1)
<b>Total return for the period after tax</b>	<b>16,915</b>	<b>14,374</b>	<b>17.7</b>	<b>49,414</b>	<b>45,779</b>	<b>7.9</b>
<b>Attributable to:</b>						
Unitholders	16,906	14,364	17.7	49,384	45,748	7.9
Non-controlling interest	9	10	(10.0)	30	31	(3.2)
	<b>16,915</b>	<b>14,374</b>	<b>17.7</b>	<b>49,414</b>	<b>45,779</b>	<b>7.9</b>
<u>Distribution Statement</u>						
<b>Total return for the period attributable to Unitholders</b>	16,906	14,364	17.7	49,384	45,748	7.9
Net tax and other adjustments	(2,426)	(199)	>100.0	(3,472)	(634)	>100.0
<b>Income available for distribution</b>	<b>14,480</b>	<b>14,165</b>	<b>2.2</b>	<b>45,912</b>	<b>45,114</b>	<b>1.8</b>
<b>Distribution to Unitholders<sup>2</sup></b>	<b>14,480</b>	<b>14,165</b>	<b>2.2</b>	<b>45,912</b>	<b>45,114</b>	<b>1.8</b>

#### Note:

Nm – Not meaningful

1 Details of actual property operating expenses, other trust expenses, net tax and other adjustments, income available for distribution and distribution income to Unitholders for the periods can be found in **paragraph 1(A)(i)(ii) Statement Of Total Return And Distribution Statement – Review of Performance between Actual and Pro forma results**. Review of performance can be found in **Paragraph 9 - Variance from Forecast Statement**.

2 Distribution to unitholders is based on 100% of the income available for distribution to unitholders. No distribution has been declared for the quarter ended 30 September 2015. Total distribution amounting to 3.56 cents per unit in respect of the financial period from Listing Date to 30 June 2015 was paid on 28 August 2015.

**1(A)(i)(ii) STATEMENT OF TOTAL RETURN AND DISTRIBUTION STATEMENT**  
**Performance between Actual and Pro forma results**

Statement of total return and distribution statement, together with a comparative statement for the corresponding period of the immediately preceding financial year

Statement of Total Return (Group)

	Note	Actual 3Q 2015 \$'000	Pro forma <sup>1</sup> 3Q 2014 \$'000	+ / (-) %	Actual YTD 2015 \$'000	Pro forma <sup>1</sup> YTD 2014 \$'000	+ / (-) %
Gross rental income		25,241	25,218	0.1	81,375	80,314	1.3
Other income	1	502	1,726	(70.9)	1,545	5,496	(71.9)
<b>Gross Revenue</b>		<b>25,743</b>	<b>26,944</b>	<b>(4.5)</b>	<b>82,920</b>	<b>85,810</b>	<b>(3.4)</b>
Property operating expenses	2	(4,370)	(3,496)	25.0	(13,468)	(11,134)	21.0
<b>Net Property Income</b>		<b>21,373</b>	<b>23,448</b>	<b>(8.8)</b>	<b>69,452</b>	<b>74,676</b>	<b>(7.0)</b>
Finance costs	3	(2,887)	(3,453)	(16.4)	(9,245)	(10,996)	(15.9)
Trustee's fees		(45)	(45)	-	(144)	(144)	-
Manager's base fee		(1,249)	(1,291)	(3.3)	(3,974)	(4,112)	(3.4)
Manager's performance fee		(1,148)	(752)	52.7	(2,747)	(2,395)	14.7
Fair value change in investment properties		-	-	-	(784)	-	Nm
Other trust expenses	4	1,485	(804)	Nm	34	(2,560)	Nm
<b>Total return for the period before tax</b>		<b>17,529</b>	<b>17,103</b>	<b>2.5</b>	<b>52,592</b>	<b>54,469</b>	<b>(3.4)</b>
Tax expenses		(614)	(1,130)	(45.7)	(3,178)	(3,599)	(11.7)
<b>Total return for the period after tax</b>		<b>16,915</b>	<b>15,973</b>	<b>5.9</b>	<b>49,414</b>	<b>50,870</b>	<b>(2.9)</b>
<b>Attributable to:</b>							
Unitholders		16,906	15,963	5.9	49,384	50,838	(2.9)
Non-controlling interest		9	10	(10.0)	30	32	(6.3)
		<b>16,915</b>	<b>15,973</b>	<b>5.9</b>	<b>49,414</b>	<b>50,870</b>	<b>(2.9)</b>

Distribution Statement

<b>Total return for the period attributable to Unitholders</b>		16,906	15,963	5.9	49,384	50,838	(2.9)
Net tax and other adjustments	5	(2,426)	95	Nm	(3,472)	305	Nm
<b>Income available for distribution</b>	6	<b>14,480</b>	<b>16,058</b>	<b>(9.8)</b>	<b>45,912</b>	<b>51,143</b>	<b>(10.2)</b>
<b>Distribution to Unitholders</b>	7	<b>14,480</b>	<b>16,058</b>	<b>(9.8)</b>	<b>45,912</b>	<b>51,143</b>	<b>(10.2)</b>

**Note:**

Nm – Not meaningful

Keppel DC REIT was established on 17 March 2011 and the acquisition of the Singapore Properties, remaining issued share capital of subsidiaries and an associate it does not already hold, except for a 1.0% non-controlling interest in Basis Bay Data Centre, were completed on Listing Date. The comparative figures have been compiled to reflect the following adjustments:

- i) financial performance of the properties after adjusting for income and expenses arising from the acquisition and the reversal of the fair value change in investment properties and to reflect the revised finance costs (including commitment fees and amortisation of debt related transaction costs) from new borrowings; and
- ii) to include management fees, the trustee fees, the property management fees and administrative and other trust expenses.

**Notes (Actual vs Pro forma):**

- 1 In Pro forma 3Q 2014, the higher other income was due to higher power-related revenue for the recovery of power costs and higher ad hoc service fees charged at Gore Hill and Citadel assets as compared to 3Q 2015.
- 2 Included as part of the property operating expenses were the following:

	Actual 3Q 2015 \$'000	Pro forma 3Q 2014 \$'000	Actual YTD 2015 \$'000	Pro forma YTD 2014 \$'000
Property-related taxes	998	565	2,821	1,428
Facility management costs	1,267	905	4,215	2,882
Repairs and maintenance	827	613	2,272	1,952
Other property-related costs	1,278	1,413	4,160	4,872
	<b>4,370</b>	<b>3,496</b>	<b>13,468</b>	<b>11,134</b>

- 3 Included in finance costs were interest expense, amortisation of debt related transaction costs from new borrowings and finance lease charges recognised.
- 4 Included in other trust expenses in 3Q 2015 were mainly foreign exchange gains on the revaluation of external borrowings due to the appreciation of SGD against both AUD and EUR and realised gains from the settlement of foreign exchange forward contracts.
- 5 Included in the net tax and other adjustments were the following:

	Actual 3Q 2015 \$'000	Pro forma 3Q 2014 \$'000	Actual YTD 2015 \$'000	Pro forma YTD 2014 \$'000
Trustee's fees	45	45	144	144
Rental income adjustment on a straight-line basis	(454)	(865)	(2,055)	(2,754)
Amortisation of capitalised transaction costs	93	85	293	271
Establishment fees on acquisition	-	-	1,660	-
Net change in fair value of investment properties	-	-	784	-
Unrealised foreign exchange gains	(669)	-	(3,900)	-
Deferred tax	(149)	730	512	2,325
Other adjustments	(1,292)	100	(910)	319
<b>Net tax and other adjustments</b>	<b>(2,426)</b>	<b>95</b>	<b>(3,472)</b>	<b>305</b>

Included in other adjustments were dividend and distributions income, finance lease charges, management acquisition fees, other non-taxable income and non-deductible expenses.

- 6 Excluding the higher other income of \$1.2 million as explained in Note 1 above, income available for distribution for 3Q 2014 would be \$14.8 million, hence showing a decline of 2.3% in 3Q 2015 mainly due to the depreciation of AUD and EUR against SGD during 3Q 2015 as compared to Pro forma period.
- 7 Distribution to unitholders is based on 100% of the income available for distribution to unitholders. No distribution has been declared for the quarter ended 30 September 2015. Total distribution amounting to 3.56 cents per unit in respect of the financial period from Listing Date to 30 June 2015 was paid on 28 August 2015.

### 1(B)(i) BALANCE SHEETS

Balance sheets together with a comparative statement for the corresponding period of the immediately preceding financial year

	Note	Group			Trust		
		Actual 30-Sep-15 \$'000	Actual 31-Dec-14 \$'000	+ /(-) %	Actual 30-Sep-15 \$'000	Actual 31-Dec-14 \$'000	+ /(-) %
<b>Non-current assets</b>							
Investment properties	1	1,050,546	1,047,143	0.3	417,712	416,733	0.2
Investment in subsidiaries	2	-	-	-	377,084	316,155	19.3
Loans to subsidiaries	2	-	-	-	159,817	202,521	(21.1)
Derivative financial assets	3	4,001	1,099	>100.0	635	-	n.a.
Deferred tax assets	4	392	741	(47.1)	-	-	-
<b>Total non-current assets</b>		<b>1,054,939</b>	<b>1,048,983</b>	<b>0.6</b>	<b>955,248</b>	<b>935,409</b>	<b>2.1</b>
<b>Current assets</b>							
Trade and other receivables	5	60,806	46,985	29.4	39,727	23,362	70.0
Derivative financial assets	3	1,352	-	n.a.	1,352	-	n.a.
Cash and other equivalents		22,302	25,537	(12.7)	5,006	15,864	(68.4)
<b>Total current assets</b>		<b>84,460</b>	<b>72,522</b>	<b>16.5</b>	<b>46,085</b>	<b>39,226</b>	<b>17.5</b>
<b>TOTAL ASSETS</b>		<b>1,139,399</b>	<b>1,121,505</b>	<b>1.6</b>	<b>1,001,333</b>	<b>974,635</b>	<b>2.7</b>
<b>Current liabilities</b>							
Loans and borrowings	6	39,092	3,857	>100.0	-	-	-
Loans from a subsidiary		-	-	-	34,581	-	n.a.
Derivative financial liabilities	3	453	-	n.a.	453	-	n.a.
Trade and other payables		15,443	17,570	(12.1)	7,552	10,669	(29.2)
<b>Total current liabilities</b>		<b>54,988</b>	<b>21,427</b>	<b>&gt;100.0</b>	<b>42,586</b>	<b>10,669</b>	<b>&gt;100.0</b>
<b>Non-current liabilities</b>							
Loans and borrowings	6	321,671	322,748	(0.3)	-	-	-
Loans from a subsidiary		-	-	-	296,615	294,826	0.6
Derivative financial liabilities	3	2,206	559	>100.0	352	-	n.a.
Deferred tax payable	4	3,641	3,743	(2.7)	-	-	-
<b>Total non-current liabilities</b>		<b>327,518</b>	<b>327,050</b>	<b>0.1</b>	<b>296,967</b>	<b>294,826</b>	<b>0.7</b>
<b>TOTAL LIABILITIES</b>		<b>382,506</b>	<b>348,477</b>	<b>9.8</b>	<b>339,553</b>	<b>305,495</b>	<b>11.1</b>
<b>NET ASSETS</b>		<b>756,893</b>	<b>773,028</b>	<b>(2.1)</b>	<b>661,780</b>	<b>669,140</b>	<b>(1.1)</b>
<b>Represented by:</b>							
Unitholders' funds		756,480	772,587	(2.1)	661,780	669,140	(1.1)
Non-controlling interest		413	441	(6.3)	-	-	-
		<b>756,893</b>	<b>773,028</b>	<b>(2.1)</b>	<b>661,780</b>	<b>669,140</b>	<b>(1.1)</b>
Net asset value per Unit (\$)	7	0.86	0.88	(2.3)	0.75	0.76	(1.3)
Gross borrowings / Deposited properties (%)	8	30.1	27.1	n.a.	n.a.	n.a.	n.a.

