Keppel DC REIT Management Pte. Ltd.
(Co Reg No. 199508930C)
230 Victoria Street
#05-08 Bugis Junction Towers
Singapore 188024
www.keppeldcreit.com
Tel: (65) 6803 1818
Fax: (65) 6803 1717

MEDIA RELEASE

Unaudited Results of Keppel DC REIT for First Quarter Ended 31 March 2018

16 April 2018

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 first quarter ended 31 March 2018.

The materials are also available at www.keppeldcreit.com, www.keppeltt.com.sg, www.kepcapital.com and www.kepcorp.com.

For more information, please contact:

Media Relations

Mr Kevin Ho
Assistant Manager
Group Corporate Communications
Keppel Corporation Limited
Tel: (65) 6413 6581
Email: kevin.ho@kepcorp.com

Investor Relations

Ms Liang Huihui
Assistant Manager
Investor Relations
Keppel Capital
Tel: (65) 6803 1649
Email: huihui.liang@kepcapital.com

Keppel DC REIT Achieves DPU of 1.80 cents for 1Q 2018

Key Highlights

- 1Q 2018's DPU of 1.80 cents was 3.4% higher than 1Q 2017's adjusted DPU of 1.74 cents after excluding the one-off capital distribution recorded in 1Q 2017 in relation to Keppel DC Singapore 3
- Distributable income was $20.9 million in 1Q 2018, lower than 1Q 2017's $21.8 million due to the absence of the one-off capital distribution
- Portfolio AUM at $1.66 billion following completion of maincubes Data Centre in Germany
- Portfolio occupancy at 93.7% with weighted average lease expiry (WALE) of 9.6 years by leased area
- Aggregate leverage at 37.4% and interest coverage ratio of 10.7 times

($'000)	**1Q 2018**	**1Q 2017**	**+/(-) %**
Gross Revenue	38,008	32,224	+17.9
Property Expenses	(3,920)	(3,380)	+16.0
Net Property Income	34,088	28,844	+18.2
Distributable Income to Unitholders[(1)]	20,867	21,766	(4.1)
Distribution per Unit[(2)] (DPU)(cents)	1.80	1.89	(4.8)
Adjusted DPU[(3)] (cents)	**1.80**	**1.74**	**+3.4**
Annualised Distribution Yield[(4)] (%)	5.00	4.94	+6 bps
Adjusted Annualised Distribution Yield[(4)] (%)	**5.00**	**4.83**	**+17 bps**

(1) 1Q 2017's distribution income included a one-off capital distribution of $1.7 million for the month of December 2016 arising from the later completion of Keppel DC Singapore 3 and where the vendor had agreed that all the rights and obligations shall pass to the REIT as if completion had occurred on 1 December 2016. 1Q 2018 and 1Q 2017's distributable income included Keppel DC Singapore 3's Capex Reserves.

(2) DPU was computed based on the distributable income to Unitholders and had excluded the Capex Reserves. 1Q 2017's DPU included the one-off capital distribution of 0.15 cents per Unit. Keppel DC REIT declares distributions on a half-yearly basis. No distribution has been declared for the quarter ended 31 March 2018.

(3) 1Q 2018's DPU was higher than 1Q 2017's adjusted DPU after excluding the one-off capital distribution recorded in 1Q 2017.

(4) Annualised by quarters and computed based on 1Q 2018's closing price of $1.440 per Unit.

Financial Review

Keppel DC REIT Management Pte. Ltd. (the Manager) is pleased to report a DPU of 1.80 cents for 1Q 2018, translating to an annualised distribution yield of 5.00% based on 1Q 2018's closing price of $1.440 per Unit. 1Q 2018's DPU was 3.4% higher than 1Q 2017's adjusted DPU of 1.74 cents, after excluding the one-off capital distribution that arose from the Keppel DC Singapore 3 acquisition last year.

Distributable income for 1Q 2018 was $20.9 million, lower than 1Q 2017's $21.8 million mainly due to the absence of the one-off capital distribution that was recorded in 1Q 2017. Excluding the one-off capital distribution last year, distributable income for 1Q 2018 would have improved year-on-year. This is mainly due to contributions from Keppel DC Dublin 2, higher variable income from Keppel DC Singapore 1, partially offset by lower rental income from Basis Bay Data Centre and Gore Hill Data Centre as well as higher finance costs and Manager's fees.

Portfolio Review

Keppel DC REIT has successfully expanded its footprint to Germany, one of the key data centre hubs in Europe, with the completion of maincubes Data Centre on 30 March 2018. The commencement of the 15-year triple-net master lease also lengthens the REIT's portfolio WALE and strengthens the REIT's income stream.

With the addition of this energy-efficient freehold facility, Keppel DC REIT's portfolio has grown to 14 data centres valued at approximately $1.66 billion, while its geographical profile has been further diversified to ten cities in eight countries across Asia Pacific and Europe. Portfolio WALE remained long at 9.6 years while occupancy was at 93.7%.

As part of its proactive asset management efforts to enhance portfolio returns, Keppel DC REIT has also entered into a contract to acquire the remainder of the 999-year leasehold land interest in Keppel DC Dublin 1. The long leasehold land interest will allow the REIT to be more agile in its investment strategy and provide clients with longer term certainty.

Capital Management

The Manager's prudent capital management approach has put the REIT in good stead amidst market volatilities. Interest rates have been substantially locked in through interest rate swaps, and forecasted foreign-sourced distributions have been hedged till 1H 2019 with foreign currency forward contracts. Natural hedging is also in place with borrowings in currencies that match the corresponding investments.

In 1Q 2018, Keppel DC REIT's borrowings increased mainly due to loans drawn to fund the 90% balance payment of maincubes Data Centre. Aggregate leverage was 37.4% as at 31 March 2018. All borrowings are unsecured and have an average cost of debt of 2.1% per annum. Weighted average debt maturity was 3.2 years while interest coverage ratio remained healthy at 10.7 times.

On 10 April 2018, the REIT issued €50 million floating rate notes due 2023 under the $500 million multicurrency Medium Term Note Programme. This diversifies the REIT's funding sources and enhances its financial flexibility.

Outlook

According to the Organisation for Economic Co-operation and Development (OECD)'s Interim Economic Outlook published in March 2018, the global economy is projected to continue expanding, supported by investment, trade and employment growth. However, the OECD cautioned that an escalation of trade tensions could dampen this outlook.

Demand for data centre space continues to be driven by the trend of enterprises moving towards digitalisation and data centre outsourcing, along with the exponential growth of data created from new technologies and the implementation of data sovereignty regulations. The increasing trend of cloud adoption will also generate demand for data centre space from cloud and service providers, as well as from enterprises. These are expected to fuel data storage requirements in key data centre hubs.

Building on its established track record and global client base, the Manager will capitalise on growth opportunities in the data centre industry to expand and strengthen Keppel DC REIT's portfolio of quality assets.

-END-

About Keppel DC REIT (www.keppeldcreit.com)

Listed on 12 December 2014, Keppel DC REIT is the first pure-play 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 14 high-quality data centres strategically located in key data centre hubs. With an aggregate lettable area of approximately 1,043,967 sq ft, the portfolio spans ten cities in eight countries in Asia Pacific and Europe.

Keppel Telecommunications & Transportation Ltd (Keppel T&T), the Sponsor of the REIT, has also granted Rights of First Refusal (ROFR) to the REIT for future acquisition opportunities of its data centre assets.

The REIT is managed by Keppel DC REIT Management Pte. Ltd.. Keppel Capital Holdings Pte. Ltd. (Keppel Capital) has a 50% interest in the Manager, with the remaining interest held by Keppel T&T. Keppel Capital is a premier asset manager in Asia with assets under management comprising real estate, infrastructure and data centre properties in key global markets.

The Manager's key objectives are to provide the REIT's Unitholders with regular and stable distributions, as well as achieve long-term growth while maintaining an optimal 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.

(Constituted in Republic of Singapore pursuant to
a trust deed dated 17 March 2011 (as amended))

KEPPEL DC REIT
FINANCIAL STATEMENTS ANNOUNCEMENT

UNAUDITED RESULTS FOR THE QUARTER ENDED 31 MARCH 2018

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SUMMARY OF KEPPEL DC REIT RESULTS

	1Q 2018 $'000	1Q 2017 $'000	+/(-) %
Gross Revenue	**38,008**	**32,224**	17.9
Property Expenses	**(3,920)**	**(3,380)**	16.0
Net Property Income	**34,088**	**28,844**	18.2
Distributable Income to Unitholders (DI)	**20,867**	**21,766**	(4.1)
Distribution per Unit (DPU) (cents) [1, 2]	**1.80**	**1.89**	(4.8)
Adjusted DPU (cents) [2, 3]	**1.80**	**1.74**	3.4
Annualised Distribution Yield (%) [2, 4]	**5.00**	**4.94**	6 bps
Adjusted Annualised Distribution Yield (%) [3, 4]	**5.00**	**4.83**	17 bps

Notes:

1 DPU have excluded an amount of capital expenditure that has been set aside pursuant to the lease agreement entered into for KDC SGP 3 (Capex Reserves).

