



*Managed by*

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## **MEDIA RELEASE**

### **Unaudited Results of Keppel REIT for the First Quarter Ended 31 March 2017**

**19 April 2017**

The Directors of Keppel REIT Management Limited, as Manager of Keppel REIT, are pleased to announce the unaudited results of Keppel REIT for the first quarter ended 31 March 2017.

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## Keppel REIT achieves distributable income of \$48.1 million for 1Q 2017

**Minimal leasing risks for 2017, with only 2.8% and 1.7% of leases due for renewal and review respectively**

### First Quarter 2017 (1Q 2017) Results Highlights

- Distributable income (DI) to Unitholders was \$48.1 million.
- Distribution per Unit (DPU) of 1.45 cents and an annualised distribution yield of 5.5%.
- All-in interest rate of 2.57% and interest coverage ratio of 4.6 times.
- Aggregate leverage at 38.4%.
- Portfolio committed occupancy rate of 99.4% and tenant retention rate of 87%.
- Minimal leasing risks for 2017, with only 2.8% and 1.7% of leases due for renewal and review respectively.

### Results Summary

|  | GROUP               |                       |
|--|---------------------|-----------------------|
|  | 1Q 2017<br>\$'000   | 1Q 2016<br>\$'000     |
| Property income                            | 39,856              | 41,167                |
| Net property income                        | 31,394              | 32,910                |
| Share of results of associates             | 23,145              | 18,786                |
| Share of results of joint ventures         | 8,316               | 6,807                 |
| Income available for distribution          | 48,121              | 54,438 <sup>(1)</sup> |
| Distribution to Unitholders <sup>(2)</sup> | 48,121              | 54,438                |
| DPU (cents) for the period                 | 1.45 <sup>(3)</sup> | 1.68 <sup>(4)</sup>   |
| Annualised/Actual Distribution yield       | 5.5% <sup>(5)</sup> | 6.2% <sup>(6)</sup>   |

(1) Income contribution from 77 King Street was from 1 January 2016 up to the date of divestment on 29 January 2016.

(2) Distribution to Unitholders was based on 100% of the taxable income available for distribution.

(3) There is no distribution of other gains for 1Q 2017.

(4) There was a distribution of other gains of 0.09 cents per Unit for 1Q 2016.

(5) Based on the market closing price per Unit of \$1.05 as at 31 March 2017.

(6) Based on the total DPU of 6.37 cents for FY 2016 and the market closing price per Unit of \$1.02 as at 31 December 2016.

### Financial Performance & Capital Management

Keppel REIT Management Limited, the Manager of Keppel REIT, is pleased to announce that the REIT achieved \$48.1 million in DI for 1Q 2017. DPU for the quarter was 1.45 cents and translates to an annualised distribution yield of 5.5%, based on the market closing price per Unit of \$1.05 as at 31 March 2017.

On a year-on-year (y-o-y) basis, DI for 1Q 2017 was 11.6% lower compared to 1Q 2016 due mainly to absence of income from the divested 77 King Street in Sydney in January 2016, lower income contribution from Bugis Junction Towers, as well as absence of other gains distribution. Property income and net property income for 1Q 2017 also declined correspondingly by 3.2% and 4.6% y-o-y respectively.

For 1Q 2017, share of results of associates grew 23.2% y-o-y to \$23.1 million. This was due mainly to one-off income from One Raffles Quay and Marina Bay Financial Centre. Share of results of joint ventures increased 22.2% y-o-y to \$8.3 million as a result of higher income contribution from Keppel REIT's share in David Malcolm Justice Centre in Perth.

Keppel REIT's all-in interest rate was 2.57% and interest coverage ratio at 4.6 times for 1Q 2017. The weighted average term to maturity of borrowings was 3.2 years and aggregate leverage at 38.4% as at end of 1Q 2017.

Notwithstanding that the REIT has no refinancing requirements till 2018 and beyond, the Manager is proactively reviewing early refinancing of loans, as well as exploring alternative funding sources. This includes the issuance of a seven-year \$75 million Medium Term Notes (MTN) at a fixed-rate of 3.275% on 6 April 2017. The proceeds from the MTN will be applied towards the refinancing of existing borrowings.

## **Portfolio Performance**

In managing the office space glut over the last few years, the Manager has been adopting a tenant-centric approach in its leasing efforts. Continuous tenant engagement efforts saw portfolio tenant retention rate of 87% for 1Q 2017.

Such efforts also helped Keppel REIT maintain a high committed portfolio occupancy of 99.4% as at end-March 2017 despite the oversupply in the office market. Occupancies for the REIT's properties in Singapore and Australia were 99.3% and 99.7% respectively, above Singapore's core CBD of 95.6%<sup>1</sup> and Australia's national CBD office market of 88.1%<sup>1</sup>.

In Singapore, the Manager has leased almost all the returned spaces at Bugis Junction Towers, bringing committed occupancy up to 95.9% as at end-March 2017. At the same time, new leases signed at 8 Exhibition Street in Melbourne saw the building's committed occupancy increase to 99.7%.

The REIT has only 2.8% and 1.7% of leases (by net lettable area) due for renewal and review in 2017 respectively, thereby minimising leasing risks for the REIT for the rest of the year. The WALE for Keppel REIT's top 10 tenants and overall portfolio stands at nine years and six years respectively.

## **Looking Ahead**

The Singapore economy grew 2.5% y-o-y in 1Q 2017 based on advance estimates by the Ministry of Trade and Industry. Full-year growth for 2017 is projected at between 1% and 3%.

CBRE opined that concerns around supply overhang from the new office projects are dissipating as soon-to-be completed developments are now reporting stronger pre-commitments. Leasing activities have increased, with demand from tenants in the banking and finance sector, as well as expansion in the technology and media sector. Overall occupancy for Singapore's core CBD office market was 95.6% in 1Q 2017, down slightly from 95.8% in 4Q 2016.

Meanwhile, average Grade A rent eased further to \$8.95 psf in 1Q 2017, from \$9.10 psf in 4Q 2016. CBRE believes that the office market may see a slight rebound by end-2017, followed by a more sustained market recovery in 2018. This recovery, however, is expected to be mixed, with Grade A offices expected to be the main beneficiary of any potential uplift in rents.

In Australia, the economy recorded a 2.4% growth for 2016, driven mainly by stronger household consumption. The Reserve Bank of Australia expects growth of between 2% and 3% for 2017, and between 2.5% and 3.5% for 2018. Jones Lang LaSalle reported that occupancy for Australia's national CBD office market remained steady at 88.1% as at end-December 2016. Leasing activities remained strong in the CBDs of Sydney and Melbourne, while the CBDs in Brisbane and Perth showed early signs of recovery.

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<sup>1</sup> Sources: Singapore – CBRE, as at 1Q 2017. Australia – Jones Lang LaSalle, as at end-December 2016.

Looking ahead, the Manager remains cognisant of the uncertain global economic environment and competitive office leasing landscape in Singapore. The Manager will continue its proactive and disciplined approach to renew leases so as to retain tenants and mitigate leasing risk.

Borrowing costs are likely to increase as a consequence of the anticipated US rate hikes. The Manager will continue its prudent capital management approach to mitigate financing, interest rate and foreign exchange risks.

The Manager remains committed to a portfolio optimisation strategy that ensures the REIT's portfolio remains relevant to tenants' changing business needs, while providing sustainable returns to Unitholders in the long term. The Manager will continue to seek selective acquisitions that offer stable income growth and capital appreciation over time. At the same time, the Manager is open to opportunistic divestments to unlock value for Unitholders.

## **About Keppel REIT ([www.keppelreit.com](http://www.keppelreit.com))**

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

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.

As at 31 March 2016, Keppel REIT had assets under management of approximately \$8.4 billion comprising interests in eight premium office assets with 11 office towers strategically located in the central business districts of Singapore, as well as key Australian cities of Sydney, Melbourne, Brisbane and Perth.

In Singapore, the assets are Ocean Financial Centre (99.9% interest), Marina Bay Financial Centre (comprising office Towers 1, 2 and 3 and the subterranean mall, Marina Bay Link Mall) (one-third interest), One Raffles Quay (one-third interest) and Bugis Junction Towers (100% interest).

In Australia, the assets are 8 Chifley Square (50% interest) in Sydney, 8 Exhibition Street in Melbourne (50% interest in the office building and two retail units, as well as a 100% interest in the three adjoining retail units), 275 George Street in Brisbane (50% interest), as well as the David Malcolm Justice Centre in Perth (50% interest).

Keppel REIT is sponsored by Keppel Land Limited, one of Asia's leading property companies. It is managed by Keppel REIT Management Limited (the Manager), a wholly-owned subsidiary of Keppel Capital Holdings Pte. Ltd. (Keppel Capital). Keppel Capital is a premier asset manager in Asia with assets under management of approximately \$25 billion in real estate, infrastructure and data centre properties in key global markets. As a member of Keppel Capital, the Manager can leverage and grow Keppel REIT further with the increased scale, larger investor base, wider geographical coverage and greater resources.

### **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.*

**KEPPEL REIT**  
**FIRST QUARTER 2017 FINANCIAL STATEMENTS ANNOUNCEMENT**  
**UNAUDITED RESULTS FOR THE QUARTER ENDED 31 MARCH 2017**

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## INTRODUCTION

Keppel REIT was listed by way of an introduction on 28 April 2006. Over the last decade, Keppel REIT has grown from strength-to-strength to become one of Asia's leading REITs with the youngest and largest portfolio of premium Grade A commercial assets in Singapore's prime business and financial districts.

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 pan-Asia.

As at 31 March 2017, Keppel REIT had assets under management of approximately \$8.4 billion comprising interests in eight premium office assets with 11 office towers strategically located in the central business districts of Singapore, as well as key cities of Sydney, Melbourne, Brisbane and Perth in Australia.

The assets in Singapore are Bugis Junction Towers (100% interest), Ocean Financial Centre (99.9% interest), Marina Bay Financial Centre (comprising office Towers 1, 2 and 3 and the subterranean mall, Marina Bay Link Mall) (one-third interest) and One Raffles Quay (one-third interest).

The assets in Australia are 8 Chifley Square (50% interest) in Sydney, 8 Exhibition Street in Melbourne (50% interest in the office building and two retail units, as well as a 100% interest in another three retail units), 275 George Street in Brisbane (50% interest), as well as the David Malcolm Justice Centre (50% interest).

Keppel REIT is sponsored by Keppel Land Limited ("Keppel Land"), one of Asia's leading property companies, and is managed by Keppel REIT Management Limited (the "Manager"), a wholly-owned subsidiary of Keppel Capital Holdings Pte Ltd ("Keppel Capital").

## SUMMARY OF KEPPEL REIT RESULTS FOR THE QUARTER ENDED 31 MARCH 2017

|  | GROUP             |                     |
|--|-------------------|---------------------|
|  | 1Q2017<br>\$'000  | 1Q2016<br>\$'000    |
| Property income                                      | 39,856            | 41,167              |
| Net property income                                  | 31,394            | 32,910              |
| Share of results of associates                       | 23,145            | 18,786              |
| Share of results of joint ventures                   | 8,316             | 6,807               |
| Income available for distribution                    | 48,121            | 54,438 <sup>1</sup> |
| Distribution to Unitholders <sup>2</sup>             | 48,121            | 54,438              |
| Distribution per Unit ("DPU") (cents) for the period | 1.45 <sup>3</sup> | 1.68 <sup>4</sup>   |
| Annualised/Actual distribution yield (%)             | 5.5% <sup>5</sup> | 6.2% <sup>6</sup>   |

### Notes:

- (1) Income contribution from 77 King Street was from 1 January 2016 up to date of divestment on 29 January 2016.
- (2) Distribution to Unitholders was based on 100% of the taxable income available for distribution.
- (3) There is no distribution of other gains for the quarter ended 31 March 2017.
- (4) There was a distribution of other gains of 0.09 cents per Unit for the quarter ended 31 March 2016.
- (5) Based on the market closing price per Unit of \$1.05 as at the last trading day, 31 March 2017.
- (6) Based on the total DPU of 6.37 cents for FY2016 and the market closing price per Unit of \$1.02 as at the last trading day, 31 December 2016.

