

## Investor Presentation

January 2015



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# Keppel DC REIT

The first data centre REIT listed in Asia

## Market Capitalisation

**S\$856m**

as at 7 Jan 2015,  
up from S\$821m as at listing

## Offering Price

**S\$0.97** per unit

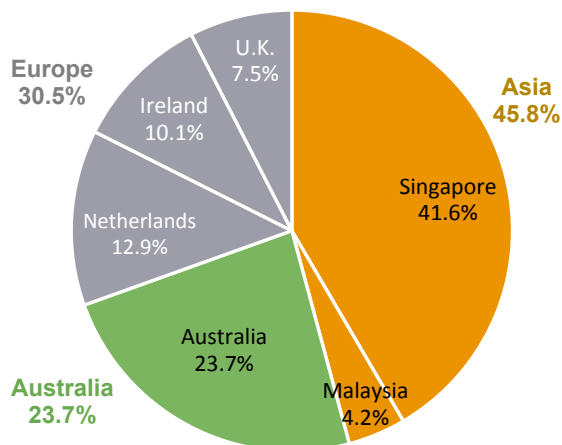
as at 7 Jan 2015,  
up from S\$0.93 as at listing

## Expected Distribution Yield

**6.8%** (2015F) and

**7.1%** (2016F)

with growth of 4.5% from 2015-16,  
based on offering price of S\$0.93



## Current Portfolio

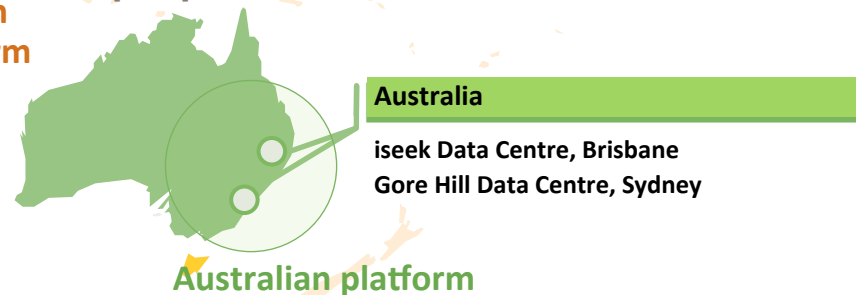
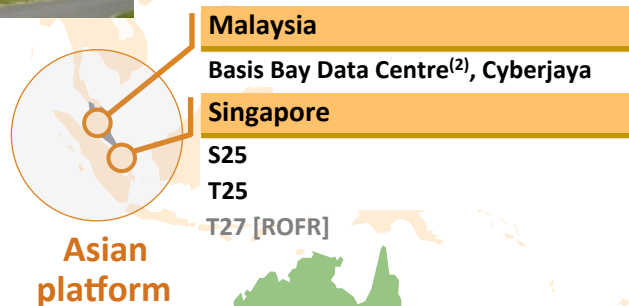
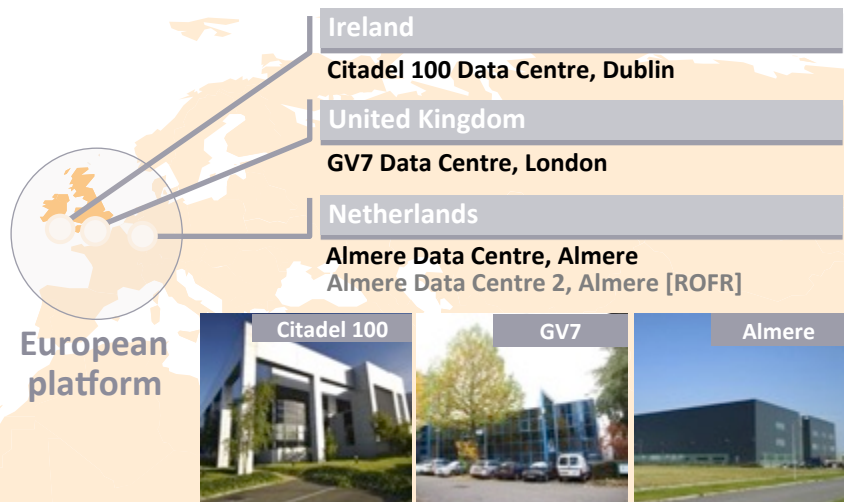
**~S\$1.0 b**

comprising 8 data centres  
across 7 cities in 6 countries

## Investment Mandate:

*To invest, directly or indirectly, in a diversified portfolio of income-producing real estate assets, which are used primarily for data centre purposes, with an initial focus on Asia-Pacific and Europe.*

# Geographical Network



## Current focus areas for growth

Europe	Asia Pacific
<ul style="list-style-type: none"> <li>France</li> <li>Germany</li> <li>Netherlands</li> <li>United Kingdom</li> </ul>	<ul style="list-style-type: none"> <li>Australia</li> <li>Hong Kong</li> <li>Japan</li> <li>Korea</li> <li>Singapore</li> </ul>

- (1) Based on the average of two independent valuations conducted by respective independent valuers for each property ("Appraised Value") as at 30 September 2014 (including the 1.0% interest in Basis Bay Data Centre that the Basis Bay Vendor holds).
- (2) Keppel DC REIT holds a 99.0% interest in Basis Bay Data Centre while the Basis Bay Vendor holds the remaining 1.0% interest.

# High Quality Portfolio

- Strategically located in key cities that are regional data centre hubs
- Built to high technical specifications required by mission critical operations
- Stable long-term leases with government-related entities and blue chip MNCs
- Large proportion of young properties with freehold titles and long land tenures

## Portfolio Summary<sup>(1)</sup> as at 30 September 2014

Appraised Value (S\$m) <sup>(2)</sup>	1,022
Aggregate Lettable Area (sq ft)	509,913
Weighted Average Age	5.4 years
Customers <sup>(3)</sup>	34
Occupancy rate	93.5%
Weighted average lease expiry ("WALE") <sup>(4)</sup>	7.8 years
Net property income yield (FY2015) <sup>(5)</sup>	8.3%

(1) Property-related calculations include the 1.0% interest in Basis Bay Data Centre held by the Basis Bay Vendor.