1Q 2017 DPU included a one-off capital distribution of approximately 0.15 cents per Unit for the month of December 2016 arising from the later completion of KDC SGP 3 and where the vendor had agreed that all the rights and obligations shall pass to the REIT as if completion had occurred on 1 December 2016.

2 Keppel DC REIT declares distributions on a half-yearly basis. No distribution has been declared for the financial period under review.

3 Excluding the one-off capital distribution of approximately 0.15 cents per Unit recorded in 1Q 2017, the adjusted DPU for 1Q 2017 would be 1.74 cents.

4 Annualised distribution yields were annualised by quarters and computed based on 1Q 2018 closing price of $1.440.

For details, refer to **Paragraph 1A(i)(ii) - Statement of total return and distribution statement and Paragraph 8 - Review of Performance**.

INTRODUCTION

Keppel DC REIT was listed on Singapore Exchange Securities Trading Limited (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.

On 14 March 2018, Keppel DC REIT entered into a contract to acquire the remainder of the 999-year leasehold land interest in Keppel DC Dublin 1 in first half of 2020 for an agreed value of €30.0 million. The REIT paid a deposit of €0.5 million, with the remaining €29.5 million to be paid upon legal completion in 2020.

On 30 March 2018, Keppel DC REIT completed the acquisition of maincubes Data Centre located in Offenbach am Main, Germany. The triple-net lease of the property commenced on the same day for an initial term of 15 years.

As at 31 March 2018, the REIT has a portfolio size of approximately $1.66 billion. The portfolio comprises 14 high quality well located data centres in Singapore, Malaysia, Australia, the United Kingdom (UK), the Netherlands, Republic of Ireland (Ireland), Italy and Germany.

<u>Asia-Pacific</u>				
1)	Keppel DC Singapore 1	Singapore	(KDC SGP 1)	*(collectively, the Singapore Properties)*
2)	Keppel DC Singapore 2	Singapore	(KDC SGP 2)	
3)	Keppel DC Singapore 3	Singapore	(KDC SGP 3)	
4)	Basis Bay Data Centre	Malaysia	(Basis Bay DC)	
5)	Gore Hill Data Centre	Australia	(Gore Hill DC)	
6)	Intellicentre 2 Data Centre	Australia	(IC2 DC)	
7)	iseek Data Centre	Australia	(iseek DC)	
<u>Europe</u>				
8)	GV7 Data Centre	UK	(GV7 DC)	
9)	Cardiff Data Centre	UK	(Cardiff DC)	
10)	Almere Data Centre	The Netherlands	(Almere DC)	
11)	Keppel DC Dublin 1	Ireland	(KDC DUB 1)	
12)	Keppel DC Dublin 2	Ireland	(KDC DUB 2)	
13)	Milan Data Centre	Italy	(Milan DC)	
14)	maincubes Data Centre	Germany	(maincubes DC)	*(Acquired on 30 March 2018)*

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

- 1Q – Refers to the first quarter from 1 January to 31 March 2018 and the corresponding period of the preceding year.
- Nm – Not meaningful

1 UNAUDITED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2018

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 period ended 31 March 2018:

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

Performance between 2018 and 2017 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	1Q 2018 $'000	1Q 2017 $'000	+/(-) %
Gross rental income		**36,920**	31,647	16.7
Other income	1	**1,088**	577	88.6
Gross Revenue		**38,008**	**32,224**	**17.9**
Property operating expenses	2	**(3,920)**	(3,380)	16.0
Net Property Income		**34,088**	**28,844**	**18.2**
Finance income		**414**	359	15.3
Finance costs	3	**(3,993)**	(3,451)	15.7
Trustees' fees		**(74)**	(54)	37.0
Manager's base fee		**(1,919)**	(1,714)	12.0
Manager's performance fee		**(1,092)**	(957)	14.1
Net realised gains on derivatives		**498**	800	(37.8)
Other trust (expenses) / income	4	**(852)**	1,369	Nm
Net income / total return for the period before tax		**27,070**	**25,196**	**7.4**
Tax expenses	5	**(1,381)**	(1,695)	(18.5)
Total return for the period after tax		**25,689**	**23,501**	**9.3**
Attributable to:				
Unitholders		**24,954**	22,932	8.8
Non-controlling interests		**735**	569	29.2
		25,689	**23,501**	**9.3**
Distribution Statement				
Total return for the period attributable to Unitholders		**24,954**	22,932	8.8
Net tax and other adjustments	6	**(4,087)**	(1,166)	>100.0
Income available for distribution	7	**20,867**	**21,766**	**(4.1)**
Distribution per Unit (cents)	8	**1.80**	**1.89**	**(4.8)**

Notes (2018 and 2017):

1 In 1Q 2018, higher other income was mainly due to the higher rental top up recognised as compared to 1Q 2017 as well as higher ad hoc service revenue and power-related revenue.

The rental top up income for KDC DUB 2 was provided by the vendor for a period of one year from September 2017. The rental top up income for Milan DC was provided by the vendor over the period from 30 September 2016 to 31 December 2018. These amounts will be recognised periodically under other income.

2 Included as part of the property operating expenses were the following:

	1Q 2018 $'000	1Q 2017 $'000
Property-related taxes	**(603)**	(455)
Facility management costs	**(2,013)**	(1,484)
Repairs and maintenance	**(389)**	(355)
Other property-related costs	**(915)**	(1,086)
	(3,920)	**(3,380)**

3 Included in finance costs were interest expense, amortisation of debt-related transaction costs from borrowings and finance lease charges recognised.

4 Included in other trust (expenses) / income in 1Q 2018 were lower unrealised foreign exchange gains on the revaluation of borrowings and higher amortisation of intangible assets as compared to 1Q 2017.

5 Tax expenses comprised (i) tax in relation to the taxable income that are not accorded full tax transparency treatment, (ii) tax expenses of the Group's overseas properties, and (iii) net deferred tax expenses recognised on tax losses carried forward and fair value changes in investment properties.

6 Included in the net tax and other adjustments were the following:

	1Q 2018 $'000	1Q 2017 $'000
Trustee's fees	**54**	54
Rental income adjustment on a straight-line basis	**(1,083)**	(491)
Amortisation of capitalised transaction costs	**76**	99
Foreign exchange gains	**(54)**	(2,417)
Deferred tax	**194**	308
Amortisation of intangible assets	**776**	493
Capital distribution	**-**	2,705
Other net adjustments	**(4,050)**	(1,917)
Net tax and other adjustments	**(4,087)**	**(1,166)**

Included in other net adjustments were dividends and distribution income, finance lease charges, other non-taxable income and non-deductible expenses.

7 Lower DI in 1Q 2018 was mainly due to a one-off capital distribution of $1.7 million for the month of December 2016 in 1Q 2017 arising from the later completion of KDC SGP 3.

Excluding this one-off capital distribution in 1Q 2017, the adjusted DI in 1Q 2018 would be higher mainly due to higher contributions from KDC DUB 2 and KDC SGP 1. These were partially offset by lower contributions from Gore Hill DC and Basis Bay DC, as well as higher finance costs and Manager's fees.

Pursuant to the lease agreement entered into for KDC SGP 3, the DI also included KDC SGP 3's Capex Reserves.

8 The DPU was computed based on DI (Note 7) and has excluded the KDC SGP 3's Capex Reserves.

Excluding the one-off capital distribution of approximately 0.15 cents per Unit recorded in 1Q 2017, the adjusted DPU for 1Q 2017 would be 1.74 cents.

Keppel DC REIT declares distributions on a half-yearly basis. No distribution has been declared for the financial period under review.