## 1. UNAUDITED RESULTS FOR THE QUARTER ENDED 31 MARCH 2017

The Directors of Keppel REIT Management Limited, as manager of Keppel REIT, announce the following unaudited results of Keppel REIT for the quarter ended 31 March 2017:

### 1(a)(i) Statement of total return and distribution statement, together with a comparative statement for the corresponding period of the immediately preceding financial year

#### Statement of Total Return

|  | Note | Group          |                | +/(−)         |
|--|------|----------------|----------------|---------------|
|  |      | 1Q2017         | 1Q2016         |               |
|  |      | \$'000         | \$'000         | %             |
| Gross rent   |      | 37,965         | 39,639         | (4.2)         |
| Car park income  |      | 922            | 820            | 12.4          |
| Other income   |      | 969            | 708            | 36.9          |
| <b>Property income</b>   |      | <b>39,856</b>  | <b>41,167</b>  | <b>(3.2)</b>  |
| Property tax   |      | (2,888)        | (2,907)        | (0.7)         |
| Other property expenses  | 1    | (4,445)        | (4,138)        | 7.4           |
| Property management fee  |      | (974)          | (1,058)        | (7.9)         |
| Maintenance and sinking fund contributions                         |      | (155)          | (154)          | 0.6           |
| <b>Property expenses</b>   |      | <b>(8,462)</b> | <b>(8,257)</b> | <b>2.5</b>    |
| <b>Net property income</b>   |      | <b>31,394</b>  | <b>32,910</b>  | <b>(4.6)</b>  |
| Rental support   | 2    | 3,541          | 4,199          | (15.7)        |
| Interest income  | 3    | 6,081          | 8,646          | (29.7)        |
| Share of results of associates                                     | 4    | 23,145         | 18,786         | 23.2          |
| Share of results of joint ventures                                 | 5    | 8,316          | 6,807          | 22.2          |
| Amortisation expense   | 6    | (3,219)        | (3,838)        | (16.1)        |
| Borrowing costs  | 7    | (15,754)       | (16,047)       | (1.8)         |
| Manager's management fees  | 8    | (12,547)       | (12,576)       | (0.2)         |
| Trust expenses   |      | (2,095)        | (2,331)        | (10.1)        |
| Net change in fair value of derivatives                            |      | 3,173          | -              | 100.0         |
| <b>Net income before gain on divestment of investment property</b> |      | <b>42,035</b>  | <b>36,556</b>  | <b>15.0</b>   |
| Gain on divestment of investment property                          | 9    | -              | 28,299         | (100.0)       |
| <b>Total return before tax</b>                                     |      | <b>42,035</b>  | <b>64,855</b>  | <b>(35.2)</b> |
| Income tax expense   | 10   | (2,069)        | (6,968)        | (70.3)        |
| <b>Total return after tax</b>                                      |      | <b>39,966</b>  | <b>57,887</b>  | <b>(31.0)</b> |
| <b>Attributable to:</b>  |      |                |                |               |
| Unitholders  |      | 38,106         | 56,007         | (32.0)        |
| Perpetual securities holders                                       | 11   | 1,841          | 1,862          | (1.1)         |
| Non-controlling interest   |      | 19             | 18             | 5.6           |
|  |      | <b>39,966</b>  | <b>57,887</b>  | <b>(31.0)</b> |
| <b><u>Distribution Statement</u></b>                               |      |                |                |               |
| <b>Total return for the period attributable to Unitholders</b>     |      | <b>38,106</b>  | <b>56,007</b>  | <b>(32.0)</b> |
| Net tax and other adjustments                                      | 12   | 10,015         | (1,569)        | NM            |
| <b>Income available for distribution</b>                           |      | <b>48,121</b>  | <b>54,438</b>  | <b>(11.6)</b> |
| <b>Distribution to Unitholders</b>                                 | 13   | <b>48,121</b>  | <b>54,438</b>  | <b>(11.6)</b> |
| <b>Distribution per Unit (cents) for the period</b>                |      | <b>1.45</b>    | <b>1.68</b>    | <b>(13.7)</b> |
| Annualised/Actual Distribution <sup>1</sup>                        |      | <b>5.80</b>    | <b>6.37</b>    | <b>(8.9)</b>  |

(1) Actual distribution was based on 1.68 cents, 1.61 cents, 1.60 cents and 1.48 cents reported in 1Q2016, 2Q2016, 3Q2016 and 4Q2016 respectively.

NM – Not meaningful

**Notes:**

- (1) Included in other property expenses are the following:

|                                    | <u>Group</u> |        |
|------------------------------------|--------------|--------|
|                                    | 1Q2017       | 1Q2016 |
|                                    | \$'000       | \$'000 |
| Marketing expenses                 | 249          | 192    |
| Utilities                          | 822          | 828    |
| Repair and maintenance             | 2,461        | 2,262  |
| Property management reimbursements | 509          | 467    |
| Others                             | 404          | 389    |
|                                    | 4,445        | 4,138  |

- (2) This relates to the rental support top-up payments received by Keppel REIT for the approximate 12.4% interest in Ocean Properties LLP ("OPLLP") which holds Ocean Financial Centre ("OFC") and the one-third interest in Central Boulevard Development Pte. Ltd. ("CBDPL") which holds Marina Bay Financial Centre ("MBFC") Tower 3. The rental support drawn down for OFC and MBFC Tower 3 for the current period are \$966,000 and \$2,575,000 respectively.

- (3) Interest income comprises the following:

|   | <u>Group</u> |        |
|---|--------------|--------|
|   | 1Q2017       | 1Q2016 |
|   | \$'000       | \$'000 |
| Interest income from fixed deposits and current accounts  | 1,057        | 1,068  |
| Interest income from advances to One Raffles Quay Pte Ltd ("ORQPL") and BFC Development LLP ("BFCDLLP") | 5,024        | 7,578  |
|   | 6,081        | 8,646  |

- (4) Share of results of associates relates to Keppel REIT's one-third interests in (i) ORQPL's and CBDPL's respective net profit after tax and before net change in fair value of investment properties, and (ii) BFCDLLP's partnership profit before net change in fair value of investment property.

- (5) Share of results of joint ventures relates to Keppel REIT's 50% interests in Mirvac 8 Chifley Trust's ("M8CT") and Mirvac (Old Treasury) Trust's ("MOTT") respective net profit after tax before net change in fair value of investment properties.

- (6) Amortisation expense represents the amortisation of intangible asset as explained in paragraph 1(b)(i), note 4.

- (7) Borrowing costs comprise the following:

|   | <u>Group</u> |        |
|---|--------------|--------|
|   | 1Q2017       | 1Q2016 |
|   | \$'000       | \$'000 |
| Interest expense on term loans                | 13,481       | 15,345 |
| Interest expense on revolving loans           | 1,787        | -      |
| Amortisation of capitalised transaction costs | 486          | 702    |
|   | 15,754       | 16,047 |

- (8) The Manager has elected to receive 100% of its management fees earned in respect of all the properties in units of Keppel REIT.

- (9) This relates to the gain on divestment of Keppel REIT's 100% interest in 77 King Street in Sydney.

- (10) Income tax expense comprises (i) tax of 17% on the rental support top-up payments received by Keppel REIT for its one-third interest in CBDPL and the approximate 12.4% interest in OPLLP, net of deductible interest expense, and (ii) withholding tax expense in relation to the income from the Group's investments in Australia.

- (11) Please refer to paragraph 1(b)(i), note 7.

(12) Included in the net tax and other adjustments are the following:

|  | <u>Group</u>  |                |
|--|---------------|----------------|
|  | <b>1Q2017</b> | <b>1Q2016</b>  |
|  | \$'000        | \$'000         |
| Management fees paid and/or payable in units                       | 12,547        | 12,576         |
| Trustee's fees   | 309           | 310            |
| Amortisation of intangible asset and capitalised transaction costs | 3,705         | 4,540          |
| Temporary differences and other adjustments                        | (6,546)       | (21,995)       |
| Other gains distribution   | -             | 3,000          |
|  | <b>10,015</b> | <b>(1,569)</b> |

Included in temporary differences and other adjustments for the current and prior periods were share of results of associates and joint ventures, dividend and distribution income, effect of recognising rental income on a straight line basis over the lease terms, non-taxable income and non-deductible expenses. For 1Q2016, temporary differences and other adjustments also included the gain on divestment of investment property.

Other gains distribution relates to distribution of gains from Keppel REIT's divested properties.

(13) Keppel REIT has been distributing 100% of its taxable income available for distribution to Unitholders. The distribution to Unitholders is based on 100% of the taxable income available for distribution to Unitholders.

**1(a)(ii) Statement of comprehensive income together with a comparative statement for the corresponding period of the immediately preceding financial year**

**Statement of Comprehensive Income**

|   | <u>Group</u>  |               |                |
|---|---------------|---------------|----------------|
|   | <b>1Q2017</b> | <b>1Q2016</b> | <b>+ / (-)</b> |
|   | \$'000        | \$'000        | %              |
| <b>Total return after tax</b>                                       | <b>39,966</b> | <b>57,887</b> | <b>(31.0)</b>  |
| <b>Other comprehensive income:</b>                                  |               |               |                |
| Foreign currency translation  | 5,065         | 15,780        | (67.9)         |
| <u>Cash flow hedges:</u>  |               |               |                |
| Net change in fair value of cash flow hedges                        | (4,581)       | (13,969)      | (67.2)         |
| Share of net change in fair value of cash flow hedges of associates | (422)         | (2,008)       | (79.0)         |
| <b>Other comprehensive income for the period</b>                    | <b>62</b>     | <b>(197)</b>  | <b>NM</b>      |
| <b>Total comprehensive income for the period</b>                    | <b>40,028</b> | <b>57,690</b> | <b>(30.6)</b>  |
| <b>Attributable to:</b>   |               |               |                |
| Unitholders   | 38,168        | 55,811        | (31.6)         |
| Perpetual securities holders  | 1,841         | 1,862         | (1.1)          |
| Non-controlling interest  | 19            | 17            | 11.8           |
|   | <b>40,028</b> | <b>57,690</b> | <b>(30.6)</b>  |

NM –Not meaningful

1(b)(i) **Balance sheets, together with a comparative statement as at the end of the immediately preceding financial year**

**Balance Sheets**

|                                      | Note | Group            |                  |                | Trust            |                  |               |
|--------------------------------------|------|------------------|------------------|----------------|------------------|------------------|---------------|
|                                      |      | 31/03/2017       | 31/12/2016       | + / (-)        | 31/03/2017       | 31/12/2016       | + / (-)       |
|                                      |      | \$'000           | \$'000           | %              | \$'000           | \$'000           | %             |
| <b>Non-current assets</b>            |      |                  |                  |                |                  |                  |               |
| Investment properties                | 1    | 3,621,626        | 3,618,097        | 0.1            | 540,003          | 540,000          | 0.001         |
| Investments in subsidiaries          |      | -                | -                | -              | 1,837,110        | 1,837,110        | -             |
| Investments in associates            | 2    | 2,522,181        | 2,525,112        | (0.1)          | 2,025,483        | 2,025,483        | -             |
| Advances to associates               |      | 610,922          | 610,922          | -              | 610,922          | 610,922          | -             |
| Investments in joint ventures        | 3    | 459,342          | 450,284          | 2.0            | -                | -                | -             |
| Amounts owing by subsidiaries        |      | -                | -                | -              | 857,585          | 852,650          | 0.6           |
| Fixed assets                         |      | 179              | 190              | (5.8)          | 31               | 31               | -             |
| Intangible asset                     | 4    | 19,292           | 22,511           | (14.3)         | 18,031           | 20,471           | (11.9)        |
| Derivative financial instruments     | 5    | 11,516           | 18,016           | (36.1)         | 10,412           | 16,354           | (36.3)        |
| <b>Total non-current assets</b>      |      | <b>7,245,058</b> | <b>7,245,132</b> | <b>(0.001)</b> | <b>5,899,577</b> | <b>5,903,021</b> | <b>(0.1)</b>  |
| <b>Current assets</b>                |      |                  |                  |                |                  |                  |               |
| Trade and other receivables          | 6    | 38,842           | 10,662           | 264.3          | 44,485           | 7,721            | 476.2         |
| Prepaid expenses                     |      | 747              | 604              | 23.7           | 38               | 11               | 245.5         |
| Cash and bank balances               |      | 264,669          | 278,682          | (5.0)          | 112,231          | 141,948          | (20.9)        |
| Derivative financial instruments     | 5    | 424              | 245              | 73.1           | 238              | 99               | 140.4         |
| <b>Total current assets</b>          |      | <b>304,682</b>   | <b>290,193</b>   | <b>5.0</b>     | <b>156,992</b>   | <b>149,779</b>   | <b>4.8</b>    |
| <b>Total assets</b>                  |      | <b>7,549,740</b> | <b>7,535,325</b> | <b>0.2</b>     | <b>6,056,569</b> | <b>6,052,800</b> | <b>0.1</b>    |
| <b>Current liabilities</b>           |      |                  |                  |                |                  |                  |               |
| Trade and other payables             |      | 48,606           | 51,828           | (6.2)          | 27,474           | 34,640           | (20.7)        |
| Income received in advance           |      | 856              | 278              | 207.9          | 60               | -                | 100.0         |
| Security deposits                    |      | 2,238            | 3,545            | (36.9)         | 358              | 431              | (16.9)        |
| Derivative financial instruments     | 5    | 190              | 1,483            | (87.2)         | 164              | 1,281            | (87.2)        |
| Provision for taxation               |      | 3,032            | 2,735            | 10.9           | 2,453            | 2,735            | (10.3)        |
| <b>Total current liabilities</b>     |      | <b>54,922</b>    | <b>59,869</b>    | <b>(8.3)</b>   | <b>30,509</b>    | <b>39,087</b>    | <b>(21.9)</b> |
| <b>Non-current liabilities</b>       |      |                  |                  |                |                  |                  |               |
| Income received in advance           |      | 21,555           | 25,152           | (14.3)         | 21,555           | 25,152           | (14.3)        |
| Borrowings                           |      | 2,482,987        | 2,481,754        | 0.05           | 2,017,542        | 2,015,901        | 0.1           |
| Derivative financial instruments     | 5    | 8,741            | 7,315            | 19.5           | 7,812            | 6,287            | 24.3          |
| Security deposits                    |      | 29,479           | 27,869           | 5.8            | 3,446            | 2,976            | 15.8          |
| Deferred tax liabilities             |      | 34,808           | 34,808           | -              | -                | -                | -             |
| <b>Total non-current liabilities</b> |      | <b>2,577,570</b> | <b>2,576,898</b> | <b>0.03</b>    | <b>2,050,355</b> | <b>2,050,316</b> | <b>0.002</b>  |
| <b>Total liabilities</b>             |      | <b>2,632,492</b> | <b>2,636,767</b> | <b>(0.2)</b>   | <b>2,080,864</b> | <b>2,089,403</b> | <b>(0.4)</b>  |
| <b>Net assets</b>                    |      | <b>4,917,248</b> | <b>4,898,558</b> | <b>0.4</b>     | <b>3,975,705</b> | <b>3,963,397</b> | <b>0.3</b>    |
| Represented by:                      |      |                  |                  |                |                  |                  |               |
| <b>Unitholders' funds</b>            |      | <b>4,763,565</b> | <b>4,746,717</b> | <b>0.4</b>     | <b>3,824,163</b> | <b>3,813,696</b> | <b>0.3</b>    |
| <b>Perpetual securities</b>          | 7    | <b>151,542</b>   | <b>149,701</b>   | <b>1.2</b>     | <b>151,542</b>   | <b>149,701</b>   | <b>1.2</b>    |
| <b>Non-controlling interest</b>      |      | <b>2,141</b>     | <b>2,140</b>     | <b>0.05</b>    | <b>-</b>         | <b>-</b>         | <b>-</b>      |
|                                      |      | <b>4,917,248</b> | <b>4,898,558</b> | <b>0.4</b>     | <b>3,975,705</b> | <b>3,963,397</b> | <b>0.3</b>    |
| Net asset value per unit (\$)        |      | 1.44             | 1.44             |                | 1.15             | 1.16             |               |