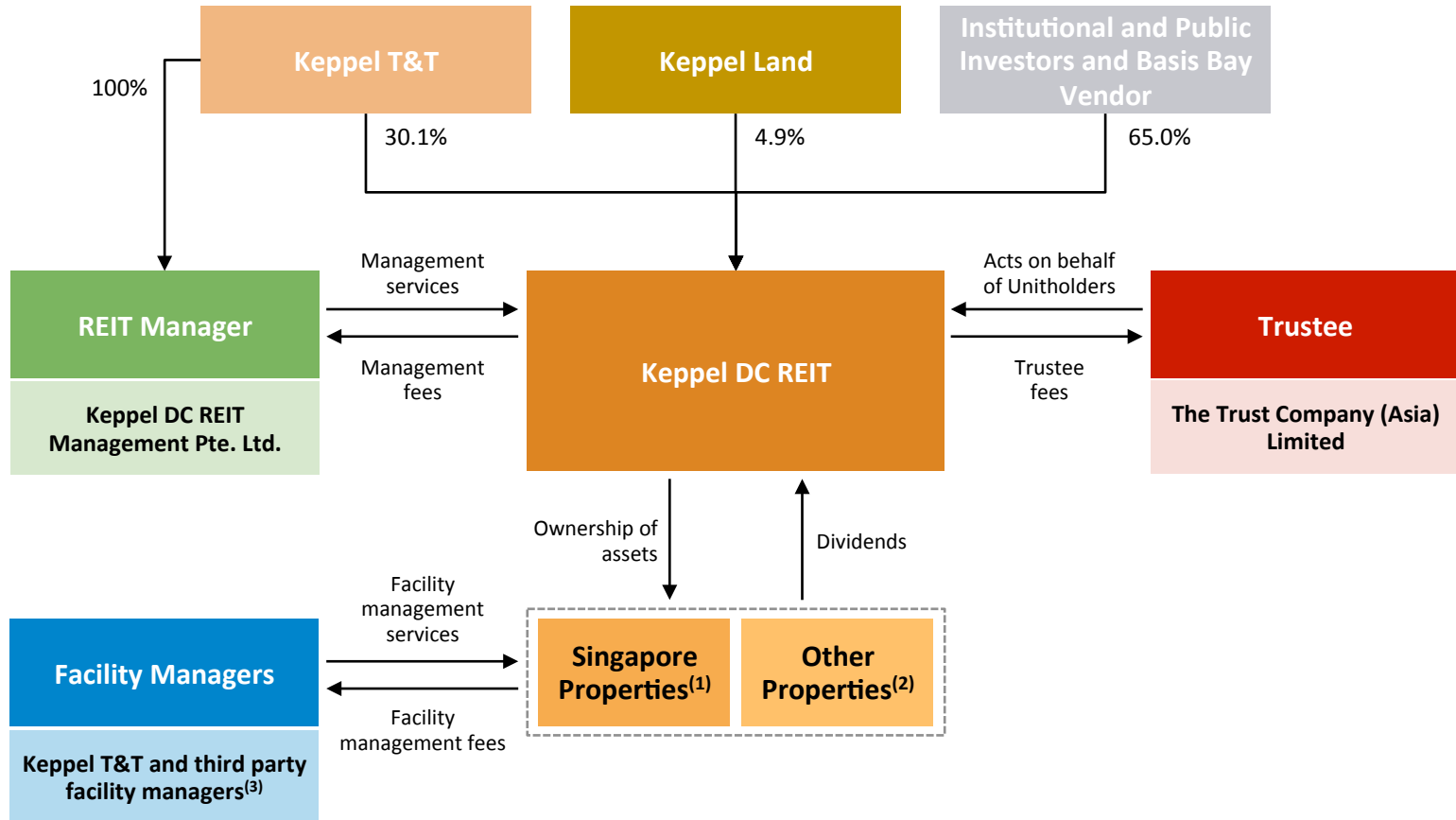
(2) Based on exchange rates of S\$1.00 = A\$0.90, S\$1.00 = £0.49, S\$1.00 = RM2.62, S\$1.00 = €0.61 as at 2 December 2014.

(3) Refers to contractual relationships arising out of the lease agreements and co-location arrangements with the end-users of the Properties.

(4) By leased Lettable Area as at 30 September 2014.

(5) Based on Forecast Year 2015 net property income on a straight-line basis divided by Appraised Value as at 30 September 2014.

# Keppel DC REIT Structure



- (1) The Singapore Properties are held directly by the REIT.  
 (2) The Other Properties are held via multiple layers of intermediate Singapore, Australia, BVI, Malaysia, the Netherlands, Ireland and Guernsey SPVs. Keppel DC REIT holds a 99.0% interest in Basis Bay Data Centre while the Basis Bay Vendor holds the remaining 1.0% interest.  
 (3) Third-party facility managers include data centre customers of Keppel DC REIT. For Almere Data Centre, GV7 Data Centre and Basis Bay Data Centre, the customers are the facility managers.





# Data Growth

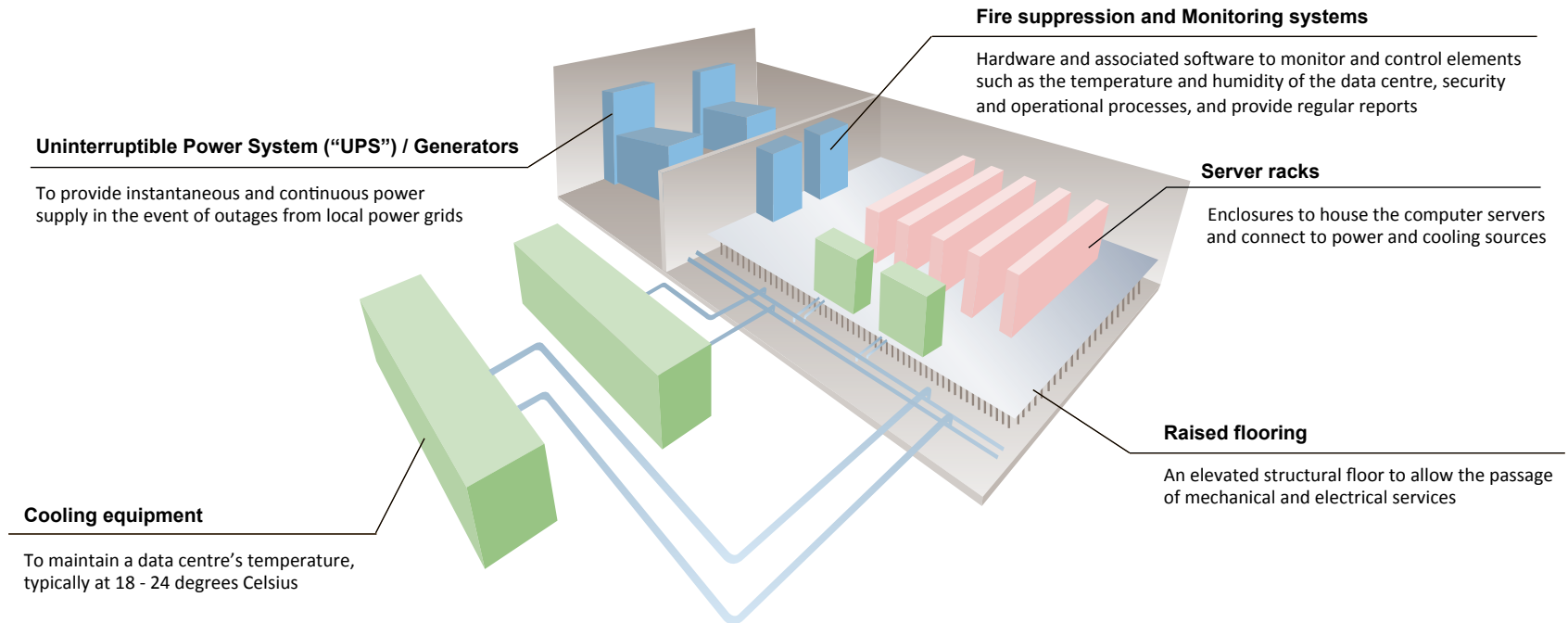
The recent trend towards “Big Data” has underscored the increasing demand for data storage.

BroadGroup estimates that the amount of data created globally is expected to grow at a **CAGR of 47.7%** from 2013 to 2018.



# What is a Data Centre?

- Specialised facility designed to house mission critical networking and computer equipment.
- Data centres provide highly reliable, secure environment with redundant mechanical cooling systems, electrical power systems and network communication connections.



Source: BroadGroup Research.

