

MEDIA RELEASE

Keppel REIT Key Business and Operational Updates for the Third Quarter 2020

19 October 2020

The Directors of Keppel REIT Management Limited, as Manager of Keppel REIT, are pleased to provide the key business and operational updates of Keppel REIT for the third quarter of 2020.

For more information, please contact:

Media Relations

Ms Frances Teh
Senior Manager
Group Corporate Communications
Keppel Corporation Limited
Tel: (65) 6413 6437
Email: frances.teh@kepcorp.com

Investor Relations

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

The materials are also available at www.keppelreit.com, www.kepcapital.com and www.kepcorp.com

Keppel REIT achieves distributable income from operations of \$47.6 million for 3Q 2020

Key Highlights

- Distributable income from operations¹ for the third quarter of 2020 (3Q 2020) was \$47.6 million, bringing total distributable income for the nine months of 2020 (9M 2020) to \$142.4 million.
- Lengthened portfolio weighted average lease expiry (WALE) to 7.1 years and maintained high portfolio committed occupancy of 98.3%.
- Issued two tranches of perpetual securities, totalling \$300 million at a coupon rate of 3.15%.
- Aggregate leverage was 35.0% and all-in interest rate was reduced to 2.39% per annum.
- Optimising portfolio and expanding into Sydney's Grade A metropolitan office space with the proposed acquisition of Pinnacle Office Park.

Summary of Results

	GROUP					
	3Q 2020	3Q 2019	+ / (-)	9M 2020	9M 2019	+ / (-)
	\$'m	\$'m	%	\$'m	\$'m	%
Property income	44.8	42.4	+5.7	120.3	122.3	(1.6)
Net property income (NPI)	35.6	33.2	+7.2	94.6	95.5	(0.9)
Less: Attributable to non-controlling interests	(4.3)	(4.2)	+2.4	(12.7)	(12.5)	+1.6
NPI attributable to Unitholders	31.3	29.0	+7.9	81.9	83.0	(1.3)
Share of results of associates	23.1	21.3	+8.5	63.6	60.4	+5.3
Share of results of joint ventures	8.2	7.3	+12.3	21.9	21.6	+1.4
Distributable income from operations	47.6	45.5	+4.6	132.4	134.1	(1.3)
Capital gains distribution	N.a. ¹	2.0	N.m.	10.0 ¹	8.0	+25.0

Financial Performance

With effect from the second half of 2020 (2H 2020), Keppel REIT has adopted half-yearly announcement of financial statements and half-yearly distributions. In lieu of its quarterly financial statements, the Manager is providing interim operational updates on the REIT's performance for 3Q and 9M 2020.

Distributable income from operations was \$47.6 million for 3Q 2020, a 4.6% increase year-on-year due mainly to the commencement of income contribution from 311 Spencer Street in Melbourne, which achieved practical completion on 9 July 2020, and lower interest expenses. Distributable income from operations for 3Q 2020 excludes any distribution of capital gains, which will be disclosed at the full year 2020 results announcement.

Distributable income for 9M 2020 was stable year-on-year at \$142.4 million, notwithstanding the absence of income from Bugis Junction Towers, which was divested in November 2019, the impact of COVID-19 tenant relief measures and the cessation of rental support².

Capital Management

During the quarter, the Manager further optimised Keppel REIT's capital structure and issued a total of \$300 million of perpetual securities³ at a coupon rate of 3.15%. The rate compares favourably to the \$150 million of perpetual securities at 4.98%, which will be redeemed in November 2020. The remaining proceeds will be used for various purposes including the financing of investments and asset enhancement works, as well as general working capital purposes and refinancing of borrowings.

¹ As Keppel REIT has adopted half-yearly distributions from 2H 2020 onwards, any distribution of capital gains for 2H 2020 will be disclosed at the FY 2020 results announcement.

² Refers to rental support in relation to Marina Bay Financial Centre Tower 3, which was fully drawn in 1Q 2019.

³ \$150 million was issued on 11 September 2020 while another \$150 million was issued on 7 October 2020.

Keppel REIT's all-in interest rate was lower at 2.39% per annum for the period ended 30 September 2020 compared to 2.82% per annum for the same period in 2019. Aggregate leverage was 35.0%⁴ with a weighted average term to maturity of 3.3 years. Interest coverage ratio was 3.9 times⁵ and the interest rates of 80% of total borrowings are fixed.

Meanwhile, Keppel REIT had approximately \$894 million of undrawn credit facilities available, including \$426 million of committed facilities. Keppel REIT also has capital gains available from prior divestments that can be used to enhance the stability of distributions.

Portfolio Review

In September 2020, Keppel REIT announced the DPU-accretive acquisition of Pinnacle Office Park, a freehold Grade A commercial property comprising three office buildings located within Macquarie Park in Sydney.

With an initial net property income yield of 5.25%⁶, the acquisition is part of the Manager's active portfolio optimisation efforts to improve income resilience and portfolio yield. The expansion into the Grade A metropolitan office space strengthens Keppel REIT's portfolio, complementing its prime CBD offering. The acquisition is targeted to be completed in 4Q 2020.

On the leasing front, the Manager committed total leases of approximately 955,600 sf (attributable area of approximately 413,100 sf) for 9M 2020. The majority of the leases concluded for 9M 2020 were in Singapore. The average signing rent for the Singapore office leases committed in 9M 2020 was approximately \$11.03⁷ psf pm. As at 30 September 2020, Keppel REIT has completed all its rent reviews for the year, and had less than 1% of expiring leases remaining.

Keppel REIT's portfolio performance remained resilient, supported by its quality portfolio with high committed occupancy of 98.3%. The portfolio WALE was also further lengthened to 7.1 years from 4.6 years as at 30 June 2020, due mainly to the addition of 311 Spencer Street which is on a 30-year long lease to the Victoria Police. For 9M 2020, Keppel REIT had a tenant retention rate of 81%.