**Notes:**

- (1) The increase in investment properties is mainly due to translation differences arising from the Australian investment properties.
- (2) This relates to the one-third equity interests in ORQPL, BFCDLLP and CBDPL, and the Group's share of post-acquisition results of these associates. ORQPL holds One Raffles Quay, and BFCDLLP and CBDPL hold Marina Bay Financial Centre Towers 1, 2 and 3 and Marina Bay Link Mall.
- (3) This relates to the 50% interests in M8CT and Mirvac 8 Chifley Pty Limited, and 50% interests in MOTT and Mirvac (Old Treasury) Pty Limited. The properties held through M8CT and MOTT are 8 Chifley Square and the David Malcolm Justice Centre respectively.
- (4) This relates to the unamortised aggregate rental support top-up payments receivable by the Group for the approximate 12.4% interest in OPLLP and the one-third interest in CBDPL which holds MBFC Tower 3.
- (5) This relates to the fair value of the foreign currency forward contracts entered into in relation to the income from the Australian investments, and the fair value of interest rate and cross currency swaps entered into by the Group.
- (6) Included in the balances are dividend and distribution receivables from associates and joint ventures of \$27.8 million (31 December 2016: \$2.1 million) and receivables for rental support top-up payments of \$1.0 million (31 December 2016: \$1.0 million).
- (7) On 2 November 2015, Keppel REIT issued \$150.0 million of subordinated perpetual securities at a fixed rate per annum. These perpetual securities are classified as equity instruments and recorded as equity in the Statements of Movement in Unitholders' funds.

**1(b)(ii) Aggregate Amount of Borrowings and Debt Securities**

|                                   | <b>Group</b>           |                         |
|-----------------------------------|------------------------|-------------------------|
|                                   | <b>As at 31/3/2017</b> | <b>As at 31/12/2016</b> |
|                                   | \$'000                 | \$'000                  |
| <b>Secured borrowings</b>         |                        |                         |
| Amount repayable within one year  | -                      | -                       |
| Amount repayable after one year   | 350,000                | 350,000                 |
| Less: Unamortised portion of fees | (1,685)                | (1,799)                 |
|                                   | <b>348,315</b>         | <b>348,201</b>          |
| <b>Unsecured borrowings</b>       |                        |                         |
| Amount repayable within one year  | -                      | -                       |
| Amount repayable after one year   | 2,139,211              | 2,138,461               |
| Less: Unamortised portion of fees | (4,539)                | (4,908)                 |
|                                   | <b>2,134,672</b>       | <b>2,133,553</b>        |
| <b>Total net borrowings</b>       | <b>2,482,987</b>       | <b>2,481,754</b>        |

**Details of Collaterals**

As security for the 5-year revolving loan facility of \$350.0 million, the Group mortgaged its Bugis Junction Towers.

As at 31 March 2017, the Group had total gross borrowings of approximately \$2,489.2 million and unutilised facilities of \$537.0 million available to meet its future obligations. The all-in interest rate was 2.57% for the quarter ended 31 March 2017.

1(c) Consolidated Statement of Cash Flows

|   | <u>Group</u>    |                 |
|---|-----------------|-----------------|
|   | 1Q2017          | 1Q2016          |
| Note  | \$'000          | \$'000          |
| <b>Operating activities</b>   |                 |                 |
| Total return before tax   | 42,035          | 64,855          |
| Adjustments for:  |                 |                 |
| Interest income   | (6,081)         | (8,646)         |
| Amortisation expense  | 3,219           | 3,838           |
| Share of results of associates  | (23,145)        | (18,786)        |
| Share of results of joint ventures  | (8,316)         | (6,807)         |
| Borrowing costs   | 15,754          | 16,047          |
| Management fees paid and/or payable in units                              | 12,547          | 12,576          |
| Gain on divestment of investment property                                 | -               | (28,299)        |
| Changes in fair value of derivatives                                      | (3,173)         | -               |
| Depreciation  | 11              | 11              |
| Rental support income   | (3,541)         | (4,199)         |
| Unrealised currency translation differences                               | 33              | 2,558           |
| <b>Operating cash flows before changes in working capital</b>             | <b>29,343</b>   | <b>33,148</b>   |
| (Increase)/Decrease in receivables  | (2,927)         | 6,365           |
| Increase/(Decrease) in payables   | 4,225           | (4,073)         |
| Increase/(Decrease) in security deposits                                  | 303             | (174)           |
| Cash flows from operations  | 30,944          | 35,266          |
| Income taxes paid   | (1,768)         | (6,305)         |
| <b>Net cash flows provided by operating activities</b>                    | <b>29,176</b>   | <b>28,961</b>   |
| <b>Investing activities</b>   |                 |                 |
| Subsequent expenditure on investment properties                           | (976)           | (482)           |
| Proceeds from divestment of investment property, net of divestment costs  | -               | 157,233         |
| Purchase of fixed assets  | -               | (1)             |
| Interest received   | 6,356           | 7,930           |
| Rental support received   | 3,598           | 4,608           |
| Distribution income received from joint ventures                          | 6,715           | 4,625           |
| <b>Net cash flows provided by investing activities</b>                    | <b>15,693</b>   | <b>173,913</b>  |
| <b>Financing activities</b>   |                 |                 |
| Distribution to Unitholders (net of distribution in Units)                | 1 (40,761)      | (44,870)        |
| Repayment of loans  | -               | (20,000)        |
| Partnership distribution to non-controlling interest                      | (18)            | (12)            |
| Interest paid   | (15,332)        | (14,190)        |
| Issue expenses  | -               | (18)            |
| <b>Net cash flows used in financing activities</b>                        | <b>(56,111)</b> | <b>(79,090)</b> |
| <b>Net (decrease)/increase in cash and cash equivalents</b>               | <b>(11,242)</b> | <b>123,784</b>  |
| Cash and cash equivalents at the beginning of period                      | 253,219         | 98,764          |
| Effect of exchange rate changes on cash and cash equivalents              | 802             | 371             |
| <b>Cash and cash equivalents at the end of period</b>                     | <b>242,779</b>  | <b>222,919</b>  |
| <b>Comprising:</b>  |                 |                 |
| Cash and bank balances  | 264,669         | 263,794         |
| Less: Rental support received in advance held in designated accounts      | 2 (21,890)      | (40,875)        |
| <b>Cash and cash equivalents per Consolidated Statement of Cash Flows</b> | <b>242,779</b>  | <b>222,919</b>  |

**Notes:**

(1) Distribution for 1Q2017 is for the period of 1 October 2016 to 31 December 2016, paid on 28 February 2017.

Distribution for 1Q2016 is for the period of 1 October 2015 to 31 December 2015, paid on 26 February 2016.

(2) This relates to the rental support top-up payments received in advance by Keppel REIT held in designated accounts for the approximate 12.4% interest in OPLL and the one-third interest in MBFC Tower 3.

1(d)(i) Statements of Movements in Unitholders' Funds

| <u>Group</u>  | Note | <u>Units in Issue</u> | <u>Accumulated Profits</u> | <u>Foreign Currency Translation Reserve</u> | <u>Hedging Reserve</u> | <u>Discount on Acquisition of Non-Controlling Interest</u> | <u>Unitholders' Funds</u> | <u>Perpetual Securities</u> | <u>Non-Controlling Interest</u> | <u>Total</u>     |
|---|------|-----------------------|----------------------------|---|------------------------|--|---------------------------|-----------------------------|---------------------------------|------------------|
|   |      |                       |                            |   |                        |  |                           |                             |                                 |                  |
| <b>At 1 January 2017</b>  |      | <b>3,456,557</b>      | <b>1,459,734</b>           | <b>(167,302)</b>                            | <b>(5,494)</b>         | <b>3,222</b>   | <b>4,746,717</b>          | <b>149,701</b>              | <b>2,140</b>                    | <b>4,898,558</b> |
| Return for the period   |      | -                     | 38,106                     | -   | -                      | -  | 38,106                    | 1,841                       | 19                              | 39,966           |
| Other comprehensive income                                      | 1    | -                     | -                          | 5,065                                       | (5,003)                | -  | 62                        | -                           | -                               | 62               |
| Total comprehensive income                                      |      | -                     | 38,106                     | 5,065                                       | (5,003)                | -  | 38,168                    | 1,841                       | 19                              | 40,028           |
| Issue of units for payment of management fees                   | 2    | 19,441                | -                          | -   | -                      | -  | 19,441                    | -                           | -                               | 19,441           |
| Distribution Reinvestment Plan                                  |      | 7,954                 | (7,954)                    | -   | -                      | -  | -                         | -                           | -                               | -                |
| Distribution to Unitholders                                     |      | (3,291)               | (37,470)                   | -   | -                      | -  | (40,761)                  | -                           | -                               | (40,761)         |
| Distribution of partnership profits to non-controlling interest |      | -                     | -                          | -   | -                      | -  | -                         | -                           | (18)                            | (18)             |
| <b>At 31 March 2017</b>   |      | <b>3,480,661</b>      | <b>1,452,416</b>           | <b>(162,237)</b>                            | <b>(10,497)</b>        | <b>3,222</b>   | <b>4,763,565</b>          | <b>151,542</b>              | <b>2,141</b>                    | <b>4,917,248</b> |

| <u>Group</u>  | Note | <u>Units in Issue</u> | <u>Accumulated Profits</u> | <u>Foreign Currency Translation Reserve</u> | <u>Hedging Reserve</u> | <u>Discount on Acquisition of Non-Controlling Interest</u> | <u>Unitholders' funds</u> | <u>Perpetual Securities</u> | <u>Non-Controlling Interest</u> | <u>Total</u>     |
|---|------|-----------------------|----------------------------|---|------------------------|--|---------------------------|-----------------------------|---------------------------------|------------------|
|   |      |                       |                            |   |                        |  |                           |                             |                                 |                  |
| <b>At 1 January 2016</b>  |      | <b>3,394,832</b>      | <b>1,409,983</b>           | <b>(199,445)</b>                            | <b>17,429</b>          | <b>3,222</b>   | <b>4,626,021</b>          | <b>149,719</b>              | <b>2,108</b>                    | <b>4,777,848</b> |
| Return for the period   |      | -                     | 56,007                     | -   | -                      | -  | 56,007                    | 1,862                       | 18                              | 57,887           |
| Other comprehensive income                                      | 1    | -                     | -                          | 15,780                                      | (15,976)               | -  | (196)                     | -                           | (1)                             | (197)            |
| Total comprehensive income                                      |      | -                     | 56,007                     | 15,780                                      | (15,976)               | -  | 55,811                    | 1,862                       | 17                              | 57,690           |
| Issue of units for payment of management fees                   | 3    | 12,772                | -                          | -   | -                      | -  | 12,772                    | -                           | -                               | 12,772           |
| Issue expenses  | 4    | -                     | -                          | -   | -                      | -  | -                         | (18)                        | -                               | (18)             |
| Distribution Reinvestment Plan                                  |      | 9,160                 | (9,160)                    | -   | -                      | -  | -                         | -                           | -                               | -                |
| Distribution to Unitholders                                     |      | (3,216)               | (41,654)                   | -   | -                      | -  | (44,870)                  | -                           | -                               | (44,870)         |
| Distribution of partnership profits to non-controlling interest |      | -                     | -                          | -   | -                      | -  | -                         | -                           | (18)                            | (18)             |
| <b>At 31 March 2016</b>   |      | <b>3,413,548</b>      | <b>1,415,176</b>           | <b>(183,665)</b>                            | <b>1,453</b>           | <b>3,222</b>   | <b>4,649,734</b>          | <b>151,563</b>              | <b>2,107</b>                    | <b>4,803,404</b> |