#### Notes:

n.a. – Not applicable

**Notes:**

- 1 Included in the investment properties were finance leases of \$30.8 million capitalised at the lower of its fair value and the present value of the minimum lease payments for iSeek and Citadel 100 data centres. The increase in investment properties was mainly due to the acquisition of Intellicentre 2, offset by a decrease in other investment properties due to the depreciation of foreign currencies against SGD from 31 December 2014 till 30 September 2015.

<u>Investment Properties</u>	<u>Tenure</u>	<u>Carrying value</u> <u>(\$'000)</u>
S25 Data Centre	Leasehold, expiring 30 Sept 2055	253,912
T25 Data Centre	Leasehold, expiring 31 July 2051	163,800
Basis Bay Data Centre	Freehold	40,776
Almere Data Centre	Freehold	120,476
GV 7 Data Centre	Leasehold, expiring 28 Sept 2183	80,044
Citadel 100 Data Centre	Leasehold, expiring 11 April 2041	115,982
iSeek Data Centre	Leasehold, expiring 29 June 2047	37,182
Gore Hill Data Centre	Freehold	191,737
Intellicentre 2 Data Centre	Freehold	46,637
		<b>1,050,546</b>

- 2 During 2015, a net amount of \$43.4 million was reclassified from loan to subsidiaries to investment in subsidiaries for Gore Hill and Almere. In addition, \$47.4 million was injected into subsidiaries through a combination of equity and debt for the acquisition of Intellicentre 2.
- 3 This relates to the fair value of the foreign currency forward contracts entered into in relation to the income from the investment properties in Australia, Europe and Malaysia, and the fair value of interest rate swaps entered into by the Group.
- 4 This relates to the net deferred tax assets and liabilities recognised in different tax jurisdictions, that arose on tax losses carried forward and fair value changes in investment properties held in Ireland and the Netherlands.
- 5 Included in the balance were accrued rental revenue from lessees and recoverable from a related corporation pertaining to a revision of property tax of an investment property based upon an indemnity as provided by the sales and purchase agreement. Also included were deferred lease receivables relating to lease income which has been recognised due to the straight-lining of rental revenue in accordance with *FRS 17 Leases*, but not yet received from the lessees.
- 6 This relates to external bank borrowings of \$331.2 million drawn down (refer to paragraph 1(B)(ii)), finance lease liabilities of \$30.8 million recognised for iSeek and Citadel data centres and capitalised debt-related transaction costs.
- 7 This excludes non-controlling interest's share of net asset value.
- 8 Gross borrowings relate to the \$331.2 million external borrowings drawn down (refer to paragraph 1(B)(ii)) and deposited properties refers to the value of the Group's total assets based on the latest valuation defined in the property fund guidelines in the Code on Collective Investment Schemes issued by MAS, without considering finance lease liabilities pertaining to the land rent commitments for iSeek and Citadel 100 data centres. If these finance lease liabilities pertaining to land rent commitments were included, the ratio would be 32.0% (31 December 2014: 29.3%).

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

	Actual As at 30 Sep 15 \$'000	Actual As at 31 Dec 14 \$'000
<b>Unsecured borrowings<sup>1</sup></b>		
Amount repayable within one year	34,581	-
Amount repayable after one year	296,615	294,826
	331,196	294,826

**Note:**

1 Keppel DC REIT has obtained unsecured facilities comprising (i) the term loan facilities with loan maturities of four to five years amounting to approximately \$296.6 million in SGD, AUD, EUR and GBP currencies and (ii) the revolving credit facilities, amounting to a total of \$75.0 million from various financial institutions.

As at 30 September 2015, the term loan facilities were fully drawn down and were fully hedged using floating-for-fixed interest rate swaps. As at 30 September 2015, the Group had total borrowings of approximately \$331.2 million and an unutilised \$40.4 million of facilities to meet its future obligations. The year-to-date all-in average interest rate for borrowings was 2.5% per annum for the financial period ended 30 September 2015.

### 1(C) CONSOLIDATED STATEMENT OF CASH FLOWS

	Actual 3Q 2015 <sup>1</sup> \$'000	Actual YTD 2015 <sup>1</sup> \$'000	Actual Year ended 31 Dec 14 \$'000
<b>Operating activities</b>			
Total return for the financial period/year	16,915	49,414	45,035
Adjustments for:			
Tax expenses	614	3,178	5,058
Finance costs	2,887	9,245	13,254
Fair value change in investment properties	-	784	(19,682)
Share of results of an associate prior to Listing Date	-	-	(119)
	20,416	62,621	43,546
Changes in working capital:			
- Trade and other receivables	5,294	(16,553)	17,021
- Trade and other payables	(1,238)	(2,019)	(26,362)
Income tax (paid)/refunded	(184)	(160)	(6)
<b>Net cash from operating activities</b>	<b>24,288</b>	<b>43,889</b>	<b>34,199</b>
<b>Cash flows from investing activities</b>			
Acquisition of investment properties	(46,637)	(476,725)	(430,088)
Acquisition of a subsidiary	-	(47,552)	(47,552)
Capital expenditure on investment properties	(91)	(878)	(849)
Dividends from an associate prior to Listing Date	-	-	3,705
<b>Net cash used in investing activities</b>	<b>(46,728)</b>	<b>(525,155)</b>	<b>(474,784)</b>

### 1(C) CONSOLIDATED STATEMENT OF CASH FLOWS

	Actual 3Q 2015 <sup>1</sup> \$'000	Actual YTD 2015 <sup>1</sup> \$'000	Actual Year ended 31 Dec 14 \$'000
<b>Cash flows from financing activities</b>			
Proceeds from issuance of units	-	821,125	821,125
Redemption of existing units	-	(313,814)	(313,814)
Proceeds from bank borrowings	47,888	342,888	295,000
Payment of financing transaction costs	(67)	(1,542)	(1,475)
Acquisition of remaining interests of subsidiaries	-	(51,743)	(51,743)
Repayment of Islamic financing facilities	-	(207,120)	(207,120)
Finance costs paid	(2,715)	(8,293)	(12,147)
Distributions paid, relating prior to Listing Date	-	(26,015)	(58,638)
Distributions paid to Unitholders	(31,432)	(31,432)	-
Dividends paid to a non-controlling interest	(10)	(30)	-
Repayment of amount due to a related corporation	-	(1,712)	-
Payment of transaction costs relating to fund-raising	-	(15,209)	(11,661)
Repayment of loan due to a non-controlling interest	-	(10,344)	(10,344)
<b>Net cash from financing activities</b>	<b>13,664</b>	<b>496,759</b>	<b>449,183</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(8,776)</b>	<b>15,493</b>	<b>8,598</b>
Cash and cash equivalents at beginning of period/year	31,234	7,511	17,411
Effects of exchange rate fluctuations on cash held	(156)	(702)	(472)
<b>Cash and cash equivalents at end of period/year</b>	<b>22,302</b>	<b>22,302</b>	<b>25,537</b>

**Note:**

- 1 Keppel DC REIT was established on 17 March 2011 and the acquisition of the Singapore Properties, remaining issued share capital of subsidiaries and an associate it does not already hold, except for a 1.0% non-controlling interest in Basis Bay Data Centre, were completed on Listing Date. Consequently, there is no comparative Statement of Cash Flows for the financial periods for the Group from 1 July to 30 September 2014 and 12 December 2013 to 30 September 2014.