# Strong Fundamental Growth Drivers

1	<b>Growing data requirements</b>	<ul style="list-style-type: none"><li>■ Strong growth in data creation, usage and requirements expected to continue.</li></ul>
2	<b>Mission critical infrastructure</b>	<ul style="list-style-type: none"><li>■ Data centre facilities support customers' critical day-to-day business operations, and/or meet regulatory and compliance requirements.</li></ul>
3	<b>Substantial relocation costs</b>	<ul style="list-style-type: none"><li>■ The need to replicate costly and high specifications set of IT services and data centre equipment for seamless relocation.</li><li>■ Risk of downtime and business disruptions.</li></ul>
4	<b>Long lead time to develop data centres</b>	<ul style="list-style-type: none"><li>■ Technical expertise and intricate understanding of industry and customers' needs are required.</li><li>■ Anchor customers or significant pre-let, on top of the necessary power, cooling and network connectivity, have to be secured before development.</li></ul>
5	<b>Scarcity of attractive sites</b>	<ul style="list-style-type: none"><li>■ Limited suitable sites with specialised data centre requirements:<ul style="list-style-type: none"><li>– Access to sufficient power and fibre connectivity</li><li>– Minimal risk factors such as flooding or natural disasters</li></ul></li></ul>

**Keppel DC REIT**



**Investment Highlights**

# Investment Highlights

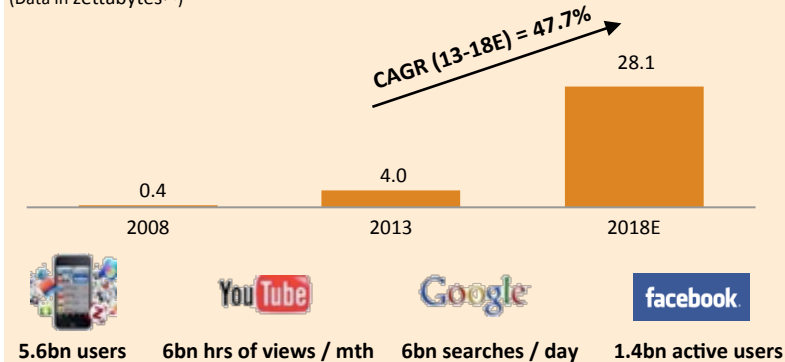
- 1 High Growth Industry with Significant Barriers to Entry
- 2 Quality Investment Portfolio
- 3 Located in Key Data Centre Hubs with Strong Growth Profile
- 4 Diversified Customer Base with Favorable Lease and Co-Location Profile
- 5 Attractive Yield and Opportunities for Growth
- 6 Conservative Capital Structure and Sound Financial Management
- 7 Committed Sponsor with Proven Track Record

# 1 High Growth Industry with Significant Barriers to Entry

Explosive growth in data creation driving the need for data storage

## A Growth in data creation and storage needs

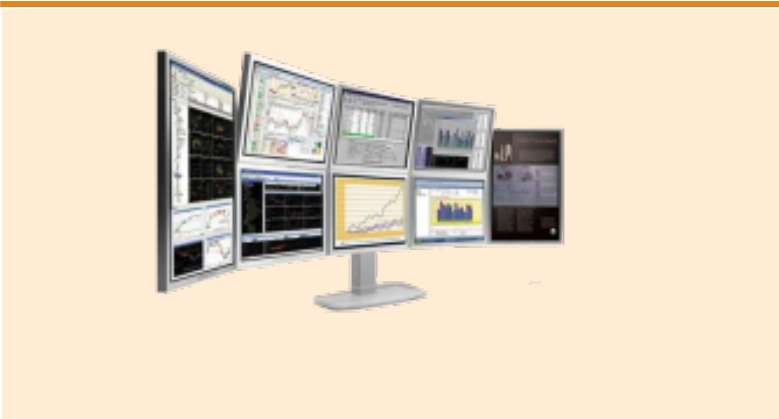
(Data in zettabytes<sup>(1)</sup>)



## B Cloud computing, e-commerce and online shopping

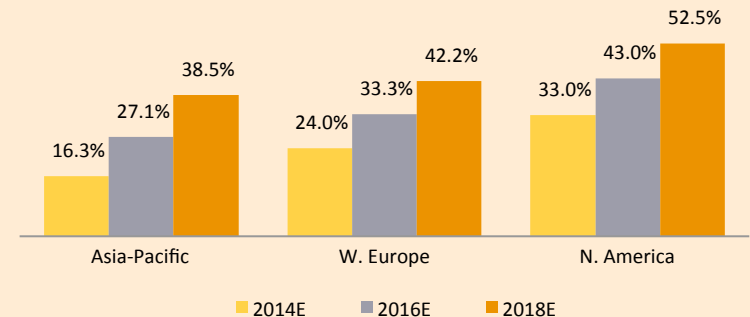


## C Increasing regulatory requirements on data security



## D Continued trend of outsourcing of data centres

(Outsourced data centre space by region, % by sq ft)



Source: BroadGroup Research.

(1) 1 zettabyte = 1 billion terabytes =  $10^{21}$  bytes.

# 1 High Growth Industry with Significant Barriers to Entry [Cont]

Keppel DC REIT has an established installed base in the data centre market, which is challenging for new entrants to develop a presence in

## High barriers to entry

1

### Substantial upfront cost

- Data centres are designed to high technical standards
- > 6x upfront cost of other real estate classes (see opposite)

2

### Specialised technical knowledge

- Technical expertise and intricate understanding of industry and customers' needs are required to build reliable data centres with power and cooling equipment and in-built redundancy .

3

### Customers' preference for data centre providers with strong track record

- Data centres are mission critical and customers require minimal downtime

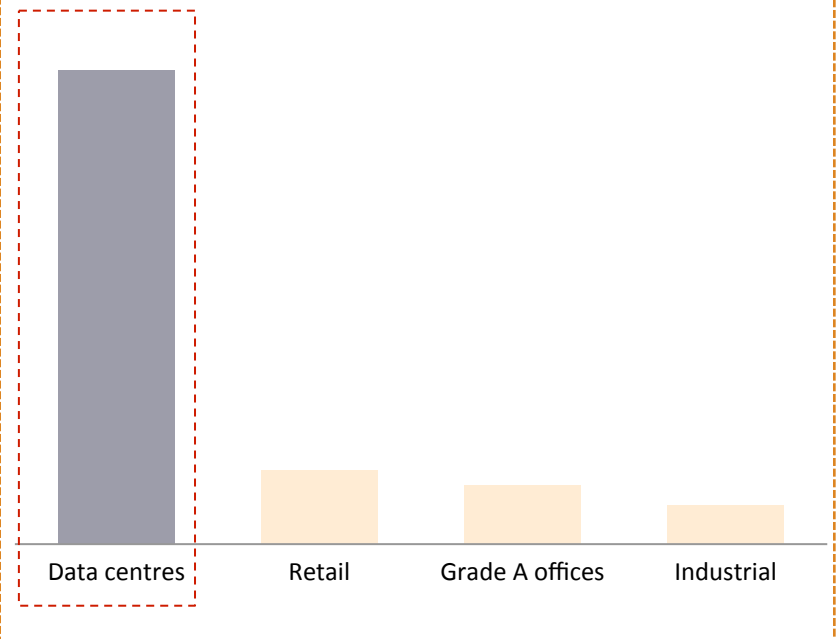
4

### Scarcity of suitable sites

- Limited sites with suitable location, power, infrastructure and physical safety