The Manager continues to take proactive steps in managing the COVID-19 situation. As at 30 September 2020, Keppel REIT's tenant relief measures were estimated to amount to approximately \$13.8 million, including the full pass-through of property tax rebates and cash grants from the Singapore Government amounting to approximately \$10.0 million, as well as rental waivers for eligible tenants. Rental collection for 3Q 2020 was also at a healthy 97%, with only approximately \$1.7 million in rent deferrals as at end September 2020. With more tenants expected to return to the workplace over time, the Manager will continue to adopt measures to provide a safe and conducive work environment.

Market Review

According to CBRE, Singapore average Grade A office rents registered a decrease in 3Q 2020, from \$11.15 psf pm to \$10.70 psf pm. Average occupancy decreased during the quarter from 94.4% as at end June 2020 to 93.9% as at end September 2020.

⁴ Assuming the acquisition of Pinnacle Office Park is completed as at 30 September 2020 and taking into account the effects of the issuance of \$150 million perpetual securities on 7 October 2020 and the redemption of \$150 million perpetual securities on 2 November 2020, the aggregate leverage would have been 36.9%.

⁵ Computed as trailing 12 months EBITDA (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), over trailing 12 months interest expense and borrowing-related fees, as defined in the Code on Collective Investment Schemes revised by the Monetary Authority of Singapore on 16 April 2020.

⁶ Includes A\$2.1 million of rental guarantee until the later of 31 December 2021 and 12 (or 6) months after the date of completion, depending on the relevant vacant premises.

⁷ For the Singapore office leases concluded in 9M 2020 and based on a weighted average calculation.

In Australia, JLL Research observed a general decline in the office market occupancy across the various cities during the quarter. In Seoul, JLL Research reported stable occupancy in the CBD Grade A office market at 85.1% as at end September 2020.

The COVID-19 pandemic continues to present unprecedented challenges to the business community. The Manager remains focused on maintaining stable and sustainable distributions to Unitholders, and achieving long-term growth. Keppel REIT's high portfolio committed occupancy, long WALE and established tenants from diversified sectors will continue to support the REIT's income resilience.

- END -

About Keppel REIT (www.keppelreit.com)

Keppel REIT was listed by way of an introduction on 28 April 2006. It is one of Asia's leading REITs with a portfolio of premium Grade A commercial assets in prime business and financial districts pan-Asia.

Keppel REIT's objective is to generate stable income and long-term growth for Unitholders by owning and investing in a portfolio of quality income-producing commercial real estate and real estate-related assets in Singapore and pan-Asia.

The REIT has assets under management of approximately \$8 billion in Singapore, key Australian cities of Sydney, Melbourne, Brisbane and Perth, as well as Seoul, South Korea.

Keppel REIT is sponsored by Keppel Land Limited, one of Asia's leading property companies. It is managed by Keppel REIT Management Limited, a wholly-owned subsidiary of Keppel Capital Holdings Pte. Ltd. (Keppel Capital). Keppel Capital is a premier asset manager in Asia with a diversified portfolio in real estate, infrastructure and data centre properties in key global markets.

Important Notice

The past performance of Keppel 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 or 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 REIT ("Unitholders") are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Keppel REIT Management Limited, as manager of Keppel 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 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 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.

3Q 2020

Operational Updates

19 October 2020

Outline

- Financial & Portfolio Highlights 3
- Market Review 13
- Additional Information 18

IMPORTANT NOTICE: The past performance of Keppel 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 or 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 REIT (“Unitholders”) are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Keppel REIT Management Limited, as manager of Keppel 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 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 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.

Constituent of:



FTSE ST Large & Mid Cap Index



FTSE EPRA Nareit Global Developed Index



GPR 250 Index Series



MSCI Singapore Small Cap Index

Financial & Portfolio Highlights

Marina Bay Financial Centre,
Singapore



Key Highlights



\$47.6m

3Q 2020 Distributable income from operations⁽¹⁾

Up 12.0% q-o-q; up 4.6% y-o-y

\$142.4m

9M 2020 Distributable income, including \$10.0m capital gains⁽¹⁾

Up 0.2% y-o-y

\$300m

3.15% perpetual securities issued



98.3%

High portfolio committed occupancy as at 30 Sep 2020

7.1 years

Long portfolio weighted average lease expiry as at 30 Sep 2020

Extended from 4.6 years to 7.1 years in 3Q 2020

311 Spencer Street

Commencement of income contribution in 3Q 2020, after practical completion on 9 Jul 2020



Pinnacle Office Park

Optimising portfolio and expanding into Sydney Grade A metropolitan office space with acquisition announced on 13 Sep 2020

Financial Performance

Stable distributable income for 9M 2020 due mainly to:

- Contributions from T Tower and 311 Spencer Street, commencement of major Singapore leases, capital gains distribution, and lower borrowing costs
- Offset by the impact of the divestment of Bugis Junction Towers in Nov 2019, COVID-19 tenant relief measures and the cessation of rental support

Distributable Income (\$m)



	3Q 2020	3Q 2019	+ / (-)	9M 2020	9M 2019	+ / (-)
Property Income⁽¹⁾	\$44.8m	\$42.4m	+5.7%	\$120.3m	\$122.3m	(1.6%)
Net Property Income (NPI)	\$35.6m	\$33.2m	+7.2%	\$94.6m	\$95.5m	(0.9%)
Less: Attributable to Non-controlling Interests	(\$4.3m)	(\$4.2m)	+2.4%	(\$12.7m)	(\$12.5m)	+1.6%
NPI Attributable to Unitholders	\$31.3m	\$29.0m	+7.9%	\$81.9m	\$83.0m	(1.3%)
Share of Results of Associates⁽²⁾	\$23.1m	\$21.3m	+8.5%	\$63.6m	\$60.4m	+5.3%
Share of Results of Joint Ventures⁽³⁾	\$8.2m	\$7.3m	+12.3%	\$21.9m	\$21.6m	+1.4%
Distributable Income from Operations	\$47.6m	\$45.5m	+4.6%	\$132.4m	\$134.1m	(1.3%)
Capital Gains Distribution	N.a. ⁽⁴⁾	\$2.0m	N.m.	\$10.0m ⁽⁴⁾	\$8.0m	+25.0%

N.m. = Not meaningful

(1) Property income relates to income from directly-held properties including Ocean Financial Centre, 50% interest in 275 George Street, 50% interest in 8 Exhibition Street office building and 100% interest in the three adjacent retail units, T Tower after it was acquired on 27 May 2019, Bugis Junction Towers before it was divested on 29 Nov 2019 and 311 Spencer Street after it achieved practical completion on 9 Jul 2020.