## 1(D)(i) STATEMENT OF MOVEMENTS IN UNITHOLDERS' FUNDS

### GROUP

	Note	Unitholders' funds \$'000	Non-controlling interests \$'000	Total \$'000
<b>At Listing Date<sup>1</sup></b>		282,056	53,450	335,506
<b>Operations</b>				
Total return for the period		32,478	21	32,499
<b>Net increase in net assets resulting from operations</b>		<b>32,478</b>	<b>21</b>	<b>32,499</b>
<b>Unitholders' transactions</b>				
Net increase in net assets resulting from Unitholders' contribution	2	821,125	-	821,125
Redemption of existing units	2	(313,814)	-	(313,814)
Issue expenses	2	(18,252)	-	(18,252)
Acquisition of non-controlling interests	2	1,268	(53,011)	(51,743)
Dividends paid to a non-controlling interest		-	(20)	(20)
<b>Net increase/(decrease) in net assets resulting from Unitholders' transactions</b>		<b>490,327</b>	<b>(53,031)</b>	<b>437,296</b>
<b>Hedging Reserves</b>				
Movement in hedging reserves	3	3,388	-	3,388
<b>Net increase in hedging reserves</b>		<b>3,388</b>	<b>-</b>	<b>3,388</b>
Foreign currency translation movement for the period	3	(28,975)	(26)	(29,001)
<b>At 30 June 2015</b>		<b>779,274</b>	<b>414</b>	<b>779,688</b>

<b>Operations</b>				
Total return for the period		16,906	9	16,915
<b>Net increase in net assets resulting from operations</b>		<b>16,906</b>	<b>9</b>	<b>16,915</b>
<b>Unitholders' transactions</b>				
Distribution to unitholders		(31,432)	-	(31,432)
Dividends paid to a non-controlling interest		-	(10)	(10)
<b>Net decrease in net assets resulting from Unitholders' transactions</b>		<b>(31,432)</b>	<b>(10)</b>	<b>(31,442)</b>
<b>Hedging Reserves</b>				
Movement in hedging reserves	3	(649)	-	(649)
<b>Net decrease in hedging reserves</b>		<b>(649)</b>	<b>-</b>	<b>(649)</b>
Foreign currency translation movement for the period	3	(7,619)	-	(7,619)
<b>At 30 September 2015</b>		<b>756,480</b>	<b>413</b>	<b>756,893</b>

## 1(D)(i) STATEMENT OF MOVEMENTS IN UNITHOLDERS' FUNDS

### GROUP

	Note	Unitholders' funds \$'000	Non-controlling interests \$'000	Total \$'000
<b>At 1 January 2014</b>		311,311	46,859	358,170
<b>Operations</b>				
Total return for the year		32,542	12,493	45,035
<b>Net increase in net assets resulting from operations</b>		<b>32,542</b>	<b>12,493</b>	<b>45,035</b>
<b>Unitholders' transactions</b>				
Distributions		(44,055)	(5,882)	(49,937)
Net increase in net assets resulting from Unitholders' contribution	2	821,125	-	821,125
Redemption of existing units	2	(313,814)	-	(313,814)
Issue expenses	2	(18,252)	-	(18,252)
Acquisition of non-controlling interests	2	1,268	(53,011)	(51,743)
<b>Net increase/(decrease) in net assets resulting from Unitholders' transactions</b>		<b>446,272</b>	<b>(58,893)</b>	<b>387,379</b>
<b>Hedging Reserves</b>				
Movement in hedging reserves	3	540	-	540
<b>Net increase in hedging reserves</b>		<b>540</b>	<b>-</b>	<b>540</b>
Foreign currency translation movement for the year	3	(18,078)	(18)	(18,096)
<b>At 31 December 2014</b>		<b>772,587</b>	<b>441</b>	<b>773,028</b>

#### Note:

- Keppel DC REIT was established on 17 March 2011 and the acquisition of the Singapore Properties, remaining issued share capital of subsidiaries and an associate it does not already hold, except for a 1.0% non-controlling interest in Basis Bay Data Centre, were completed on Listing Date. Consequently, there is no comparative Statement of Movement in Unitholders' funds for the financial period for the Group from 12 December 2013 to 30 September 2014.
- These transactions relate to the increase in the unitholders' funds from the Offering and the redemption of Keppel DC REIT's units on Listing Date, issue expenses in relation to the Offering and the acquisition of the non-controlling interests on the Listing Date.
- These other comprehensive income relate to the movement in foreign currency translation reserve arising from translation of foreign entities and intercompany loans that form part of the Group's net investment in foreign entities, fair value changes of the cash flow hedges as a result of interest rate swaps and foreign currency forward contracts entered into by the Group.

**1(D)(i) STATEMENT OF MOVEMENTS IN UNITHOLDERS' FUNDS**

**TRUST**

	Note	Units in issue \$'000	Accumulated (losses) / profit \$'000	Total \$'000
<b>At Listing Date<sup>1</sup></b>		218,063	(39,880)	178,183
<b>Operations</b>				
Total return for the period		-	10,288	10,288
<b>Net increase in net assets resulting from operations</b>		-	<b>10,288</b>	<b>10,288</b>
<b>Unitholders' transactions</b>				
Issue of new units on listing	2	821,125	-	821,125
Redemption of existing units	2	(218,063)	(95,751)	(313,814)
Issue expenses	2	(18,252)	-	(18,252)
<b>Net increase/(decrease) in net assets resulting from Unitholders' transactions</b>		<b>584,810</b>	<b>(95,751)</b>	<b>489,059</b>
<b>Hedging Reserves</b>				
Movement in hedging reserves	3	-	2,082	2,082
<b>Net increase in hedging reserves</b>		-	<b>2,082</b>	<b>2,082</b>
<b>At 30 June 2015</b>		<b>802,873</b>	<b>(123,261)</b>	<b>679,612</b>

<b>Operations</b>				
Total return for the period		-	14,500	14,500
<b>Net increase in net assets resulting from operations</b>		-	<b>14,500</b>	<b>14,500</b>
<b>Unitholders' transactions</b>				
Distribution to unitholders		-	(31,432)	(31,432)
<b>Net decrease in net assets resulting from Unitholders' transactions</b>		-	<b>(31,432)</b>	<b>(31,432)</b>
<b>Hedging Reserves</b>				
Movement in hedging reserves	3	-	(900)	(900)
<b>Net decrease in hedging reserves</b>		-	<b>(900)</b>	<b>(900)</b>
<b>At 30 September 2015</b>		<b>802,873</b>	<b>(141,093)</b>	<b>661,780</b>

### 1(D)(i) STATEMENT OF MOVEMENTS IN UNITHOLDERS' FUNDS

#### TRUST

	Note	Units in issue \$'000	Accumulated (losses) / profit \$'000	Total \$'000
<b>At 1 January 2014</b>		218,063	(20,986)	197,077
<b>Operations</b>				
Total return for the year		-	27,059	27,059
<b>Net increase in net assets resulting from operations</b>		-	<b>27,059</b>	<b>27,059</b>
<b>Unitholders' transactions</b>				
Issue of new units on listing	2	821,125	-	821,125
Redemption of existing units	2	(218,063)	(95,751)	(313,814)
Issue expenses	2	(18,252)	-	(18,252)
Distribution to Unitholders		-	(44,055)	(44,055)
<b>Net increase/(decrease) in net assets resulting from Unitholders' transactions</b>		<b>584,810</b>	<b>(139,806)</b>	<b>445,004</b>
<b>At 31 December 2014</b>		<b>802,873</b>	<b>(158,733)</b>	<b>669,140</b>

#### Note:

- Keppel DC REIT was established on 17 March 2011 and the acquisition of the Singapore Properties, remaining issued share capital of subsidiaries and an associate it does not already hold, except for a 1.0% non-controlling interest in Basis Bay Data Centre, were completed on Listing Date. Consequently, there is no comparative Statement of Movement in Unitholders' funds for the financial period for the Trust from 12 December 2013 to 30 September 2014.
- These transactions relate to the increase in unitholders' funds from the Offering and the redemption of Keppel DC REIT's units on Listing Date, issue expenses in relation to the Offering and the acquisition of the non-controlling interests on the Listing Date.
- The other comprehensive income relates to the fair value changes of the cash flow hedges as a result of interest rate swaps entered into by the Trust.

### 1(D)(ii)DETAIL OF CHANGES IN THE UNITS

GROUP AND TRUST	Actual 1 Jul 15 to 30 Sep 15	Actual 12 Dec 14 to 30 Jun 15	Actual 1 Jan 14 to 31 Dec 14
	No. of Units	No. of Units	No. of Units
<b>Issued units as at beginning of period</b>	882,930,000	165,000,000	165,000,000
<b>On Listing Date:</b>			
- Sub-division of existing units	-	201,682,367	201,682,367
- Redemption of existing units	-	(366,682,367)	(366,682,367)
- Issue of new units	-	882,930,000	882,930,000
<b>Issued units as at end of period</b>	<b>882,930,000</b>	<b>882,930,000</b>	<b>882,930,000</b>

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

Keppel DC REIT did not hold any treasury units as at 30 September 2015 and 31 December 2014.

	<b>Actual As at 30 Sep 15</b>	<b>Actual As at 31 Dec 14</b>
<b>Total number of issued units</b>	882,930,000	882,930,000

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

Not applicable.

**2 AUDIT**

Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

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

**3 AUDITORS' REPORT**

Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

**4 ACCOUNTING POLICIES**

Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The accounting policies and methods of computation have been consistently applied during the current reporting period except that in the current financial year, the Group has adopted new and revised standards and Interpretation of FRS ("INT FRS") that are effective for annual period beginning on 1 January 2015.

**5 CHANGES IN ACCOUNTING POLICIES**

If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

#### 6 CONSOLIDATED EARNINGS PER UNIT AND DISTRIBUTION PER UNIT

	Actual 3Q 2015	Actual YTD 2015
<b>Earnings per unit ("EPU")</b>		
Weighted average number of units <sup>1</sup>	882,930,000	882,930,000
Total return for the period after tax <sup>4</sup> (\$'000)	16,906	49,384
EPU (basic and diluted) (cents)	1.91	5.59
<b>Distribution per unit ("DPU")</b>		
Total number of units in issue at end of period	882,930,000	882,930,000
Income available for distribution to Unitholders (\$'000)	14,480	45,912
Distribution to Unitholders <sup>2</sup>	14,480	45,912
DPU <sup>2,3</sup> (cents)	1.64	5.20

#### 7 NET ASSET VALUE ("NAV")

	Actual As at 30 Sep 15	Actual As at 31 Dec 14
NAV <sup>4</sup> per unit <sup>5</sup> (\$)	0.86	0.88

#### Notes:

- 1 The actual weighted average number of units was based on the issued units during the financial period in review.
- 2 Distribution to unitholders is based on 100% of the income available for distribution to unitholders. No distribution has been declared for the quarter ended 30 September 2015. Total distribution amounting to 3.56 cents per unit in respect of the financial period from Listing Date to 30 June 2015 was paid on 28 August 2015.
- 3 DPU was computed and rounded based on the number of units entitled to distribution at the end of the period. The annualised DPU is approximately 6.48 cents for YTD 2015.
- 4 This excludes the non-controlling interest's share of net asset value and total return for the period after tax.
- 5 The NAV per unit was computed based on the issued units at the end of the period.