**1(d)(i) Statements of Movements in Unitholders' Funds (cont'd)**

**Notes:**

- (1) Other comprehensive income relates to the movement in foreign currency translation reserve arising from the translation of foreign entities and intercompany loans that form part of the Group's net investment in foreign entities, 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 share of hedging reserves of associates.
- (2) This represents 19,149,650 units issued in 1Q2017 as payment of management fees in units.
- (3) This represents 13,720,004 units issued in 1Q2016 as payment of management fees in units.
- (4) The issue expenses were in relation to the issuance of \$150.0 million of subordinated perpetual securities at a fixed rate per annum on 2 November 2015.

| <u>Trust</u>                                  | Note | <u>Units in Issue</u><br>\$'000 | <u>Accumulated Profits</u><br>\$'000 | <u>Hedging Reserve</u><br>\$'000 | <u>Unitholders' Funds</u><br>\$'000 | <u>Perpetual Securities</u><br>\$'000 | <u>Total</u><br>\$'000 |
|---|------|---------------------------------|--------------------------------------|----------------------------------|-------------------------------------|---------------------------------------|------------------------|
| <b>At 1 January 2017</b>                      |      | <b>3,456,557</b>                | <b>357,271</b>                       | <b>(132)</b>                     | <b>3,813,696</b>                    | <b>149,701</b>                        | <b>3,963,397</b>       |
| Return for the period                         |      | -                               | 36,127                               | -                                | 36,127                              | 1,841                                 | 37,968                 |
| Other comprehensive income                    | 1    | -                               | -                                    | (4,340)                          | (4,340)                             | -                                     | (4,340)                |
| Total comprehensive income                    |      | -                               | 36,127                               | (4,340)                          | 31,787                              | 1,841                                 | 33,628                 |
| Issue of units for payment of management fees | 2    | 19,441                          | -                                    | -                                | 19,441                              | -                                     | 19,441                 |
| Distribution Reinvestment Plan                |      | 7,954                           | (7,954)                              | -                                | -                                   | -                                     | -                      |
| Distribution to Unitholders                   |      | (3,291)                         | (37,470)                             | -                                | (40,761)                            | -                                     | (40,761)               |
| <b>At 31 March 2017</b>                       |      | <b>3,480,661</b>                | <b>347,974</b>                       | <b>(4,472)</b>                   | <b>3,824,163</b>                    | <b>151,542</b>                        | <b>3,975,705</b>       |

| <u>Trust</u>                                  | Note | <u>Units in Issue</u><br>\$'000 | <u>Accumulated Profits</u><br>\$'000 | <u>Hedging Reserve</u><br>\$'000 | <u>Unitholders' Funds</u><br>\$'000 | <u>Perpetual Securities</u><br>\$'000 | <u>Total</u><br>\$'000 |
|---|------|---------------------------------|--------------------------------------|----------------------------------|-------------------------------------|---------------------------------------|------------------------|
| <b>At 1 January 2016</b>                      |      | <b>3,394,832</b>                | <b>375,859</b>                       | <b>9,594</b>                     | <b>3,780,285</b>                    | <b>149,719</b>                        | <b>3,930,004</b>       |
| Return for the period                         |      | -                               | 68,398                               | -                                | 68,398                              | 1,862                                 | 70,260                 |
| Other comprehensive income                    | 1    | -                               | -                                    | (10,894)                         | (10,894)                            | -                                     | (10,894)               |
| Total comprehensive income                    |      | -                               | 68,398                               | (10,894)                         | 57,504                              | 1,862                                 | 59,366                 |
| Issue of units for payment of management fees | 3    | 12,772                          | -                                    | -                                | 12,772                              | -                                     | 12,772                 |
| Issue expenses                                | 4    | -                               | -                                    | -                                | -                                   | (18)                                  | (18)                   |
| Distribution Reinvestment Plan                |      | 9,160                           | (9,160)                              | -                                | -                                   | -                                     | -                      |
| Distribution to Unitholders                   |      | (3,216)                         | (41,654)                             | -                                | (44,870)                            | -                                     | (44,870)               |
| <b>At 31 March 2016</b>                       |      | <b>3,413,548</b>                | <b>393,443</b>                       | <b>(1,300)</b>                   | <b>3,805,691</b>                    | <b>151,563</b>                        | <b>3,957,254</b>       |

**Notes:**

- (1) This relates to fair value changes of the cash flow hedges as a result of interest rate swaps and foreign currency forward contracts entered into by the Trust.
- (2) This represents 19,149,650 units issued in 1Q2017 as payment of management fees in units.
- (3) This represents 13,720,004 units issued in 1Q2016 as payment of management fees in units.
- (4) The issue expenses were in relation to the issuance of \$150.0 million of subordinated perpetual securities at a fixed rate per annum on 2 November 2015.

**1(d)(ii) Details of Changes in the Units**

|                                     | <u>Group and Trust</u> |                      |
|-------------------------------------|------------------------|----------------------|
|                                     | 2017<br>Units          | 2016<br>Units        |
| <b>Issued units as at 1 January</b> | <b>3,291,616,169</b>   | <b>3,216,124,466</b> |
| Issue of new units:                 |                        |                      |
| - Payment of management fees        | 19,149,650             | 13,720,004           |
| - Distribution Reinvestment Plan    | 7,935,402              | 10,517,383           |
| <b>Issued units as at 31 March</b>  | <b>3,318,701,221</b>   | <b>3,240,361,853</b> |

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period, and as at the end of the immediately preceding year.**

Keppel REIT did not hold any treasury units as at 31 March 2017 and 31 December 2016.

Total number of issued units in Keppel REIT as at 31 March 2017 and 31 December 2016 are as disclosed in paragraph 1(d)(ii).

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

**2. AUDIT**

The figures have neither been audited nor reviewed by the auditors.

**3. AUDITORS' REPORT**

Not applicable.

**4. ACCOUNTING POLICIES**

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and revised standards and Interpretations of FRS ("INT FRS") that are effective for annual period beginning on 1 January 2017.

**5. CHANGES IN ACCOUNTING POLICIES**

Not applicable.

## 6. CONSOLIDATED EARNINGS PER UNIT (“EPU”) AND DISTRIBUTION PER UNIT (“DPU”)

|   | <u>Group</u>  |               |
|---|---------------|---------------|
|   | 1Q2017        | 1Q2016        |
| <b>EPU</b>  |               |               |
| (based on weighted average number of units as at the end of the period) |               |               |
| Based on total return before gain on divestment of investment property  | 1.15 cents    | 0.86 cents    |
| Based on total return after gain on divestment of investment property   | 1.15 cents    | 1.73 cents    |
| - Weighted average number of units as at the end of the period          | 3,306,565,757 | 3,229,668,077 |
| <b>DPU</b>  | 1.45 cents    | 1.68 cents    |
| (based on the number of units as at the end of the period)              |               |               |
| - Number of units in issue as at the end of the period                  | 3,318,701,221 | 3,240,361,853 |

The diluted EPU is the same as the basic EPU as there are no dilutive instruments in issue during the periods.

## 7. NET ASSET VALUE (“NAV”) AND NET TANGIBLE ASSET (“NTA”) PER UNIT

|  | <u>Group</u>       |                     | <u>Trust</u>       |                     |
|--|--------------------|---------------------|--------------------|---------------------|
|  | As at<br>31/3/2017 | As at<br>31/12/2016 | As at<br>31/3/2017 | As at<br>31/12/2016 |
| NAV <sup>1</sup> per unit (\$)   | 1.44               | 1.44                | 1.15               | 1.16                |
| NTA <sup>1</sup> per unit (\$)   | 1.43               | 1.44                | 1.15               | 1.15                |
| based on issued units at the end of the period   |                    |                     |                    |                     |
| Adjusted NAV <sup>1</sup> per unit (\$)  | 1.42               | 1.43                | 1.14               | 1.14                |
| Adjusted NTA <sup>1</sup> per unit (\$)  | 1.42               | 1.42                | 1.13               | 1.14                |
| based on issued units at the end of the period<br>(excluding the distributable income) |                    |                     |                    |                     |

**Note:**

- (1) These excluded non-controlling interest's and perpetual securities holders' share of net asset value and net tangible asset.

## 8. REVIEW OF PERFORMANCE

### 8(i) Property Income Contribution of Directly Held Properties

(excluding property income contribution from associates and joint ventures)

|  | <b>Group</b>  |               |                |
|--|---------------|---------------|----------------|
|  | <b>1Q2017</b> | <b>1Q2016</b> | <b>+/(-) %</b> |
|  | \$'000        | \$'000        | %              |
| <b>Property</b>  |               |               |                |
| Bugis Junction Towers  | 4,588         | 5,751         | (20.2)         |
| Ocean Financial Centre   | 25,951        | 26,100        | (0.6)          |
| 275 George Street  | 5,085         | 4,649         | 9.4            |
| 77 King Street <sup>1</sup>  | -             | 669           | (100.0)        |
| 8 Exhibition Street <sup>2</sup>   | 4,232         | 3,998         | 5.9            |
| <b>Total property income of directly held properties</b>                           | <b>39,856</b> | <b>41,167</b> | <b>(3.2)</b>   |
| <b>(excluding property income contribution from associates and joint ventures)</b> |               |               |                |

### 8(ii) Income Contribution of the Portfolio

|  | <b>Group</b>  |               |                |
|--|---------------|---------------|----------------|
|  | <b>1Q2017</b> | <b>1Q2016</b> | <b>+/(-) %</b> |
|  | \$'000        | \$'000        | %              |
| <b>Property</b>  |               |               |                |
| Bugis Junction Towers  | 3,392         | 4,624         | (26.6)         |
| Ocean Financial Centre   | 21,215        | 21,134        | 0.4            |
| 275 George Street  | 4,097         | 3,780         | 8.4            |
| 77 King Street <sup>1</sup>  | -             | 524           | (100.0)        |
| 8 Exhibition Street <sup>2</sup>   | 2,690         | 2,848         | (5.5)          |
| <b>Total net property income of directly held properties</b>               | <b>31,394</b> | <b>32,910</b> | <b>(4.6)</b>   |
| <b>One-third interest in ORQPL <sup>3</sup>:</b>                           |               |               |                |
| - Interest income  | 503           | 580           | (13.3)         |
| - Dividend income  | 8,414         | 6,346         | 32.6           |
| <b>Total income</b>  | <b>8,917</b>  | <b>6,926</b>  | <b>28.7</b>    |
| <b>One-third interests in BFCDLLP <sup>4</sup> and CBDPL <sup>4</sup>:</b> |               |               |                |
| - Rental support   | 2,575         | 3,200         | (19.5)         |
| - Interest income  | 4,521         | 6,998         | (35.4)         |
| - Dividend and distribution income   | 17,240        | 13,196        | 30.6           |
| <b>Total income</b>  | <b>24,336</b> | <b>23,394</b> | <b>4.0</b>     |
| <b>50% interest in M8CT <sup>5</sup>:</b>                                  |               |               |                |
| - Distribution income  | 3,335         | 3,128         | 6.6            |
| <b>50% interest in MOTT <sup>6</sup>:</b>                                  |               |               |                |
| - Distribution income  | 3,543         | 2,450         | 44.6           |

#### Notes:

- (1) 77 King Street was divested on 29 January 2016.
- (2) Comprises 50% interest in the office building and two retail units, and a 100% interest in another three retail units.
- (3) Comprises one-third interest in ORQPL which holds One Raffles Quay.
- (4) Comprise one-third interests in BFCDLLP and CBDPL which hold Marina Bay Financial Centre Towers 1, 2 and 3 and Marina Bay Link Mall.
- (5) Comprises 50% interest in M8CT which holds 8 Chifley Square.
- (6) Comprises 50% interest in MOTT which holds the David Malcolm Justice Centre.

## 8. REVIEW OF PERFORMANCE (CONT'D)

### Review of Performance for 1Q2017 vs 1Q2016

Property income and net property income for 1Q2017 were \$39.9 million and \$31.4 million respectively, compared to the property income and net property income of \$41.2 million and \$32.9 million respectively for 1Q2016. The variances were mainly attributable to the absence of income contribution from 77 King Street which was divested on 29 January 2016 and lower property income and net property income from Bugis Junction Towers.