### Data centres have substantial upfront cost

(Average estimated mechanical and electrical fit out costs excluding land and building (US\$ per sq ft))



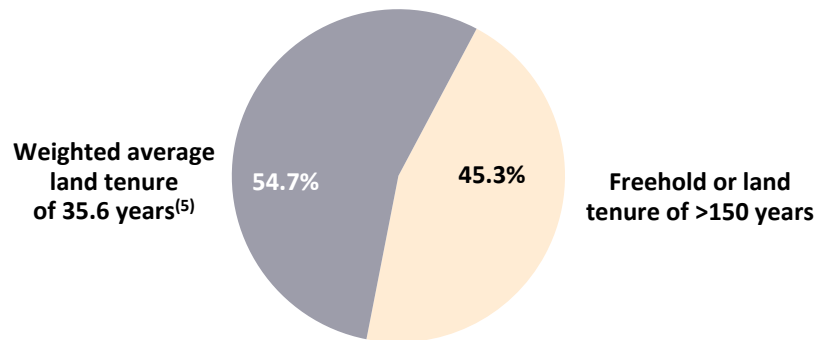
Source: BroadGroup Research.



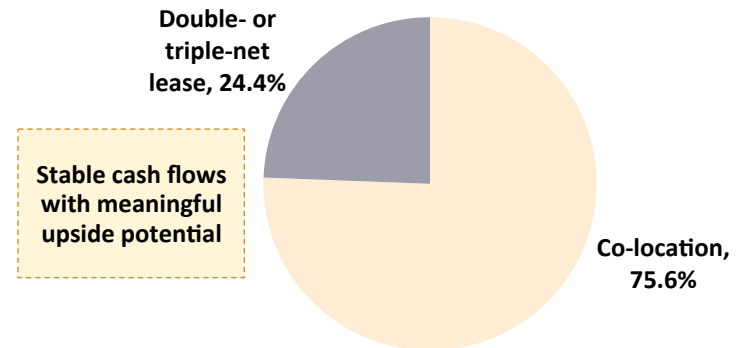
## 2 Quality Investment Portfolio

- Strategically located across key cities in Asia-Pacific and Europe with excellent connectivity.
- Long land tenure with 45.3% of portfolio<sup>(1,2)</sup> located on freehold land or tenure of >150 years.
- Long WALE of 7.8 years<sup>(3)</sup> by leased Lettable Area
- Low capex requirements:
  - Young properties that are recently built or refurbished, with weighted average age of 5.4<sup>(4)</sup> years
  - Double and triple-net leases contributing 24.4% of portfolio<sup>(6)</sup>

### Long land tenure<sup>(2)</sup>



### Breakdown of lease types<sup>(6)</sup>



(1) Property-related calculations include the 1.0% interest in Basis Bay Data Centre that the Basis Bay Vendor holds.

(2) By Appraised Value as at 30 September 2014.

(3) As at 30 September 2014.

(4) Weighted by Appraised Value and calculated using age since date of issue of the Temporary Occupation Permit ("TOP") or last refurbishment, whichever is later.

(5) By Lettable Area. Remaining land lease term includes the period covered by the relevant options to renew.







(6) Based on Rental Income for the month of September 2014. Includes the 1.0% interest in Basis Bay Data Centre that the Basis Bay Vendor holds. The isek Lease is treated as a double-net lease as at the date of the Listing.

### 3 Located in Key Data Centre Hubs with Strong Growth Profile

#### Characteristics of key data centre hubs

- Advanced infrastructure, e.g. fibre connectivity
- Secured power capacity
- Strong government support
- Accessibility to major transportation nodes
- Proximity to local demand

#### Keppel DC REIT's markets

Market	2013 - 2018E Absorption CAGR	2018E Utilisation	2013 - 2018E Rental psf CAGR	Notes
	4.5%	92%	4.8%	<ul style="list-style-type: none"> <li>■ <b>Singapore:</b> Strong demand backed by good telecommunications, financial and trading infrastructure and strong government support</li> </ul>
	4.1% <sup>(1)</sup>	80% <sup>(1)</sup>	5.0% <sup>(1)</sup>	<ul style="list-style-type: none"> <li>■ <b>Sydney:</b> Largest data centre market in Australia, benefits from position as the key hub for global players in the data centre industry</li> <li>■ <b>Brisbane:</b> Hub for the resources industry with state government support</li> </ul>
	11.2%	74%	5.8%	<ul style="list-style-type: none"> <li>■ <b>Kuala Lumpur:</b> Strong support from the government, which has a keen focus on developing the data centre sector</li> </ul>
	12.7%	86%	4.6%	<ul style="list-style-type: none"> <li>■ <b>London:</b> Supported by high outsourcing penetration and its role as a strong trading and financial hub</li> </ul>
	7.4%	93%	4.2%	<ul style="list-style-type: none"> <li>■ <b>Amsterdam:</b> Close proximity to major trading hubs, excellent telecommunications infrastructure and government support</li> </ul>
	14.4%	76%	3.8%	<ul style="list-style-type: none"> <li>■ <b>Dublin:</b> Tax advantages in Ireland, hub for IT, financial and pharmaceutical companies</li> </ul>

Source: BroadGroup Research.  
 (1) Industry data for Sydney.

## 4 Diversified Customer Base with Favorable Lease Profile

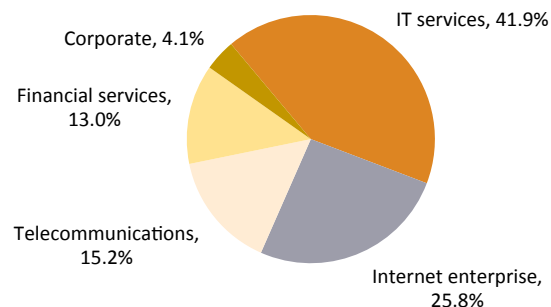
Current portfolio: 34 customers

(Approx. 96.1% of Keppel DC REIT's Rental Income is derived from MNCs or government-related entities)

### Well diversified customer base across high value-added sectors

#### Rental Income breakdown<sup>(1)</sup>

(Rental Income for the month of September 2014)



### Profiles of top 10 customers

#### ■ Keppel DC REIT's top 10 customers include:

- 3 Fortune Global 500 and S&P100 companies listed on NASDAQ or NYSE
- 3 companies listed on other regional stock exchanges
- 2 IT services providers
- 1 S&P500 company listed on NYSE
- 1 government-related entity

(1) Includes the 1.0% interest in Basis Bay Data Centre that the Basis Bay Vendor holds.

(2) For the month of September 2014. Based on the co-location agreements and lease agreements with end-users of the Properties, treating the S25 Lease and the T25 Lease on a pass-through basis to the underlying end-users.