1(B)(i) BALANCE SHEETS

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

		Group			Trust		
		31-Mar-18 $'000	31-Dec-17 $'000	+/(-) %	31-Mar-18 $'000	31-Dec-17 $'000	+/(-) %
Non-current assets	**Note**						
Investment properties	1	**1,719,094**	1,570,090	9.5	**452,490**	452,000	0.1
Investment in subsidiaries	2	**-**	-	-	**772,192**	772,192	-
Loans to subsidiaries	2	**-**	-	-	**216,688**	214,331	1.1
Deposit	3	**808**	13,474	(94.0)	**808**	-	Nm
Intangible assets	4	**-**	-	-	**-**	-	-
Derivative financial assets	5	**2,851**	1,640	73.8	**-**	295	(100.0)
Total non-current assets		**1,722,753**	**1,585,204**	**8.7**	**1,442,178**	**1,438,818**	**0.2**
Current assets							
Trade and other receivables	6	**72,756**	56,155	29.6	**156,556**	20,496	>100.0
Derivative financial assets	5	**276**	631	(56.3)	**276**	762	(63.8)
Intangible assets	4	**2,022**	3,110	(35.0)	**1,507**	2,000	(24.7)
Cash and cash equivalents		**98,736**	118,182	(16.5)	**42,526**	64,834	(34.4)
Total current assets		**173,790**	**178,078**	**(2.4)**	**200,865**	**88,092**	**>100.0**
TOTAL ASSETS		**1,896,543**	**1,763,282**	**7.6**	**1,643,043**	**1,526,910**	**7.6**
Current liabilities							
Loans from a subsidiary	7	**-**	-	-	**89,406**	-	Nm
Loans and borrowings	8	**93,095**	3,660	>100.0	**-**	-	-
Trade and other payables	9	**49,163**	48,168	2.1	**17,700**	20,282	(12.7)
Derivative financial liabilities	5	**1,553**	1,396	11.2	**808**	442	82.8
Total current liabilities		**143,811**	**53,224**	**>100.0**	**107,914**	**20,724**	**>100.0**
Non-current liabilities							
Loans from a subsidiary	7	**-**	-	-	**596,332**	546,481	9.1
Loans and borrowings	8	**625,824**	575,663	8.7	**-**	-	-
Derivative financial liabilities	5	**580**	1,352	(57.1)	**248**	516	(51.9)
Deferred tax liabilities	10	**16,867**	16,541	2.0	**4**	4	-
Total non-current liabilities		**643,271**	**593,556**	**8.4**	**596,584**	**547,001**	**9.1**
TOTAL LIABILITIES		**787,082**	**646,780**	**21.7**	**704,498**	**567,725**	**24.1**
NET ASSETS		**1,109,461**	**1,116,502**	**(0.6)**	**938,545**	**959,185**	**(2.2)**
Represented by:							
Unitholders' funds		**1,082,663**	1,089,716	(0.6)	**938,545**	959,185	(2.2)
Non-controlling interests	11	**26,798**	26,786	-	**-**	-	-
		1,109,461	**1,116,502**	**(0.6)**	**938,545**	**959,185**	**(2.2)**
Net asset value per Unit ($)	12	**0.96**	**0.97**	**(1.0)**	**0.83**	0.85	(2.4)
Aggregate leverage / Deposited properties (%)	13	**37.4**	**32.1**	530bps	**Nm**	Nm	Nm

Notes:

1 Included in the investment properties were finance leases of $33.8 million capitalised at the lower of its fair value and the present value of the minimum lease payments for iseek DC and KDC DUB 1.

Investment Properties	Tenure	Carrying Value ($'000)
Keppel DC Singapore 1	Leasehold, expiring 30 Sept 2055^	286,257
Keppel DC Singapore 2	Leasehold, expiring 31 July 2051^	166,233
Keppel DC Singapore 3	Leasehold, expiring 31 Jan 2052^	248,346
Basis Bay Data Centre	Freehold	32,110
Gore Hill Data Centre	Freehold	206,200
Intellicentre 2 Data Centre	Freehold	51,808
iseek Data Centre	Leasehold, expiring 29 June 2047^	44,051
GV7 Data Centre	Leasehold, expiring 28 Sept 2183^	68,400
Cardiff Data Centre	Freehold	62,016
Almere Data Centre	Freehold	144,543
Keppel DC Dublin 1	Leasehold, expiring 11 April 2041^	102,133
Keppel DC Dublin 2	Leasehold, expiring 31 Dec 2997	108,541
Milan Data Centre	Freehold	56,853
maincubes Data Centre	Freehold	141,603
		1,719,094

^ Include options to renew between 7 to 30 years

2 These related to the investments in subsidiaries as well as interest-bearing and quasi-equity loans to subsidiaries.

3 2018 deposit was paid to the vendor for the acquisition of the remainder of the 999-year leasehold land interest in KDC DUB 1.

2017 10% deposit was paid to the vendor in 2015 for the acquisition of maincubes DC, Germany. The deposit had been released to the vendor as part settlement of the purchase consideration upon completion of acquisition.

4 This related to intangible assets with finite useful lives recognised in relation to a rental top up provided by the vendors of overseas assets acquired. The intangible assets will be amortised on a straight-line basis over the relevant rental top up periods.

5 These related to the fair value of the foreign currency forward contracts entered into in relation to the income from overseas investment properties, and the fair value of interest rate swaps entered into by the Group for hedging purposes.

6 Included in trade and other receivables were accrued rental revenue from the clients and deferred lease receivables relating to lease income which had been recognised due to the straight-lining of rental revenue in accordance with *SFRS(I) 1-17 Leases*, but not yet received from the clients.

Increase in other receivables for the Trust was mainly due to funds extended to a subsidiary for the acquisition of maincubes DC.

7 These related to loans from a subsidiary. The higher loans as at 31 March 2018 were mainly due to funding for the acquisition of maincubes DC.

8 These related to external borrowings of $685.7 million (refer to Paragraph 1(B)(ii)), finance lease liabilities recognised for iseek DC and KDC DUB 1 and capitalised debt-related transaction costs. The higher external borrowings as at 31 March 2018 was mainly due to the bank borrowings drawn down to fund the acquisition of maincubes DC.

9 Included in trade and other payables were trade creditors, accrued liabilities and deferred other revenue.

10 These related to the net deferred tax liabilities recognised in different tax jurisdictions that arose on tax losses carried forward and fair value changes in certain investment properties.

11 This related to the non-controlling interests' share of net asset value.

12 This excluded the non-controlling interests' share of net asset value.

13 Aggregate leverage related to the $685.7 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 DC and KDC DUB 1. If these finance lease liabilities pertaining to land rent commitments were included, the ratio would be 38.5% (31 December 2017: 33.4%).

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

	Group	
	As at 31 Mar 18 $'000	**As at 31 Dec 17 $'000**
Unsecured borrowings[1]		
Amount repayable within one year	**89,406**	-
Amount repayable after one year	**596,332**	546,481
	685,738	546,481

Note:

1 Keppel DC REIT has unsecured borrowings of approximately $535.4 million (2017: $472.9 million) and $150.3 million (2017: $73.6 million) under its term loan facilities and revolving credit facilities respectively.

As at 31 March 2018, the Group had total borrowings of approximately $685.7 million and unutilised facilities of approximately $61.6 million to meet its future obligations. The all-in average interest rate for borrowings was 2.1% per annum for the financial period ended 31 March 2018.

1(C) CONSOLIDATED STATEMENT OF CASH FLOWS

	1Q 2018 $'000	1Q 2017 $'000
Operating activities		
Total return for the financial period	**25,689**	23,501
Adjustments for:		
Tax expenses	**1,381**	1,695
Finance income	**(414)**	(359)
Finance costs	**3,993**	3,451
Amortisation of intangible assets	**776**	493
Management fees paid in Units	**146**	164
Unrealised currency translation differences	**377**	1,048
	31,948	**29,993**
Changes in working capital:		
- Trade and other receivables	**(17,029)**	7,979
- Trade and other payables	**4,613**	(3,713)
Cash generated from operations	**19,532**	**34,259**
Net income tax paid	**(802)**	(419)
Net cash from operating activities	**18,730**	**33,840**
Cash flows from investing activities		
Acquisition of interests in investment properties (Note A)	**(122,094)**	(196,643)
Additions to investment properties	**(5,943)**	(2,025)
Capital expenditures on investment properties	**(1,208)**	-
Deposit paid	**(808)**	-
Net cash used in investing activities	**(130,053)**	**(198,668)**
Cash flows from financing activities		
Proceeds from bank borrowings	**136,564**	-
Payment of financing transaction costs	**(71)**	-
Repayment of bank borrowings	**-**	(3,238)
Finance costs paid	**(3,768)**	(3,216)
Distributions paid to Unitholders	**(39,338)**	(31,506)
Dividends paid to non-controlling interests	**(661)**	(8)
Payment of transaction costs relating to fund-raising	**-**	(2)
Net cash generated from / (used in) financing activities	**92,726**	**(37,970)**
Net decrease in cash and cash equivalents	**(18,597)**	(202,798)
Cash and cash equivalents at beginning of period	**116,098**	293,959
Effects of exchange rate fluctuations on cash held	**(346)**	11
Cash and cash equivalents at end of period	**97,155**	**91,172**
Cash and cash equivalent balances	**98,736**	94,627
Less: Rental top up received in advance held in a designated account (Note B)	**(1,581)**	(3,455)
Cash and cash equivalents per Consolidated Statement of Cash Flows	**97,155**	**91,172**

1(C) CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

Note A – Acquisition of interests in investment properties

Keppel DC REIT completed the acquisition of maincubes DC in Offenbach am Main, Germany on 30 March 2018. The remaining 90% balance of the purchase consideration was paid, along with the release of the 10% deposit (refer to note 3 of Paragraph 1B(i) - Balance Sheets), to the vendor as settlement of the purchase consideration.

In January 2017, Keppel DC REIT announced the completion of the acquisition of the 90% interest in KDC SGP 3. This acquisition has been accounted for as an asset acquisition.

Note B - Rental top up received in advance held in a designated account

This relates to the remaining rental top up payments received in advance by the Group held in a designated account for the 100% interest in Milan DC. These rental top up payments will be recognised periodically under other income till December 2018.

Cash flow analysis (1Q 2018 vs 1Q 2017)

Cash generated from operating activities for the quarter was $18.7 million, $15.1 million lower than $33.8 million for the corresponding quarter last year. This was mainly due to higher working capital requirements, partially offset by higher operational cash inflow during the quarter.