(2) Share of results of associates relates to Keppel REIT's one-third interests in One Raffles Quay and Marina Bay Financial Centre.

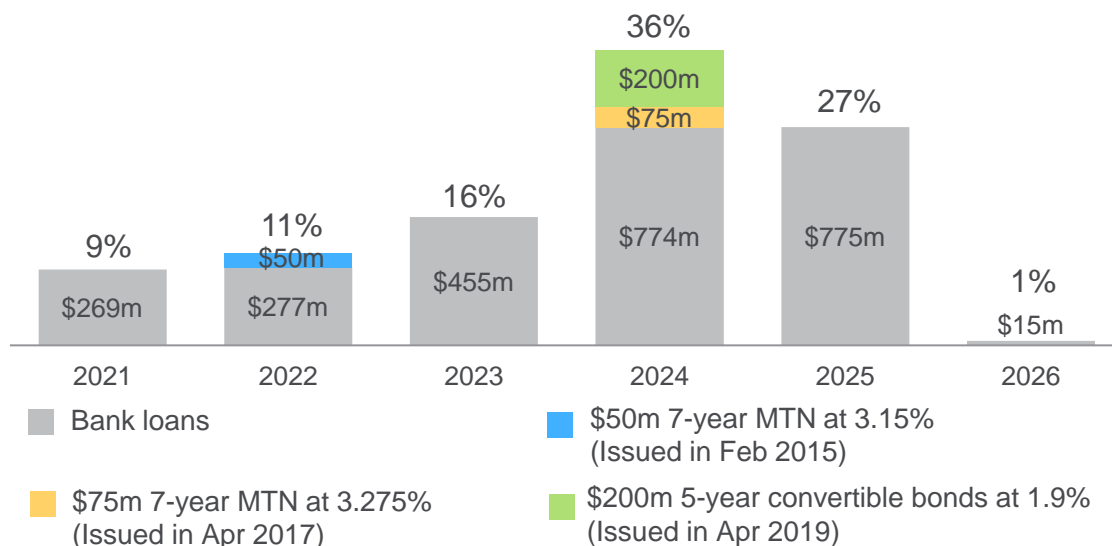
(3) Share of results of joint ventures relates to Keppel REIT's 50% interests in 8 Chifley Square and David Malcolm Justice Centre.

(4) As Keppel REIT has adopted half-yearly distributions from 2H 2020 onwards, any distribution of capital gains for 2H 2020 will be disclosed at the FY 2020 results announcement.

Prudent Capital Management

- All-in interest rate reduced year-on-year to 2.39% p.a. from 2.82% p.a.
- Issued \$300m⁽¹⁾ of 3.15% perpetual securities to refinance \$150m of 4.98% perpetual securities⁽²⁾ and increase financial flexibility
- Approximately \$894m of undrawn credit facilities available, including \$426m of committed facilities
- Capital gains available from past divestments to enhance stability of distributions

Debt Maturity Profile (As at 30 Sep 2020)



As at 30 Sep 2020	
Adjusted NAV per Unit ⁽³⁾	\$1.34
Interest Coverage Ratio ⁽⁴⁾	3.9x
All-in Interest Rate	2.39% p.a.
Aggregate Leverage ⁽⁵⁾	35.0%
Weighted Average Term to Maturity	3.3 years
Borrowings on Fixed Rates	80%

(1) \$150m was issued on 11 Sep 2020 while another \$150m was issued on 7 Oct 2020.

(2) \$150m of 4.98% perpetual securities will be redeemed on 2 Nov 2020.

(3) Excluded the distributable income for the period 1 Jul 2020 to 30 Sep 2020 to be paid in Feb 2021.

(4) Computed as trailing 12 months EBITDA (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), over trailing 12 months interest expense and borrowing-related fees, as defined in the Code on Collective Investment Schemes revised by the MAS on 16 Apr 2020.

(5) Assuming the acquisition of Pinnacle Office Park is completed as at 30 Sep 2020 and taking into account the effects of the issuance of \$150m perpetual securities on 7 Oct 2020 and the redemption of \$150m perpetual securities on 2 Nov 2020, the aggregate leverage would have been 36.9%.

DPU-Accretive Acquisition of Pinnacle Office Park, Sydney

- Acquiring a 100% interest in Pinnacle Office Park, a freehold Grade A commercial property comprising three office buildings near the Macquarie Park Metro Station
- Acquisition at a 5.25% initial NPI yield is part of ongoing portfolio optimisation to improve income resilience and portfolio yield

Transaction Overview	
Agreed Property Value ⁽¹⁾	A\$306.0m (\$303.3m) ⁽²⁾
Funding Structure	100% funded by AUD-denominated loan for natural hedge
Initial NPI Yield	5.25% ⁽³⁾
DPU Accretion	+4.5% ⁽⁴⁾
Expected Completion	4Q 2020



(1) Includes A\$2.1m of rental guarantee until the later of 31 Dec 2021 and 12 (or 6) months after the date of completion, depending on the relevant vacant premises.

(2) Based on an exchange rate of A\$1.00 = S\$0.9912 as at 9 Sep 2020. Including estimated transaction costs, the acquisition consideration would be A\$329.0m (\$326.1m).

(3) Based on the estimated NPI for a year from completion of the acquisition, including rental guarantee by the vendor for the same period.

(4) On a pro forma basis for FY 2019 as if the acquisition was completed on 1 Jan 2019. DPU accretion would be +3.2% had the acquisition been funded by AUD-denominated loan and \$150m of perpetual securities issued on 11 Sep 2020.

