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MEDIA RELEASE**Unaudited Results of Keppel DC REIT for First Quarter Ended 31 March 2019****15 April 2019**

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 2019.

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

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Keppel DC REIT achieves 6.7% year-on-year increase in DPU to 1.92 cents for 1Q 2019

Key Highlights

- Declares DPU of 1.92 cents for 1Q 2019, 6.7% above 1Q 2018's DPU of 1.80 cents
- Diversified sources of funding with issuance of €50 million in floating rate notes due 2026
- Maintained strong portfolio occupancy of 93.2% and long WALE of 8.0 years
- Low aggregate leverage of 32.5% provides financial flexibility and comfortable debt headroom to pursue growth

(\$'000)	1Q 2019	1Q 2018	+/(-) %
Gross Revenue	48,033	38,008	+26.4
Property Expenses	(4,803)	(3,920)	+22.5
Net Property Income	43,230	34,088	+26.8
Distributable Income to Unitholders ⁽¹⁾	27,109	20,867	+29.9
Distribution per Unit ⁽²⁾ (DPU) (cents)	1.92	1.80	+6.7
Annualised Distribution Yield ⁽³⁾ (%)	5.12	4.80	+32 bps

(1) Distributable income included Capex Reserves for Keppel DC Singapore 3 and Keppel DC Singapore 5.

(2) DPU was computed based on the distributable income to Unitholders and excluded Capex Reserves.

(3) Annualised by quarters and computed based on 1Q 2019's closing price of \$1.500 per Unit.

Financial Review

Keppel DC REIT Management Pte. Ltd., as Manager of Keppel DC REIT, is pleased to announce that the REIT has delivered distributable income of \$27.1 million for 1Q 2019, 29.9% higher than 1Q 2018's \$20.9 million.

Distributable income was higher year-on-year (y-o-y) due mainly to the enlarged asset base following the acquisitions¹ of maincubes Data Centre in Offenbach am Main, Germany, and Keppel DC Singapore 5 in 2018.

Accordingly, Keppel DC REIT achieved DPU of 1.92 cents for 1Q 2019, 6.7% higher than the DPU of 1.80 cents in 1Q 2018. Distribution yield for Keppel DC REIT was 5.12%, based on the market closing price of \$1.50 per Unit on the last trading day of 1Q 2019.

Portfolio Review

As at 31 March 2019, portfolio occupancy rate remained healthy at 93.2%, and portfolio weighted average lease expiry (WALE) remained long at 8.0 years.

The Manager maintains a proactive asset management strategy to improve the efficiency and returns of its portfolio.

¹ The maincubes Data Centre and Keppel DC Singapore 5 acquisitions were completed in March and June 2018 respectively.

At Keppel DC Singapore 3, the Manager has undertaken retrofitting works to make way for expansion within a client's premises. When completed in mid-2019, this is expected to increase the returns on this asset.

The power upgrading and fit-out works at Keppel DC Dublin 2 to make way for client expansion is on track for completion in 2H 2019, and the asset enhancement works to improve energy efficiency at Keppel DC Dublin 1 is expected to be completed by 2020.

Capital Management

During the quarter, the Manager issued €50 million in floating-rate notes due 2026². This will provide the REIT with greater financial flexibility while diversifying the REIT's sources of funding. With this, the REIT's weighted average term to maturity has been extended to 3.3 years.

The REIT's average cost of debt remained competitive at 1.7% per annum and its interest coverage ratio remained high at 12.9 times. Aggregate leverage remained low at 32.5%, providing the REIT with a healthy debt headroom to pursue further growth.

To mitigate the REIT's exposure to fluctuations in interest rates, the Manager has hedged 81% of its borrowings as at 31 March 2019, through floating-to-fixed interest rate swaps. Forecasted foreign-sourced distributions have also been substantially hedged with foreign currency forward contracts till 2H 2020 to safeguard distributions against exchange rates fluctuations.

Looking Ahead

In its Interim Economic Outlook published in March 2019, the Organisation for Economic Co-operation and Development (OECD) expects global growth to ease, citing political uncertainties in Europe, weaker growth in China, and ongoing trade tensions.

Demand in the data centre industry continues to be supported by the rapid growth in data creation and storage needs, increasing digitalisation and cloud adoption, data sovereignty regulations, as well as the strong growth in colocation demand from hyperscale cloud players. Improved connectivity as well as the development and adoption of new technologies such as 5G mobile networks, driverless vehicles, virtual reality, the Internet of Things (IOT), will also continue to support demand for data centres globally.

Keppel DC REIT, with its established track record and enlarged portfolio of assets in key data centre hubs in Asia-Pacific and Europe, is well-placed to benefit from the growth of the data centre market. The Manager will continue to maintain its focused investment strategy to capture value and strengthen its presence across key data centre hubs.

-END-

² Under Keppel DC REIT's \$500 million Multicurrency Medium Term Note Programme established in 2017.

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 15 high-quality data centres strategically located in key data centre hubs. With an aggregate lettable area of approximately 1,112,983 sq ft, the portfolio spans 10 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.

KEPPEL DC REIT FINANCIAL STATEMENTS ANNOUNCEMENT

UNAUDITED RESULTS FOR THE QUARTER ENDED 31 MARCH 2019

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SUMMARY OF KEPPEL DC REIT RESULTS

	1Q 2019 \$'000	1Q 2018 \$'000	+/(-) %
Gross Revenue	48,033	38,008	26.4
Property Expenses	(4,803)	(3,920)	22.5
Net Property Income	43,230	34,088	26.8
Distributable Income to Unitholders (DI)	27,109	20,867	29.9
Distribution per Unit (DPU) (cents) ^{1, 2}	1.92	1.80	6.7
Annualised Distribution Yield (%) ^{2, 3}	5.12	4.80	32 bps

Notes:

- 1 Excluded an amount of capital expenditure that has been set aside for KDC SGP 3 and KDC SGP 5 (Capex Reserves).
- 2 Keppel DC REIT declares distributions on a half-yearly basis. No distribution has been declared for the financial period under review.
- 3 Annualised distribution yields were annualised by quarters and computed based on 1Q 2019 closing price of \$1.500.

For details, refer to **Paragraph 1A(i) - Statement of profit and loss 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.

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.

On 7 August 2018, Keppel DC REIT entered into an agreement to construct Intellicentre 3 East Data Centre on the vacant land within the current Intellicentre 2 Data Centre site. The completion is expected to be in 2020.

As at 31 March 2019, the REIT has a portfolio size of approximately \$1.97 billion. The portfolio comprises 15 high quality well located data centres in Singapore, Malaysia, Australia, the United Kingdom (UK), the Netherlands, Republic of Ireland (Ireland), Italy and Germany.