The Group's total return before tax for 1Q2017 was \$42.0 million, compared to \$64.9 million for 1Q2016. The variance was mainly attributable to the absence of gain on divestment of 77 King Street which was recorded in 1Q2016, lower property and net property income from Bugis Junction Towers, absence of income contribution from 77 King Street, lower rental support and lower interest income. These were partially offset by higher share of results of associates and joint ventures, lower amortisation expense, lower borrowing costs, as well as changes in fair value of derivatives.

## 9. VARIANCE FROM FORECAST STATEMENT

Not applicable.

## 10. PROSPECTS

The Singapore economy grew 2.5% year-on-year (yoy) in 1Q2017 based on advance estimates by the Ministry of Trade and Industry (MTI). Full-year growth for 2017 is projected at between 1% and 3%.

CBRE opined that concerns around supply overhang from the new office projects are dissipating as soon-to-be completed developments are now reporting stronger pre-commitments. Leasing activities have increased, with demand from tenants in the banking and finance sector, as well as expansion in the technology and media sector. Overall occupancy for Singapore's core CBD office market was 95.6% in 1Q2017, down slightly from 95.8% in 4Q2016.

Meanwhile, average Grade A rent eased further to \$8.95 psf in 1Q2017, from \$9.10 psf in 4Q2016. CBRE believes that the office market may see a slight rebound by end-2017, followed by a more sustained market recovery in 2018. This recovery, however, is expected to be mixed, with Grade A offices expected to be the main beneficiary of any potential uplift in rents.

In Australia, the economy recorded a 2.4% growth for 2016, driven mainly by stronger household consumption. The Reserve Bank of Australia expects growth of between 2% and 3% for 2017, and between 2.5% and 3.5% for 2018. Jones Lang LaSalle reported that occupancy for Australia's national CBD office market remained steady at 88.1% as at end-December 2016. Leasing activities remained strong in the CBDs of Sydney and Melbourne, while the CBDs in Brisbane and Perth showed early signs of recovery.

Looking ahead, the Manager remains cognisant of the uncertain global economic environment and competitive office leasing landscape in Singapore. The Manager will continue its proactive and disciplined approach to renew leases so as to retain tenants and mitigate leasing risk.

Borrowing costs are likely to increase as a consequence of the anticipated US rate hikes. The Manager will continue its prudent capital management approach to mitigate financing, interest rate and foreign exchange risks.

The Manager remains committed to a portfolio optimisation strategy that ensures the REIT's portfolio remains relevant to tenants' changing business needs, while providing sustainable returns to Unitholders in the long term. The Manager will continue to seek selective acquisitions that offer stable income growth and capital appreciation over time. At the same time, the Manager is open to opportunistic divestments to unlock value for Unitholders.

## 11. 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 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. Steps have been taken to plan for funding and expense requirements so as to manage the cash position at any point of time.

### **Credit risk**

Credit risk assessments of tenants are carried out by way of evaluation of information from corporate searches conducted prior to the signing of lease agreements. Tenants are required to pay a security deposit as a multiple of monthly rents and maintain sufficient deposits in their accounts. In addition, the Manager also monitors the tenant mix.

### **Currency risk**

The Group's foreign currency risk relates mainly to its exposure from its investments in Australia, and the regular distributable income and interest income from these 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 manage expenses, actively monitor rental payments from tenants and continuously evaluate the Group's counter-parties. In addition, the Manager also performs an annual review of the adequacy and appropriateness of insurance coverage, continuously reviews disaster and pandemic business continuity plans, and updates and modifies them regularly.

## 12. DISTRIBUTIONS

### (a) Current Financial Period Reported on

|                      |  |
|----------------------|--|
| Name of Distribution | 1 January 2017 to 31 March 2017  |
| Distribution type    | (a) Taxable income<br>(b) Tax-exempt income<br>(c) Capital distribution  |
| Distribution rate    | (a) Taxable income distribution - 1.05 cents per unit<br>(b) Tax-exempt income distribution - 0.30 cents per unit<br>(c) Capital distribution - 0.10 cents per unit  |
| Tax rate             | <p><u>Taxable income distribution</u><br/>Individuals who receive such distribution as investment income will be exempted from tax.</p> <p>Qualifying Unitholders will receive pre-tax distributions and pay tax on the distributions at their own marginal rates subsequently.</p> <p>Investors using CPF funds and SRS funds will also receive pre-tax distributions. These distributions are tax-exempt.</p> <p>Subject to meeting certain conditions, foreign non-individual unitholders will receive their distributions after deduction of tax at the rate of 10%.</p> <p>All other investors will receive their distributions after deduction of tax at the rate of 17%.</p> <p><u>Tax-exempt income distribution</u><br/>Tax-exempt income distribution is exempt from tax in the hands of all Unitholders. Tax-exempt income relates to net taxed income and one-tier dividend income received by Keppel REIT.</p> <p><u>Capital distribution</u><br/>Capital distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to income tax. For Unitholders who are liable to Singapore income tax on profits from sale of Keppel REIT units, the amount of capital distribution will be applied to reduce the cost base of their Keppel REIT units for Singapore income tax purposes.</p> |

## 12. DISTRIBUTIONS (CONT'D)

### (b) Corresponding Period of the Immediately Preceding Financial Year

|                      |  |
|----------------------|--|
| Name of Distribution | 1 January 2016 to 31 March 2016  |
| Distribution Type    | (a) Taxable income<br>(b) Tax-exempt income<br>(c) Other gains distribution<br>(d) Capital distribution  |
| Distribution Rate    | (a) Taxable income distribution - 1.23 cents per unit<br>(b) Tax-exempt income distribution - 0.26 cents per unit<br>(c) Other gains distribution - 0.09 cents per unit<br>(d) Capital distribution - 0.10 cents per unit  |
| Tax Rate             | <p><u>Taxable income distribution</u><br/>Individuals who receive such distribution as investment income will be exempted from tax.</p> <p>Qualifying Unitholders will receive pre-tax distributions and pay tax on the distributions at their own marginal rates subsequently.</p> <p>Investors using CPF funds and SRS funds will also receive pre-tax distributions. These distributions are tax-exempt.</p> <p>Subject to meeting certain conditions, foreign non-individual unitholders will receive their distributions after deduction of tax at the rate of 10%.</p> <p>All other investors will receive their distributions after deduction of tax at the rate of 17%.</p> <p><u>Tax-exempt income distribution</u><br/>Tax-exempt income distribution is exempt from tax in the hands of all Unitholders. Tax-exempt income relates to net taxed income and one-tier dividend income received by Keppel REIT.</p> <p><u>Other gains distribution</u><br/>Other gains distribution is not taxable in the hands of all Unitholders.</p> <p><u>Capital distribution</u><br/>Capital distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to income tax. For Unitholders who are liable to Singapore income tax on profits from sale of Keppel REIT units, the amount of capital distribution will be applied to reduce the cost base of their Keppel REIT units for Singapore income tax purposes.</p> |

### (c) Books Closure Date

27 April 2017

### (d) Date Payable

30 May 2017

**13. DISTRIBUTION STATEMENT**

Other than as disclosed in paragraph 12(a), no distribution has been declared/recommended.

**14. INTERESTED PERSON TRANSACTIONS (“IPTs”)**

| Name of Interested Person  | Aggregate value of all interested person transactions during the financial year under review (excluding transactions of less than \$100,000) |                  |
|--|--|------------------|
|  | 1Q2017<br>\$'000   | 1Q2016<br>\$'000 |
| <u>Keppel Corporation Limited and its subsidiaries or associates</u> |  |                  |
| - Manager's management fees  | 12,547   | 12,576           |
| - Divestment fee   | -  | 810              |
| - Property management fees and reimbursable                          | 1,459  | 1,469            |
| - Leasing commissions  | 2,954  | -                |
| - Rental and service charge income <sup>1</sup>                      | -  | 36,041           |
| - Rental support   | 2,575  | 3,200            |
| <u>RBC Investor Services Trust Singapore Limited</u>                 |  |                  |
| - Trustee's fees   | 309  | 310              |

No IPT mandate has been obtained by Keppel REIT for the financial year under review.

**Note:**

(1) The aggregate value of interested person transactions refers to the total contract sum entered into during the financial year.

**15. CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL OF ITS DIRECTORS AND EXECUTIVE OFFICERS (IN THE FORMAT SET OUT IN APPENDIX 7.7) UNDER RULE 720(1)**

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

**By Order of the Board**  
**Keppel REIT Management Limited**  
**(Company Registration Number: 200411357K)**  
**As Manager of Keppel REIT**

CHUA HUA YEOW KELVIN / TAN WEIQIANG MARC  
 Joint Company Secretaries  
 19 April 2017

**CONFIRMATION BY THE BOARD**

We, CHIN WEI-LI AUDREY MARIE and TAN SWEE YIOW, being two Directors of Keppel REIT Management Limited (the "Company"), as manager of Keppel REIT, do hereby confirm on behalf of the Directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the First Quarter 2017 financial statements of Keppel REIT to be false or misleading in any material respect.

**On Behalf of the Board**

CHIN WEI-LI AUDREY MARIE  
Chairman



TAN SWEE YIOW  
Director

19 April 2017



# First Quarter 2017 Financial Results

## 19 April 2017



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|                                   |          |
|-----------------------------------|----------|
| <b>Key Highlights for 1Q 2017</b> | <b>3</b> |
|-----------------------------------|----------|

|  |          |
|--|----------|
| <b>Financial Highlights &amp; Capital Management</b> | <b>4</b> |
|--|----------|

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| <b>Portfolio Performance</b> | <b>10</b> |
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| <b>Market Update</b> | <b>16</b> |
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**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.



|  |  |  |                              |
|--|--|--|------------------------------|
| <b>Financial Highlights &amp; Capital Management</b> | <b>\$48.1 mil</b><br>Distributable Income  | <b>1.45 cents<sup>(1)</sup></b><br>DPU             |                              |
|  | Aggregate leverage at <b>38.4%</b>   | All-in interest<br><b>2.57%</b>                    | ICR at<br><b>4.6x</b>        |
|  | No refinancing requirements<br>until <b>2018</b>   | <b>75%</b> fixed-rate loans                        |                              |
|  |  | <b>84%</b> unencumbered assets                     |                              |
| <b>Portfolio Performance</b>                         | Committed <b>10</b> leases or<br><b>~82,700 sf</b> of spaces<br>(attributable NLA: ~67,700 sf) | High committed portfolio<br>occupancy <b>99.4%</b> |                              |
|  | <b>2.8% &amp; 1.7%</b><br>of leases due for renewal and<br>review in 2017 respectively         | <b>87%</b> Tenant<br>retention rate                | Rent reversion<br><b>-1%</b> |

(1) There is no distribution of other gains for 1Q 2017.

# Financial Highlights & Capital Management



Ocean Financial Centre, Singapore



- Distribution to Unitholders for 1Q 2017 was 11.6% lower y-o-y due mainly to (i) absence of income from the divested 77 King Street in Sydney in January 2016, (ii) lower income contribution from Bugis Junction Towers, as well as (iii) absence of other gains distribution

|  | 1Q 2017    | 1Q 2016                | Change  |
|--|------------|------------------------|---------|
| <b>Property income</b>                                   | \$39.9m    | \$41.2m                | (3.2)%  |
| <b>Net property income</b>                               | \$31.4m    | \$32.9m                | (4.6)%  |
| <b>Share of Results of Associates and Joint Ventures</b> | \$31.5m    | \$25.6m                | 22.9%   |
| <b>Distribution to Unitholders</b>                       | \$48.1m    | \$54.4m <sup>(1)</sup> | (11.6)% |
| <b>DPU</b>   | 1.45 cents | 1.68 cents             |         |

(1) Income contribution from 77 King Street was from 1 January 2016 up to the date of divestment on 29 January 2016



|                                      | As at 31 March 2017 | As at 31 December 2016 |
|--------------------------------------|---------------------|------------------------|
| Total assets                         | \$7,550 mil         | \$7,535 mil            |
| Borrowings <sup>(1)</sup>            | \$3,330 mil         | \$3,329 mil            |
| Total liabilities                    | \$2,632 mil         | \$2,637 mil            |
| Unitholders' funds                   | \$4,764 mil         | \$4,747 mil            |
| Adjusted NAV per Unit <sup>(2)</sup> | \$1.42              | \$1.43                 |

(1) These included borrowings accounted for at the level of associates and excluded the unamortised portion of upfront fees in relation to the borrowings.

(2) For 31 March 2017 and 31 December 2016, these excluded the distributions to be paid in May 2017 and paid in February 2017 respectively.