Investment Merits

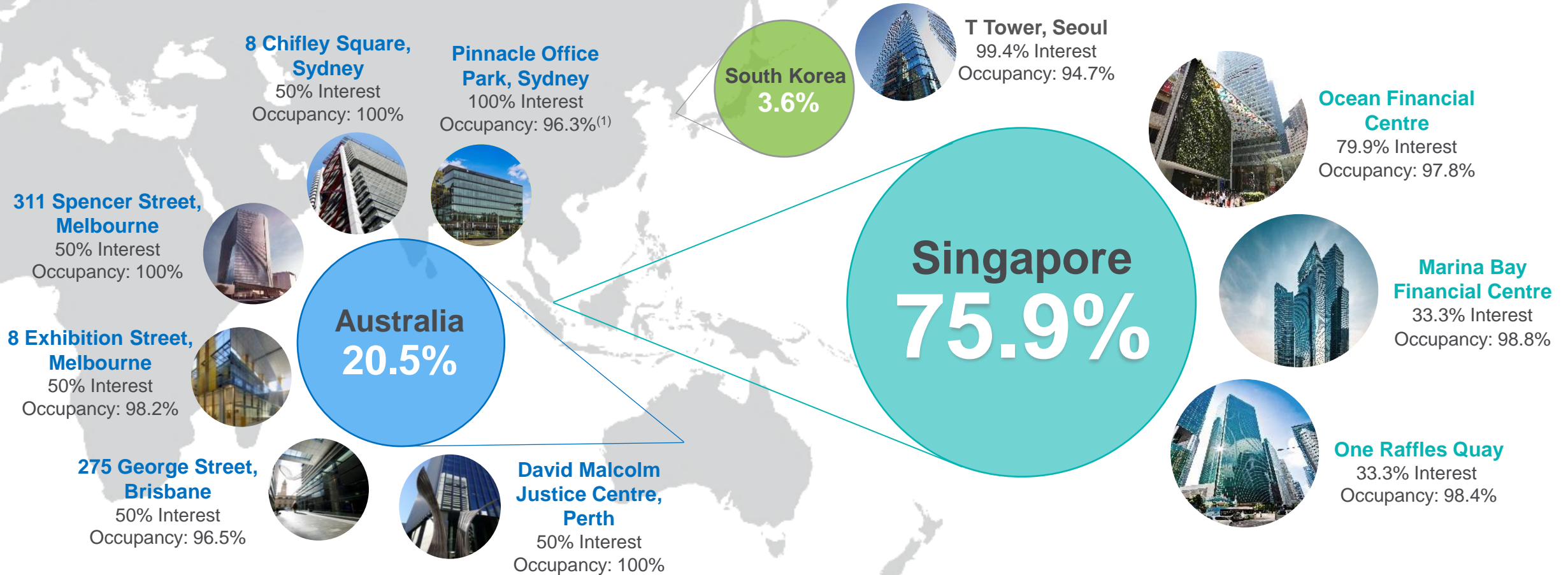
[Click](#) to view property video

1. Portfolio optimisation to improve income resilience and portfolio yield
2. DPU-accretive acquisition that will enhance the REIT's distributions
3. Opportunity to gain exposure to a key Australian metropolitan office market
4. Expansion into Grade A metropolitan office space for tenants seeking cost-effective or hub-and-spoke business models
5. Potential partial re-development opportunity in the medium term



Resilient Portfolio Anchored by Singapore CBD Assets

\$8.4 billion portfolio in key business districts of Singapore, Australia and South Korea enhances income diversification and long-term stability



Note: Information as of 30 Sep 2020 and assuming the inclusion of Pinnacle Office Park in Sydney which was announced on 13 Sep 2020 and targeted for acquisition completion in 4Q 2020.

(1) As at 30 Jun 2020.

Managing the COVID-19 Situation

- Keppel REIT's quality office portfolio and high-quality tenant profile continue to provide income stability and resilience
- Portfolio committed occupancy remained high at 98.3%⁽¹⁾. Portfolio weighted average lease expiry was extended to 7.1 years⁽¹⁾; Top 10 tenants' WALE was 12.3 years⁽¹⁾
- Safety measures in place to facilitate the return of tenants to the workplace
- To support tenants, and in line with government measures, measures were implemented to alleviate tenants' cashflow and cost pressures



Rental collection⁽²⁾

97%

in 3Q 2020



Rental deferrals

\$1.7m

as at 30 Sep 2020



Tenant relief measures⁽³⁾

Approx. \$13.8m

including estimated \$10.0m of government property tax rebates and cash grant

9M 2020 Leasing Update

Total Leases Committed

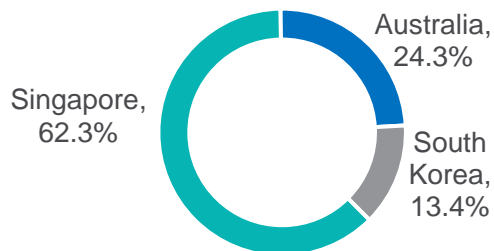
~955,600 sf

(Attributable ~413,100 sf)