Asia-Pacific

1)	Keppel DC Singapore 1	Singapore	(KDC SGP 1)
2)	Keppel DC Singapore 2	Singapore	(KDC SGP 2)
3)	Keppel DC Singapore 3	Singapore	(KDC SGP 3)
4)	Keppel DC Singapore 5	Singapore	(KDC SGP 5)
5)	Basis Bay Data Centre	Malaysia	(Basis Bay DC)
6)	Gore Hill Data Centre	Australia	(Gore Hill DC)
7)	Intellicentre 2 Data Centre	Australia	(IC2 DC)
8)	iseek Data Centre	Australia	(iseek DC)

Europe

9)	GV7 Data Centre	UK	(GV7 DC)
10)	Cardiff Data Centre	UK	(Cardiff DC)
11)	Almere Data Centre	The Netherlands	(Almere DC)
12)	Keppel DC Dublin 1	Ireland	(KDC DUB 1)
13)	Keppel DC Dublin 2	Ireland	(KDC DUB 2)
14)	Milan Data Centre	Italy	(Milan DC)
15)	maincubes Data Centre	Germany	(maincubes DC)

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

- 1Q – Refers to the first quarter from 1 January to 31 March 2019 and the corresponding period of the preceding year.
- Distributable income included an amount of capital expenditure set aside for KDC SGP 3 and KDC SGP 5 (Capex Reserves). The DPU has excluded Capex Reserves.
- Nm – Not meaningful

1 UNAUDITED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

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 2019:

1(A)(i) STATEMENT OF PROFIT AND LOSS AND DISTRIBUTION STATEMENT

Performance between 2019 and 2018 results

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

Statement of Profit and Loss (Group)

		1Q 2019 \$'000	1Q 2018 \$'000	+/(-) %
	Note			
Gross rental income	1	45,708	36,920	23.8
Other income	2	2,325	1,088	>100
Gross Revenue		48,033	38,008	26.4
Property operating expenses	3	(4,803)	(3,920)	22.5
Net Property Income		43,230	34,088	26.8
Finance income		192	414	(53.6)
Finance costs	4	(4,056)	(3,993)	1.6
Trustees' fees		(85)	(74)	14.9
Manager's base fee	5	(2,455)	(1,919)	27.9
Manager's performance fee	5	(1,449)	(1,092)	32.7
Net realised gains on derivatives		1,043	498	>100
Other trust expenses	6	(2,789)	(852)	>100
Profit before tax		33,631	27,070	24.2
Tax expenses	7	(2,605)	(1,381)	88.6
Profit after tax		31,026	25,689	20.8
Attributable to:				
Unitholders		30,198	24,954	21.0
Non-controlling interests		828	735	12.7
		31,026	25,689	20.8
<u>Distribution Statement</u>				
Profit after tax attributable to Unitholders		30,198	24,954	21.0
Net tax and other adjustments	8	(3,089)	(4,087)	(24.4)
Income available for distribution	9	27,109	20,867	29.9
Distribution per Unit (cents)	10	1.92	1.80	6.7

Notes (2019 and 2018):

- 1 In 1Q 2019, higher gross rental income was mainly due to the acquisitions of KDC SGP 5 and maincubes DC .
- 2 In 1Q 2019, higher other income was mainly due to the higher rental top up recognised.
- 3 Included as part of the property operating expenses were the following:

	1Q 2019 \$'000	1Q 2018 \$'000
Property-related taxes	(750)	(603)
Facility management costs	(2,201)	(2,013)
Repairs and maintenance	(576)	(389)
Other property-related costs	(1,276)	(915)
	<u>(4,803)</u>	<u>(3,920)</u>

- 4 Included in finance costs were interest expense, amortisation of debt-related transaction costs from borrowings and finance lease charges recognised.
- 5 Increase in Manager's base fees and performance fees were mainly due to the acquisitions of KDC SGP 5 and maincubes DC, as well as the higher net property income.
- 6 Included in other trust expenses in 1Q 2019 were higher foreign exchange losses and higher amortisation of intangible assets as compared to 1Q 2018.
- 7 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.
- 8 Included in the net tax and other adjustments were the following:

	1Q 2019 \$'000	1Q 2018 \$'000
Trustee's fees	66	54
Rental income adjustment on a straight-line basis	(437)	(1,083)
Amortisation of capitalised transaction costs	94	76
Foreign exchange losses/(gains)	138	(54)
Deferred tax	1,719	194
Amortisation of intangible assets	2,000	776
Other net adjustments	(6,669)	(4,050)
Net tax and other adjustments	<u>(3,089)</u>	<u>(4,087)</u>

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

- 9 Higher DI in 1Q 2019 was mainly due to the acquisitions of KDC SGP 5 and maincubes DC.
- 10 The DPU was computed based on DI (Note 9) and has excluded Capex Reserves. Keppel DC REIT declares distributions on a half-yearly basis. No distribution has been declared for the financial period under review.

1(A)(ii) STATEMENT OF COMPREHENSIVE INCOME

Statement of comprehensive income, together with a comparative statement for the corresponding period of the immediate preceding financial year

Statement of Comprehensive Income (Group)

	1Q 2019 \$'000	1Q 2018 \$'000	+/(-) %
Profit after tax	31,026	25,689	20.8
Other comprehensive income			
Movement in fair value of cash flow hedges	(2,994)	1,414	Nm
Foreign currency translation movement	(4,862)	5,709	Nm
Total other comprehensive income	(7,856)	7,123	Nm
Total comprehensive income	23,170	32,812	(29.4)
Attributable to:			
Unitholders	22,338	32,139	(30.5)
Non-controlling interests	832	673	23.6
	23,170	32,812	(29.4)

Note

These other comprehensive income items relate 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 transaction 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(B)(i) BALANCE SHEETS

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

		<u>Group</u>			<u>Trust</u>		
		31-Mar-19	31-Dec-18	+ / (-)	31-Mar-19	31-Dec-18	+ / (-)
		\$'000	\$'000	%	\$'000	\$'000	%
Non-current assets							
Investment properties	1	2,032,061	2,028,672	0.2	456,074	456,000	-
Investment in subsidiaries	2	-	-	-	1,205,063	1,205,063	-
Loans to subsidiaries	2	-	-	-	232,768	223,338	4.2
Deposit	3	769	777	(1.0)	769	777	(1.0)
Derivative financial assets	4	1,573	3,238	(51.4)	849	2,044	(58.5)
Deferred tax assets	5	2,319	-	Nm	-	-	-
Total non-current assets		2,036,722	2,032,687	0.2	1,895,523	1,887,222	0.4
Current assets							
Trade and other receivables	6	90,956	85,723	6.1	34,862	32,060	8.7
Intangible assets	7	2,000	4,000	(50.0)	2,000	4,000	(50.0)
Other asset	8	-	6,213	(100.0)	-	-	-
Derivative financial assets	4	2,675	2,106	27.0	2,448	1,952	25.4
Cash and cash equivalents		127,892	128,415	(0.4)	56,616	67,752	(16.4)
Total current assets		223,523	226,457	(1.3)	95,926	105,764	(9.3)
TOTAL ASSETS		2,260,245	2,259,144	-	1,991,449	1,992,986	(0.1)
Current liabilities							
Loans from subsidiaries	9	-	-	-	130,000	130,000	-
Loans and borrowings	10	133,527	133,563	-	-	-	-
Trade and other payables	11	29,464	42,481	(30.6)	15,963	29,569	(46.0)
Derivative financial liabilities	4	-	-	-	-	-	-
Provision for taxation	12	12,527	16,948	(26.1)	3,704	2,781	33.2
Total current liabilities		175,518	192,992	(9.1)	149,667	162,350	(7.8)
Non-current liabilities							
Loans from subsidiaries	9	-	-	-	584,231	543,952	7.4
Loans and borrowings	10	612,830	573,084	6.9	-	-	-
Derivative financial liabilities	4	6,357	4,459	42.6	40	341	(88.3)
Deferred tax liabilities	5	16,542	12,615	31.1	4	4	-
Total non-current liabilities		635,729	590,158	7.7	584,275	544,297	7.3
TOTAL LIABILITIES		811,247	783,150	3.6	733,942	706,647	3.9
NET ASSETS		1,448,998	1,475,994	(1.8)	1,257,507	1,286,339	(2.2)
Represented by:							
Unitholders' funds		1,417,667	1,444,839	(1.9)	1,257,507	1,286,339	(2.2)
Non-controlling interests	13	31,331	31,155	0.6	-	-	-
		1,448,998	1,475,994	(1.8)	1,257,507	1,286,339	(2.2)
Net asset value per Unit (\$)	14	1.05	1.07	(1.9)	0.93	0.95	(2.1)
Aggregate leverage (%)	15	32.5	30.8	170bps	Nm	Nm	Nm