Net cash used in investing activities for 1Q 2018 was $130.1 million, comprising the acquisition of maincubes DC, capital expenditures and deposit paid for the acquisition of the remaining 999-year leasehold land interest in KDC DUB 1. Net cash used in investing activities for the corresponding quarter last year was $198.7 million for the acquisition of the 90% interest in KDC SGP 3.

The Group recorded net cash generated from financing activities of $92.7 million in 1Q 2018 as compared to net cash used in financing activities of $38.0 million for the corresponding quarter last year. Net cash generated from 1Q 2018 was mainly due to borrowing proceeds drawn down to finance the acquisition of maincubes DC, partially offset by finance costs and distributions paid to Unitholders. Net cash used in financing activities for 1Q 2017 comprised mainly distributions paid to Unitholders, repayment of borrowings and finance costs.

Usage of proceeds of the Preferential Offering

Further to the announcement dated 22 January 2018 titled "Unaudited Results for the Year Ended 31 December 2017" (the Announcement), the Manager wishes to update that there have been no significant use of the net proceeds raised from the Preferential Offering (the Net Proceeds) for the quarter ended 31 March 2018.

1(D)(i) STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

GROUP (2018)

	Note	Unitholders' Funds $'000	Non-controlling Interests $'000	Total $'000
At 1 January 2018		1,089,716	26,786	1,116,502
Operations				
Total return for the period		24,954	735	25,689
Net increase in net assets resulting from operations		**24,954**	**735**	**25,689**
Unitholders' transactions				
Distributions to Unitholders		(39,338)	-	(39,338)
Payment of management fees in Units		146	-	146
Net decrease in net assets resulting from Unitholders' transactions		**(39,192)**	**-**	**(39,192)**
Dividends paid to non-controlling interests		-	(661)	(661)
Hedging Reserve				
Movement in hedging reserve	1	1,414	-	1,414
Net increase in hedging reserve		**1,414**	**-**	**1,414**
Foreign currency translation movement for the period	1	5,771	(62)	5,709
At 31 March 2018		**1,082,663**	**26,798**	**1,109,461**

Note:

1 These other comprehensive income items related to the 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 and the movement in foreign currency translation reserve that arises from the translation of foreign entities and intercompany loans that form part of the Group's net investment in foreign entities.

1(D)(i) STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

GROUP (2017 – restated)

	Note	Unitholders' Funds $'000	Non-controlling Interests $'000	Total $'000
At 1 January 2017		1,073,525	343	1,073,868
Reclassification on adoption of SFRS (I)	1			
Adjustment to foreign currency translation reserve	1	71,494	-	71,494
Adjustment to revenue reserves	1	(71,494)	-	(71,494)
At 1 January 2017 (as restated)	1	**1,073,525**	**343**	**1,073,868**
Operations				
Total return for the period		22,932	569	23,501
Net increase in net assets resulting from operations		**22,932**	**569**	**23,501**
Unitholders' transactions				
Distributions to Unitholders	2	(31,506)	-	(31,506)
Payment of management fees in Units	3	2,189	-	2,189
Net decrease in net assets resulting from Unitholders' transactions		**(29,317)**	**-**	**(29,317)**
Acquisition of an interest in a subsidiary	4	-	23,194	23,194
Dividends paid to non-controlling interests		-	(8)	(8)
Hedging reserve				
Movement in hedging reserve	5	(1,282)	-	(1,282)
Net decrease in hedging reserve		**(1,282)**	**-**	**(1,282)**
Foreign currency translation movement for the period	5	56	26	82
At 31 March 2017		**1,065,914**	**24,124**	**1,090,038**

Notes:

1 The Group has adopted SFRS (I) on 1 January 2018 and elected the optional exemption to reset its cumulative translation differences for all foreign operations to nil at the date of transition of 1 January 2017.

2 Included in 1Q 2017 was a one-off capital distribution of $2.7 million for the period from 1 December 2016 to 19 January 2017 arising from the later completion of KDC SGP 3 and where the vendor had agreed that all the rights and obligations shall pass to the REIT as if completion had occurred on 1 December 2016.

3 Included in 1Q 2017 was the acquisition fees paid in Units in relation to the acquisition of the 90.0% interest in KDC SGP 3.

4 In January 2017, Keppel DC REIT announced the completion of the acquisition of the 90.0% interest in KDC SGP 3. This acquisition has been accounted for as an asset acquisition.

5 These other comprehensive income items related to the 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 and the movement in foreign currency translation reserve that arises from the translation of foreign entities and intercompany loans that form part of the Group's net investment in foreign entities.

1(D)(i) STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

TRUST

	Note	Unitholders' Funds 2018 $'000	Unitholders' Funds 2017 $'000
At 1 January		959,185	973,832
Operations			
Total return for the period		11,428	15,332
Net increase in net assets resulting from operations		**11,428**	**15,332**
Unitholders' transactions			
Distribution to Unitholders		(39,338)	(31,506)
Payment of management fees in Units		146	2,189
Net decrease in net assets resulting from Unitholders' transactions		**(39,192)**	**(29,317)**
Hedging reserve			
Movement in hedging reserve	1	(829)	(259)
Net decrease in hedging reserve		**(829)**	**(259)**
At 31 March		**930,592**	**959,588**

Note:

1 The other comprehensive income item related to the fair value changes of the cash flow hedges as a result of foreign currency forward contracts and interest rate swaps entered into by the Trust.

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

GROUP AND TRUST	1 Jan 18 to 31 Mar 18	1 Jan 17 to 31 Mar 17
	No. of Units	No. of Units
Issued Units as at beginning of period	1,127,171,336	1,125,209,991
Management fees paid in Units	103,981	1,814,081[1]
Issued Units as at end of period	**1,127,275,317**	1,127,024,072

Note:

1 Included 1,676,047 Units issued in relation to the acquisition fees paid for the acquisition of the 90.0% interest in KDC SGP 3.

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

Keppel DC REIT did not hold any treasury units as at 31 March 2018 and 31 December 2017.

	Group	
	As at 31 Mar 18	As at 31 Dec 17
Total number of issued Units	**1,127,275,317**	1,127,171,336

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 Standards Council (Singapore) has introduced a new financial reporting framework, Singapore Financial Reporting Standards (International) (SFRS (I)), that is identical to the International Financial Reporting Standards issued by the International Accounting Standards Board. The Monetary Authority of Singapore has granted the Group a waiver from compliance with the requirement under Paragraph 4.3 of Appendix 6 to the CIS Code to prepare its financial statements in accordance with Singapore Financial Reporting Standards (FRS).

In adopting SFRS(I), the Group is required to apply all of the specific transition requirements in SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International). The Group expects that the adoption of SFRS(I) 1 will have no material impact on the financial statements in the year of initial application, other than the election of optional exemption to reset its cumulative translation differences for all foreign operations to nil at the date of transition of 1 January 2017. The Group has elected the optional exemption to reset its cumulative translation differences for all foreign operations to nil at 1 January 2017 and reclassified cumulative translation losses of $71.5 million from foreign exchange translation account to revenue reserves. Refer to Paragraph 1(D)(i) – Statements of Movements in Unitholders' Funds.

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 SFRS (I) Interpretations that are effective for annual period beginning on 1 January 2018.

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.

Refer to Paragraph 4 - Accounting Policies.

6 CONSOLIDATED EARNINGS PER UNIT AND DISTRIBUTION PER UNIT

	1Q 2018	1Q 2017
Earnings per Unit (EPU)		
EPU (basic and diluted) (cents)	**2.21**	2.04
Weighted average number of Units[1]	**1,127,239,502**	1,125,895,310
Total return for the period after tax[2] ($'000)	**24,954**	22,932
Distribution per Unit (DPU)		
DPU[3] (cents)	**1.80**	1.89
Total number of Units in issue at end of period	**1,127,275,317**	1,127,024,072
Income available for distribution to Unitholders[4] ($'000)	**20,867**	21,766

7 NET ASSET VALUE (NAV) / NET TANGIBLE ASSET (NTA) PER UNIT

	Group	
	As at 31 Mar 18	As at 31 Dec 17
NAV[2] per Unit[5] ($)	**0.96**	0.97
NTA[2] per Unit[5] ($)	**0.96**	0.96

Notes:

1 The weighted average number of Units was based on the issued Units during the financial period in review.

2 This excluded the non-controlling interests' share of net asset value / net tangible asset and total return for the period after tax.

3 1Q 2018 and 1Q 2017 DPU have excluded KDC SGP 3's Capex Reserves. 1Q 2017 DPU also included a one-off capital distribution of approximately 0.15 cents per Unit for the month of December 2016 arising from the later completion of KDC SGP 3 and where the vendor had agreed that all the rights and obligations shall pass to the REIT as if completion had occurred on 1 December 2016.

Keppel DC REIT declares distributions on a half-yearly basis. No distribution has been declared for the financial period under review.