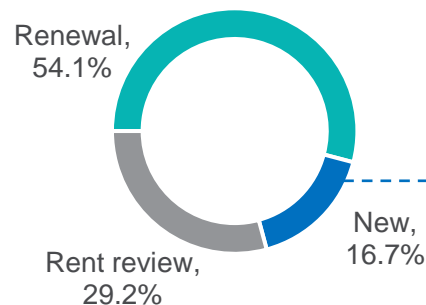
Retention Rate

81%⁽¹⁾

Leases Committed by Geography⁽²⁾



Leases Committed by Type⁽²⁾

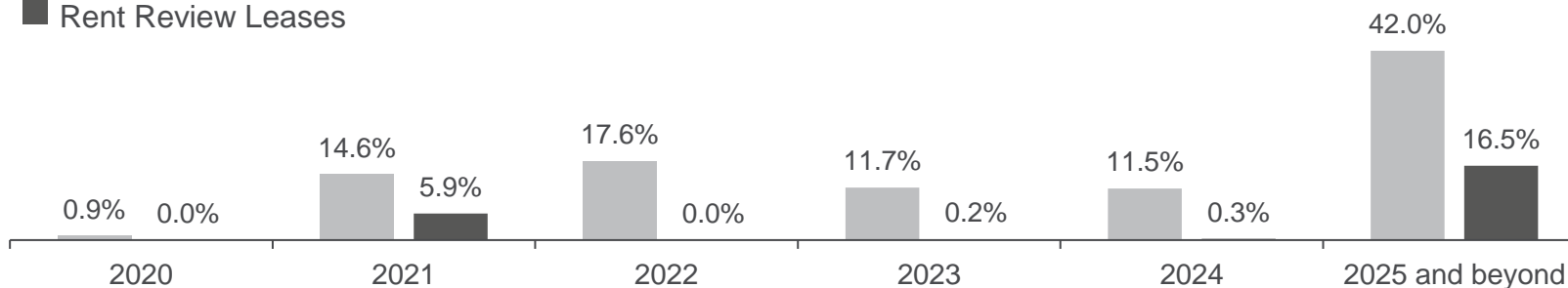


New leasing demand and expansions from:

Real estate and property services	38.2%
Technology, media and telecommunications	23.7%
Banking, insurance and financial services	21.1%
Energy, natural resources, shipping and marine	11.5%
Accounting and consultancy services	3.5%
Retail and F&B	2.0%

Lease Expiries and Rent Reviews⁽²⁾

- Expiring Leases
- Rent Review Leases



- Average signing rent for Singapore office leases concluded in 9M 2020 was \$11.03⁽³⁾ psf pm
- Average expiring rents⁽⁴⁾ of Singapore office leases (psf pm): \$9.72 in 2021, \$10.25 in 2022 and \$11.00 in 2023

(1) For 9M 2020. Retention rate for 3Q 2020 was 94%.

(2) Based on committed attributable area.

(3) Based on a weighted average calculation. Simple average signing rent was \$11.81 psf pm.

(4) Weighted average based on attributable NLA of office lease expiries and reviews in Singapore.

Established and Diversified Tenant Base

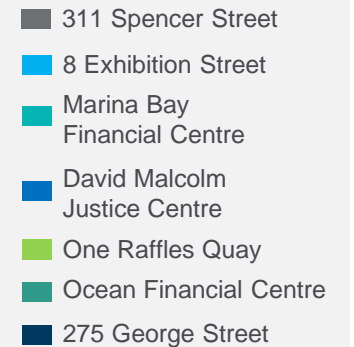
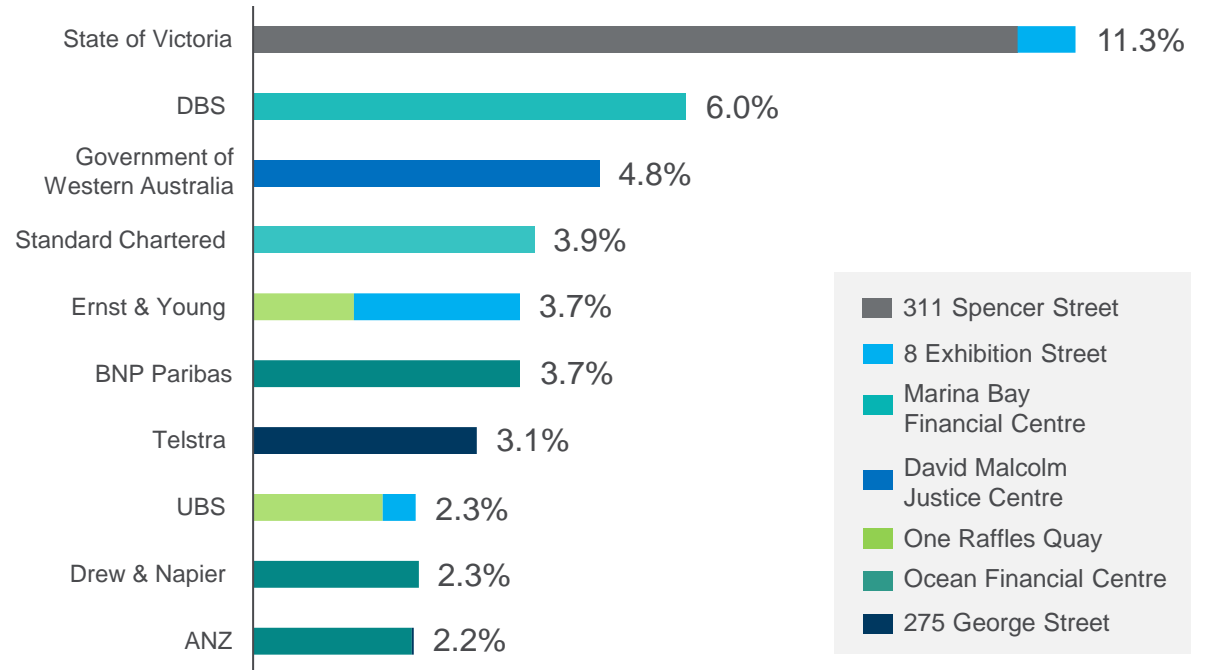
- Keppel REIT has a diversified tenant base of 342⁽¹⁾ tenants, many of which are established blue-chip corporations
- Top 10 tenants take up 43.3% of NLA and contribute 38.0% of gross rent



Tenant Business Sector

Banking, insurance and financial services	36.2%
Government agency	17.6%
Technology, media and telecommunications	12.0%
Legal	7.9%
Energy, natural resources, shipping and marine	7.3%
Real estate and property services	5.7%
Accounting and consultancy services	5.3%
Services	3.5%
Manufacturing and distribution	2.1%
Retail and food & beverage	1.6%
Hospitality and leisure	0.1%
Others	0.7%
Total	100%

Top 10 Tenants



Note: All data as at 30 Sep 2020 and based on portfolio committed NLA.

(1) Tenants with multiple leases were accounted as one tenant.