Notes:

- 1 Included in the investment properties were leases of \$32.8 million capitalised at the lower of its fair value and the present value of the minimum lease payments for isek DC and KDC DUB 1.

<u>Investment Properties</u>	<u>Tenure</u>	<u>Carrying Value (\$'000)</u>
Keppel DC Singapore 1	Leasehold, expiring 30 Sept 2055 [^]	287,062
Keppel DC Singapore 2	Leasehold, expiring 31 July 2051 [^]	169,012
Keppel DC Singapore 3	Leasehold, expiring 31 Jan 2052 [^]	257,435
Keppel DC Singapore 5	Leasehold, expiring 31 August 2041	320,491
Basis Bay Data Centre	Freehold	28,203
Gore Hill Data Centre	Freehold	197,616
Intellicentre 2 Data Centre	Freehold	51,436
iseek Data Centre	Leasehold, expiring 29 June 2047 [^]	42,090
GV7 Data Centre	Leasehold, expiring 28 Sept 2183 [^]	65,089
Cardiff Data Centre	Freehold	67,024
Almere Data Centre	Freehold	137,570
Keppel DC Dublin 1	Leasehold, expiring 11 April 2041 [^]	106,019
Keppel DC Dublin 2	Leasehold, expiring 31 Dec 2997	112,183
Milan Data Centre	Freehold	56,719
maincubes Data Centre	Freehold	134,112
		<u>2,032,061</u>

[^] 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 Deposit was paid to the vendor for the acquisition of the remainder of the 999-year leasehold land interest in KDC DUB 1 in 2018.
- 4 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.
- 5 These related to the net deferred tax assets/liabilities recognised in different tax jurisdictions that arose on tax losses carried forward and fair value changes in certain investment properties.
- 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* in 2018 and SFRS(I) 16 *Leases* in 2019, but not yet received from the clients.
- 7 This related to intangible assets with finite useful lives recognised in relation to a rental top up provided by the vendors. The intangible assets will be amortised on a straight-line basis over the relevant rental top up periods.
- 8 2018 other asset related to the economic benefits to be derived from an overseas asset acquired in 2017.
- 9 These related to loans from subsidiaries. The higher balances as at 31 March 2019 were mainly due to the additional loans from subsidiaries.
- 10 These related to external borrowings of \$714.2 million (refer to Paragraph 1(B)(ii)), lease liabilities recognised for isek DC and KDC DUB 1 and capitalised debt-related transaction costs. The higher external borrowings as at 31 March 2019 were mainly due to issuance of medium term notes, partially offset by the repayment of certain bank borrowings.
- 11 Included in trade and other payables were trade creditors, accrued liabilities and deferred revenue.
- 12 Included in income tax provision were income tax expense accrued for the Group and provision of withholding tax expense in relation to the income received from the Group's overseas investments.
- 13 This related to the non-controlling interests' share of net asset value.
- 14 This excluded the non-controlling interests' share of net asset value.
- 15 Aggregate leverage related to the \$714.2 million external borrowings drawn down (refer to Paragraph 1(B)(ii)) over deposited properties which 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 lease liabilities pertaining to the land rent commitments for isek DC and KDC DUB 1. If these lease liabilities pertaining to land rent commitments were included, the ratio would be 33.6% (31 December 2018: 31.9%).

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

	Group	
	As at 31 Mar 19 \$'000	As at 31 Dec 18 \$'000
<u>Unsecured borrowings¹</u>		
Amount repayable within one year	130,000	130,000
Amount repayable after one year	584,231	543,952
	714,231	673,952

Note:

- 1 Keppel DC REIT has unsecured borrowings of approximately \$491.3 million (2018: \$523.6 million) and \$69.2 million (2018: \$72.7 million) and \$153.7 million (2018: \$77.7 million) under its term loan facilities, revolving credit facilities and Multicurrency Medium Term Note Programme respectively.

As at 31 March 2019, the Group had total borrowings of approximately \$714.2 million and unutilised facilities of approximately \$140.0 million to meet its future obligations. The all-in average interest rate for borrowings was 1.7% per annum for the financial period ended 31 March 2019.

1(C) CONSOLIDATED STATEMENT OF CASH FLOWS

	1Q 2019 \$'000	1Q 2018 \$'000
Operating activities		
Profit after tax for the financial period	31,026	25,689
Adjustments for:		
Tax expenses	2,605	1,381
Finance income	(192)	(414)
Finance costs	4,056	3,993
Amortisation of intangible assets	2,000	776
Management fees paid in Units	498	146
Unrealised currency translation differences	2,763	377
	42,756	31,948
Changes in working capital:		
- Trade and other receivables	(3,851)	(17,029)
- Trade and other payables	(5,486)	4,613
Cash generated from operations	33,419	19,532
Net tax paid	(5,523)	(802)
Net cash from operating activities	27,896	18,730
Cash flows from investing activities		
Acquisition of interests in investment properties (Note A)	-	(122,094)
Additions to investment properties	(8,869)	(5,943)
Capital expenditures on investment properties	(11,056)	(1,208)
Deposit paid	-	(808)
Net cash used in investing activities	(19,925)	(130,053)
Cash flows from financing activities		
Proceeds from borrowings	83,326	136,564
Payment of financing transaction costs	(115)	(71)
Repayment of borrowings	(36,890)	-
Finance costs paid	(3,805)	(3,768)
Distributions paid to Unitholders	(50,008)	(39,338)
Dividends paid to non-controlling interests	(656)	(661)
Net cash (used in) / generated from financing activities	(8,148)	92,726
Net decrease in cash and cash equivalents	(177)	(18,597)
Cash and cash equivalents at beginning of period	128,415	116,098
Effects of exchange rate fluctuations on cash held	(346)	(346)
Cash and cash equivalents at end of period	127,892	97,155
Cash and cash equivalent balances	127,892	98,736
Less: Rental top up received in advance held in a designated account (Note B)	-	(1,581)
Cash and cash equivalents per Consolidated Statement of Cash Flows	127,892	97,155

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, to the vendor as settlement of the purchase consideration.

