

MEDIA RELEASE

Keppel DC REIT strengthens Singapore foothold with acquisition of Kingsland Data Centre

Acquisition will be funded by private placement and is expected to be DPU accretive

Singapore, 7 May 2018 – Keppel DC REIT has entered into a conditional sale and purchase agreement for the acquisition of 99% interest in Kingsland Data Centre at an agreed value of \$295.1 million.

Kingsland Data Centre is a five-storey, purpose-built, carrier-neutral colocation data centre hosting leading internet enterprise and IT services clients. Completed in phases starting from 2015, the facility is located in Jurong with approximately 98,769 sq ft of net lettable area. The facility's IT power is fully committed. In addition, the facility's committed occupancy is 84.2%, with the vacancy being offices.

The acquisition is expected to be accretive to Keppel DC REIT's distribution per unit (DPU). Upon the expected completion of the acquisition in the second quarter of 2018, the facility will be renamed as Keppel DC Singapore 5 (KDC SGP 5). Leveraging the Keppel Group's data centre operational track record, it is intended that a subsidiary of Keppel Data Centres Holding will be appointed as master lessee and facility manager under a Keppel master lease arrangement that is similar to the other Singapore data centres in Keppel DC REIT's portfolio.

The acquisition will be funded by the net proceeds raised from the private placement of 224.0 million new Units in Keppel DC REIT announced today, and the remaining net proceeds of its pro-rata preferential offering that was launched in October 2016. The private placement aims to raise gross proceeds of approximately \$303.1 million.

Mr Chua Hsien Yang, CEO of Keppel DC REIT Management Pte. Ltd., said, "As a key data centre hub in Asia, Singapore continues to see strong demand from multinational firms for quality data centre space. The addition of KDC SGP 5 will allow Keppel DC REIT to establish a strategic presence in the western part of Singapore and diversify its offering to clients. KDC SGP 5 will boost the REIT's footprint in Singapore to nearly 300,000 sq ft of aggregate lettable area."

The REIT's expanded portfolio will create greater income resilience and a stronger platform for growth. Following the transaction and private placement, based on the pro forma as at 1Q2018, the REIT's aggregate leverage will improve from 37.4% to approximately 32.1%. Assets under management will increase to approximately \$1.97 billion, with aggregate lettable area of approximately 1,142,736 sq ft across 15 data centres in Asia Pacific and Europe.

The trading of the new Units on the Singapore Exchange is expected to commence at 9.00 a.m. on 16 May 2018. Citigroup Global Markets Singapore Pte. Ltd. and DBS Bank Ltd. are the joint bookrunners and underwriters in relation to the private placement.

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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

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 of approximately \$26 billion in 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

This Announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units.

This Announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of 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 other companies and venues for the sale or distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events. The past performance of Keppel DC REIT and the Manager are not necessarily indicative of the future performance of any of them.

The value of 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 the SGX-ST does not guarantee a liquid market for the Units.