Market Review

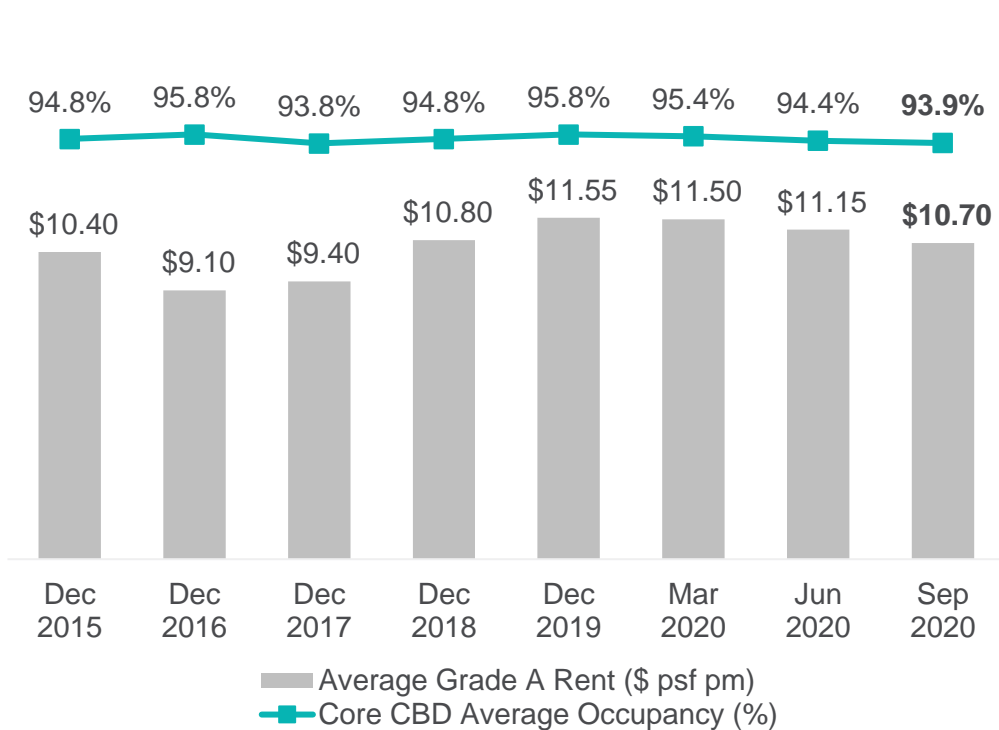
8 Chifley Square,
Sydney



Singapore Office Market

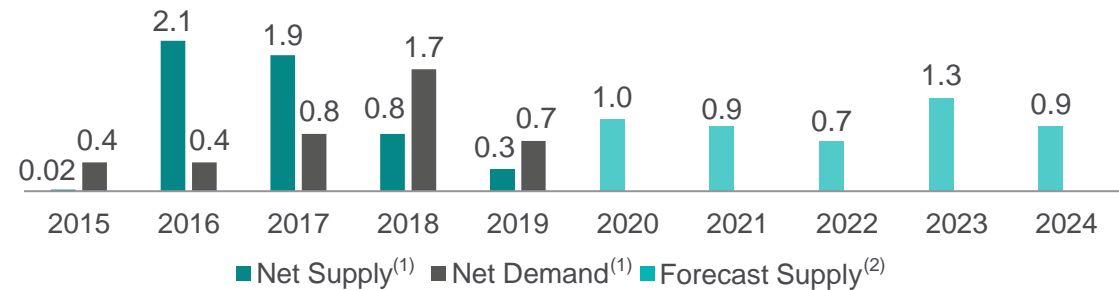
- Average Grade A office rents registered a decrease to \$10.70 psf pm in 3Q 2020 while average occupancy in core CBD decreased to 93.9%

Grade A Rent and Core CBD Occupancy



Source: CBRE, 3Q 2020.

Demand and Supply



Key Upcoming Supply in CBD⁽²⁾

Year	Project	Supply (sf)
2021	Afro-Asia i-Mark	140,000
	CapitaSpring	635,000
	Hub Synergy Point Redevelopment	131,200
2022	Guoco Midtown	650,000
2023	Central Boulevard Towers	1,258,000
2024	Keppel Towers Redevelopment	522,800
	Shaw Towers Redevelopment	407,000

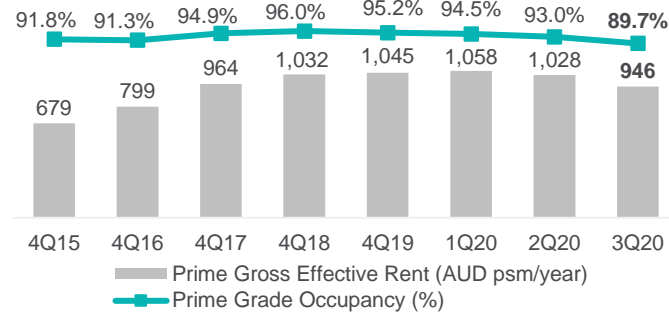
(1) Based on URA data on historical net demand and supply of office space in Downtown Core and Rest of Central Area. Supply is calculated as net change of stock over the year and may include office stock removed from market due to demolitions or change of use.

(2) Based on CBRE data on CBD Core and CBD Fringe.