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

This related 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 had been recognised periodically under other income till December 2018.

Cash flow analysis (1Q 2019 vs 1Q 2018)

Cash generated from operating activities for the quarter was \$27.9 million, \$9.2 million higher than \$18.7 million for the corresponding quarter last year. This was mainly due to higher operational cash inflow and lower working capital requirement, partially offset by higher net tax paid during the quarter.

Net cash used in investing activities for 1Q 2019 was \$19.9 million, comprising mainly an additional consideration paid to a vendor of an overseas asset acquired in 2017, upfront land premium paid for KDC SGP 5 and capital expenditures. Net cash used in investing activities for the corresponding quarter last year 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.

The Group recorded net cash used in financing activities of \$8.1 million in 1Q 2019 as compared to net cash generated from financing activities of \$92.7 million for the corresponding quarter last year. Net cash used in 1Q 2019 was mainly due to distributions paid to Unitholders, repayment of borrowings and finance costs, partially offset by the proceeds from bank borrowings and medium term notes issued. Net cash generated from financing activities for 1Q 2018 comprised mainly borrowing proceeds drawn down to finance the acquisition of maincubes DC, partially offset by distributions paid to Unitholders and finance costs.

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

<u>Group</u>	<u>Note</u>	<u>Units in</u> <u>issue</u> <u>'000</u>	<u>Foreign</u> <u>Currency</u> <u>Translation</u> <u>Reserve</u> <u>\$'000</u>	<u>Hedging</u> <u>reserve</u> <u>\$'000</u>	<u>Other</u> <u>reserve</u> <u>\$'000</u>	<u>Accumulated</u> <u>profits</u> <u>\$'000</u>	<u>Unitholders'</u> <u>Funds</u> <u>\$'000</u>	<u>Non-</u> <u>controlling</u> <u>Interests</u> <u>\$'000</u>	<u>Total</u> <u>\$'000</u>
At 1 January 2019		1,378,025	16,416	885	(95,751)	145,264	1,444,839	31,155	1,475,994
Operations									
Profit after tax for the period		-	-	-	-	30,198	30,198	828	31,026
Net increase in net assets resulting from operations		-	-	-	-	30,198	30,198	828	31,026
Unitholders' transactions									
Distributions to Unitholders		-	-	-	-	(50,008)	(50,008)	-	(50,008)
Payment of management fees in Units		498	-	-	-	-	498	-	498
Net decrease in net assets resulting from Unitholders' transactions		498	-	-	-	(50,008)	(49,510)	-	(49,510)
Dividends paid to non-controlling interests		-	-	-	-	-	-	(656)	(656)
Other comprehensive income									
Movement in hedging reserve	1	-	-	(2,994)	-	-	(2,994)	-	(2,994)
Foreign currency translation movement	1	-	(4,866)	-	-	-	(4,866)	4	(4,862)
Net decrease in other comprehensive income		-	(4,866)	(2,994)	-	-	(7,860)	4	(7,856)
At 31 March 2019		1,378,523	11,550	(2,109)	(95,751)	125,454	1,417,667	31,331	1,448,998
At 1 January 2018		1,078,173	22,145	(285)	(95,751)	85,434	1,089,716	26,786	1,116,502
Operations									
Profit after tax for the period		-	-	-	-	24,954	24,954	735	25,689
Net increase in net assets resulting from operations		-	-	-	-	24,954	24,954	735	25,689
Unitholders' transactions									
Distributions to Unitholders		-	-	-	-	(39,338)	(39,338)	-	(39,338)
Payment of management fees in Units		146	-	-	-	-	146	-	146
Net decrease in net assets resulting from Unitholders' transactions		146	-	-	-	(39,338)	(39,192)	-	(39,192)
Dividends paid to non-controlling interests		-	-	-	-	-	-	(661)	(661)
Other comprehensive income									
Movement in hedging reserve	1	-	-	1,414	-	-	1,414	-	1,414
Foreign currency translation movement	1	-	5,771	-	-	-	5,771	(62)	5,709
Net increase in other comprehensive income		-	5,771	1,414	-	-	7,185	(62)	7,123
At 31 March 2018		1,078,319	27,916	1,129	(95,751)	71,050	1,082,663	26,798	1,109,461

Note:

- 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 (CONT'D)

<u>Trust</u>	<u>Note</u>	<u>Unit in issue</u> <u>'000</u>	<u>Hedging</u> <u>reserve</u> <u>\$'000</u>	<u>Other</u> <u>reserve</u> <u>\$'000</u>	<u>Accumulated</u> <u>profits</u> <u>\$'000</u>	<u>Unitholders'</u> <u>Funds</u> <u>\$'000</u>
At 1 January 2019		1,378,025	3,655	(95,751)	410	1,286,339
Operations						
Profit after tax for the period		-	-	-	21,077	21,077
Net increase in net assets resulting from operations		-	-	-	21,077	21,077
Unitholders' transactions						
Distribution to Unitholders		-	-	-	(50,008)	(50,008)
Payment of management fees in Units		498	-	-	-	498
Net decrease in net assets resulting from Unitholders' transactions		498	-	-	(50,008)	(49,510)
Other comprehensive income						
Movement in hedging reserve	1	-	(399)	-	-	(399)
Net decrease in other comprehensive income		-	(399)	-	-	(399)
At 31 March 2019		1,378,523	3,256	(95,751)	(28,521)	1,257,507
At 1 January 2018		1,078,173	99	(95,751)	(23,336)	959,185
Operations						
Profit after tax for the period		-	-	-	19,430	19,430
Net increase in net assets resulting from operations		-	-	-	19,430	19,430
Unitholders' transactions						
Distribution to Unitholders		-	-	-	(39,338)	(39,338)
Payment of management fees in Units		146	-	-	-	146
Net decrease in net assets resulting from Unitholders' transactions		146	-	-	(39,338)	(39,192)
Other comprehensive income						
Movement in hedging reserve	1	-	(878)	-	-	(878)
Net decrease in other comprehensive income		-	(878)	-	-	(878)
At 31 March 2018		1,078,319	(779)	(95,751)	(43,244)	938,545

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 19 to 31 Mar 19	1 Jan 18 to 31 Mar 18
	No. of Units	No. of Units
Issued Units as at beginning of period	1,351,578,450	1,127,171,336
Management fees paid in Units	363,549	103,981
Issued Units as at end of period	1,351,941,999	1,127,275,317

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

Keppel DC REIT did not hold any treasury units as at 31 March 2019 and 31 December 2018.