### Top 10 customers (based on Rental Income)<sup>(1)(2)</sup>

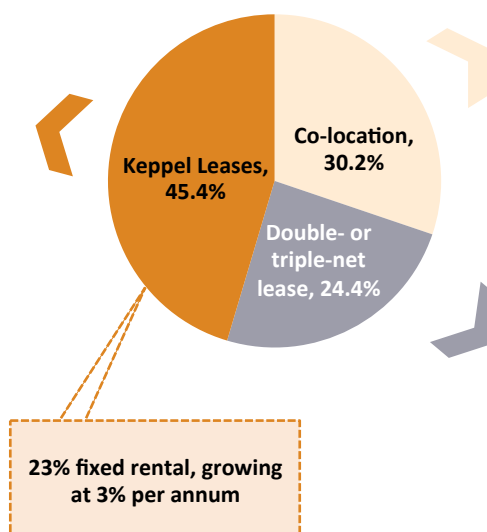
Customer	Industry	% of Rental Income
A	Internet enterprise	25.7%
B	IT services	20.9%
C	Telecommunications	8.8%
D	IT services	8.7%
E	Financial services	5.4%
F	IT services	4.8%
G	Telecommunications	4.6%
H	IT services	3.8%
I	IT services	3.1%
J	Financial services	2.6%

## 4 Diversified Customer Base with Favorable Lease Profile [Cont]

Balanced lease profile provides long term stability and potential positive rental reversions

Keppel leases
<b>Rental formula</b>
<ul style="list-style-type: none"> <li>S25: fixed rental of S\$5m per annum + variable rent of 99% EBITDA<sup>(3)</sup></li> <li>T25: fixed rental of S\$3m per annum + variable rent of 99% EBITDA<sup>(3)</sup></li> </ul>
<b>WALE<sup>(2)</sup></b>
<ul style="list-style-type: none"> <li>S25: 3.5 years<sup>(4)</sup></li> <li>T25: 2.0 years<sup>(4)</sup></li> </ul>
<b>Fixed escalations</b>
<ul style="list-style-type: none"> <li>3.0% per annum escalation on fixed rent</li> <li>Back-to-back with co-location leases with end users and rental rates with annual escalations of 2.0% - 4.0%</li> </ul>
<b>Tenant-borne expenses</b>
<ul style="list-style-type: none"> <li>None, all expenses recharged to Lessor</li> <li>The REIT bears building insurance and property tax</li> <li>Tenant is responsible for facilities management</li> </ul>

Breakdown of lease types by rental income<sup>(1)</sup>



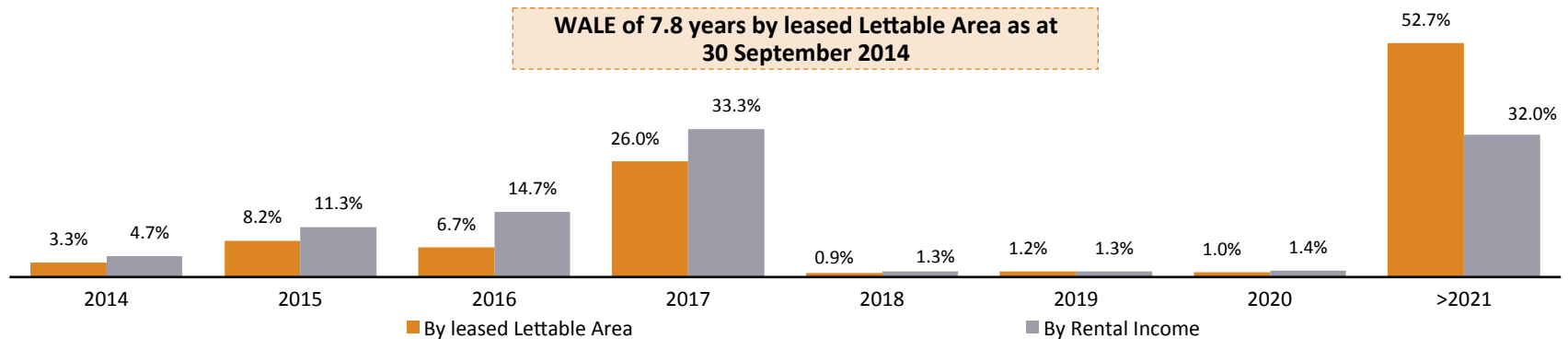
Co-location
<b>WALE<sup>(2)</sup></b>
<ul style="list-style-type: none"> <li>3.0 years</li> </ul>
<b>Fixed escalations</b>
<ul style="list-style-type: none"> <li>Rental rates with annual escalations of 2.0% - 4.0%</li> </ul>
<b>Tenant-borne expenses</b>
<ul style="list-style-type: none"> <li>None, the REIT is responsible for facilities management and all expenses</li> </ul>
Double-net and triple-net leases
<b>WALE<sup>(2)</sup></b>
<ul style="list-style-type: none"> <li>11.4 years</li> </ul>
<b>Fixed escalations</b>
<ul style="list-style-type: none"> <li>Rental rates with annual escalations of 2.0% - 4.0%</li> </ul>
<b>Tenant-borne expenses</b>
<ul style="list-style-type: none"> <li>Double-net lease</li> <li>Triple-net lease</li> </ul>

- (1) Based on percentage contribution of Rental Income for the month of September 2014. The isek Lease is treated as a double-net lease as at the date of the Listing.
- (2) By leased Lettable Area as at 30 September 2014.
- (3) After fixed rent and operating expenses.
- (4) WALE takes into account the pass-through basis of the respective co-location arrangements for these properties.

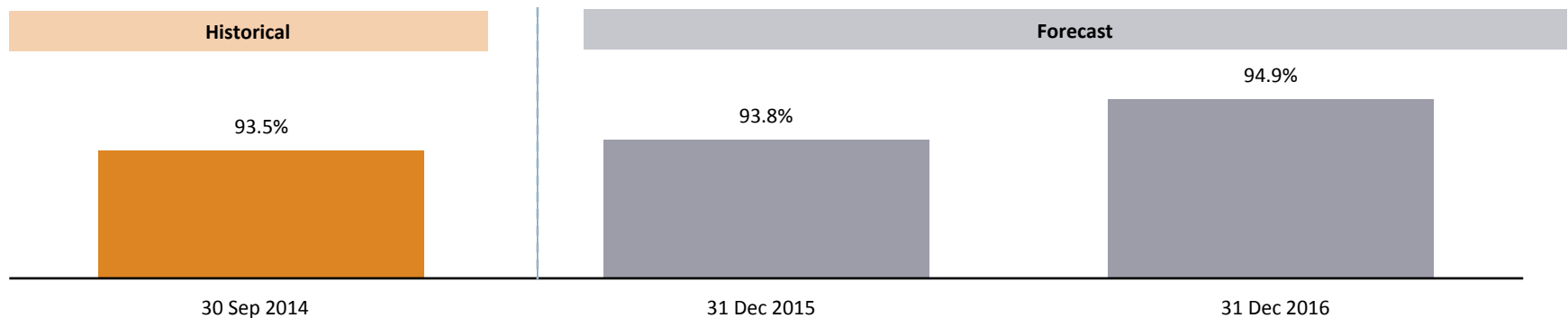
## 4 Diversified Customer Base with Favorable Lease Profile [Cont]

One of the longest portfolio WALEs of 7.8 years compared to other S-REITs

Long lease expiry profile<sup>(1)</sup> (as at 30 September 2014)