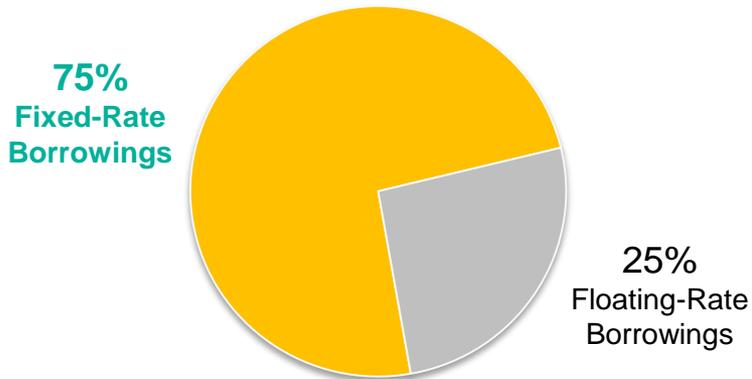
| Distribution Per Unit (DPU) |            |
|-----------------------------|------------|
| 1Q 2017                     | 1.45 cents |

| Distribution Timetable    |                         |
|---------------------------|-------------------------|
| Trading on “Ex” Basis     | Tuesday, 25 April 2017  |
| Books Closure Date        | Thursday, 27 April 2017 |
| Distribution Payment Date | Tuesday, 30 May 2017    |

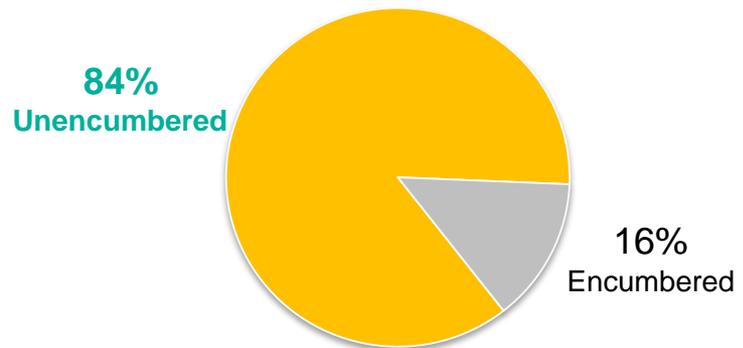


|  | As at 31 Mar 2017 | As at 31 Dec 2016 |
|--|-------------------|-------------------|
| <b>Gross Borrowings</b>                  | \$3,330 mil       | \$3,329 mil       |
| <b>Interest Coverage Ratio</b>           | 4.6x              | 4.7x              |
| <b>All-in Interest Rate</b>              | 2.57%             | 2.51%             |
| <b>Weighted Average Term to Maturity</b> | 3.2 years         | 3.5 years         |
| <b>Aggregate Leverage</b>                | 38.4%             | 38.5%             |

**Borrowings on Fixed-Rate (as at 31 Mar 2017)**



**% of Assets Unencumbered (as at 31 Mar 2017)**



**DPU Change<sup>(1)</sup>**

Every 50 bps ↓↑ in SOR

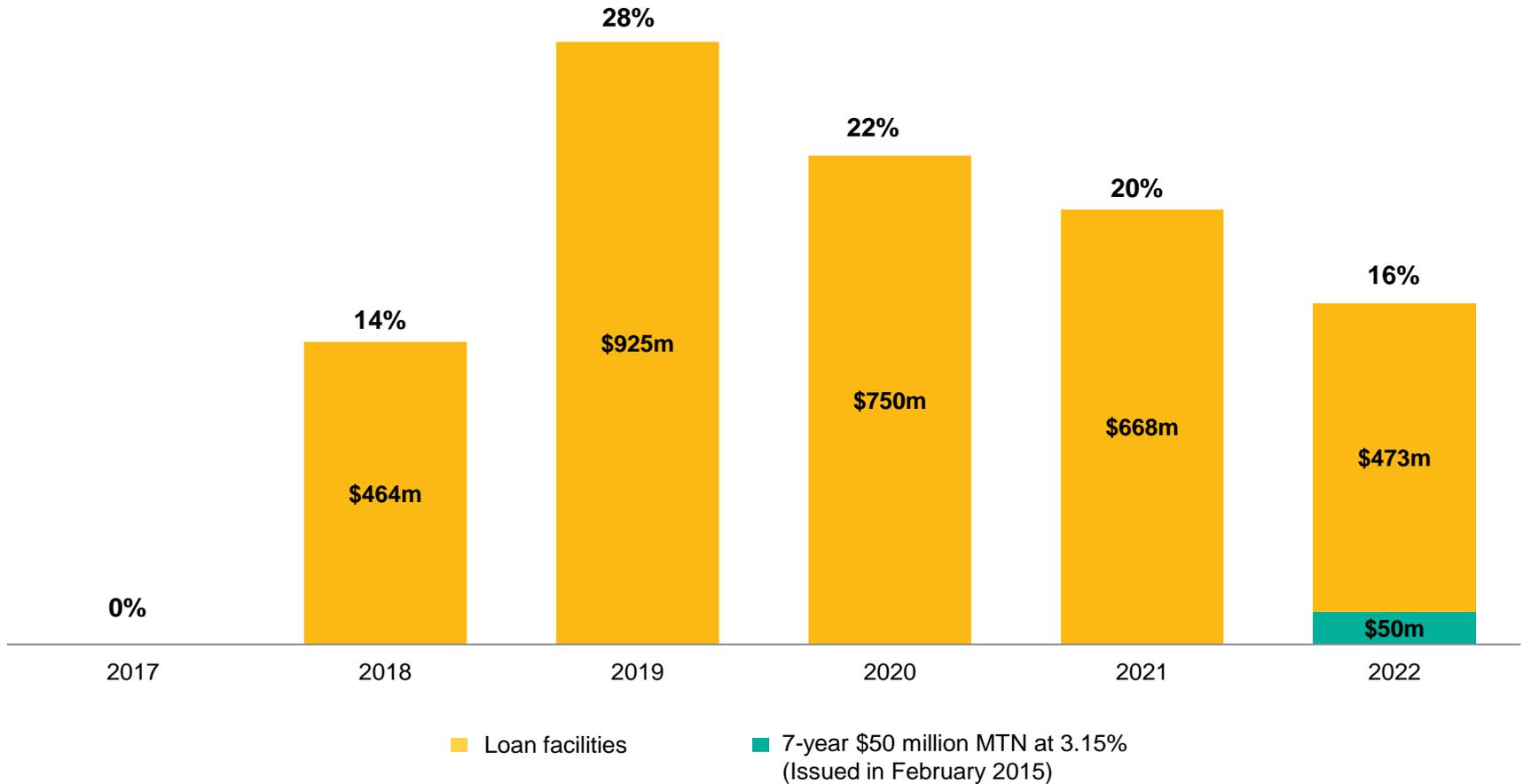
~0.12 cents ↑↓ in DPU

(1) Based on the Group's borrowings including those accounted for at the level of associates, and number of Units as at 31 March 2017.



- Weighted average term to maturity at 3.2 years as at 31 March 2017
- On 6 April 2017, issued a 7-year \$75 million Medium Term Notes (MTN) at a fixed-rate of 3.275%
- Proceeds from the issuance will be applied towards refinancing of borrowings

**No refinancing requirements until 2018 as at 31 March 2017**



# Portfolio Performance



David Malcolm Justice Centre, Perth

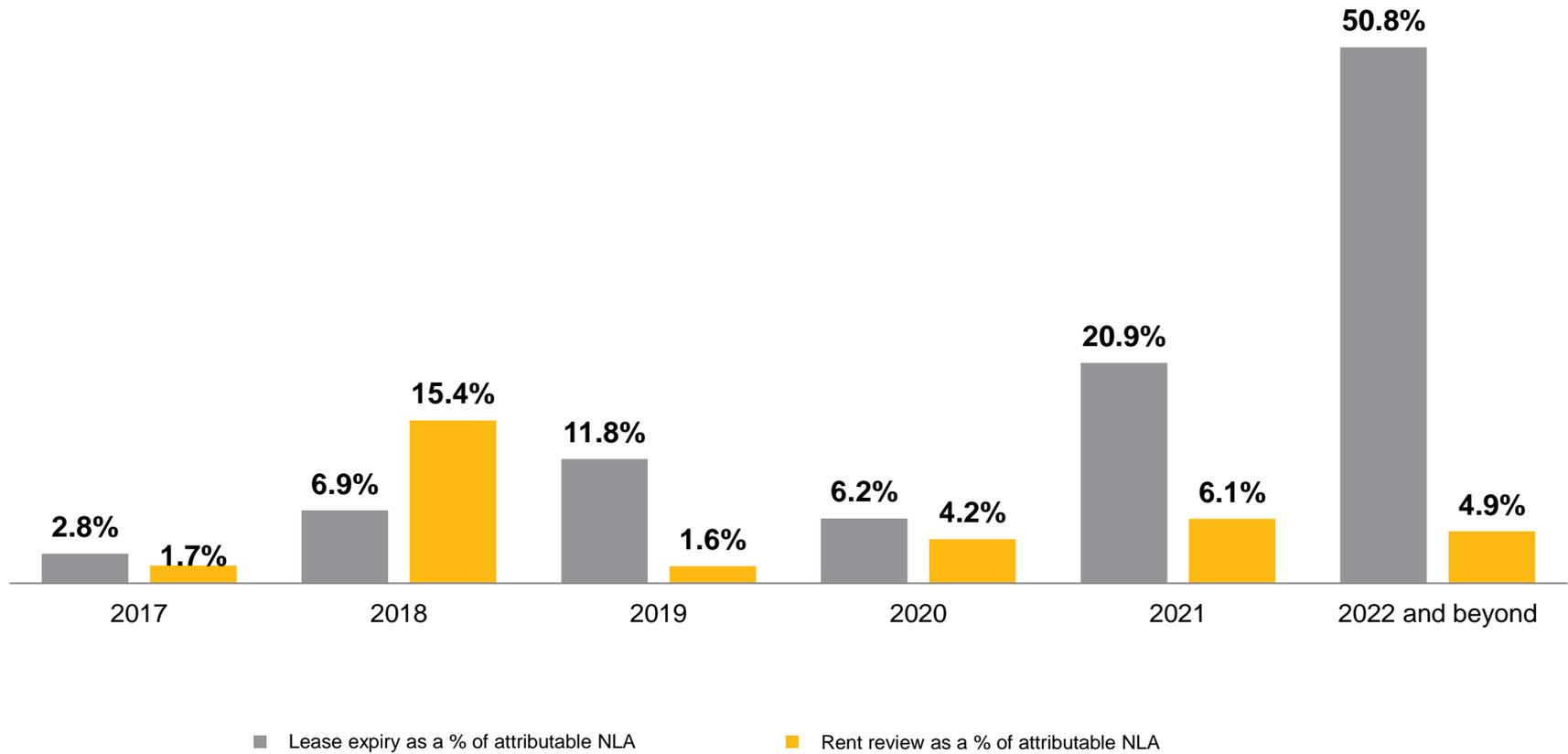
**Continued tenant-centric approach to retain tenants and maintain high committed portfolio occupancy levels.**

|                      |  |   |   |
|----------------------|--|---|---|
| Committed Leases     | 10 leases in 1Q 2017   | ~82,700 sf<br>(Attributable ~67,700 sf) | -1% Rent Reversion                          |
| Tenant Retention     | 87%<br>Tenant retention rate in 1Q 2017                                  |   | 99.4%<br>High Committed Portfolio Occupancy |
| Minimal Leasing Risk | 2.8% & 1.7%<br>of leases due for renewal and review in 2017 respectively |   |   |





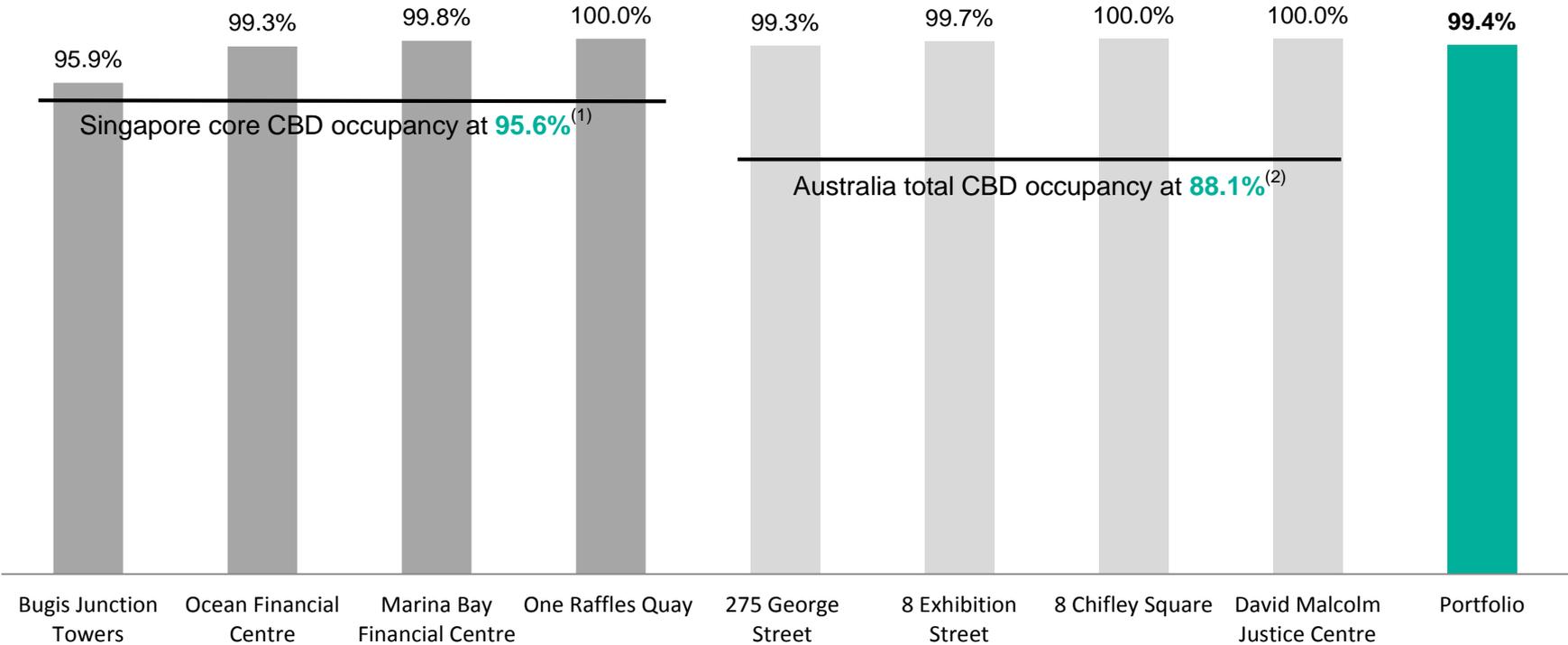
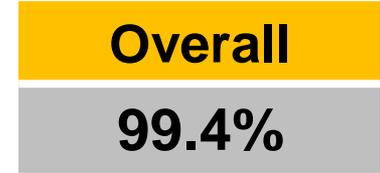
## Portfolio Lease Expiry Profile (By Attributable NLA) as at 31 March 2017



Lease expiry profile is based on committed lease basis.