	Group	
	As at 31 Mar 19	As at 31 Dec 18
Total number of issued Units	1,351,941,999	1,351,578,450

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 SFRS (I) Interpretation that are effective for annual period beginning on 1 January 2019.

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 2019	1Q 2018
<u>Earnings per Unit (EPU)</u>		
EPU (basic and diluted) (cents)	2.23	2.21
Weighted average number of Units ¹	1,351,816,776	1,127,239,502
Profit after tax ² (\$'000)	30,198	24,954
<u>Distribution per Unit (DPU)</u>		
DPU³ (cents)	1.92	1.80
Total number of Units in issue at end of period	1,351,941,999	1,127,275,317
Income available for distribution to Unitholders (\$'000)	27,109	20,867

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

	Group	
	As at 31 Mar 19	As at 31 Dec 18
NAV² per Unit⁴ (\$)	1.05	1.07
NTA² per Unit⁴ (\$)	1.05	1.07

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 profit and loss for the period after tax.
- 3 DPU excluded Capex Reserves. Keppel DC REIT declares distributions on a half-yearly basis. No distribution has been declared for the financial period under review.
- 4 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 2019 and 2018 results

(1Q 2019 vs 1Q 2018)

Gross rental income for 1Q 2019 was \$45.7 million, an increase of \$8.8 million or 23.8% from 1Q 2018 of \$36.9 million. This was mainly contributed by the acquisition of KDC SGP 5 and maincubes DC. The increase was partially offset by lower non-cash adjustment for straight-lining of rental as well as lower overseas contributions arising from the depreciation of AUD and EUR against SGD.

Other income of \$2.3 million was \$1.2 million higher than 1Q 2018 due to higher rental top up income recognised.

Property operating expenses for 1Q 2019 was \$4.8 million, an increase of \$0.9 million or 22.5% from 1Q 2018 of \$3.9 million. This was mainly due to acquisition of KDC SGP 5, as well as higher property-related expenses recorded at KDC DUB 1 and KDC DUB 2.

As a result, net property income of \$43.2 million for 1Q 2019 was \$9.1 million or 26.8% higher than 1Q 2018.

Profit after tax for 1Q 2019 was \$31.0 million, an increase of \$5.3 million or 20.8% as compared to 1Q 2018 of \$25.7 million. This was mainly due to higher net property income and net realised gains on derivatives, partially offset by higher amortisation expense, Manager's fees and tax expenses.

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

In its Interim Economic Outlook published in March 2019, the Organisation for Economic Co-operation and Development (OECD) expects global growth to ease, citing political uncertainties in Europe, weaker growth in China, and ongoing trade tensions.

Demand in the data centre industry continues to be supported by rapid growth in data creation and storage needs, increasing digitalisation and cloud adoption, data sovereignty regulations, as well as the strong growth in colocation demand from hyperscale cloud players. Improved connectivity as well as the development and adoption of new technologies such as 5G mobile networks, driverless vehicles, virtual reality, the Internet of Things (IOT), will also continue to support demand for data centres globally.

Keppel DC REIT, with its established track record and enlarged portfolio of assets in key data centre hubs in Asia-Pacific and Europe, is well-placed to benefit from the growth of the data centre market. The Manager will continue to maintain its focused investment strategy to capture value and strengthen its presence across key data centre hubs.

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 in 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 2019 \$'000	1Q 2018 \$'000
Keppel Corporation Limited and its subsidiaries		
- Manager's acquisition fees	28	1,357
- Manager's management fees	3,904	3,011
Keppel Telecommunications & Transportation Ltd and its subsidiaries		
- Variable rental income	19,189	13,378
- Facility management and property management fees	775	880
- Support services fees	139	138
Perpetual (Asia) Limited		
- Trustee fees	66	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
15 April 2019

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

We, Christina Tan Hua Mui and Lee Chiang Huat, 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 2019 to 31 March 2019 to be false or misleading in any material respects.

On behalf of the Board,



Christina Tan Hua Mui
Chairman



Lee Chiang Huat
Director

15 April 2019

First Quarter 2019 Financial Results

15 April 2019



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.

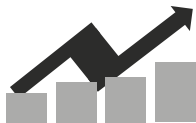
Prospective investors and unitholders of Keppel DC REIT (“Unitholders”) are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Keppel DC REIT Management Pte. Ltd., as manager of Keppel DC REIT (the “Manager”) on future events. No representation 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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Contents

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

Key Highlights



- **Steady y-o-y growth in distributable income and DPU**, increasing 29.9% to \$27.1m and 6.7% to 1.92 cents respectively in 1Q 2019



- **Stable income stream** with healthy portfolio occupancy of 93.2% and long WALE of 8.0 years



- **Diversified sources of funding** with issuance of €50 million 7-year floating-rate notes due 2026, providing a more well-spread loan maturity profile



- **Limited interest rate exposure** with 81% of borrowings hedged over the entire loan term



- **Low aggregate leverage** of 32.5% as at 31 Mar 2019 provides healthy debt headroom to pursue growth

Financial Performance

1Q 2019 Financial Update

- **6.7% y-o-y growth in DPU**
mainly contributed by new acquisitions
- **Issued €50 million 7-year floating rate notes** due 2026 (MTN Series 002) in Feb 2019
- **Tax transparency treatment**, in line with the REIT's other Singapore assets, obtained for Keppel DC Singapore 5 in Jan 2019

Distributable Income

(\$'000)	1Q 2019	1Q 2018	+/(-) %
Distributable Income to Unitholders	27,109	20,867	+29.9
<u>Comprising</u>			
Gross Revenue	48,033	38,008	+26.4
Property Expenses	(4,803)	(3,920)	+22.5
Net Property Income	43,230	34,088	+26.8
Distribution per Unit ¹ (DPU) (cents)	1.92	1.80	+6.7
Annualised Distribution Yield ² (%)	5.12	4.80	32bps

1. Exclude Capex Reserves set aside for Keppel DC Singapore 3 and Keppel DC Singapore 5. Keppel DC REIT declares distributions on a half-yearly basis. No distribution has been declared for the quarter ended 31 March 2019.

2. Distribution yields were computed based on 1Q 2019 closing price of \$1.500.

Balance Sheet Highlights

(\$'000)	As at 31 Mar 2019	As at 31 Dec 2018	+/(-) %
Investment Properties	2,032,061	2,028,672	+0.2
Total Assets	2,260,245	2,259,144	-
Gross Borrowings ¹	714,231	673,952	+6.0
Total Liabilities	811,247	783,150	+3.6
Unitholders' Funds	1,417,667	1,444,839	(1.9)
Units in Issue ('000)	1,351,942	1,351,578	-
Net Asset Value (NAV) per Unit (\$)	1.05	1.07	(1.9)
Unit Price (Closing price of last trading day) (\$)	1.500	1.350	+11.1
Premium to NAV (%)	+42.9	+26.2	16.7pp

1. Gross borrowings relates to borrowings drawn down from loan facilities and the medium term note programme.

Aggregate Leverage

(\$'000)	As at 31 Mar 2019	As at 31 Dec 2018	+/(-) %
Investment Properties¹ <i>(excluding lease liabilities commitments)</i>	1,999,332	1,995,206	+0.2
Deposited Properties¹ <i>(excluding lease liabilities commitments)</i>	2,195,267	2,187,396	+0.4
Gross Borrowings + Deferred Payment	714,231	673,952	+6.0
Aggregate Leverage²	32.5%	30.8%	170bps

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 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 lease liabilities pertaining to land rent commitments, the Aggregate Leverage will be 33.6% (2018: 31.9%).