## **8 REVIEW OF PERFORMANCE**

### Review of the Performance between Actual compared to Pro forma results

#### Actual YTD 2015 vs Pro Forma YTD 2014

Gross rental income for YTD 2015 was \$81.4 million, an increase of \$1.1 million or 1.3% from Pro forma YTD 2014 of \$80.3 million. This was due to contribution from Intellicentre 2, higher variable rental income from the Singapore Properties as well as an initial adoption for straight-lining of rental income in Citadel. This was offset by lower rental income in Europe, Australia and Malaysia due mainly to the depreciation of foreign currencies against SGD. Other income was \$1.5 million, a decrease of \$4.0 million mainly due to higher ad hoc fees charged to tenants in the comparative period.

Property operating expenses for YTD 2015 of \$13.5 million were \$2.4 million or 21.0% higher, as compared to the Pro forma expenses of \$11.1 million. This was largely due to higher contracted facility management costs of \$1.4 million for the Singapore Properties and Gore Hill asset, and higher property tax, insurance, staff costs and repairs and maintenance.

As a result, net property income of \$69.5 million for YTD 2015 was \$5.2 million or 7.0% lower than the Pro forma period.

Total return after tax for YTD 2015 was \$49.4 million, \$1.5 million or 2.9% lower from the Pro forma period of \$50.9 million. This was attributable to lower net property income, higher non-recurring stamp duties incurred on the establishment of the REIT and fair value losses on the Singapore Properties recorded on 31 December 2014 as well as Manager's acquisition fees for Intellicentre 2. These were partially offset by foreign exchange gains of \$4.7 million on revaluation of external borrowings and the settlement of foreign exchange forward contracts, as well as lower borrowing costs as compared to the Pro forma for the same period.

#### Actual 3Q 2015 vs Pro Forma 3Q 2014

Gross rental income for 3Q 2015 was \$25.2 million, similar to that of Pro forma 3Q 2014. This was due to contribution from Intellicentre 2 and higher variable rental income from the Singapore Properties, offset by lower rental income in Europe, Australia and Malaysia due mainly to the depreciation of foreign currencies against SGD. Other income was \$0.5 million, a decrease of \$1.2 million mainly due to higher ad hoc fees charged to tenants in the comparative period.

Property operating expenses for 3Q 2015 of \$4.4 million were \$0.9 million or 25.0% higher as compared to Pro forma expenses of \$3.5 million mainly due to higher contracted facility management costs of \$0.4 million for the Singapore Properties and Gore Hill asset, and higher property tax, insurance and repairs and maintenance.

As a result, net property income of \$21.4 million for 3Q 2015 was \$2.0 million or 8.8% lower than the Pro forma period.

Total return after tax for 3Q 2015 was \$16.9 million, \$0.9 million or 5.9% higher from the Pro forma period of \$16.0 million. This was mainly attributable to foreign exchange gains on revaluation of external borrowings recognised and the settlement of foreign exchange forward contracts, lower borrowing costs as well as lower tax expenses as compared to the Pro forma for the same period. These higher returns were partially offset by lower net property income and Manager's acquisition fees for Intellicentre 2.

**9 VARIANCE FROM FORECAST STATEMENT**Review of performance between the Actual and Forecast ResultsActual vs Forecast (YTD 2015)

Income available for distribution was \$45.9 million, \$0.8 million or 1.8% above the Forecast.

Gross rental income for YTD 2015 was \$81.4 million, an increase of \$0.9 million or 1.1% compared to the Forecast of \$80.5 million. This was due to contribution from Intellicentre 2, higher variable rental income from the Singapore Properties as well as initial adoption for straight-lining of rental income in Citadel. This was offset by lower rental income in Europe, Australia and Malaysia due mainly to the depreciation of foreign currencies against SGD. Other income was \$1.5 million, contributed from power-related revenue for the recovery of power costs and ad hoc service fees charged at Gore Hill and Citadel assets.

Property operating expenses for YTD 2015 of \$13.5 million were \$1.2 million or 9.8% higher, as compared to the Forecast of \$12.3 million due to higher contracted facility management costs for the Singapore Properties and Gore Hill asset, higher property tax and repairs and maintenance incurred.

As a result, net property income of \$69.5 million for YTD 2015 was \$1.2 million or 1.7% higher than the Forecast.

Total return after tax for YTD 2015 was \$49.4 million, an increase of \$3.6 million or 7.9% as compared to the Forecast of \$45.8 million. This was mainly due to higher net property income, foreign exchange gains on revaluation of external borrowings and the settlement of foreign exchange forward contracts, as well as lower borrowing costs. These were partially offset by non-recurring stamp duties incurred on the establishment of the REIT and fair value losses on the Singapore Properties recorded on 31 December 2014 and Manager's acquisition fees for Intellicentre 2.

Actual vs Forecast (3Q 2015)

Gross rental income for 3Q 2015 was \$25.2 million, comparable to the Forecast of \$25.3 million. This was attributable to lower rental income in Europe, Australia and Malaysia due mainly to the depreciation of foreign currencies against SGD, offset by contribution from Intellicentre 2 and higher variable rental income mainly from the Singapore Properties. Other income was \$0.5 million, contributed from power-related revenue for the recovery of power costs and ad hoc service fees charged at Gore Hill and Citadel assets.

Property operating expenses for 3Q 2015 of \$4.4 million were \$0.5 million or 13.4% higher, as compared to the Forecast of \$3.9 million due to higher contracted facility management costs for the Singapore Properties and Gore Hill asset, higher property tax and repairs and maintenance incurred.

As a result, net property income of \$21.4 million for 3Q 2015 was similar to the Forecast.

Total return after tax for 3Q 2015 was \$16.9 million, an increase of \$2.5 million or 17.7% as compared to the Forecast of \$14.4 million. This was mainly due to foreign exchange gains on revaluation of external borrowings and the settlement of foreign exchange forward contracts, lower borrowing costs as well as lower tax expenses as compared to the Forecast. This was partially offset by the Manager's acquisition fees for Intellicentre 2.

## **10 PROSPECTS**

A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

According to the Ministry of Trade and Industry (MTI), global growth is expected to pick up gradually, although the pace is likely to be uneven across economies. In particular, the advanced economies are expected to see a gradual pick-up, while the outlook of regional economies has generally softened.

In Singapore, MTI has narrowed the growth forecast for the year to between 2.0% and 2.5%. Based on their advanced estimates, the Singapore economy grew by 1.4% on a year-on-year basis in the third quarter of 2015, easing from the 2.0% growth in the previous quarter.

In Australia, the Australian Bureau of Statistics reported a 0.2% year-on-year economic growth in the second quarter of 2015. In October 2015, the Reserve Bank of Australia maintained the cash rate at 2.0% on continued softness in the economy.

While the Organisation for Economic Co-operation and Development projected that economic growth in the Eurozone will gradually strengthen to 2.25% by the end of 2016, the recovery is still weak and uncertain in the short run.

Despite a soft operating environment, the industry fundamentals remain sound. With a global shift towards digitisation, demand for data centres is set to continue. The rise of social media, Internet penetration as well as compliance and regulatory requirements are expected to fuel data storage demand.

According to the Usage and Population Statistics as at 30 June 2015 by the Internet World Stats, approximately 67% of the world's Internet users are located within Asia Pacific and Europe. The REIT is strategically positioned to tap the growth opportunities presented by the large and growing base of Internet users in its key investment regions.

The increasing data centre outsourcing impetus bodes well for the REIT's co-location business as well. In April 2015, 451 Research anticipates that the global co-location market annualised revenue will increase from the current \$22.8 billion to \$36.1 billion by the end of 2017.

To capture the growth potential of this industry and deliver value to the REIT's stakeholders, the Manager will continue with its proactive asset management, disciplined investment and capital management strategies.

## **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:

### **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 Keppel DC REIT'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 funding and expense requirements so as to manage the cash position at any point of time.

## **11 RISK FACTORS AND RISK MANAGEMENT**

### **Credit risk**

Credit risk assessments of prospective tenants are carried out by way of evaluation of information from corporate searches conducted prior to the signing of lease agreements. In addition, the Manager also monitors the property portfolio's tenant trade sector mix to assess and manage exposure to any one potentially volatile trade sector.

### **Currency risk**

The Group's foreign currency risk relates mainly to its exposure from its investments in Australia, Europe and Malaysia, and the distributable income and interest income from progressive payments related to such foreign investments. The Group maintains a natural economic hedge, whenever possible, by borrowing in the currency of the country in which the property or investment is located or by borrowing in currencies that match the future revenue stream to be generated from its investments.

The Manager monitors the Group's foreign currency exposure on an on-going basis and will manage its exposure to adverse movements in foreign currency exchange rates through financial instruments or other suitable financial products.

### **Operational risk**

Measures have been put in place for sustainability of net property income. These measures include steps taken to negotiate for favourable terms/covenants, manage expenses, and actively monitor rental payments from tenants and continuously evaluate the Group's counter-parties.

In addition, the Manager also continuously reviews disaster and pandemic business continuity plans and modifies them, when necessary. The Manager manages such risks through multiple layers of redundancy and back-up systems as well as detailed and structured operational procedures and maintenance programmes and appropriate method statements, such multiple layers of redundancy and back-up systems have at times failed in the data centre industry.

### **Competition risk**

The Manager will actively manage the properties and grow strong relationships with its customers by providing value-added property-related services. Through such active asset management and enhancements, the Manager seeks to maintain high customer retention and occupancy levels and achieve stable rental growth, as well as minimise the costs associated with marketing and leasing space to new customers.

The Manager will work with the facility managers (where applicable) to actively manage (i) lease and colocation renewals and (ii) new leases and co-location arrangements to maintain high customer retention levels and minimise vacancy periods. The Manager also intends to leverage on its relationship with existing data centre customers as well as data centre brokers to secure new customers for the Group's new and existing data centre facilities.



The past performance of Keppel DC REIT is not necessarily indicative of its future performance. Certain statements made in this announcement may not be based on historical information or facts and may be “forward-looking” statements due to a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes, and the continued availability of financing in the amounts and terms necessary to support future business.

Prospective investors and unitholders of Keppel DC REIT (“**Unitholders**”) are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Keppel DC REIT Management Pte. Ltd., as manager of Keppel DC REIT (the “**Manager**”) on future events. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained in this announcement. None of the Manager, the trustee of Keppel DC REIT or any of their respective advisors, representatives or agents shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection with this announcement. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially. The value of units in Keppel DC REIT (“**Units**”) and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (“**SGX-ST**”). Listing of the Units on SGX-ST does not guarantee a liquid market for the Units.