# Committed Occupancy Levels



(1) CBRE, 1Q 2017.

(2) JLL, end-December 2016.



## Weighted Average Lease Expiry (WALE)<sup>(1)</sup>

Approx. **9 years**  
(till year 2026)

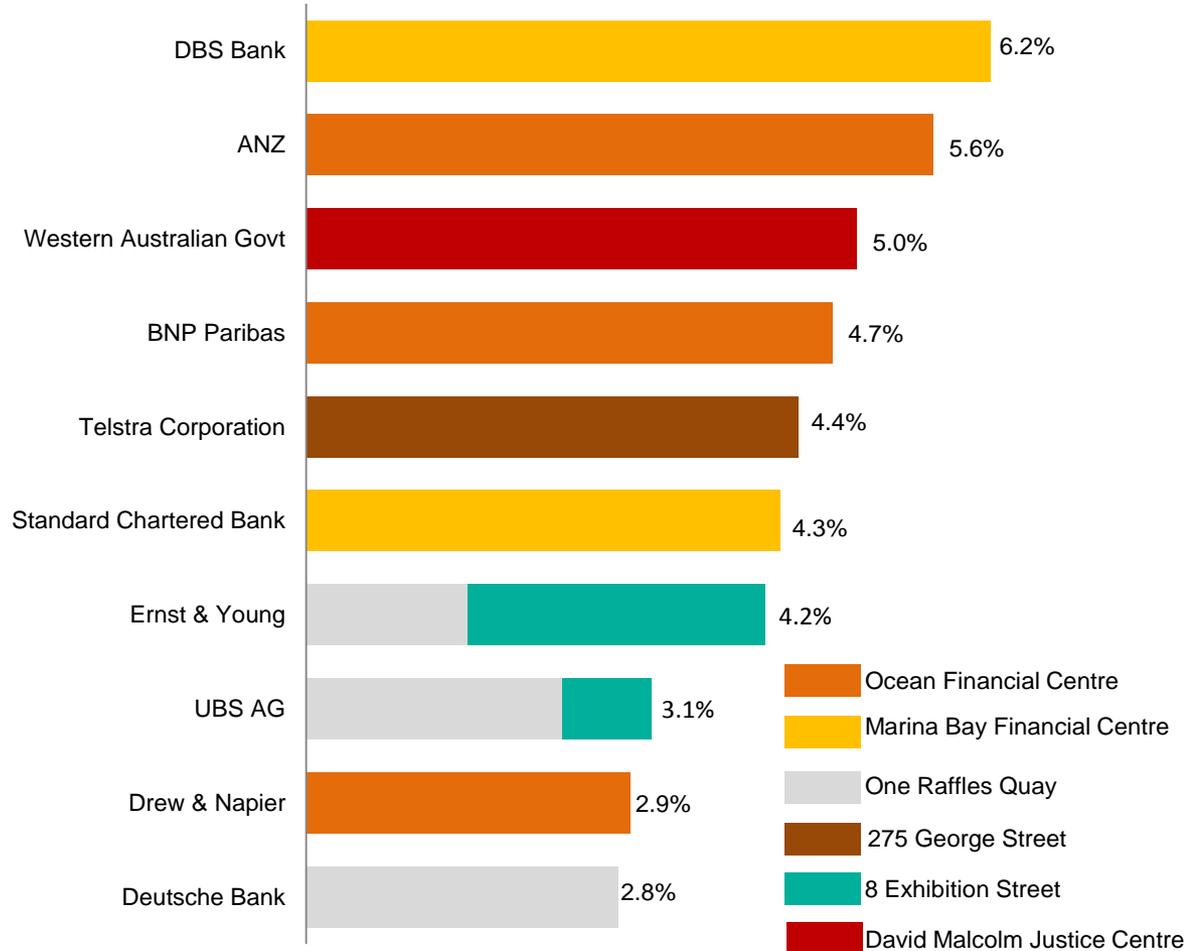


Approx. **6 years**  
(till year 2023)



## Top Ten Tenants<sup>(2)</sup>

- 43.2% of portfolio NLA
- 39.8% of gross rental income



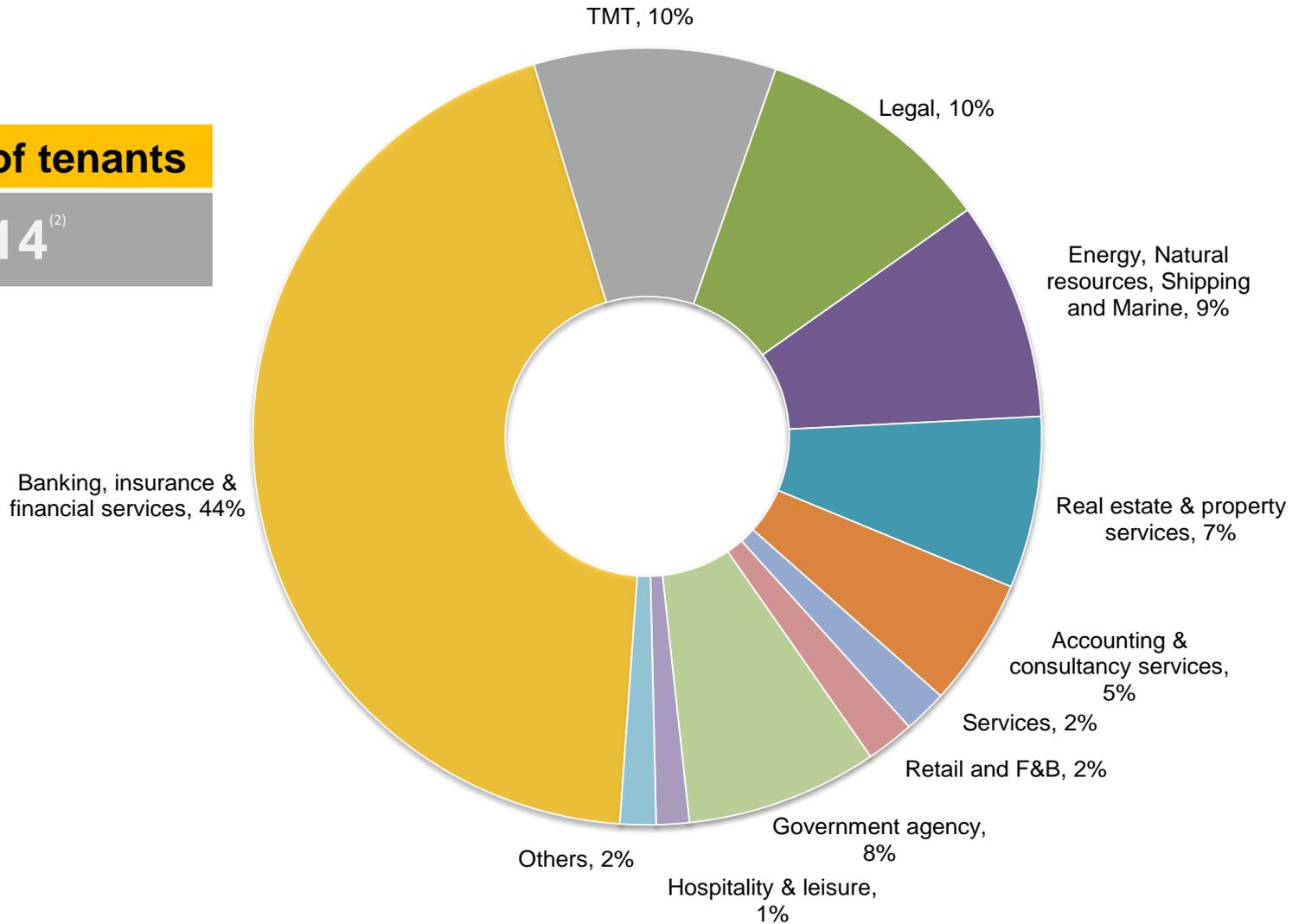
(1) As at end-March 2017.

(2) Top 10 Tenants by attributable NLA.



**Number of tenants**

**314<sup>(2)</sup>**



(1) Based on committed leases as at 31 March 2017 and by attributable NLA.

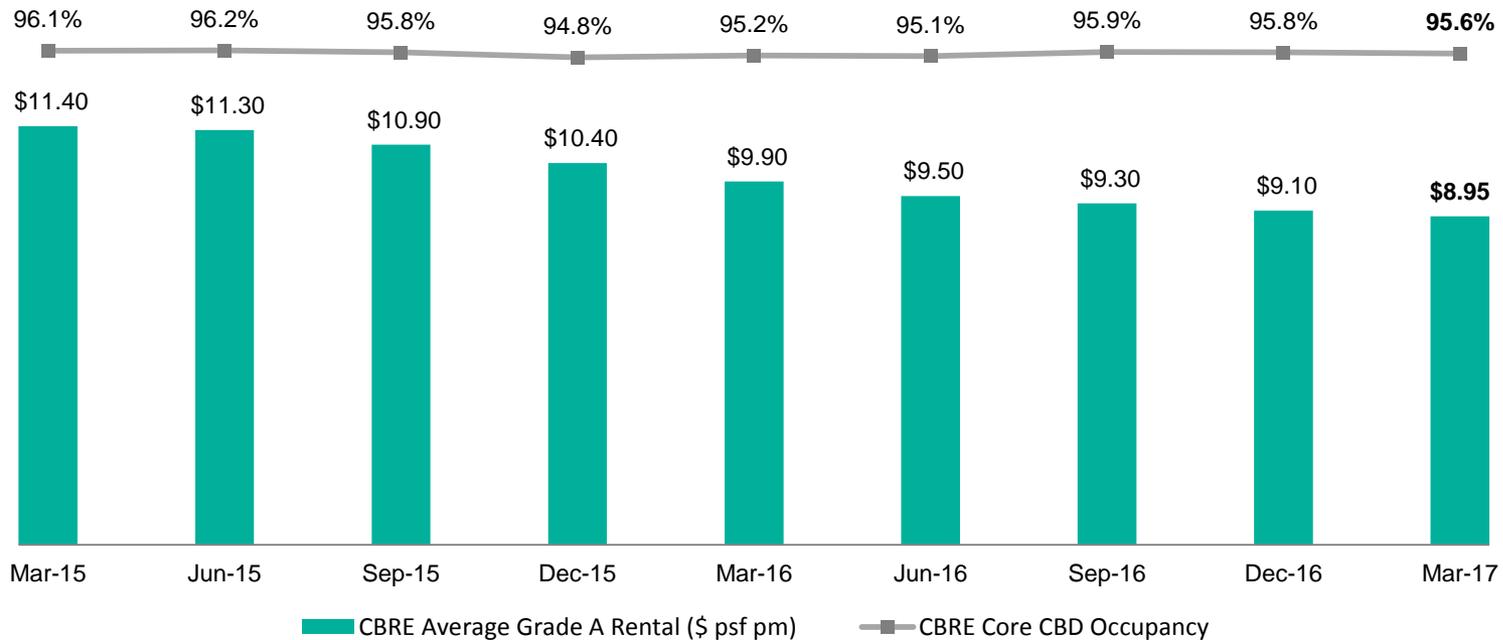
(2) Tenants with multiple leases were accounted as one tenant.

# Market Update

8 Chifley Square, Sydney



- According to CBRE, concerns around supply overhang from the new office projects are dissipating.
- Soon-to-be completed developments are now reporting stronger pre-commitments.
- Increased leasing activities, with demand from tenants in the banking and finance sector, as well as expansion in the technology and media sector.
- CBRE believes the office market may see a slight rebound by end-2017, followed by a more sustained market recovery in 2018





- Recorded a 2.4% growth for 2016, driven mainly by stronger household consumption.
- Growth estimated at between 2.0% and 3.0% for 2017.
- Australia's national CBD office occupancy remained stable at 88.1% as at end-December 2016.
- Leasing activities remained strong in the CBDs of Sydney and Melbourne, while the CBDs of Brisbane and Perth showed early signs of recovery.