Capital Management

Prudent Capital Management

- **Managing interest rate exposure:** Interest rates of loans substantially hedged with floating-to-fixed interest rate swaps
- **Diversifying sources of funding:** Issuance of €50m 7-year floating rate notes due 2026
- **Maintaining low aggregate leverage:** Provides flexibility and a healthy debt headroom for growth

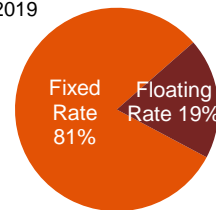
As at 31 Mar 2019

Total debt	■ ~\$714.2m of external loans/notes (unencumbered)
Available facilities	■ ~\$140.0m of undrawn credit facilities
Aggregate Leverage¹	■ 32.5%
Average cost of debt²	■ 1.7% per annum
Debt tenor	■ 3.3 years
Interest coverage³	■ 12.9 times

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 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 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.

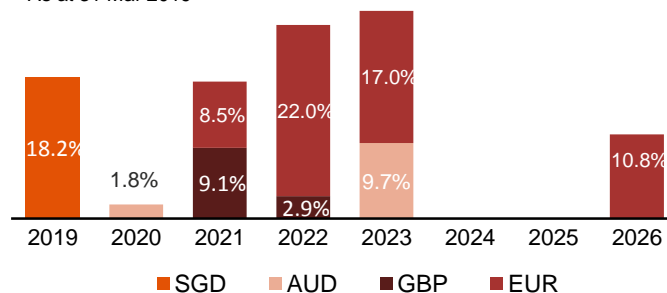
Borrowings on fixed rate

As at 31 Mar 2019



Debt maturity profile

As at 31 Mar 2019

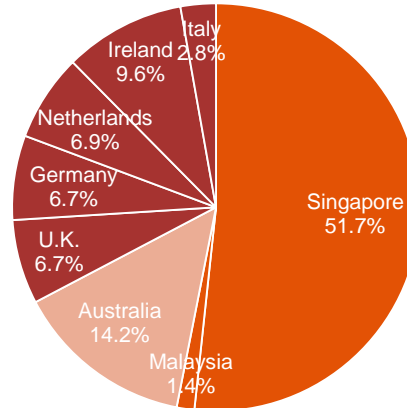


Prudent Capital Management

Mitigating impact of currency fluctuations:

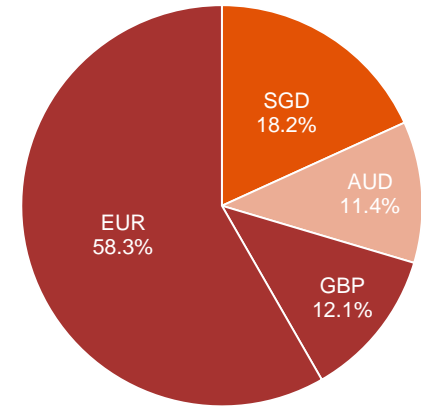
- Hedged forecasted foreign-sourced distributions till 2H 2020 through foreign currency forward contracts
- Adopted natural hedging by borrowing in currencies that match the corresponding investments

Investment properties breakdown¹
(as at 31 Mar 2019)



Total carrying value:
Approx. \$2.0b

Debt currency breakdown
(as at 31 Mar 2019)



Total borrowings:
Approx. \$714m

Asia Australia Europe

1. Based on 100% carrying value as at 31 Mar 2019 without taking into consideration the lease liabilities pertaining to the land rent commitments for isseek Data Centre and Keppel DC Dublin 1.

Portfolio Update

Portfolio Update

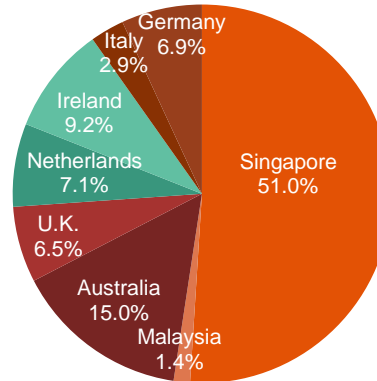
- **Keppel DC Singapore 3**
 - Retrofitting works to make way for expansion within a client's premises
 - Expected completion: Mid-2019
- **Keppel DC Dublin 1**
 - Asset enhancement works to improve energy efficiency
 - Expected completion: 2020
- **Keppel DC Dublin 2:**
 - Power upgrade and fit-out works to make way for client expansion
 - Expected completion: 2H2019

Diversified and Resilient Portfolio

- **67.4% of portfolio in Asia Pacific and 32.6% in Europe**

Portfolio AUM breakdown

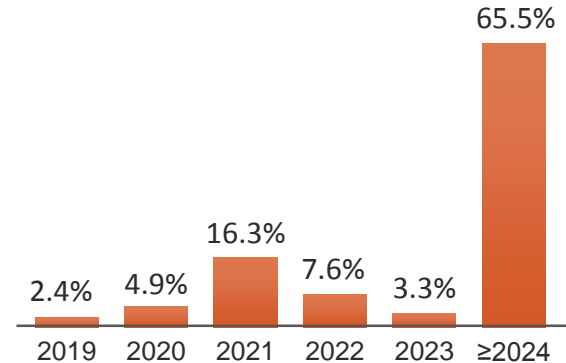
As at 31 Mar 2019



- **Healthy portfolio occupancy of 93.2% and long WALE of 8.0 years**

Lease expiry profile (by leased area)

As at 31 Mar 2019



Diversified and Resilient Portfolio

■ Quality data centres that cater to the requirements of global clientele

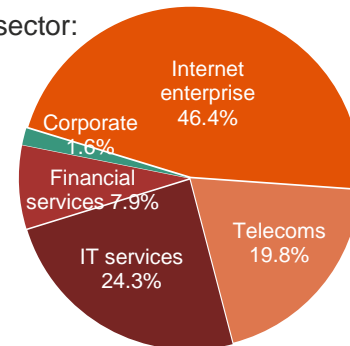
- Colocation facilities provide diverse client profile and lease expiry
- Fully-fitted and shell & core facilities provide income stability with typically longer lease terms

Lease Type	Client Count	WALE ² (years)	Ownership of Data Centre Components		
			M&E Equipment	Facility Management	Servers & Racks
Colocation	Multi	3.1	✓	✓	-
Fully-fitted	Single	10.9	✓	-	-
Shell & core	Single	10.9	-	-	-

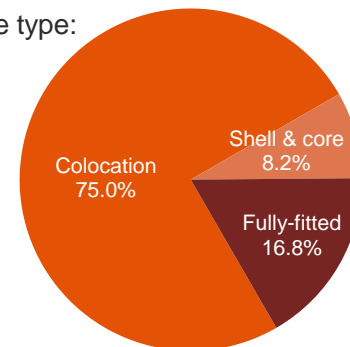
1. Based on the colocation agreements and lease agreements with clients of the properties, treating the Keppel leases on a pass-through basis to the underlying clients.
2. By leased area as at 31 Mar 2019.