**By Order of the Board**  
**Keppel DC REIT Management Pte. Ltd.**  
**(Company Registration Number: 199508930C)**  
**As Manager of Keppel DC REIT**

MARITZ BIN MANSOR / KELVIN CHUA HUA YEOW  
Joint Company Secretaries  
15 October 2015

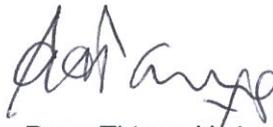
**CONFIRMATION BY THE BOARD**  
**Pursuant to Rule 705(5) of the Listing Manual**

We, Chan Hon Chew and Pang Thieng Hwi, being two Directors of Keppel DC REIT Management Pte. Ltd. (the "Company"), as manager of Keppel DC 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 DC REIT for the financial period from 12 December 2014 to 30 September 2015 to be false or misleading in any material respects.

On behalf of the Board,



Chan Hon Chew  
Chairman



Pang Thieng Hwi  
Director

15 October 2015

**Third Quarter &  
Nine Months 2015  
Financial Results**

15 October 2015



# Important Notice

DBS Bank Ltd. and Standard Chartered Securities (Singapore) Pte. Limited are the Joint Financial Advisers and Issue Managers to the initial public offering of Keppel DC REIT (the “Offering”). DBS Bank Ltd., Standard Chartered Securities (Singapore) Pte. Limited and Credit Suisse (Singapore) Limited are the Joint Global Coordinators to the Offering. DBS Bank Ltd., Standard Chartered Securities (Singapore) Pte. Limited, Credit Suisse (Singapore) Limited, Deutsche Bank AG, Singapore Branch and Goldman Sachs (Singapore) Pte. are the Joint Bookrunners and Underwriters to the Offering.

The past performance of Keppel DC REIT is not necessarily indicative of its future performance. Certain statements made in this presentation may not be based on historical information or facts and may be “forward-looking” statements due to a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes, and the continued availability of financing in the amounts and terms necessary to support future business.

Prospective investors and unitholders of Keppel DC REIT (“Unitholders”) are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Keppel DC REIT Management Pte. Ltd., as manager of Keppel DC REIT (the “Manager”) on future events. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained in this presentation. None of the Manager, the trustee of Keppel DC REIT or any of their respective advisors, representatives or agents shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially. The value of units in Keppel DC REIT (“Units”) and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (“SGX-ST”). Listing of the Units on SGX-ST does not guarantee a liquid market for the Units.

# Content

- Key Highlights
- Financial Review
- Portfolio Performance
- Capital Management
- Outlook

## Key Highlights

# Key Highlights

- YTD<sup>1</sup>:
  - Net property income outperformed IPO forecast<sup>2</sup> by 1.7%
  - Distributable income was 1.8% higher than IPO forecast<sup>2</sup>
  - Annualised distribution yield<sup>3</sup> was 12bps above IPO forecast<sup>2</sup>
- 3Q 2015:
  - Net property income was marginally lower than IPO forecast<sup>2</sup>, due to higher property tax expenses as well as foreign exchange losses from depreciation of certain foreign currencies that were not forecasted.
  - Distributable income was 2.2% above IPO forecast<sup>2</sup>, due to realisation of hedging gains and lower interest expenses due to the interest rate swaps entered into.
- Portfolio occupancy rate rose to 95.1%<sup>5</sup>
- Aggregate Leverage<sup>4</sup> remains healthy at 30.1%<sup>5</sup>

## Notes:

(1) For the financial period from 12 December 2014 to 30 September 2015.

(2) On a pro-rata basis for the relevant financial period, as derived from the Forecast Year 2015 disclosed in the Prospectus.

(3) Based on the IPO offering price of S\$0.930.

(4) Aggregate Leverage is gross borrowings and deferred payment as a percentage of the deposited properties, both of which do not take into consideration the finance lease liabilities pertaining to land rent commitments for isek Data Centre and Citadel 100 Data Centre.

(5) As at 30 September 2015.

**Keppel DC REIT**



**Financial Review**

# YTD<sup>1</sup> Distributable Income

	YTD Actual <sup>1</sup> (S\$'000)	Forecast <sup>2</sup> (S\$'000)	Variance (%)
Distributable Income to Unitholders <sup>3</sup>	45,912	45,114	+1.8
Distribution Per Unit <sup>3</sup> (cents)	5.20	5.11	+1.8
Annualised Distribution Yield <sup>4</sup>	6.96%	6.84%	+12bps
Comprising:			
Gross Revenue	82,920	80,558	+2.9
Property Expenses	(13,468)	(12,271)	+9.8
Net Property Income	69,452	68,287	+1.7

Notes:

(1) For the financial period of 293 days from 12 December 2014 to 30 September 2015.

(2) On a pro-rata basis for the financial period 12 December 2014 to 30 September 2015, as derived from the Forecast Year 2015 disclosed in the Prospectus.

(3) The distributable income to Unitholders is based on 100% of the income available for distribution to Unitholders. Keppel DC REIT has distributed 3.56 cents per Unit for the financial period from 12 December 2014 to 30 June 2015. No distribution has been declared for the quarter ended 30 September 2015.

(4) Based on the IPO offering price of S\$0.930.

## 3Q 2015 Distributable Income

	3Q Actual <sup>1</sup> (S\$'000)	Forecast <sup>2</sup> (S\$'000)	Variance (%)
Distributable Income to Unitholders <sup>3</sup>	14,480	14,165	+2.2
Comprising:			
Gross Revenue	25,743	25,295	+1.8
Property Expenses	(4,370)	(3,853)	+13.4
Net Property Income	21,373	21,442	(0.3)

Notes:

(1) For the financial period of 92 days from 1 July 2015 to 30 September 2015.

(2) On a pro-rata basis for the financial period 1 July 2015 to 30 September 2015, as derived from the Forecast Year 2015 disclosed in the Prospectus.

(3) The distributable income to Unitholders is based on 100% of the income available for distribution to Unitholders.

# Balance Sheet Highlights

	As at 30 Sept 2015 (S\$'000)
Investment Properties <sup>1</sup>	1,050,546
Total Assets <sup>1</sup>	1,139,399
Gross Borrowings	331,196
Total Liabilities	382,506
<b>Unitholders' Funds</b>	<b>756,480</b>
Units in Issue ('000)	882,930
Net Asset Value ("NAV") per Unit (S\$)	0.857
Unit Price (as at 30 September 2015) (S\$)	1.020
<b>Premium to NAV (%)</b>	<b>+19.0%</b>

Note:

(1) This relates to the carrying value, taking into consideration the finance lease liabilities pertaining to the land rent commitments for Iseek Data Centre and Citadel 100 Data Centre.

# Aggregate Leverage

	As at 30 Sept 2015 (S\$'000)
Investment Properties <sup>1</sup> <i>(excluding finance lease liabilities commitments)</i>	1,019,730
Total Assets <sup>1</sup> <i>(excluding finance lease liabilities commitments)</i>	1,108,853
Gross Borrowings <sup>2</sup>	334,227
Total Borrowings <sup>3</sup>	362,012
<b>Aggregate Leverage</b>	<b>30.1%</b> <sup>4</sup>

Notes:

- (1) Investment properties relates to carrying value while total assets relates to deposited properties as stipulated in the Property Fund Guidelines in the Code on Collective Investment Schemes issued by MAS, without considering finance lease liabilities pertaining to land rent commitments.
- (2) Gross Borrowings relates to bank borrowings drawn down from loan facilities and a S\$3.0 million deferred payment for asset.
- (3) Total Borrowings relates to bank borrowings drawn down from loan facilities, as well as the finance lease liabilities of S\$30.8 million.
- (4) Aggregate Leverage is gross borrowings as a percentage of the deposited properties, both of which do not take into consideration the finance lease liabilities pertaining to land rent commitments for iseek Data Centre and Citadel 100 Data Centre. If these finance lease liabilities were included, the Aggregate Leverage will be 32.0%.

**Keppel DC REIT**



**Portfolio Performance**



# Portfolio Expansion

- Maiden acquisition completed successfully on 10 August 2015
- Sale and leaseback transaction with Macquarie Telecom for the shell and core building of Intellicentre 2 in Sydney enhances long-term stability of the REIT's income stream



*Intellicentre 2, Sydney*

- **Portfolio WALE:** extended to approx. 8.9 years with the 20-year triple-net lease arrangement with annual rental escalations
- **Post-acquisition gearing:** approx. 30.1% with debt headroom for further growth opportunities
- **Acquisition funding:** approx. 30% via 5-year AUD-denominated term loan facility and approx. 70% via 1-year SGD-denominated revolving credit facility

# Geographical Network

**Ireland**  
Citadel 100 Data Centre, Dublin

**United Kingdom**  
GV7 Data Centre, London

**Netherlands**  
Almere Data Centre, Almere  
Almere Data Centre 2, Almere [ROFR asset]

**European platform**

**Current AUM**  
**~\$1.05b**  
comprising 9 data centres

**Total Lettable Area**  
**~597,900 sq ft**  
across 6 countries

**Malaysia**  
Basis Bay Data Centre<sup>(1)</sup>, Cyberjaya

**Singapore**  
S25  
T25  
T27 [ROFR asset]  
T20<sup>(2)</sup> [ROFR asset]

**Asian platform**

**Australia**  
iseek Data Centre, Brisbane  
Gore Hill Data Centre, Sydney  
Intellicentre 2<sup>(3)</sup>, Sydney

**Australian platform**

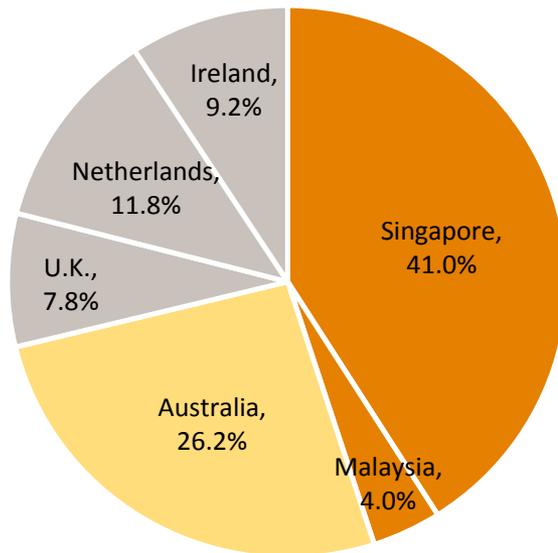
**Notes:**

- (1) Keppel DC REIT holds a 99.0% interest in Basis Bay Data Centre while the Basis Bay Vendor holds the remaining 1.0% interest.
- (2) On 23 July 2015, the Sponsor Keppel T&T announced plans to develop its fourth data centre in Singapore, which will be strategically located in close proximity to the existing data centres in Tampines.
- (3) The REIT's maiden acquisition of Intellicentre 2 in Sydney, Australia from Macquarie Telecom has been completed on 10 August 2015.