4 1Q 2017 DI included a one-off capital distribution of approximately $1.7 million for the month of December 2016 arising from the later completion of KDC SGP 3 and where the vendor had agreed that all the rights and obligations shall pass to the REIT as if completion had occurred on 1 December 2016. The DI also included KDC SGP 3's Capex Reserves.

5 The NAV per Unit and the NTA per Unit were computed based on the issued Units at the end of the financial period.

8 REVIEW OF PERFORMANCE

Review of the Performance between 2018 and 2017 results

(1Q 2018 vs 1Q 2017)

Gross rental income for 1Q 2018 was $36.9 million, an increase of $5.3 million or 16.7% from 1Q 2017 of $31.6 million. This was mainly contributed by the full quarter rental income from KDC DUB 2 and KDC SGP 3, higher variable income from KDC SGP 1 and lower non-cash adjustment for straight-lining of rental income at Gore Hill DC. Furthermore, overseas contributions increased from the appreciation of GBP and EUR against SGD. These were partially offset by lower rental income from Basis Bay DC and Gore Hill DC.

Other income of $1.1 million was $0.5 million higher than 1Q 2017 due to higher rental top up income as well as higher ad hoc service and power-related revenues.

Property operating expenses for 1Q 2018 was $3.9 million, an increase of $0.5 million or 16.0% from 1Q 2017 of $3.4 million. This was mainly due to higher property-related expenses at KDC DUB 2, partially offset by lower property-related expenses incurred at KDC SGP 3.

As a result, net property income of $34.1 million for 1Q 2018 was $5.2 million or 18.2% higher than 1Q 2017.

Total return after tax for 1Q 2018 was $25.7 million, an increase of $2.2 million or 9.3% as compared to 1Q 2017 of $23.5 million. This was mainly due to higher net property income as well as lower current tax expenses, partially offset by higher finance costs and higher Manager's fees.

9 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

Outlook

According to the Organisation for Economic Co-operation and Development (OECD)'s Interim Economic Outlook published in March 2018, the global economy is projected to continue expanding, supported by investment, trade and employment growth. However, the OECD cautioned that an escalation of trade tensions could dampen this outlook.

Demand for data centre space continues to be driven by the trend of enterprises moving towards digitalisation and data centre outsourcing, along with the exponential growth of data created from new technologies and the implementation of data sovereignty regulations. The increasing trend of cloud adoption will also generate demand for data centre space from cloud and service providers, as well as from enterprises. These are expected to fuel data storage requirements in key data centre hubs.

Building on its established track record and global client base, the Manager will capitalise on growth opportunities in the data centre industry to expand and strengthen Keppel DC REIT's portfolio of quality assets.

10 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. Consideration has been given to funding and expense requirements so as to manage the cash position at any point of time.

Credit risk

Credit risk assessments of prospective clients 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 client trade sector mix to assess and manage exposure to any 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 to ensure sustainability of net property income. These measures include steps taken to negotiate for favourable terms/covenants, manage expenses, and actively monitor rental payments from clients 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 supported by detailed operational procedures and maintenance programmes. However, the Manager notes that no system of risk management can provide absolute assurance against all potential risks.

Competition risk

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

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

11 DISTRIBUTIONS

(a) Current Financial Period reported on

Any distribution recommended for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Not applicable.

(c) Book closure date

Not applicable.

(d) Date payable

Not applicable.

12 DISTRIBUTION STATEMENT

If no distribution has been declared / recommended, a statement to that effect.

Other than as disclosed in Paragraph 11(a), no distribution has been declared / recommended.

13 INTERESTED PERSON TRANSACTIONS

Name of Interested Persons	Aggregate value of all interested person transaction during the financial period under review (excluding transactions less than $100,000)	
	1Q 2018 $'000	1Q 2017 $'000
Keppel Corporation Limited and its subsidiaries		
- Manager's acquisition fees	1,357	2,025
- Manager's management fees	3,011	2,671
Keppel Telecommunications & Transportation Ltd and its subsidiaries		
- Purchase consideration in relation to 90.0% interest of KDC SGP 3	-	206,339
- Fixed rental income in relation to 90.0% interest of KDC SGP 3	-	51,587
- Variable rental income	13,378	11,592
- Facility management and property management fees	880	15,481
- Support services fees	138	154
Perpetual (Asia) Limited		
- Trustee fees	54	54

Keppel DC REIT has not obtained a general mandate from Unitholders for Interested Person Transactions for the financial period under review.

14 CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS UNDER RULE 720(1)

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

The past performance of Keppel 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

KELVIN CHUA HUA YEOW
Company Secretary
16 April 2018

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

We, Chan Hon Chew and Christina Tan Hua Mui, 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 1 January 2018 to 31 March 2018 to be false or misleading in any material respects.

On behalf of the Board,

Chan Hon Chew
Chairman

Christina Tan Hua Mui
Director

16 April 2018

Keppel DC REIT

First Quarter 2018 Financial Results

16 April 2018



Important Notice

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.

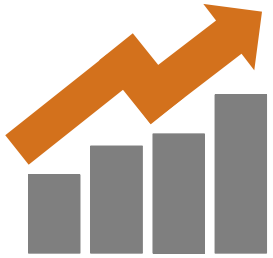
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Content

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


Keppel DC REIT
Key Highlights

Key Highlights



Distribution per Unit[1]

1.80 cents

for 1Q 2018

Annualised Distribution Yield

5.00%

based on 1Q 2018's closing price of $1.440



Portfolio Occupancy

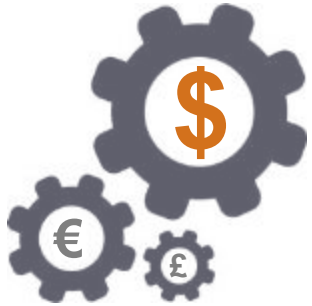
93.7%

as at 31 Mar 2018

Portfolio WALE

9.6 years

by leased area



Aggregate Leverage[2]

37.4%

as at 31 Mar 2018

Interest Coverage

10.7 times

as at 31 Mar 2018

Notes:
(1) Keppel DC REIT declares distributions on a half-yearly basis. No distribution has been declared for the quarter ended 31 March 2018.
(2) Aggregate Leverage was computed based on 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 Keppel DC Dublin 1.

Keppel DC REIT



Financial Performance

Distributable Income

($'000)	1Q 2018	1Q 2017	+/(-) %
Distributable Income to Unitholders[1]	**20,867**	**21,766**	**(4.1)**
Comprising:			
Gross Revenue	38,008	32,224	+17.9
Property Expenses	(3,920)	(3,380)	+16.0
Net Property Income	34,088	28,844	+18.2
Distribution per Unit[2] (DPU) (cents)	1.80	1.89	(4.8)
Adjusted DPU (cents)	**1.80**	**1.74**	**+3.4**
Annualised Distribution Yield[3] (%)	5.00	4.94	+ 6 bps
Adjusted Annualised Distribution Yield[3] (%)	**5.00**	**4.83**	**+ 17 bps**

Notes:

(1) 1Q 2017's distribution income included a one-off capital distribution of $1.7 million for the month of December 2016 arising from the later completion of Keppel DC Singapore 3 and where the vendor had agreed that all the rights and obligations shall pass to the REIT as if completion had occurred on 1 December 2016. 1Q 2018 and 1Q 2017's distributable income included Keppel DC Singapore 3's Capex Reserves.

(2) DPU was computed based on the distributable income to Unitholders and had excluded the Capex Reserves. 1Q 2017 DPU included a one-off capital distribution of 0.15 cents per Unit. Keppel DC REIT declares distributions on a half-yearly basis. No distribution has been declared for the quarter ended 31 March 2018.

(3) Annualised by quarters and computed based on 1Q 2018's closing price of $1.440 per Unit.

Balance Sheet Highlights

($'000)	As at 31 Mar 2018	As at 31 Dec 2017	+/(-) %
Investment Properties	1,719,094	1,570,090	+9.5
Total Assets	1,896,543	1,763,282	+7.6
Gross Borrowings[1]	685,738	546,481	+25.5
Total Liabilities	787,082	646,780	+21.7
Unitholders' Funds	**1,082,663**	**1,089,716**	**(0.6)**
Units in Issue ('000)	1,127,275	1,127,171	-
Net Asset Value (NAV) per Unit ($)	0.96	0.97	(1.0)
Unit Price (Closing price of last trading day) ($)	1.440	1.430	+0.7
Premium to NAV (%)	**+50.0**	**+47.4**	**+2.6 pp**

Note:
(1) Gross borrowings relates to bank borrowings drawn down from loan facilities.

Aggregate Leverage

($'000)	As at 31 Mar 2018	As at 31 Dec 2017	+/(-) %
Investment Properties[1] *(excluding finance lease liabilities commitments)*	1,685,325	1,536,321	+9.7
Deposited Properties[1] *(excluding finance lease liabilities commitments)*	1,834,581	1,701,350	+7.8
Gross Borrowings + Deferred Payment	685,738	546,481	+25.5
Aggregate Leverage[2]	**37.4%**	**32.1%**	**+530 bps**

Notes:

(1) Investment properties relates to carrying value and deposited properties relates to total assets as stipulated in the Property Fund Appendix in CIS Code, without considering finance lease liabilities pertaining to land rent commitments.