High and steady portfolio occupancy rate

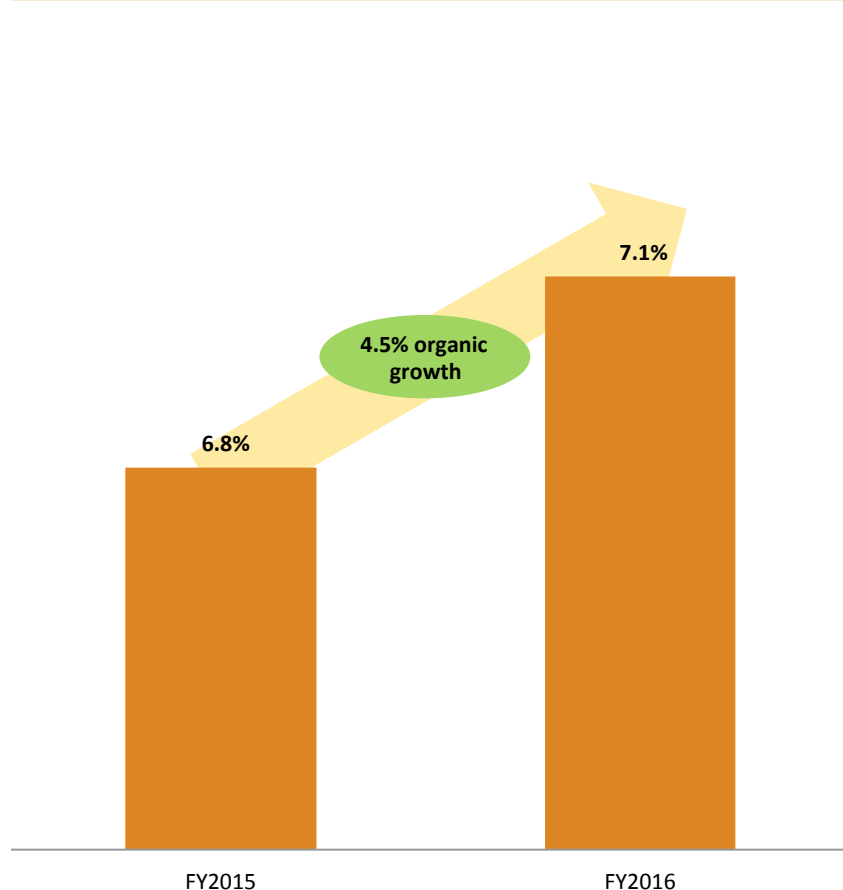


(1) Includes the 1.0% interest in Basis Bay Data Centre that the Basis Bay Vendor holds.

## 5 Attractive Yield and Opportunities for Growth

Distribution yield of 6.8% in FY2015 and organic growth of 4.5% from FY2015-16

### Attractive FY2015 yield of 6.8%



### Future drivers of distributable income growth

A

#### Embedded organic growth

- Majority of leases have average annual rental escalations of 2.0% - 4.0%
- Co-location arrangements and Keppel leases allow for positive rental reversion

B

#### Asset enhancement opportunities

- Expansion potential from unutilised gross floor area in T25 (20,000 sq ft)
- Potential to convert unused car park space in Citadel 100 Data Centre (40,000 sq ft)
- Potential to convert rooftop of Basis Bay Data Centre (5,000 sq ft)

C

#### Acquisition pipeline

- Opportunity to grow inorganically by acquisitions
- Rights of First Refusal ("ROFR") granted by the Sponsor and other parties contribute to the acquisition pipeline of the REIT



## 5 Attractive Yield and Opportunities for Growth [Cont]

### “Rights of First Refusal” acquisition pipeline

#### A Sponsor ROFR



**T27**  
Singapore

Income-producing data centres globally, including:

- T27, a data centre with GFA of 134,000 sq ft and approx. 47,000 sq ft of Lettable Area
- Located adjacent to T25
- Development completed in 3Q 2014



**Almere Data Centre 2<sup>(1)</sup>**  
Netherlands

- Almere Data Centre 2, a purpose-built shell and core data centre building
- Will be fitted out into a high specification data centre facility with approximately 53,800 sq ft of Lettable Area
- Located adjacent to Almere Data Centre

#### B isek ROFR



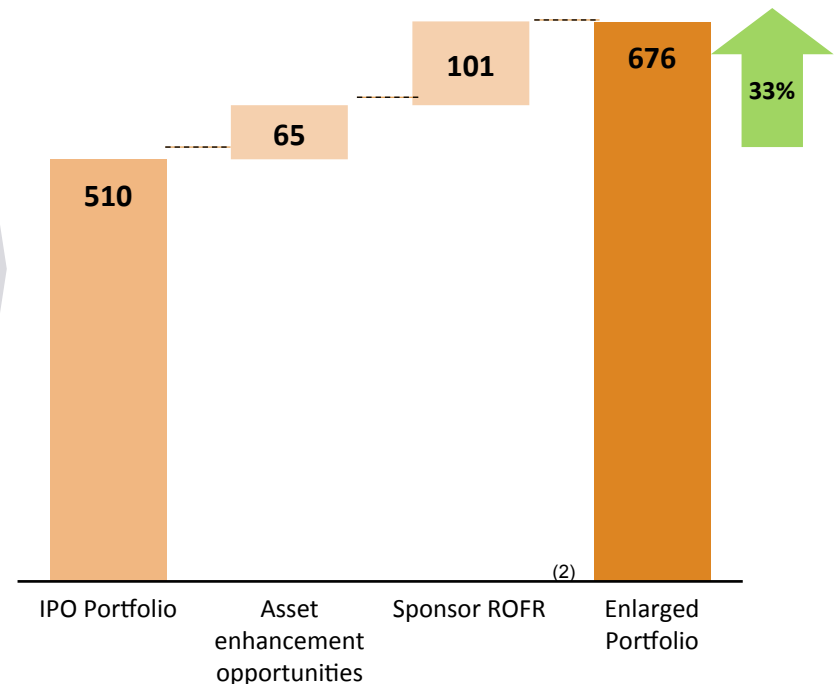
**Proposed data centre development**  
Brisbane, Australia

Income-producing data centre properties which isek Communications Pty Ltd develops in Australia, including:

- A data centre proposed to be developed on a plot of vacant land adjacent to isek Data Centre

#### Potential increase in aggregate Lettable Area

('000 sq ft)



(1) Keppel Data Centres Holding Pte Ltd (KDCH), a joint venture between the Sponsor and KLL, has entered into a sale and purchase agreement (“SPA”) with the Reggeborgh Group and VolkerWessels Group to acquire Almere Data Centre 2, however the pipeline is subject to completion of the acquisition.

(2) Includes potential increase in aggregate Lettable Area from T27 and Almere Data Centre 2 projects.