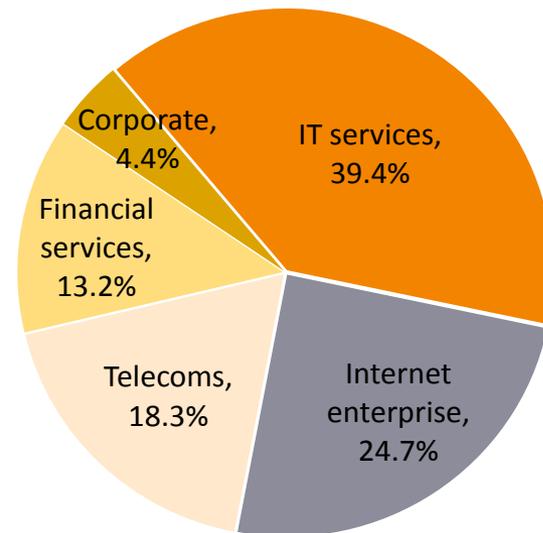
# Strong & Diverse Tenant Pool

- Assets located in key data centre hubs across Asia Pacific and Europe
- Well-diversified and credit-worthy tenant base

**Breakdown of portfolio<sup>1</sup>  
by geography**



**Breakdown of rental income<sup>2</sup>  
by tenant's trade sector**



**Notes:**

(1) Without taking into consideration the finance lease liabilities pertaining to the land rent commitments for isseek Data Centre and Citadel 100 Data Centre.

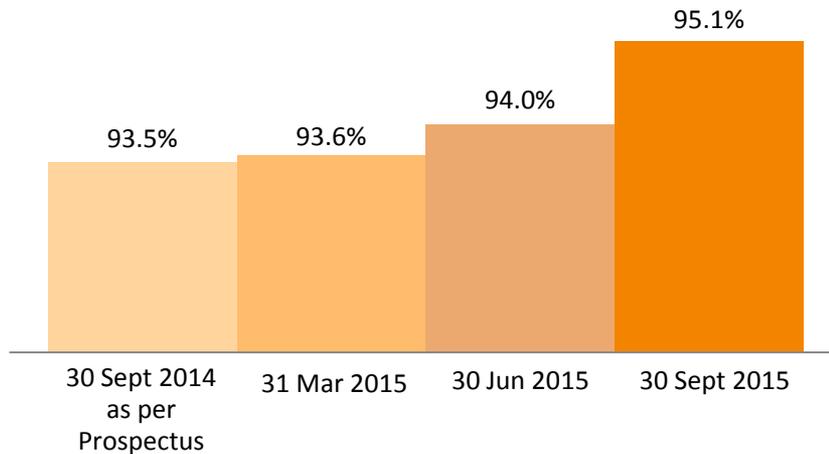
(2) Based on percentage contribution of rental income for the month of September 2015.

# Proactive Leasing Strategy

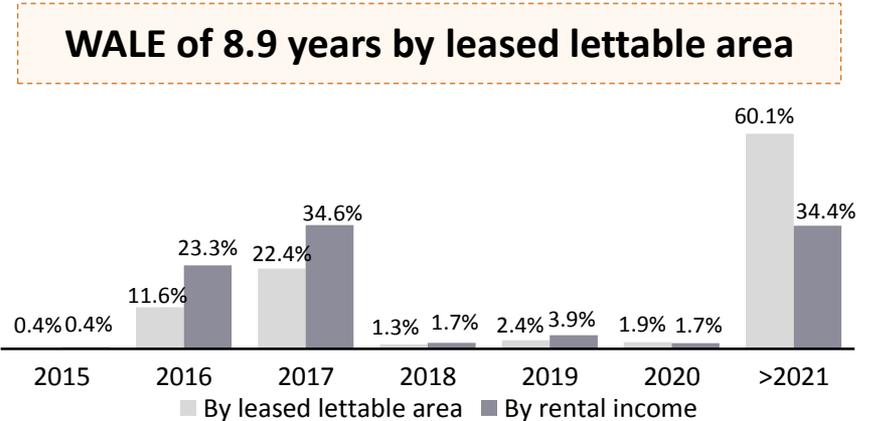
- Maintained healthy portfolio occupancy of 95.1%, with seven of nine assets at full occupancy
- Long portfolio WALE of 8.9 years

Leases signed in 3Q 2015	No. of leases	Area (sq ft)
Renewal leases	2	2,775
Expansion leases	2	2,440
New leases	4	93,221

## Portfolio occupancy rate



## Lease expiry profile (as at 30 Sept 2015)

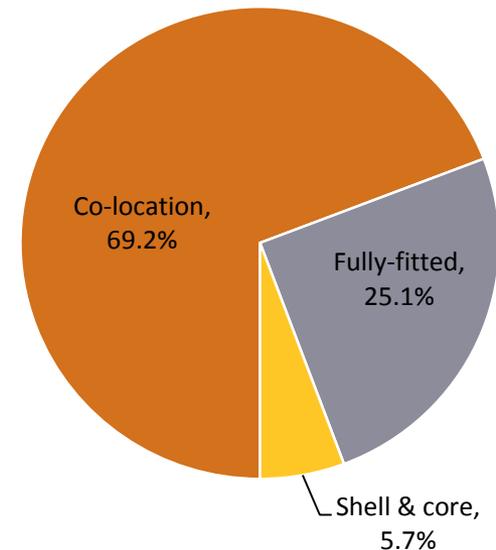


# Favourable Lease Profile

- A balanced portfolio comprising stable long-term leases and co-location assets with diversified tenant profile

	Co-location	Fully-fitted	Shell & core
<b>WALE<sup>2</sup></b>	2.6 years	9.9 years	16.0 years
<b>Rental escalations</b>	Rental rates with annual escalations of approx. 2% - 4%		

**Rental income<sup>1</sup> breakdown by lease type<sup>3</sup>**



**Notes:**

- (1) Based on percentage contribution of rental income for the month of September 2015.
- (2) By leased lettable area as at 30 September 2015.
- (3) Includes the co-location arrangement in relation to iseek Data Centre (the "iseek Lease") which for purposes of this presentation is treated as a double-net lease despite being a co-location arrangement which is a contractual arrangement. Such treatment is due to the fact that the terms of the iseek Lease, when read together with the facilities management arrangement (as amended) entered into by KDCR Australia Trust No. 1 and iseek Communications are intended to operate to give the same economic effects of a double-net lease and impose on iseek Communications the same responsibilities which it would bear if it were a lessee under a double-net lease.



**Keppel DC REIT**



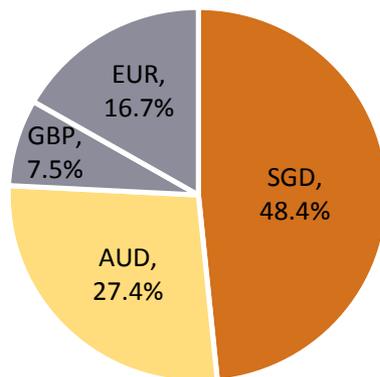
**Capital Management**

# Disciplined Capital Management

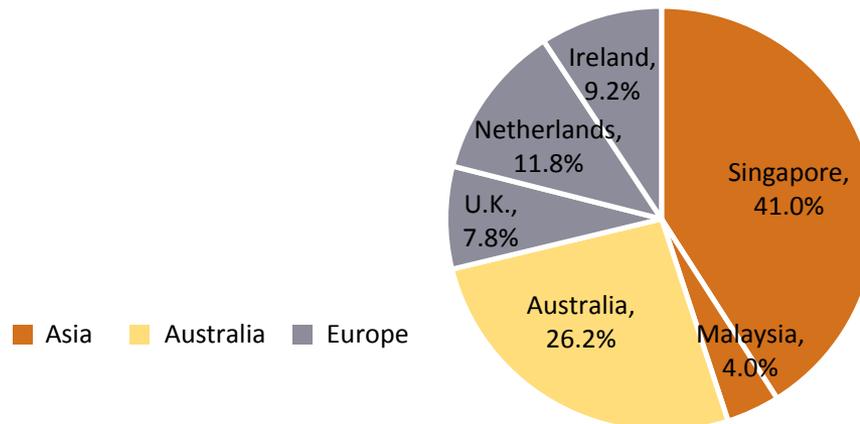
- Proactive hedging policies to mitigate interest rate and foreign currency risks:
  - Fixed 100% of interest rate exposure for long-term loans
  - Hedged 100% of forecasted foreign-sourced distribution up to 1H 2017

## Use of natural hedging to manage foreign currency risks

Debt currency breakdown



Portfolio breakdown<sup>1</sup>



Note:

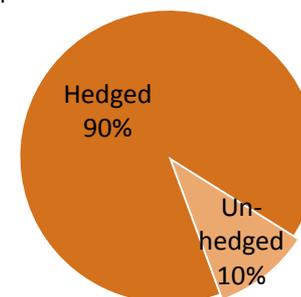
(1) Without taking into consideration the finance lease liabilities pertaining to the land rent commitments for isseek Data Centre and Citadel 100 Data Centre.