(2) Aggregate Leverage was computed based on gross borrowings as a percentage of the deposited properties (Note 1). Taking into consideration finance lease liabilities pertaining to land rent commitments, the Aggregate Leverage will be 38.5% (2017: 33.4%).

Keppel DC REIT



Portfolio Review

Completion of First German Acquisition

- Expansion of the REIT's footprint in Europe with its first German acquisition completed on 30 March 2018
- The four-storey fully-fitted data centre has energy-efficient features and has been certified by TÜV as a Level 3 Highly Available data centre
- Commencement of 15-year triple-net lease lengthens the REIT's portfolio WALE and strengthens the REIT's income stream



maincubes Data Centre completed on schedule

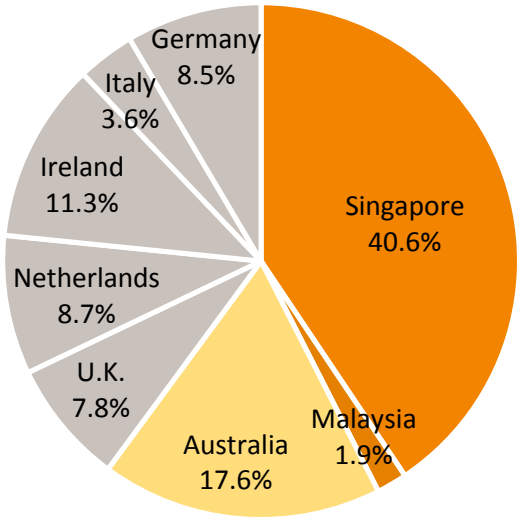
Location	Offenbach am Main, Germany
Land Tenure	Freehold
Lettable Area	126,800 sq ft
Occupancy Rate	100.0%
Lease Type	15-year triple-net master lease
Agreed Value	€84.0 million

Diversified & Resilient Portfolio

- Geographical diversification of portfolio enhances income stream sustainability
- Portfolio WALE remained long at 9.6 years while occupancy was at 93.7%
- Acquisition of the remainder of 999-year leasehold land interest in Keppel DC Dublin 1 announced on 14 March 2018. Legal completion expected in 1H 2020

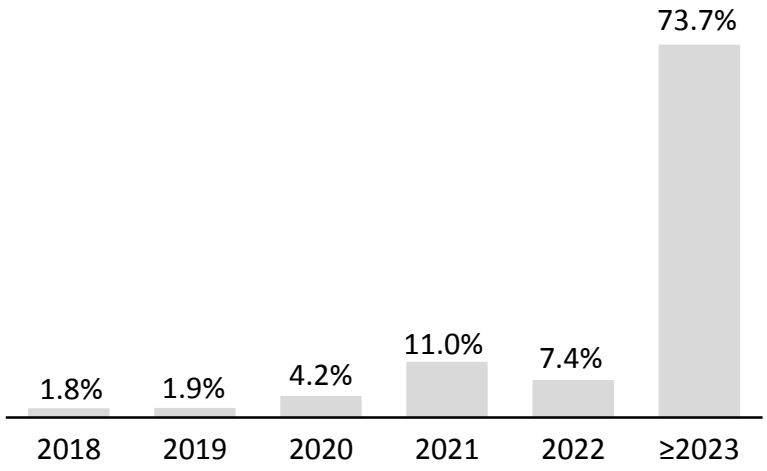
Portfolio AUM[1] breakdown

As at 31 March 2018



Lease expiry profile (by leased area)

As at 31 March 2018

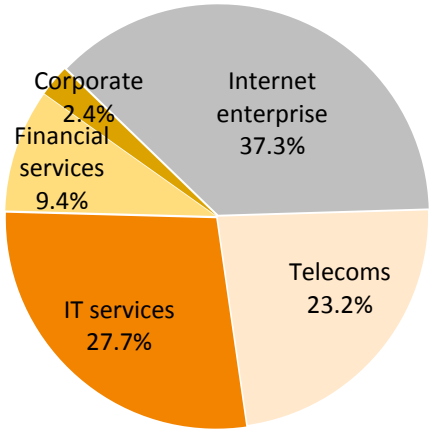


Note:
(1) maincubes Data Centre is based on initial valuation of €84 million at time of forward purchase. Remaining portfolio AUM is based on respective independent valuations and respective ownership interests as at 31 December 2017.

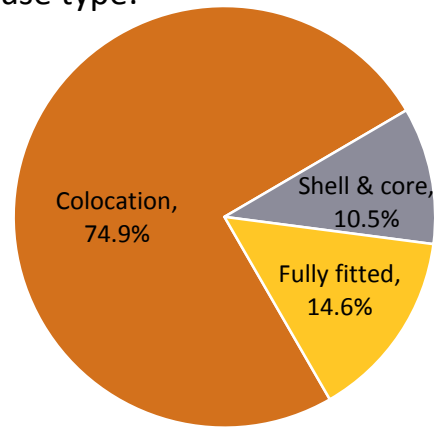
Diversified & Resilient Portfolio (Cont'd)

Rental income breakdown for the month of March 2018[1]

By trade sector:



By lease type:



- Quality data centres that cater to the requirements of global clientele
- Income stability with a mix of master-leased facilities on long leases, as well as colocation facilities which provide diverse client profile and lease expiry

Lease Type	WALE[2] (years)	Ownership of Data Centre Components		
		M&E Equipment	Facility Management	Servers & Racks
Colocation	4.0	✓	✓	-
Fully fitted	12.2	✓	-	-
Shell & core	11.9	-	-	-

Notes:
(1) Based on the colocation agreements and lease agreements with clients of the Properties, treating the Keppel leases on a pass-through basis to the underlying clients.
(2) By leased area as at 31 March 2018.



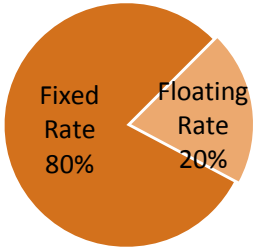
Capital Management

Prudent Capital Management

- Managing interest rate exposure: Interest rates of long-term loans substantially hedged with floating-to-fixed interest rate swaps
- Diversifying sources of funding: Issuance of €50 million floating rate notes due 2023 under the $500 million multicurrency Medium Term Note Programme on 10 April 2018

Borrowings on Fixed Rate

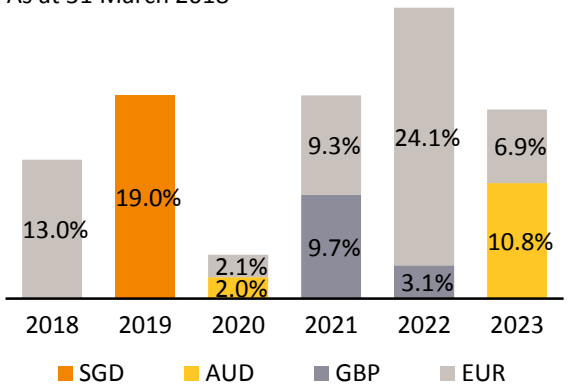
As at 31 March 2018



As at 31 March 2018	
Total debt	~$686m of external loans (unencumbered)
Available facilities	~$62m of undrawn credit facilities
Aggregate Leverage[1]	37.4%
Average cost of debt[2]	2.1% per annum
Debt tenor	3.2 years
Interest coverage[3]	10.7 times

Debt maturity profile

As at 31 March 2018



Notes:

(1) Aggregate Leverage was computed based on 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 Keppel DC Dublin 1.

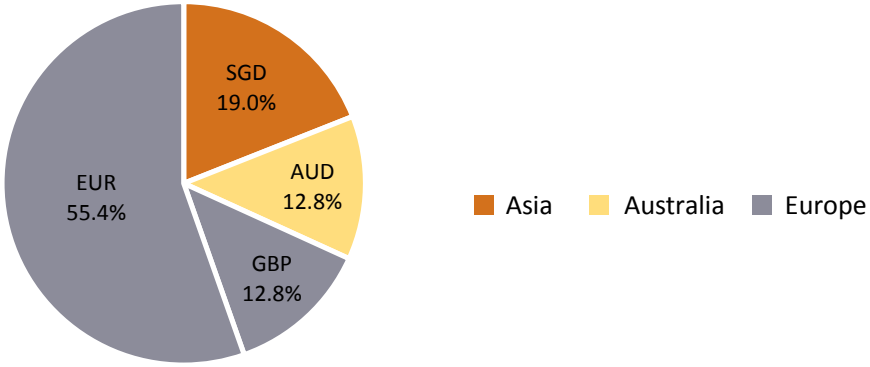
(2) Including amortisation of upfront debt financing costs and excluding finance lease charges.

(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.