# Additional Information



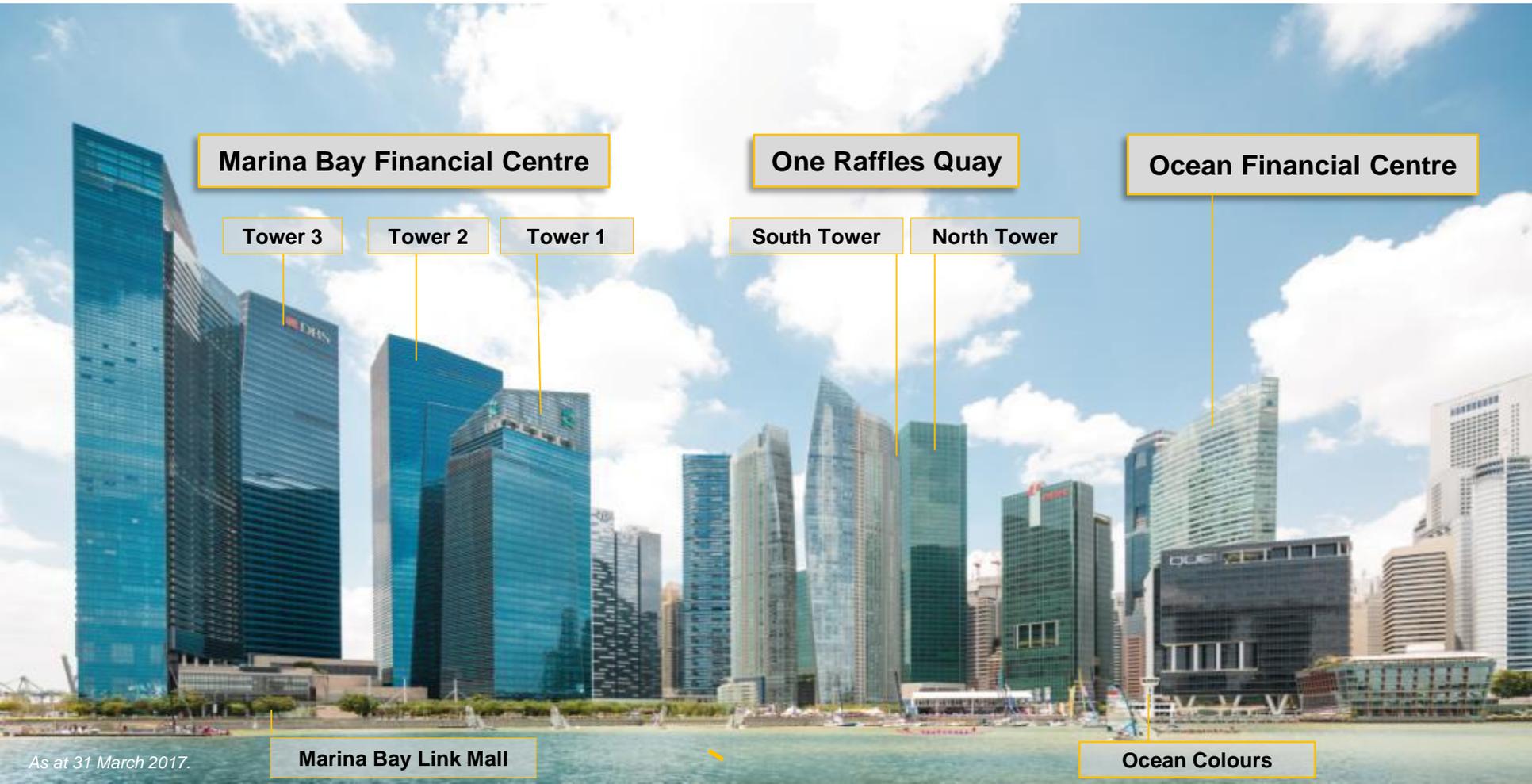
**Keppel** **REIT**

Bugis Junction Towers



# Portfolio Overview

| Best-in-Class Assets in Strategic Locations   | Largest Portfolio of Premium Office Assets | Assets Under Management | Well-Diversified Tenant Base                            |
|---|--|-------------------------|---|
| 11 office towers in 8 quality Premium Grade and Grade A assets in the business and financial districts of Singapore and Australia | 3.3 million sf total attributable NLA      | S\$8.4 billion          | 314 tenants diversified across various business sectors |



**Marina Bay Financial Centre**

**Tower 3**

**Tower 2**

**Tower 1**

**One Raffles Quay**

**South Tower**

**North Tower**

**Ocean Financial Centre**

**Marina Bay Link Mall**

**Ocean Colours**



Ocean Financial Centre  
(99.9% interest)



Marina Bay Financial Centre  
(33.3% interest)



One Raffles Quay  
(33.3% interest)



Bugis Junction Towers  
(100% interest)

Singapore

89%\*

Australia

11%\*



8 Chifley Square,  
Sydney  
(50% interest)



8 Exhibition Street,  
Melbourne  
(50% interest)



275 George Street,  
Brisbane  
(50% interest)



David Malcolm Justice  
Centre, Perth  
(50% interest)

\* Based on Keppel REIT's total assets under management of approximately \$8.4 billion, as at 31 March 2017.



# Portfolio Information

| <b>SINGAPORE</b>                   | <b>Ocean Financial Centre</b>                                      | <b>Marina Bay Financial Centre <sup>(3)</sup></b>                                | <b>One Raffles Quay</b>                         | <b>Bugis Junction Towers</b>                                   |
|------------------------------------|--|--|---|--|
| Attributable NLA                   | 881,366 sf   | 1,026,319 sf   | 443,603 sf                                      | 244,579 sf   |
| Ownership                          | 99.9%  | 33.33%   | 33.33%  | 100.0%   |
| Principal tenants                  | ANZ,<br>BNP Paribas,<br>Drew & Napier                              | DBS Bank,<br>Standard Chartered Bank,<br>BHP Billiton                            | Deutsche Bank,<br>UBS,<br>Ernst & Young         | Keppel Land,<br>IE Singapore,<br>InterContinental Hotels Group |
| Tenure                             | 99 years expiring<br>13 Dec 2110                                   | 99 years expiring<br>10 Oct 2104 <sup>(4)</sup> and<br>7 Mar 2106 <sup>(5)</sup> | 99 years expiring<br>12 Jun 2100                | 99 years expiring<br>9 Sep 2089                                |
| Purchase Price<br>(on acquisition) | S\$2,298.8m <sup>(2)</sup>   | S\$1,426.8m <sup>(4)</sup><br>S\$1,248m <sup>(5)</sup>                           | S\$941.5m                                       | S\$159.5m  |
| Valuation <sup>(1)</sup>           | S\$2,627m  | S\$1,693m <sup>(4)</sup><br>S\$1,316m <sup>(5)</sup>                             | S\$1,273m                                       | S\$540m  |
| Capitalisation rates               | 3.75%  | 3.75%  | 3.75%   | 3.75%  |
| <b>AUSTRALIA</b>                   | <b>8 Chifley Square,<br/>Sydney</b>                                | <b>8 Exhibition Street, Melbourne<sup>(7)</sup></b>                              | <b>275 George Street,<br/>Brisbane</b>          | <b>David Malcolm Justice<br/>Centre, Perth</b>                 |
| Attributable NLA (sf)              | 104,138  | 246,053  | 224,693   | 167,784  |
| Ownership                          | 50.0%  | 50.0%  | 50.0%   | 50.0%  |
| Principal tenants                  | Corrs Chambers Westgarth,<br>Quantum Group,<br>QBE Insurance Group | Ernst & Young,<br>Minister for Finance- State of Victoria,<br>UBS,<br>CBRE       | Telstra Corporation,<br>Queensland Gas Company, | Government of Western Australia                                |
| Tenure                             | 99 years expiring<br>5 Apr 2105                                    | Freehold   | Freehold  | 99 years expiring<br>30 Aug 2114                               |
| Purchase Price<br>(on acquisition) | A\$167m  | A\$169m <sup>(7)</sup>   | A\$166m   | A\$165m  |
| Valuation <sup>(1) (6)</sup>       | S\$235.9m  | S\$236.9m <sup>(7)</sup>   | S\$213.9m                                       | S\$220.0m  |
| Capitalisation rates               | 5.00%  | 5.25% <sup>(8)</sup><br>4.50% <sup>(9)</sup>                                     | 6.25%   | 5.50%  |

1) Valuation as at 31 December 2016 based on Keppel REIT's interest in the respective properties.

2) 87.5% interest of the building was acquired on 14 December 2011 and 12.4% interest of the building was acquired on 25 June 2012.

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

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

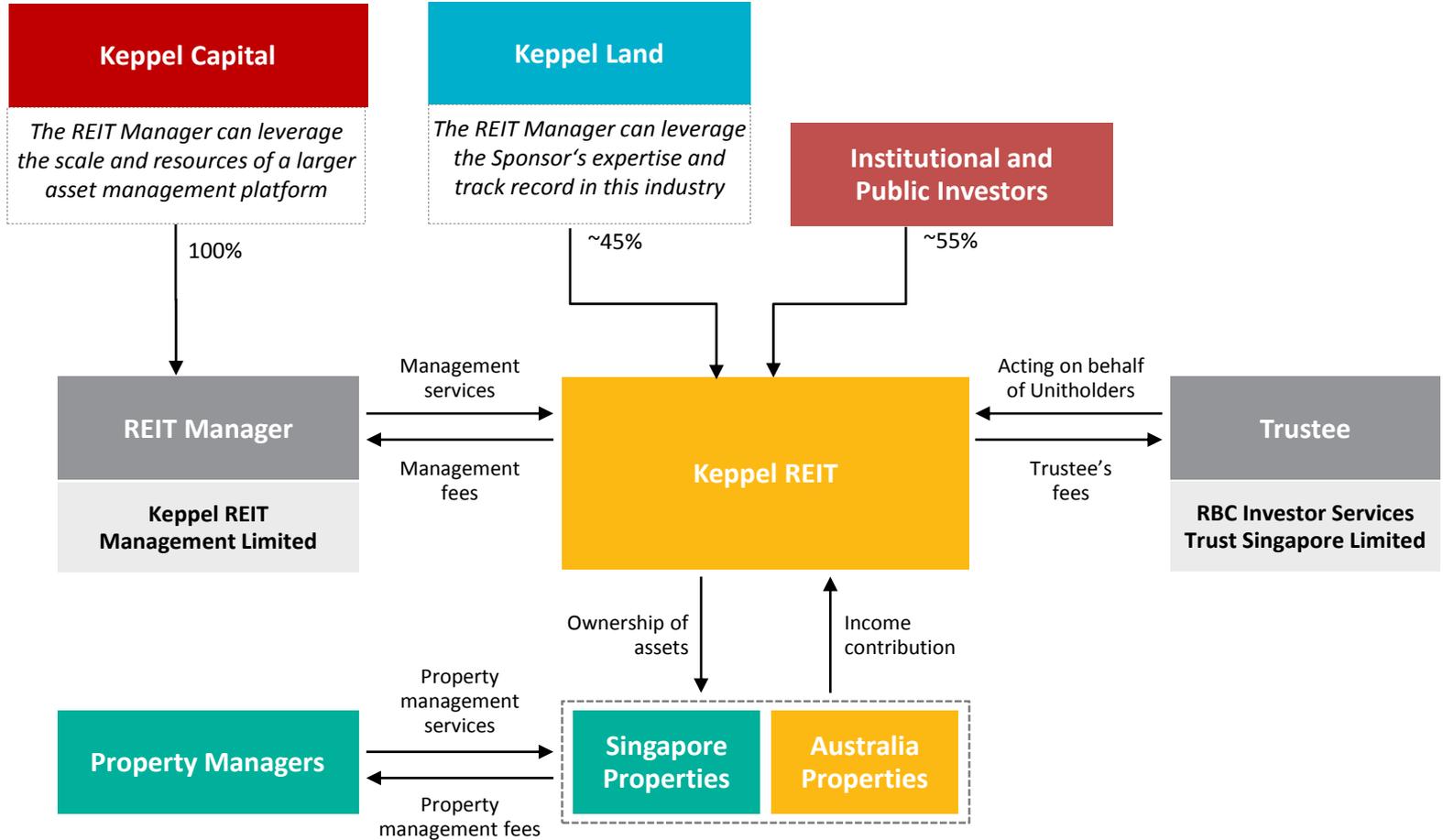
5) Refers to MBFC Tower 3.

6) Based on the exchange rate of A\$1 = S\$1.06.

7) Keppel REIT owns a 50% interest in the 8 Exhibition Street office building and two retail units, as well as 100% interest in the three adjoining retail units

8) Refers to Keppel REIT's 50% interest in the office building and two retail units.

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





**Thank You**