# Disciplined Capital Management

<b>Total debt</b>	<ul style="list-style-type: none"> <li>■ Approximately S\$331m of external loans</li> <li>■ S\$40m of undrawn revolving credit facility</li> </ul>
<b>Aggregate Leverage<sup>1</sup></b>	<ul style="list-style-type: none"> <li>■ 30.1%</li> </ul>
<b>Average cost of debt<sup>2</sup></b>	<ul style="list-style-type: none"> <li>■ 2.5% per annum for the financial period ended 30 September 2015</li> </ul>
<b>Debt tenor</b>	<ul style="list-style-type: none"> <li>■ Average of 3.4 years</li> </ul>
<b>FY2015 interest cover<sup>3</sup></b>	<ul style="list-style-type: none"> <li>■ 9.4 times</li> </ul>

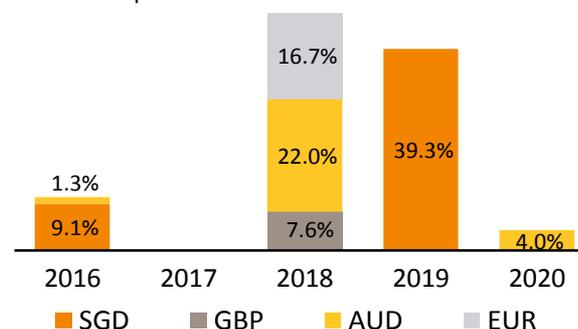
## Hedging of borrowing costs

As at 30 September 2015



## Debt maturity profile

As at 30 September 2015



Notes:

- (1) Aggregate Leverage is gross borrowings and deferred payment as a percentage of the deposited properties, both of which do not take into consideration the finance lease liabilities pertaining to land rent commitments for isseek Data Centre and Citadel 100 Data Centre.
- (2) Including amortisation of upfront debt financing costs and excluding finance lease charges.
- (3) Calculated as EBIT / Finance costs, where EBIT is NPI less Manager's base and performance fees, Trustee's fee and Other trust expenses. Finance costs pertain to interest expense based on total debt drawn and debt amortisation costs. Property-related calculations include the 1.0% interest in Basis Bay Data Centre held by the Basis Bay Vendor.

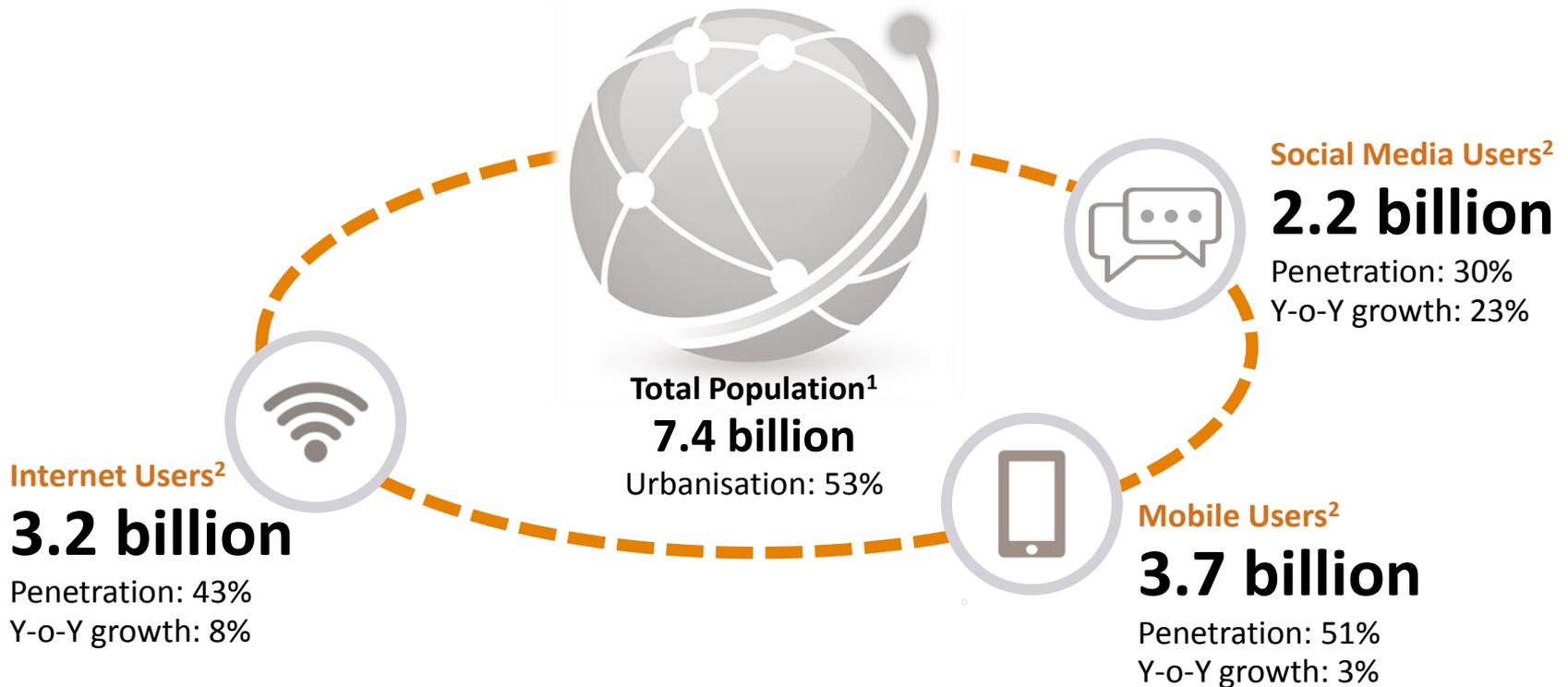


**Keppel DC REIT**

**Outlook**

# Fundamentals Remain Sound

- Demand for data centres remains stable, fueled by growth in data storage needs



Sources:

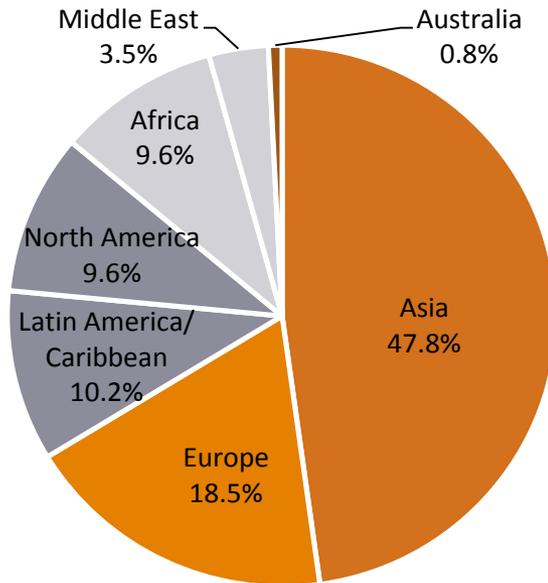
(1) United Nations Department of Economic and Social Affairs, Population Division, 2015

(2) We Are Social's Global Digital Statshot, 2015

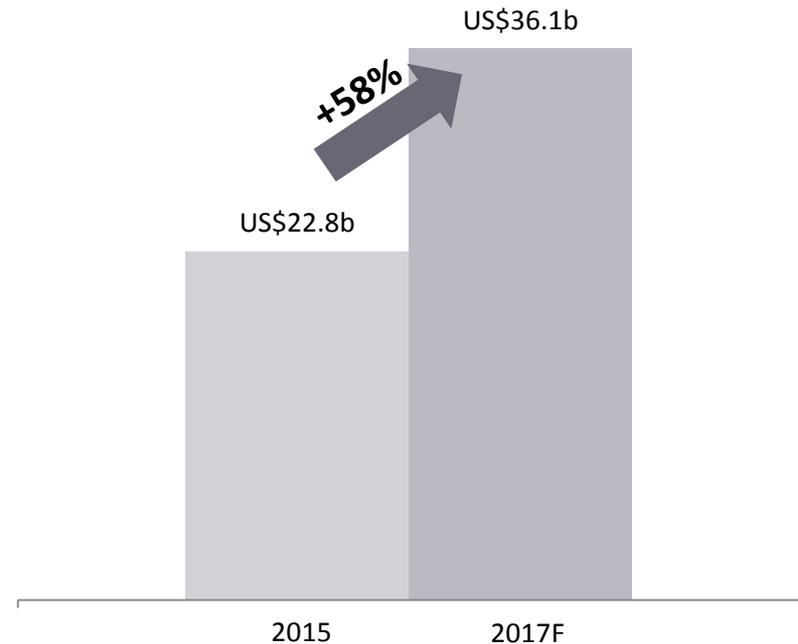
# Strategically Positioned to Tap Growth

- Large and growing base of Internet users in the REIT's key investment regions
- Increasing outsourcing of data centre requirements

Internet users in the world<sup>1</sup>



Global co-location annualised revenue<sup>2</sup>



Sources:

- (1) Internet World Stats, 2015
- (2) 451 Research, 2015

# Committed to Deliver Value



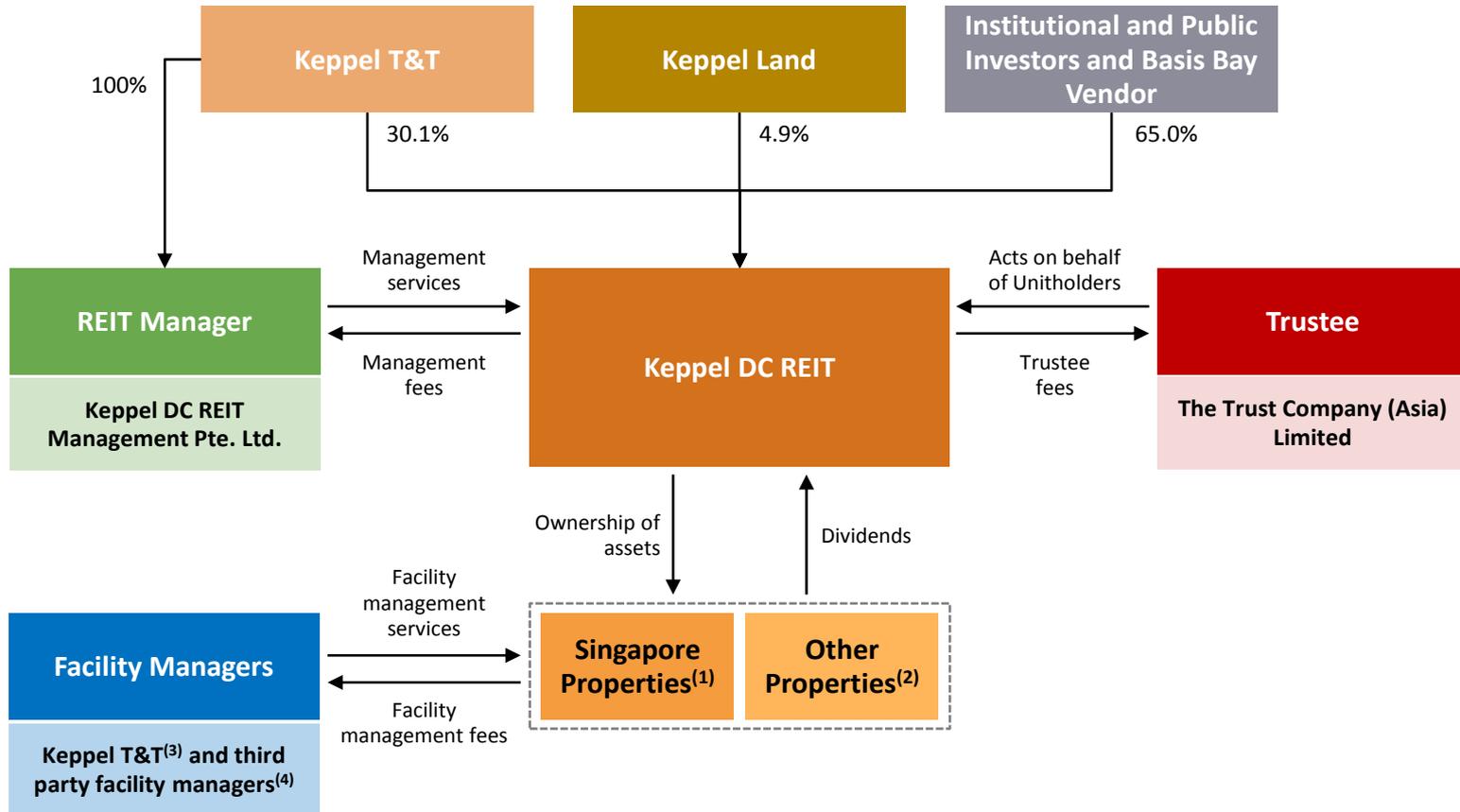
To provide Unitholders with regular and stable distributions, and to achieve long-term growth in DPU and NAV per unit, while maintaining an optimal capital structure.