Prudent Capital Management (Cont'd)

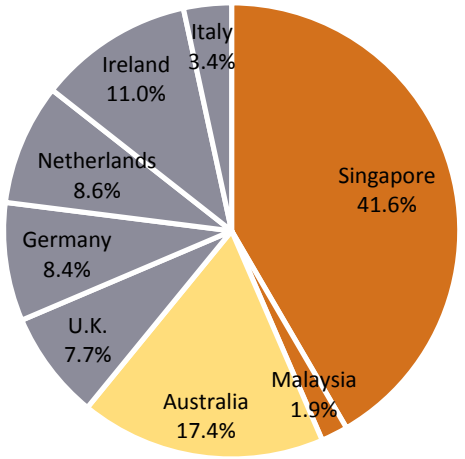
- Mitigating impact of currency fluctuations:
  - Hedged the REIT's forecasted foreign-sourced distributions till 1H 2019 through foreign currency forward contracts
  - Adopted natural hedging by borrowing in currencies that match the corresponding investments

Debt currency breakdown
(as at 31 March 2018)



Total borrowings:
Approx. $686m

Investment properties breakdown[1]
(as at 31 March 2018)



Total carrying value:
Approx. $1.69b

Note:
(1) Based on 100% carrying value as at 31 March 2018 without taking into consideration the finance lease liabilities pertaining to the land rent commitments for iseek Data Centre and Keppel DC Dublin 1.



Outlook

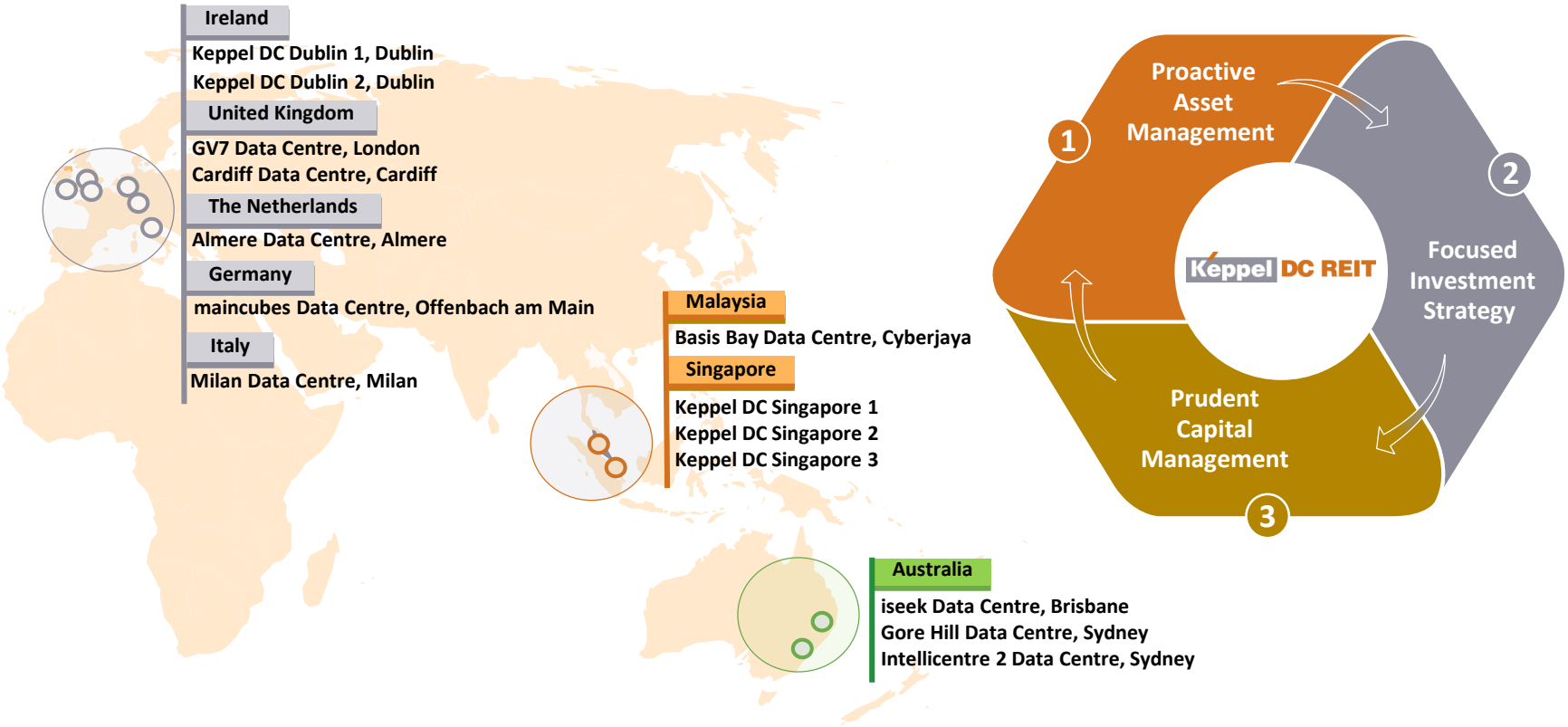
Sound Industry Fundamentals

- Demand for data centre space continues to be driven by:
  - Enterprises moving towards digitalisation
  - Increasing cloud adoption
  - Development of new technologies
  - Implementation of data sovereignty regulations
- These trends are expected to fuel data storage requirements in key data centre hubs



Positioned for Growth

- The Manager will continue to strengthen Keppel DC REIT's presence and position it to capitalise growth opportunities in the data centre industry



Committed to Deliver Value

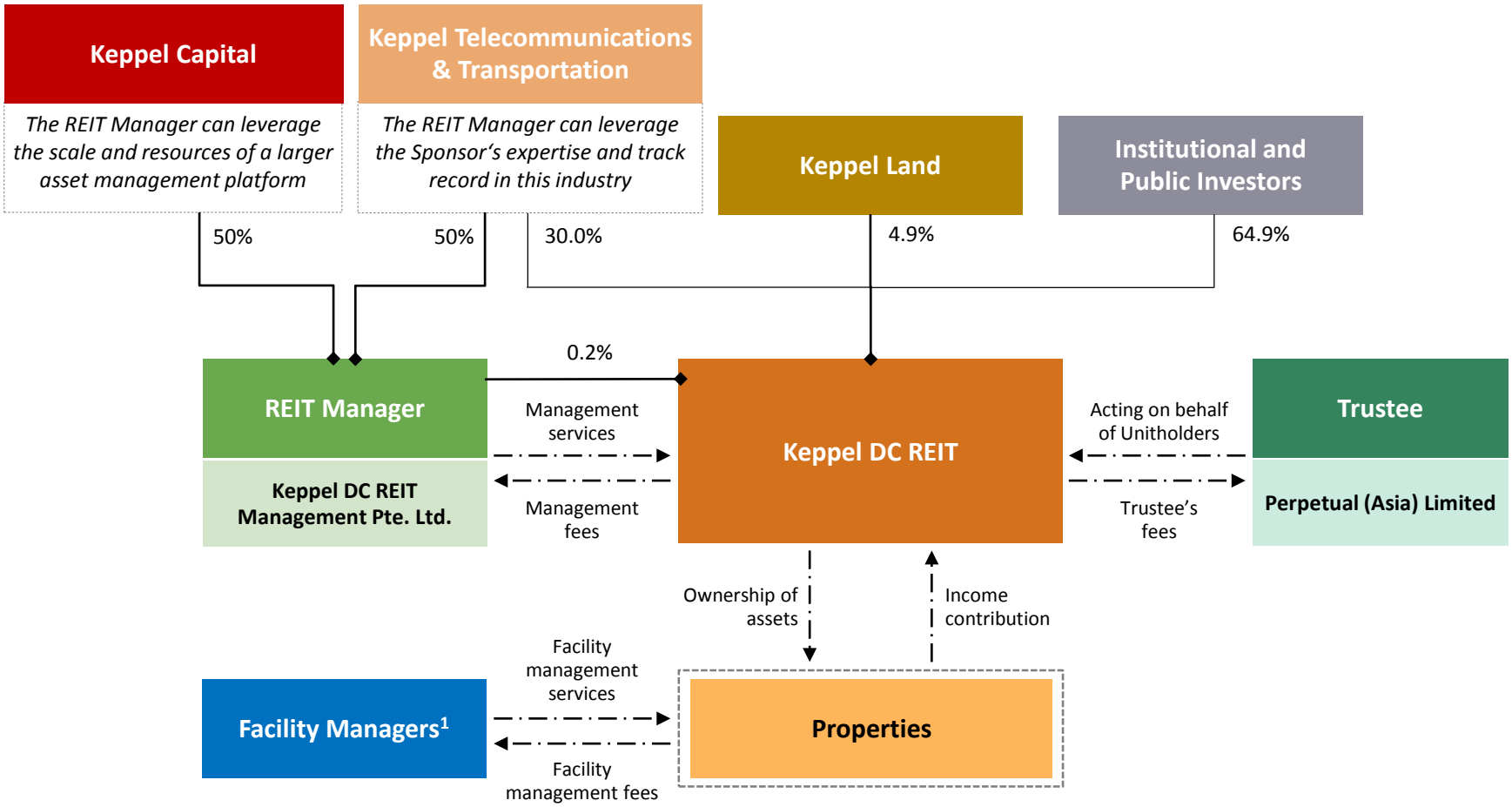


Vision: To be the preferred data centre real estate investment trust, serving as a trusted partner to our stakeholders.