Australia Office Market

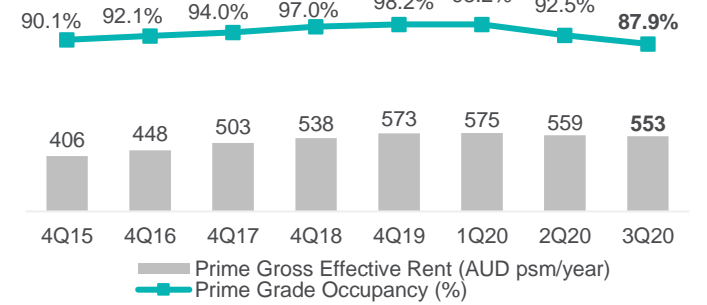
Sydney CBD

Prime Grade occupancy was lower at 89.7%



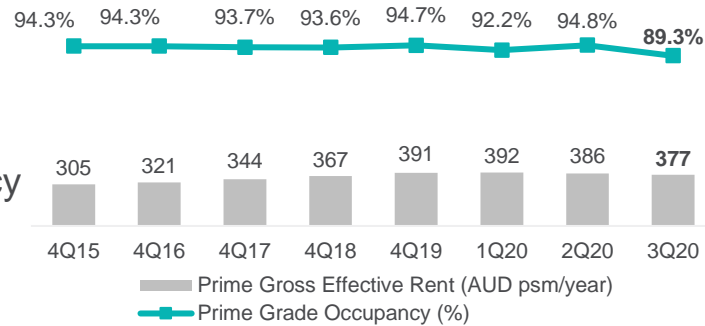
Melbourne CBD

Prime Grade occupancy was lower at 87.9%



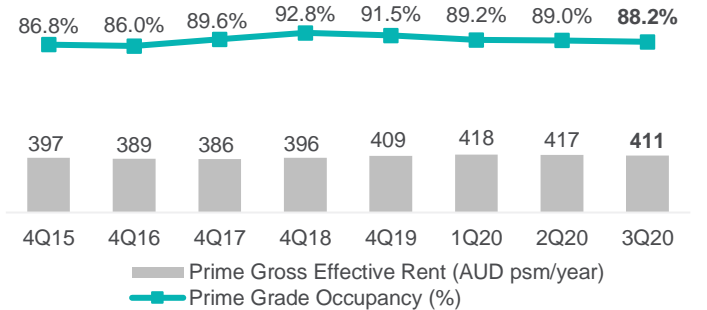
Macquarie Park

Prime Grade occupancy was lower at 89.3%



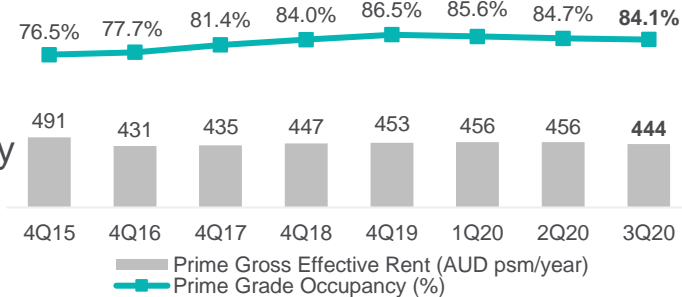
Brisbane CBD

Prime Grade occupancy was lower at 88.2%



Perth CBD

Prime Grade occupancy was lower at 84.1%

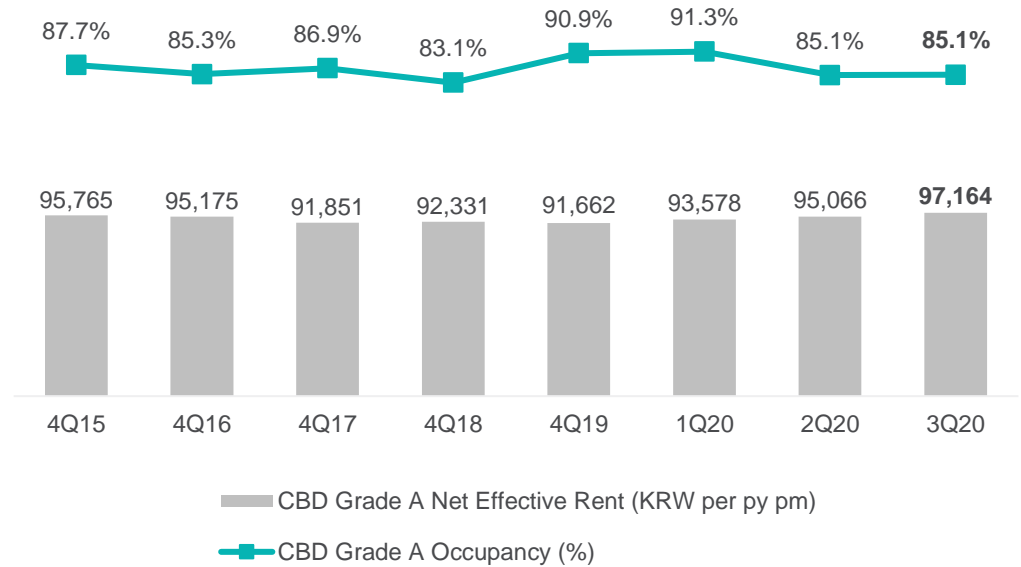


Seoul Office Market

- CBD Grade A occupancy remained stable at 85.1% in 3Q 2020



CBD Grade A Rent and Occupancy



Committed to Delivering Stable Income & Sustainable Returns

Portfolio Optimisation

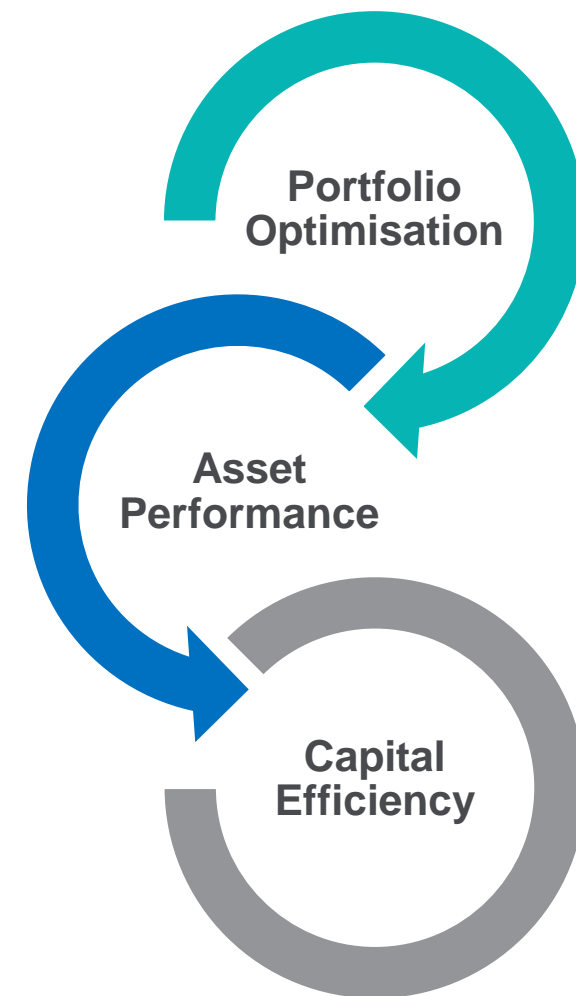
- Portfolio optimisation to improve yield, while maintaining exposure to Singapore CBD
- Hold quality assets across different markets for improved income stability and to provide more long-term growth opportunities