**Keppel DC REIT**

**Additional Information**

# Keppel DC REIT Structure



**Notes:**

- (1) The Singapore Properties are held directly by the REIT.
- (2) The Other Properties are held via multiple layers of intermediate Singapore, Australia, BVI, Malaysia, the Netherlands, Ireland and Guernsey SPVs. Keppel DC REIT holds a 99.0% interest in Basis Bay Data Centre while the Basis Bay Vendor holds the remaining 1.0% interest.
- (3) Facility management of S25 and T25 have been outsourced to Keppel Dighub Ltd and Keppel Datahub Pte Ltd respectively, both of which are indirectly owned subsidiaries of Keppel T&T.
- (4) Third-party facility managers include data centre customers of Keppel DC REIT.

# Portfolio Overview (as of 30 September 2015)

Property	Location	Interest	Lettable area (sq ft)	No. of customers <sup>(1)</sup>	Occupancy rate (%)	Carrying value <sup>(6)</sup> (\$m)	Lease type	WALE (years)	Land lease title
 S25	Singapore	100%	109,574	20 <sup>(2)</sup>	85.7	253.9	Keppel lease / Co-location	3.1 <sup>(2)</sup>	Leasehold (Expiring 30 September 2025, with option to extend by 30 years)
 T25	Singapore	100%	36,888	4 <sup>(2)</sup>	100.0	163.8	Keppel lease / Co-location	2.0 <sup>(2)</sup>	Leasehold (Expiring 31 July 2021, with option to extend by 30 years)
 Basis Bay Data Centre	Cyberjaya, Malaysia	99% <sup>(4)</sup>	48,680	1	100.0	40.8	Double-net (Fully-fitted)	1.7	Freehold
 Gore Hill Data Centre	Sydney, Australia	100%	90,955	3	100.0	191.7	Triple-net (Shell & core) [one tenant] / Co-location [two end-users]	9.1	Freehold
 Intellicentre 2	Sydney, Australia	100%	87,930	1	100.0	46.6	Triple-net (Shell & core)	19.9	Freehold
 iseek Data Centre	Brisbane, Australia	100%	12,389	1	100.0	28.5	Double-net lease <sup>(3)</sup> (Fully-fitted)	10.7	Leasehold (Expiring 29 June 2040, with an option to extend for 7 years)
 GV7 Data Centre	London, United Kingdom	100%	24,972	1	100.0	80.0	Triple-net lease (Fully-fitted)	11.4	Leasehold (Expiring 28 September 2183)
 Almere Data Centre	Almere, Netherlands	100%	118,403	1 <sup>(5)</sup>	100.0	120.5	Double-net lease (Fully-fitted)	12.9	Freehold
 Citadel 100 Data Centre	Dublin, Ireland	100%	68,118	9	80.3	93.9	Co-location	1.8	Leasehold (Expiring 11 April 2041)
<b>Total</b>			<b>597,909</b>	<b>41</b>	<b>95.1</b>	<b>1,019.7</b>		<b>8.9</b>	

(1) Certain customers have signed more than one co-location arrangement using multiple entities.

(2) Based on the number of underlying end-users which have entered into co-location arrangements with the S25 and T25 Lessees, treating the S25 and T25 Lease on a pass-through basis to the underlying end users. Keppel DC REIT has in place the S25 and T25 Leases with the S25 and T25 Lessees pursuant to which Keppel DC REIT will grant a lease for a term of 10 years to the S25 and T25 Lessees, with an option to renew for a further term of five years subject to JTC's and HDB's consent respectively, and on terms to be agreed between Keppel DC REIT and the S25 and T25 Lessees.

(3) Keppel DC REIT has in place the iseek Lease with the tenant of iseek Data Centre. While the iseek Lease is called a co-location arrangement between the landlord and tenant, the terms are structured as effectively equivalent to a double-net lease.

(4) Keppel DC REIT holds a 99.0% interest in Basis Bay Data Centre while the Basis Bay Vendor holds the remaining 1.0% interest. Property-related calculations (e.g. Rental Income, Net Property Income, WALE, Independent Valuations, Appraised Value) includes the 1.0% interest in Basis Bay Data Centre held by the Basis Bay Vendor.

(5) Keppel DC REIT, through its wholly-owned subsidiary has entered into the Ground Lease with Borchveste. With the Ground Lease in place, the lease with the underlying tenant becomes conceptually similar to a sub-lease, with Borchveste being (i) the leasehold tenant of KDCR Almere B.V. and (ii) the lessor to the underlying tenant, the underlying tenant becoming essentially the sub-tenant.

(6) Carrying value of the investment properties does not include finance lease liabilities pertaining to land rent commitments in iseek Data Centre and Citadel 100 Data Centre.

# Overview of Lease Arrangements

Asset	Lease Arrangement	Description	Responsibilities of Lessor / Owner					
			Property Tax	Building Insurance	Facilities Management	Day-to-day Maintenance	Maintenance Opex	Refresh Capex
S25	Keppel lease <sup>(1)</sup> / Co-location <sup>(2)</sup>	<ul style="list-style-type: none"> <li>Lessee: Pays cost of rent and all expenses recharged to Lessor</li> <li>Lessor: Responsible for facilities management</li> </ul>	✓	✓	✓	✓	✓	✓
T25	Keppel lease <sup>(1)</sup> / Co-location <sup>(2)</sup>	<ul style="list-style-type: none"> <li>Lessee: Pays cost of rent and all expenses recharged to Lessor</li> <li>Lessor: Responsible for facilities management</li> </ul>	✓	✓	✓	✓	✓	✓
Basis Bay Data Centre	Double-net lease	<ul style="list-style-type: none"> <li>Lessee: Pays all outgoings except building insurance and property tax; responsible for facilities management</li> </ul>	✓	✓	-	-	-	✓
Gore Hill Data Centre (for one tenant)	Triple-net lease	<ul style="list-style-type: none"> <li>Lessee: Pays all outgoings and responsible for facilities management in their space</li> </ul>	-	-	-	-	-	-
Gore Hill Data Centre (for two end-users)	Co-location arrangement <sup>(2)(3)</sup>	<ul style="list-style-type: none"> <li>End-user: Pays cost of rent</li> <li>Owner: All expenses paid by Lessor; responsible for facilities management</li> </ul>	✓	✓	✓	✓	✓	✓
Intellicentre 2	Triple-net lease	<ul style="list-style-type: none"> <li>Lessee: Pays all outgoings; responsible for facilities management</li> </ul>	-	-	-	-	-	-
iseek Data Centre	Double-net lease <sup>(4)</sup>	<ul style="list-style-type: none"> <li>Tenant: Pays all outgoings except building insurance; Lessee responsible for facilities management</li> </ul>	-	✓	-	-	-	✓
GV7 Data Centre	Triple-net lease	<ul style="list-style-type: none"> <li>Lessee: Pays all outgoings; responsible for facilities management</li> </ul>	-	-	-	-	-	-
Almere Data Centre	Double-net lease	<ul style="list-style-type: none"> <li>Lessee: Pays all outgoings except building insurance and property tax; responsible for facilities management</li> </ul>	✓	✓	-	-	-	-
Citadel 100 Data Centre	Co-location <sup>(2)(5)</sup>	<ul style="list-style-type: none"> <li>End-user: Pays cost of rent; all expenses paid by Lessor</li> <li>Owner: Responsible for facilities management</li> </ul>	✓	✓	✓	✓	✓	✓

- (1) Refers to the S25 Lease and the T25 Lease entered into by Keppel DC REIT with the S25 Lessee and the T25 Lessee in relation to S25 and T25 respectively. However, due to the pass-through nature of the Keppel leases, Keppel DC REIT will substantially enjoy the benefits and assume the liabilities of the underlying co-location arrangements entered into by the Keppel lessees and the underlying end-users.
- (2) Co-location arrangements are typically entered into by end-customers who utilise co-location space for the installation of their servers and other mission critical IT equipment. In the case of Keppel DC REIT, end-customers with co-location arrangements pay for rent and all the property-related expenses are borne by the Keppel DC REIT. Keppel DC REIT is usually responsible for facilities management in respect of such co-location arrangements.
- (3) Keppel DC REIT has in place co-location arrangements with two of the customers of Gore Hill Data Centre.
- (4) Keppel DC REIT has in place the iseek Lease with the tenant of iseek Data Centre. While the iseek Lease is called a co-location arrangement between the landlord and the tenant, the terms thereof are structured as effectively equivalent to a double-net lease.
- (5) Keppel DC REIT has in place co-location arrangements with the customers of Citadel 100 Data Centre.

**Thank you.**