Mission: Guided by the Keppel Group's operating principles and core values, we will create value for our investors by growing a quality portfolio of data centre assets that generates sustainable returns.


Keppel DC REIT
Additional Information

Keppel DC REIT Structure



Note:
(1) The Facility Managers are appointed pursuant to the facility management agreements entered into for the respective properties.

Portfolio Overview (as at 31 March 2018)

Asia Pacific		Location	Interest	Attributable lettable area (sq ft)	No. of clients[1]	Occupancy rate (%)	Valuation[2] ($m)	Lease type	WALE (years)	Land lease title
	**Keppel DC Singapore 1**	Singapore	100%	109,721	16	84.6	286.0	Keppel lease / Colocation	4.0	Leasehold (Expiring 30 Sep 2025, with option to extend by 30 years)
	**Keppel DC Singapore 2**	Singapore	100%	37,098	4	100.0	166.0	Keppel lease / Colocation	3.3	Leasehold (Expiring 31 Jul 2021, with option to extend by 30 years)
	**Keppel DC Singapore 3**	Singapore	90%	49,433	2	100.0	223.5	Keppel lease / Colocation	4.2	Leasehold (Expiring 31 Jan 2022, with option to extend by 30 years)
	**Basis Bay Data Centre**	Cyberjaya, Malaysia	99%	48,193	1	63.1	31.8	Colocation	4.2	Freehold
	**Gore Hill Data Centre**	Sydney, Australia	100%	90,955	3	100.0	206.2	Triple-net (Shell & core) / Colocation	7.0	Freehold
	**Intellicentre 2 Data Centre**	Sydney, Australia	100%	87,930	1	100.0	51.8	Triple-net (Shell & core)	17.4	Freehold
	**iseek Data Centre**	Brisbane, Australia	100%	12,389	1	100.0	34.5	Double-net[3] (Fully fitted)	8.2	Leasehold (Expiring 29 Jun 2040, with option to extend by 7 years)

(1) Certain clients have signed more than one colocation arrangement using multiple entities.
(2) Based on respective independent valuations and respective ownership interests as at 31 December 2017.
(3) Keppel DC REIT has in place the iseek Lease with the client of iseek Data Centre. While the iseek Lease is called a colocation arrangement, the terms are structured as effectively equivalent to a double-net lease.

Portfolio Overview (as at 31 March 2018) (Cont'd)

Europe		Location	Interest	Attributable lettable area (sq ft)	No. of clients[1]	Occupancy rate (%)	Valuation[2] ($m)	Lease type	WALE (years)	Land lease title
	**Cardiff Data Centre**	Cardiff, United Kingdom	100%	79,439	1	100.0	62.0	Triple-net (Shell & core)	13.2	Freehold
	**GV7 Data Centre**	London, United Kingdom	100%	24,972	1	100.0	68.4	Triple-net (Fully fitted)	8.9	Leasehold (Expiring 28 Sep 2183)
	**Almere Data Centre**	Almere, Netherlands	100%	118,403	1[3]	100.0	144.5	Double-net (Fully fitted)	10.4	Freehold
	**Keppel DC Dublin 1**	Dublin, Ireland	100%	68,118	15	57.2	77.7	Colocation	1.7	Leasehold[4] (Expiring 11 Apr 2041)
	**Keppel DC Dublin 2**	Dublin, Ireland	100%	25,127	4	90.7	109.7	Colocation	10.3	Leasehold (Expiring 31 Dec 2997)
	**Milan Data Centre**	Milan, Italy	100%	165,389	1	100.0	59.0	Double-net (Shell & core)	9.8	Freehold
	**maincubes Data Centre**	Offenbach am Main, Germany	100%	126,800	1	100.0	135.7	Triple-net (Fully fitted)	15.0	Freehold

(1) Certain clients have signed more than one colocation arrangement using multiple entities.
(2) maincubes Data Centre is based on initial valuation of €84 million at time of forward purchase. Remaining portfolio AUM is based on respective independent valuations and respective ownership interests as at 31 December 2017.
(3) 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 client becomes conceptually similar to a sub-lease, with Borchveste being (i) the leasehold client of KDCR Almere B.V. and (ii) the lessor to the underlying client.
(4) On 14 March 2018, Keppel DC REIT entered into a contract to acquire the remainder of the 999-year (from 1 January 2000) leasehold land interest in Keppel DC Dublin 1. Legal completion of acquisition expected to take place within 1H 2020.

Overview of Lease Arrangements

Asia Pacific

Property	Lease Arrangement	Description	Responsibilities of Owner			
			Property Tax	Building Insurance	Maintenance Opex	Refresh Capex
Keppel DC Singapore 1	Keppel lease[1] / Colocation[3]	■ Client: Pays rent ■ Owner: Bears all expenses; responsible for facilities management	✓	✓	✓	✓
Keppel DC Singapore 2	Keppel lease[1] / Colocation[3]	■ Client: Pays rent ■ Owner: Bears all expenses; responsible for facilities management	✓	✓	✓	✓
Keppel DC Singapore 3	Keppel lease[2] / Colocation[3]	■ Client: Pays rent ■ Owner: Bears all expenses; responsible for facilities management	✓	✓	✓	✓
Basis Bay Data Centre	Colocation[3]	■ Client: Pays rent; responsible for facilities management ■ Owner: Bears pre-agreed facilities management amount, insurance and property tax	✓	✓	✓	✓
Gore Hill Data Centre *(for one client)*	Triple-net lease	■ Client: Pays rent and all outgoings; responsible for facilities management in their space	-	-	-	-
Gore Hill Data Centre *(for two clients)*	Colocation arrangement[3]	■ Client: Pays rent ■ Owner: Bears all expenses; responsible for facilities management	✓	✓	✓	✓
Intellicentre 2 Data Centre	Triple-net lease	■ Client: Pays rent and all outgoings; responsible for facilities management	-	-	-	-
iseek Data Centre	Double-net lease[4]	■ Client: Pays rent and all outgoings except building insurance; responsible for facilities management	-	✓	-	✓

(1) Refers to the leases entered into by Keppel DC REIT with the Keppel lessees (Keppel DC Singapore 1 Ltd and Keppel DC Singapore 2 Pte Ltd) in relation to Keppel DC Singapore 1 and Keppel DC Singapore 2 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 colocation arrangements between Keppel lessees and the underlying clients.

(2) Refers to the lease entered into by Keppel DC Singapore 3 LLP with the Keppel lessee (Keppel DCS3 Services Pte Ltd) in relation to Keppel DC Singapore 3. However, due to the pass-through nature of the Keppel lease, Keppel DC REIT will substantially enjoy the benefits and assume the liabilities of the underlying colocation arrangement between Keppel lessee and the underlying client.

(3) Colocation arrangements are typically entered into by end-clients who utilise colocation space for the installation of their servers and other mission critical IT equipment. Keppel DC REIT is usually responsible for facilities management in respect of such colocation arrangements, except in the case of Basis Bay Data Centre where the client is responsible for facilities management.

(4) Keppel DC REIT has in place the iseek Lease with the client of iseek Data Centre. While the iseek Lease is called a colocation arrangement, the terms thereof are structured as effectively equivalent to a double-net lease.

Overview of Lease Arrangements (Cont'd)

Europe

Property	Lease Arrangement	Description	Responsibilities of Owner			
			Property Tax	Building Insurance	Maintenance Opex	Refresh Capex
Cardiff Data Centre	Triple-net lease	■ Client: Pays rent and all outgoings; responsible for facilities management	-	-	-	-
GV7 Data Centre	Triple-net lease	■ Client: Pays rent and all outgoings; responsible for facilities management	-	-	-	-
Almere Data Centre	Double-net lease	■ Client: Pays rent and all outgoings except building insurance and property tax; responsible for facilities management	✓	✓	-	-
Keppel DC Dublin 1	Colocation[1,2]	■ Client: Pays rent ■ Owner: Bears all expenses; responsible for facilities management	✓	✓	✓	✓
Keppel DC Dublin 2	Colocation[1,2]	■ Client: Pays rent ■ Owner: Bears all expenses; responsible for facilities management	✓	✓	✓	✓
Milan Data Centre	Double-net lease	■ Client: Pays rent and all outgoings except building insurance and property tax; responsible for facilities management	✓	✓	-	-
maincubes Data Centre	Triple-net lease	■ Client: Pays rent and all outgoings; responsible for facilities management	-	-	-	-

(1) Colocation arrangements are typically entered into by end-clients who utilise colocation space for the installation of their servers and other mission critical IT equipment. Keppel DC REIT is usually responsible for facilities management in respect of such colocation arrangements, except in the case of Basis Bay Data Centre where the client is responsible for facilities management.

(2) Keppel DC REIT has in place colocation arrangements with the clients of Keppel DC Dublin 1 and Keppel DC Dublin 2.

Thank you.