

MEDIA RELEASE

Keppel's new data centre and property funds to raise US\$1.5 billion

Alpha Investment Partners Limited (Alpha) collaborates with Keppel Telecommunications & Transportation Ltd (Keppel T&T) on US\$500 million data centre fund with first closing of US\$130 million, and achieves US\$280 million at first closing of new US\$1.0 billion Asian property fund.

Singapore, 20 July 2016 – Keppel Corporation Limited (Keppel Corporation) is pleased to announce that two new closed-end private equity funds managed by Alpha, a wholly-owned subsidiary of Keppel Capital Holdings Pte. Ltd. (Keppel Capital), have received initial capital commitments of US\$410 million, out of a combined target size of US\$1.5 billion.

The first closing of the two funds – the Alpha Data Centre Fund (DC Fund) and the Alpha Asia Macro Trends Fund (AAMTF) III, comes shortly after the restructuring of Keppel's asset management businesses under Keppel Capital. It reflects Keppel Group's strategy to grow its asset management business and expand its capital base with co-investments.

Ms Christina Tan, CEO of Keppel Capital and Managing Director of Alpha, said, "We are encouraged by the good interest that our new private funds are receiving from repeat as well as new institutional investors from around the world. Through thematic investment platforms such as the DC Fund and AAMTF III, Keppel Capital is well positioned to create innovative investment solutions and connect our investors with high-grade assets in fast-growing sectors fuelled by sustainable urbanisation trends.

"Alpha and Keppel T&T's collaboration on the new data centre fund in particular, showcases how we can draw synergies from the Keppel Group's multi-business strategy to create value for investors. Through harnessing strengths and driving greater collaboration across the different business units, Keppel Capital can play an important role in growing the Group's recurring income as a premier asset manager and trusted investment partner, and at the same time, generate positive spin-offs for the Group's business verticals."

When fully invested, the two new private funds will add as much as US\$3.5 billion to Keppel's total assets under management.

Alpha Data Centre Fund

The growth in demand for data centres is strong in Asia-Pacific and Europe, driven by increasing data storage needs, compliance and regulatory requirements, cloud adoption and data centre outsourcing. Alpha has launched the DC Fund, which will collaborate with Keppel Data Centres Holding Pte. Ltd. (KDCH), a 70-30 joint venture between Keppel T&T and Keppel Land Limited, to capture investment opportunities riding on these favourable market trends.

Leveraging KDCH's strong tenancy network as well as development and operating expertise, the DC Fund aims to secure a quality portfolio of greenfield and brownfield assets across key data centre hubs in Asia-Pacific and Europe. KDCH also has plans to inject a seed asset for the Fund.

Mr Thomas Pang, CEO of Keppel T&T, said, “We are well-poised to continue growing with our existing and new clients, as they expand their data centre needs globally. As development projects are capital intensive, the DC Fund will enable Keppel T&T to seize more opportunities to grow our pipeline of quality data centres without depending solely on our own balance sheet.”

When fully-invested, the DC Fund is expected to fund up to about US\$1.0 billion worth of data centre projects.

Alpha Asia Macro Trends Fund III

First launched in 2007, the Alpha Asia Macro Trends series is designed to ride on mega trends driving long-term growth in Asia-Pacific, which include Urbanisation, Consumerism, Growing Tourism, Aging Population and Connected Cities.

With a target size of US\$1.0 billion, AAMTF III is the third fund in this flagship series and is well-positioned to capture attractive returns by investing in multi-asset classes across key gateway cities in the region. These include retail and accommodation assets as well as offices, business parks and logistic facilities, among others.

Since its inception in 2004, Alpha has realised more than US\$3.5 billion worth of investments across its managed funds. Apart from the DC Fund and AAMTF III, Alpha currently manages six real estate funds with total assets under management of US\$8.6 billion. Alpha will continue leveraging its local expertise and proven investment and asset management skill sets across the entire real estate investment life cycle to drive value for AAMTF III.

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About Keppel Capital

Keppel Capital is a premier asset manager in Asia. It is the asset management arm of Keppel Corporation Limited, a multinational conglomerate with key businesses in Offshore & Marine, Property, Infrastructure and Investments, providing innovative solutions for sustainable urbanisation.

With assets under management of approximately S\$26 billion, Keppel Capital has a diversified portfolio that includes real estate, infrastructure and data centre properties in key global markets.

Keppel Capital aims to create value and deliver sustainable returns for institutional and retail investors through a range of products including REITs, business trusts, private funds investing in real estate in Asia, separate accounts and pooled investment vehicles.

The asset managers under Keppel Capital include Keppel REIT Management Limited, Alpha Investment Partners Limited, Keppel Infrastructure Fund Management Pte Ltd and Keppel DC REIT Management Pte Ltd.

About Keppel Telecommunications & Transportation

Keppel Telecommunications & Transportation Ltd (Keppel T&T), is a subsidiary of Keppel Corporation Limited, a leading company listed on the Main Board of the SGX-ST with core businesses in offshore and marine, infrastructure and property.

Keppel T&T is also listed on the Main Board of SGX-ST with logistics and data centre operations in Europe and Asia-Pacific. In Singapore, wholly owned subsidiary Keppel Logistics has more than 40 years of experience in offering customised integrated logistics solutions. It currently also operates logistics facilities with advanced IT infrastructure in China, Hong Kong, Malaysia, Indonesia, Vietnam and Australia.

Keppel Data Centres, Keppel T&T's data centre division has a track record of more than a decade in owning, developing and managing high quality carrier-neutral data centre facilities that support mission-critical computer systems. Keppel T&T is also the sponsor of Keppel DC REIT, the first data centre REIT listed in Asia and on the SGX-ST. Together with assets owned through Keppel DC REIT, Keppel T&T has a global portfolio of 11 data centres located in key data centre hubs across Asia Pacific and Europe.