Rental income breakdown for the month of Mar 2019¹

By trade sector:



By lease type:



Outlook



Demand for data centre space underpinned by increasing cloud adoption, rapid digital transformation, data centre outsourcing and data sovereignty regulations

Supported by Sound Industry Fundamentals



Global co-location market expected to grow by 15-17% in 2019¹



Global cloud infrastructure market expected to grow by 25% CAGR in 2019-2023¹



Virtual Reality (VR) and Augmented Reality (AR) traffic expected to increase 12-fold between 2017 and 2022 globally, a 65% CAGR²



Total mobile data traffic predicted to increase by 31% CAGR by 2024, reaching 136 exabytes per month by end 2024²

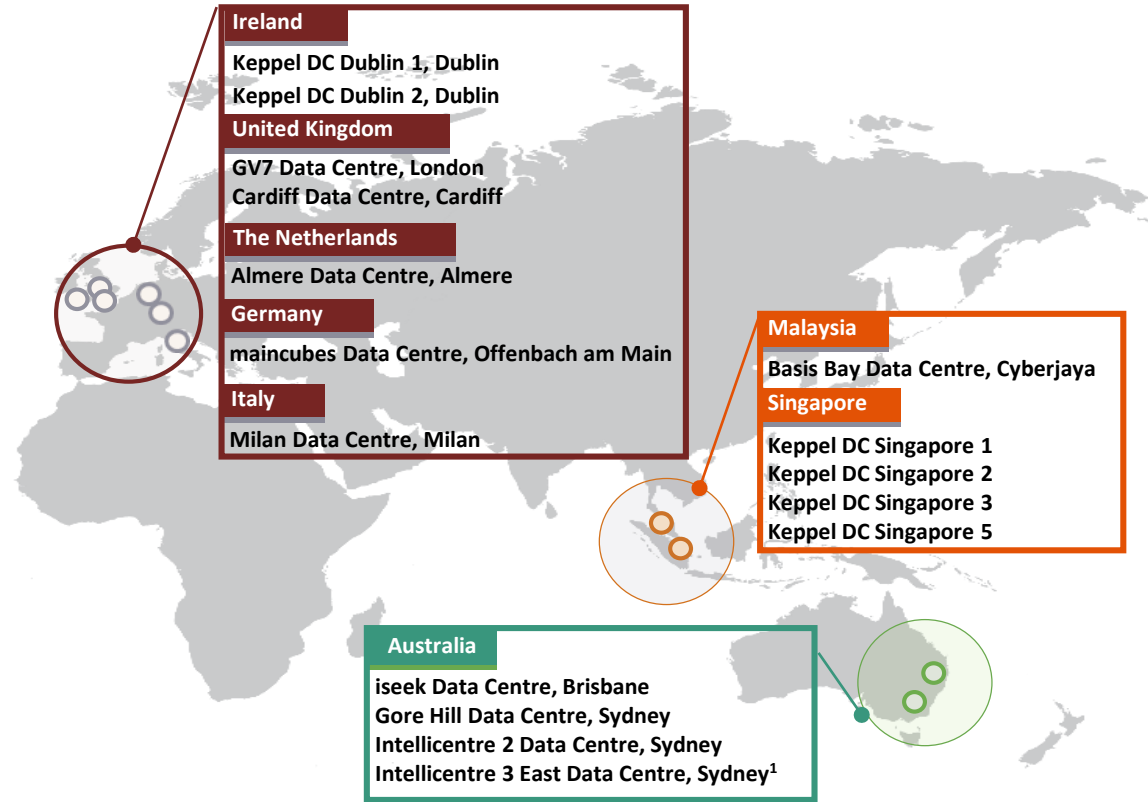


Hyperscale operator revenues are growing by 20% p.a driven by expansion of cloud services, e-commerce, social media and online advertising³

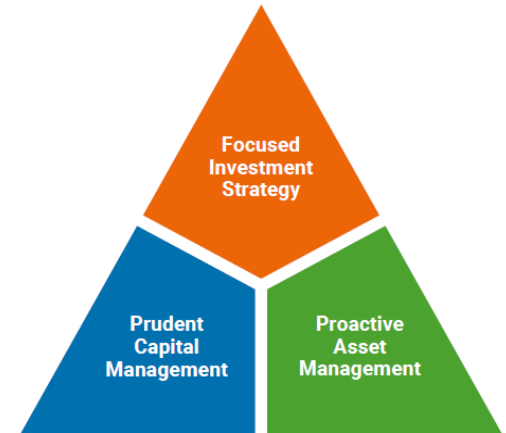


Cloud gaming market is expected to grow at 15% CAGR between 2018 and 2023⁴

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.