Asset Performance

- Drive individual asset performance with proactive leasing and cost management strategies
- Implement initiatives to future proof assets and enhance sustainability

Capital Efficiency

- Optimise capital structure to reduce borrowing costs and improve returns
- Manage debt maturities and hedging profiles to reduce risk



Additional Information

One Raffles Quay,
Singapore

Portfolio Information: Singapore

	Ocean Financial Centre	Marina Bay Financial Centre ⁽⁴⁾	One Raffles Quay
Attributable NLA	700,504 sf	1,024,238 sf	441,475 sf
Ownership	79.9%	33.3%	33.3%
Principal tenants ⁽¹⁾	BNP Paribas, ANZ, Drew & Napier	DBS Bank, Standard Chartered Bank, Barclays	Deutsche Bank, Ernst & Young, UBS
Tenure	99 years expiring 13 Dec 2110	99 years expiring 10 Oct 2104 ⁽⁵⁾ and 7 Mar 2106 ⁽⁶⁾	99 years expiring 12 Jun 2100
Purchase Price (on acquisition)	S\$1,838.6m ⁽³⁾	S\$1,426.8m ⁽⁵⁾ S\$1,248.0m ⁽⁶⁾	S\$941.5m
Valuation ⁽²⁾	S\$2,099.8m	S\$1,695.3m ⁽⁵⁾ S\$1,297.0m ⁽⁶⁾	S\$1,254.3m
Capitalisation rates	3.50%	3.63% ⁽⁷⁾ ; 4.50% ⁽⁸⁾ ; 3.60% ⁽⁶⁾	3.63%

1) On committed gross rent basis.

2) Valuation as at 31 Dec 2019 based on Keppel REIT's interest in the respective properties.

3) Based on Keppel REIT's 79.9% of the historical purchase price.

4) Comprises Marina Bay Financial Centre (MBFC) Towers 1, 2 and 3 and Marina Bay Link Mall (MBLM).

5) Refers to MBFC Towers 1 and 2 and MBLM.

6) Refers to MBFC Tower 3.

7) Refers to MBFC Towers 1 and 2.

8) Refers to MBLM.

Portfolio Information: Australia & South Korea

	8 Chifley Square, Sydney	8 Exhibition Street ⁽³⁾ , Melbourne	311 Spencer Street, Melbourne	275 George Street, Brisbane	David Malcolm Justice Centre, Perth	Pinnacle Office Park, Sydney (Pending completion)	T Tower, Seoul
Attributable NLA	104,055 sf	244,659 sf	364,180 sf	224,537 sf	167,784 sf	378,165 sf	226,949 sf
Ownership	50.0%	50.0%	50.0%	50.0%	50.0%	100.0%	99.4%
Principal tenants ⁽¹⁾	Corrs Chambers Westgarth, Quantum, QBE Insurance	Ernst & Young, Amazon, Minister for Finance - State of Victoria	Minister for Finance - State of Victoria	Telstra, Queensland Gas Company, The State of Queensland ⁽⁸⁾	Minister for Works - Government of Western Australia	Aristocrat Technologies, Konica Minolta, Coles Supermarkets	Hankook Corporation, SK Communications, Philips Korea
Tenure	99 years expiring 5 Apr 2105	Freehold	Freehold	Freehold	99 years expiring 30 Aug 2114	Freehold	Freehold
Purchase Price (on acquisition)	A\$165.0m S\$197.8m	A\$168.8m S\$201.3m ⁽³⁾	A\$347.8m S\$362.4m ⁽⁶⁾	A\$166.0m S\$209.4m	A\$165.0m S\$208.1m	A\$306.0m S\$303.3m ⁽⁹⁾	KRW252.6b S\$292.0m ⁽¹¹⁾
Valuation ⁽²⁾	A\$240.0m S\$222.2m	A\$265.3m S\$245.6m ⁽³⁾	A\$384.3m S\$372.5m ⁽⁷⁾	A\$250.0m S\$231.4m	A\$232.5m S\$215.2m	A\$306.0m S\$303.3m ^(9,10)	KRW259.0b S\$299.9m
Capitalisation rates	4.75%	5.00% ⁽⁴⁾ ; 4.50% ⁽⁵⁾	4.50%	5.00%	5.38%	5.25%	4.50%

1) On committed gross rent basis.

2) Valuation as at 31 Dec 2019 based on Keppel REIT's interest in the respective properties and on the exchange rates of A\$1 = S\$0.9257 and KRW 1,000 = S\$1.158.

3) Keppel REIT owns a 50% interest in the 8 Exhibition Street office building and a 100% interest in the three adjacent retail units.

4) Refers to Keppel REIT's 50% interest in the office building.

5) Refers to Keppel REIT's 100% interest in the three adjacent retail units.

6) Based on the aggregate consideration paid-to-date and to be paid, including development costs of the building, at the exchange rate of A\$1=S\$1.042 as disclosed in the announcement dated 29 Jun 2017.

7) Carrying amount based on "as is" valuation as at 31 Dec 2019, as well as progress payments and capitalised costs from 1 Jan 2020 to 9 Jul 2020. Includes A\$5.4m of estimated final payment to be made after 9 Jul 2020. Based on the exchange rate of A\$1 = S\$0.9695 as at 9 Jul 2020.

8) Refers to the Department of Housing and Public Works – The State of Queensland.

9) Based on an exchange rate of A\$1 = S\$0.9912 as at 9 Sep 2020.

10) Valuation as at 31 Aug 2020.

11) Based on Keppel REIT's interest in T Tower and an exchange rate of KRW 1,000 = S\$1.156 used for payment.

Thank You

For more information, please visit:
www.keppelreit.com

Connect with us on: 

T Tower,
Seoul