## 6 Conservative Capital Structure & Sound Financial Mgmt

Conservative balance sheet and low leverage of 27.8% allows for additional leverage when growth opportunities arise

### Initial debt facility details

**Total debt**

- Approximately S\$295m of term loans
- S\$35m of undrawn revolving credit facility

**Leverage<sup>(1)</sup>** ■ 27.8%

**Average cost of debt** ■ 3.1%<sup>(2)</sup> per annum for Forecast Year 2015 and Projection Year 2016

**Term** ■ Average of 4.4 years<sup>(2)</sup>

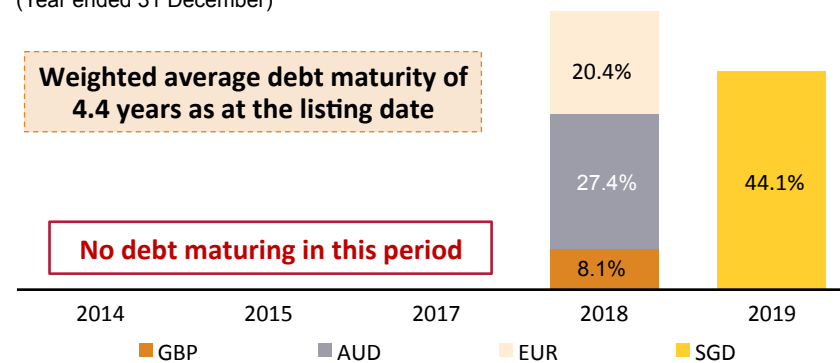
**FY2015 interest cover<sup>(3)</sup>** ■ 5.6x

### Well-spread debt maturity<sup>(1)</sup>

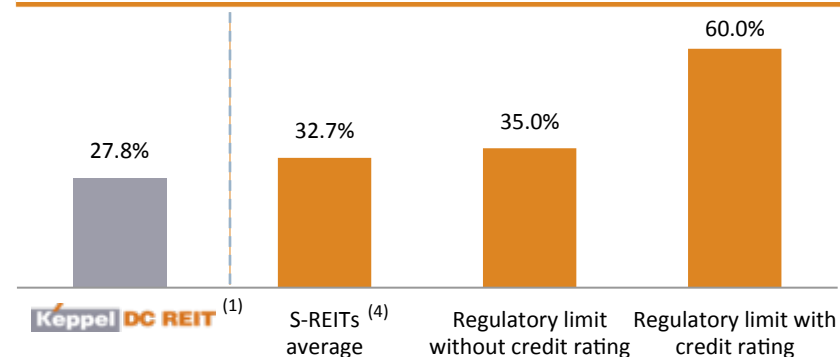
(Year ended 31 December)

**Weighted average debt maturity of 4.4 years as at the listing date**

**No debt maturing in this period**



### Comparable aggregate leverage



Source: FactSet, IBES consensus estimates, REIT filings, Bloomberg. Market data as at 4 December 2014.

(1) Excludes undrawn revolving credit facility. Does not take into consideration the finance lease liabilities pertaining to the land rent commitments for isek Data Centre and Citadel 100 Data Centre.

(2) Including amortisation of upfront debt financing costs and excluding finance lease expenses. Based on total debt drawn.

(3) Calculated as EBIT / finance costs, where EBIT is NPI less Manager's Base Fee, Manager's Performance Fee, Trustee's fee and Other trust expenses. Property-related calculations include the 1.0% interest in Basis Bay Data Centre held by the Basis Bay Vendor.

(4) Based on simple average of the S-REIT universe.

## 6 Conservative Capital Structure & Sound Financial Mgmt [Cont]

Active financial management to optimise risk-adjusted returns to Unitholders

### Funding strategy

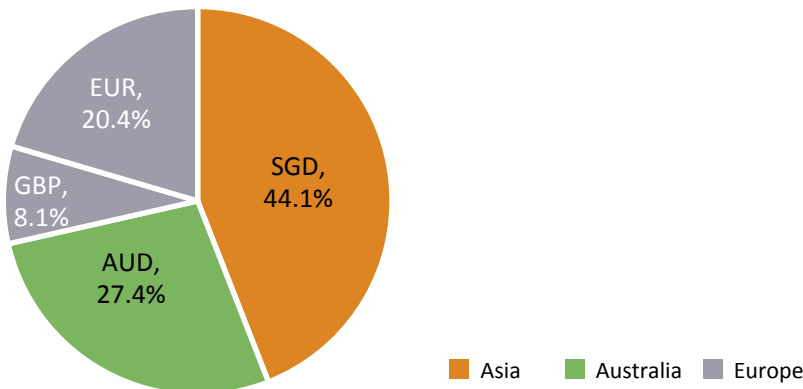
- Use of foreign currency denominated borrowings to match the currency of the asset investment as a natural hedge
- Tax optimisation
- Optimising overall cost of debt

### Hedging policy

- Hedged 100% of interest rate exposure under its initial debt facilities using interest rate swaps
- Close to 100% of foreign distributable income to be hedged to SGD for the Forecast Year 2015 and Projection Year 2016

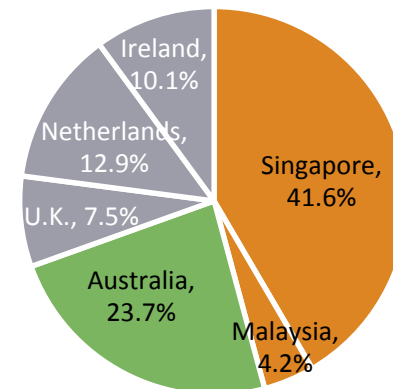
### Good natural hedging of assets and liabilities

Debt currency breakdown



Total amount of term loans: Approximately S\$295m

Assets breakdown<sup>(1)</sup>



Total Appraised Value of assets: S\$1,022m

(1) By Appraised Value as at 30 September 2014, which refers to the average of the two independent valuations conducted by respective independent valuers for each property as at 30 September 2014.

## 7 Committed Sponsor with Proven Track Record

### Keppel T&T

- Listed company (market capitalisation of S\$807 million<sup>(1)</sup>) on the SGX-ST with operations in Asia-Pacific and Europe
- Subsidiary of Keppel Corporation Limited, a leading Singapore-headquartered listed company (market capitalisation of S\$15.3 billion<sup>(1)</sup>) with core businesses in offshore and marine, infrastructure and property
- Involved in designing and building data centres that it manages through its subsidiary Keppel Data Centres Pte. Ltd.
- Keppel T&T has end-to-end capabilities in data centre development through to operations, and offers customised data centre solutions



The Sponsor operates five data centre facilities: S25, T25 and T27 (above) in Singapore, Citadel 100 Data Centre in Dublin, as well as Gore Hill Data Centre in Sydney

Source: Keppel T&T, Bloomberg.

(1) As at 7 January 2014.

# Conclusion



*Portfolio of eight high quality and strategically located data centres in Asia-Pacific and Europe*







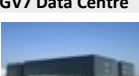

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- 7 Committed Sponsor with Proven Track Record







# Portfolio Overview (as of 30 September 2014)

Property	Location	Interest	Lettable Area (sq ft)	No. of Customers <sup>(1)</sup>	Occupancy rate (%)	Appraised Value <sup>(2,3)</sup> (\$m)	2015 GRI (\$m)	2015 GRI psf (\$)	2015 NPI (\$m)	Lease type	WALE (years)	Land lease title
 S25	Singapore	100%	109,574	18 <sup>(4)</sup>	86.0	262.8	23.8	217	21.8	Keppel lease / Co-location	3.5 <sup>(4)</sup>	Leasehold (Expiring 30 September 2025, with an option to extend for 30 years)
 T25	Singapore	100%	36,888	4 <sup>(4)</sup>	100.0	162.0	16.2	439	14.6	Keppel lease / Co-location	2.0 <sup>(4)</sup>	Leasehold (Expiring 31 July 2021, with an option to extend for 30 years)
 Gore Hill Data Centre	Sydney, Australia	100%	90,955	3	100.0	214.7	19.8	218	15.5	Triple-net (one tenant) / Co-location (two end-users)	10.3	Freehold
 iseek Data Centre	Brisbane, Australia	100%	12,389	1	100.0	32.1	6.6	533	6.5	Double-net lease <sup>(5)</sup>	11.9	Leasehold (Expiring 29 June 2040, with an option to extend for 7 years)
 Basis Bay Data Centre	Kuala Lumpur, Malaysia	99% <sup>(6)</sup>	48,680	1	100.0	43.8	4.0	82	3.9	Double-net lease	2.7	Freehold
 GV7 Data Centre	London, United Kingdom	100%	24,972	1	100.0	76.1	6.0	240	6.0	Triple-net lease	12.5	Leasehold (Expiring 28 September 2183)
 Almere Data Centre	Almere, Netherlands	100%	118,403	1 <sup>(7)</sup>	100.0	131.6	10.2	85	10.0	Double-net lease	14.1	Freehold
 Citadel 100 Data Centre	Dublin, Ireland	100%	68,052	5	73.7	102.8	13.8	203	6.8	Co-location	2.3	Leasehold (Expiring 11 April 2041)
<b>Total</b>			<b>509,913</b>	<b>34</b>	<b>93.5</b>	<b>1,021.9</b>	<b>100.3</b>		<b>85.1</b>		<b>7.8</b>	

(1) Certain customers have signed more than one co-location arrangement using multiple entities.