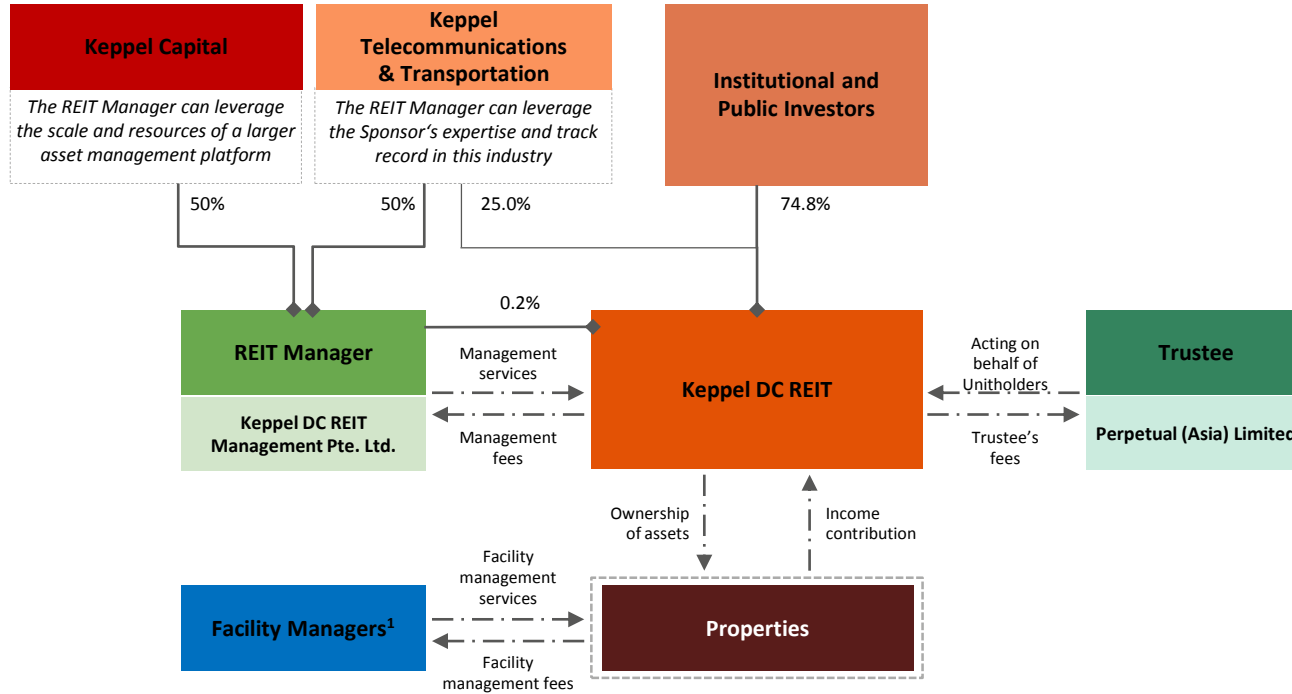


Additional Information










Portfolio Growth since Listing



Keppel DC REIT Structure



Portfolio Overview (as at 31 Mar 2019)

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	17	86.9	287.0	Keppel lease / Colocation	3.0	Leasehold (Expiring 30 Sep 2025, with option to extend by 30 years)
	Keppel DC Singapore 2	Singapore	100%	38,090	4	100.0	169.0	Keppel lease / Colocation	2.4	Leasehold (Expiring 31 Jul 2021, with option to extend by 30 years)
	Keppel DC Singapore 3	Singapore	90%	49,433	2	100.0	231.3	Keppel lease / Colocation	3.2	Leasehold (Expiring 31 Jan 2022, with option to extend by 30 years)
	Keppel DC Singapore 5	Singapore	99%	97,781	3	84.2	316.8	Keppel lease / Colocation	2.6	Leasehold (Expiring 31 Aug 2041)
	Basis Bay Data Centre	Cyberjaya, Malaysia	99%	48,193	1	63.1	27.9	Colocation	3.2	Freehold
	Gore Hill Data Centre	Sydney, Australia	100%	90,955	3	100.0	197.6	Triple-net (Shell & core) / Colocation	6.1	Freehold
	Intellicentre 2 Data Centre	Sydney, Australia	100%	87,930	1	100.0	51.3	Triple-net (Shell & core)	16.4	Freehold
	iseek Data Centre	Brisbane, Australia	100%	12,389	1	100.0	33.1	Double-net ³ (Fully-fitted)	7.2	Leasehold (Expiring 29 Sep 2040, with option to extend by 7 years)
	Intellicentre 3 East Data Centre ⁴ (under development)	Sydney, Australia	100%	Min. 86,000	1	100.0 ⁴	A\$26.0-A\$36.0m (development costs)	Triple-net (Shell & core)	20.0 ⁴	Freehold

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 Dec 2018.

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

4. This development is expected to be completed between 2020 and is excluded from the portfolio's asset under management; Facility will be fully leased to Macquarie Telecom upon completion.



Portfolio Overview (as at 31 Mar 2019)

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	67.0	Triple-net (Shell & core)	12.2	Freehold
	GV7 Data Centre	London, United Kingdom	100%	24,972	1	100.0	65.1	Triple-net (Fully-fitted)	7.9	Leasehold (Expiring 28 Sep 2183)
	Almere Data Centre	Almere, Netherlands	100%	118,403	1 ³	100.0	137.6	Double-net (Fully-fitted)	9.4	Freehold
	Keppel DC Dublin 1	Dublin, Ireland	100%	68,118	19	61.8	75.9	Colocation	1.8	Leasehold ⁴ (Expiring 11 Apr 2041)
	Keppel DC Dublin 2	Dublin, Ireland	100%	25,127	4	90.7	103.8	Colocation	9.2	Leasehold (Expiring 31 Dec 2997)
	Milan Data Centre	Milan, Italy	100%	165,389	1	100.0	56.7	Double-net (Shell & core)	8.8	Freehold
	maincubes Data Centre	Offenbach am Main, Germany	100%	97,043	1	100.0	134.1	Triple-net (Fully-fitted)	14.0	Freehold

1. Certain clients have signed more than one colocation arrangement using multiple entities.

2. Portfolio AUM is based on respective independent valuations and respective ownership interests as at 31 Dec 2018.

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 Mar 2018, Keppel DC REIT entered into a contract to acquire the remainder of the 999-year (from 1 Jan 2000) leasehold land interest in Keppel DC Dublin 1. Legal completion of the acquisition is expected in 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	<ul style="list-style-type: none"> Client: Pays rent Owner: Bears all expenses; responsible for facilities management 	✓	✓	✓	✓
Keppel DC Singapore 2	Keppel lease ¹ / Colocation ³	<ul style="list-style-type: none"> Client: Pays rent Owner: Bears all expenses; responsible for facilities management 	✓	✓	✓	✓
Keppel DC Singapore 3	Keppel lease ² / Colocation ³	<ul style="list-style-type: none"> Client: Pays rent Owner: Bears all expenses; responsible for facilities management 	✓	✓	✓	✓
Keppel DC Singapore 5	Keppel lease ² / Colocation ³	<ul style="list-style-type: none"> Client: Pays rent Owner: Bears all expenses; responsible for facilities management 	✓	✓	✓	✓
Basis Bay Data Centre	Colocation ³	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Client: Pays rent and all outgoings; responsible for facilities management in their space 	-	-	-	-
Gore Hill Data Centre (for two clients)	Colocation Arrangement ⁴	<ul style="list-style-type: none"> Client: Pays rent Owner: Bears all expenses; responsible for facilities management 	✓	✓	✓	✓
Intellicentre 2 Data Centre	Triple-net lease	<ul style="list-style-type: none"> Client: Pays rent and all outgoings; responsible for facilities management 	-	-	-	-
iseek Data Centre	Double-net lease ⁴	<ul style="list-style-type: none"> Client: Pays rent and all outgoings except building insurance; responsible for facilities management 	-	✓	-	✓
Intellicentre 3 East Data Centre ⁵ (under development)	Triple-net lease	<ul style="list-style-type: none"> Client: Pays rent and all outgoings except building insurance and property tax; responsible for facilities management 	-	-	-	-

Overview of Lease Arrangements

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 ^{3,6}	■ Client: Pays rent ■ Owner: Bears all expenses; responsible for facilities management	✓	✓	✓	✓
Keppel DC Dublin 2	Colocation ^{3,6}	■ 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. 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 and Keppel DC Singapore 5 LLP with the Keppel lessee (Keppel DCS3 Services Pte Ltd) in relation to Keppel DC Singapore 3 and Keppel DC Singapore 5 respectively. 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.
5. This development is expected to be completed in 2020 and is excluded from the portfolio's assets under management; Facility will be leased to Macquarie Telecom upon completion.
6. Keppel DC REIT has in place colocation arrangements with the clients of Keppel DC Dublin 1 and Keppel DC Dublin 2.

Thank You