(2) Appraised Value refers to the average of two independent property valuations as at 30 September 2014.

(3) Based on exchange rates of \$S1.00 = A\$0.90, \$S1.00 = £0.49, \$S1.00 = RM2.62, \$S1.00 = €0.61 as at 2 December 2014.

(4) Based on the number of underlying end-users which have entered into co-location arrangements with the S25 and T25 Lessees, treating the S25 and T25 Lease on a pass-through basis to the underlying end users. Keppel DC REIT has in place the S25 and T25 Leases with the S25 and T25 Lessees pursuant to which Keppel DC REIT will grant a lease for a term of 10 years to the S25 and T25 Lessees, with an option to renew for a further term of five years subject to JTC's and HDB's consent respectively, and on terms to be agreed between Keppel DC REIT and the S25 and T25 Lessees.

(5) Keppel DC REIT has in place the iseek Lease with the tenant of iseek Data Centre. While the iseek Lease is called a co-location arrangement between the landlord and the tenant, the terms thereof are structured as effectively equivalent to a double-net lease.

(6) Keppel DC REIT holds a 99.0% interest in Basis Bay Data Centre while the Basis Bay Vendor holds the remaining 1.0% interest. Property-related calculations (e.g. Rental Income, Net Property Income, WALE, Independent Valuations, Appraised Value) includes the 1.0% interest in Basis Bay Data Centre held by the Basis Bay Vendor.

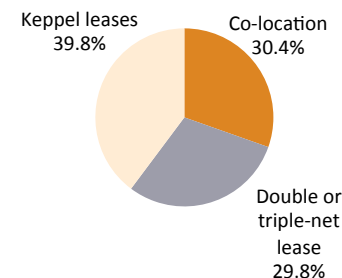
(7) Keppel DC REIT, through its wholly-owned subsidiary has entered into the Ground Lease with Borchveste. With the Ground Lease in place, the lease with the underlying tenant becomes conceptually similar to a sub-lease, with Borchveste being (i) the leasehold tenant of Securus Almere B.V. and (ii) the lessor to the underlying tenant, the underlying tenant becoming essentially the sub-tenant.

# Overview of Lease Arrangements

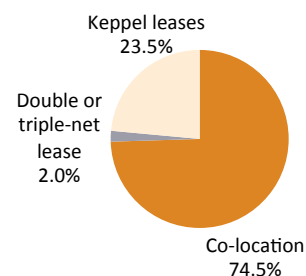
## Lease arrangement

Asset	Lease Arrangement	Description	Responsibilities of Lessor / Owner						
			Property Tax	Building Insurance	Facilities Management	Day-to-day Maintenance	Maintenance Opex	Refresh Capex	
S25	Keppel lease <sup>(1)</sup> / Co-location <sup>(2)</sup>	<ul style="list-style-type: none"> <li>Lessee: Pays cost of rent and all expenses recharged to Lessor</li> <li>Lessor: Responsible for facilities management</li> </ul>	✓	✓	✓	✓	✓	✓	
T25	Keppel lease <sup>(1)</sup> / Co-location <sup>(2)</sup>	<ul style="list-style-type: none"> <li>Lessee: Pays cost of rent and all expenses recharged to Lessor</li> <li>Lessor: Responsible for facilities management</li> </ul>	✓	✓	✓	✓	✓	✓	
Gore Hill Data Centre (for one tenant)	Triple-net lease	<ul style="list-style-type: none"> <li>Lessee: Pays share of all outgoings; responsible for facilities management in their space</li> </ul>	-	-	-	-	-	-	
Gore Hill Data Centre (for two end-users)	Co-location arrangement <sup>(2)(3)</sup>	<ul style="list-style-type: none"> <li>End-user: Pays cost of rent</li> <li>Owner: All expenses paid by Lessor; responsible for facilities management</li> </ul>	✓	✓	✓	✓	✓	✓	
iseek Data Centre	Double-net lease <sup>(4)</sup>	<ul style="list-style-type: none"> <li>Tenant: Pays all outgoings except building insurance; Lessee responsible for facilities management</li> </ul>	-	✓	-	-	-	✓	
Basis Bay Data Centre	Double-net lease	<ul style="list-style-type: none"> <li>Lessee: Pays all outgoings except building insurance and property tax; responsible for facilities management</li> </ul>	✓	✓	-	-	-	✓	
GV7 Data Centre	Triple-net lease	<ul style="list-style-type: none"> <li>Lessee: Pays all outgoings; responsible for facilities management</li> </ul>	-	-	-	-	-	-	
Almere Data Centre	Double-net lease	<ul style="list-style-type: none"> <li>Lessee: Pays all outgoings except building insurance and property tax; responsible for facilities management</li> </ul>	✓	✓	-	-	-	-	
Citadel 100 Data Centre	Co-location <sup>(2)(5)</sup>	<ul style="list-style-type: none"> <li>End-user: Pays cost of rent; all expenses paid by Lessor</li> <li>Owner: Responsible for facilities management</li> </ul>	✓	✓	✓	✓	✓	✓	

## Lease type breakdown by Rental Income (FY2015)



## Lease type breakdown by operating expenses (FY2015)



- (1) Refers to the S25 Lease and the T25 Lease entered into by Keppel DC REIT with the S25 Lessee and the T25 Lessee in relation to S25 and T25 respectively. However, due to the pass-through nature of the Keppel Leases, Keppel DC REIT will substantially enjoy the benefits and assume the liabilities of the underlying co-location arrangements entered into by the Keppel Lessees and the underlying end-users.
- (2) Co-location arrangements are typically entered into by end-customers who utilise co-location space for the installation of their servers and other mission critical IT equipment. In the case of Keppel DC REIT, end-customers with co-location arrangements pay for rent and all the property-related expenses are borne by the Keppel DC REIT. Keppel DC REIT is usually responsible for facilities management in respect of such co-location arrangements.
- (3) Keppel DC REIT has in place co-location arrangements with two of the customers of Gore Hill Data Centre.
- (4) Keppel DC REIT has in place the iseek Lease with the tenant of iseek Data Centre. While the iseek Lease is called a co-location arrangement between the landlord and the tenant, the terms thereof are structured as effectively equivalent to a double-net lease.
- (5) Keppel DC REIT has in place co-location arrangements with the customers of Citadel 100 Data Centre.

Thank you