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ANNOUNCEMENT

LAUNCH OF PRIVATE PLACEMENT TO RAISE GROSS PROCEEDS OF APPROXIMATELY S$303.1 MILLION

1. INTRODUCTION

Keppel DC REIT Management Pte. Ltd., in its capacity as manager of Keppel DC REIT (the "**Manager**"), wishes to announce the proposed private placement of 224,000,000 new units in Keppel DC REIT (the "**New Units**") to accredited, institutional and other investors at an issue price of S$1.353 per New Unit (the "**Issue Price**") to raise gross proceeds of approximately S$303.1 million (the "**Private Placement**").

2. DETAILS OF THE PRIVATE PLACEMENT

The Manager, Citigroup Global Markets Singapore Pte. Ltd. ("**Citi**") and DBS Bank Ltd. ("**DBS**" and together with Citi, the "**Joint Bookrunners and Underwriters**") have today entered into a subscription agreement (the "**Subscription Agreement**") in relation to the Private Placement. Pursuant to the Subscription Agreement, each of the Joint Bookrunners and Underwriters has agreed to procure subscribers for, and failing which, to subscribe and pay for, the New Units at the Issue Price, on the terms and subject to the conditions of the Subscription Agreement. The Private Placement shall be subject to certain conditions precedent set out in the Subscription Agreement, including the approval in-principle of Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing of and quotation for the New Units on the Main Board of the SGX-ST. The Private Placement is fully underwritten by the Joint Bookrunners and Underwriters on the terms and subject to the conditions of the Subscription Agreement.

The Issue Price per New Unit represents a discount of:

(i) 4.9% to the volume weighted average price ("**VWAP**") of S$1.4220 per Unit for trades in the Units done on the SGX-ST for the full Market Day[1] on 4 May 2018 (being the preceding Market Day on which the Subscription Agreement was signed); and

(ii) (for illustrative purposes only) 3.0% to the adjusted VWAP[2] ("**Adjusted VWAP**") of S$1.3945 per Unit.

3. USE OF PROCEEDS

Subject to relevant laws and regulations, the Manager intends to use the gross proceeds of approximately S$303.1 million from the Private Placement in the following manner:

(i) approximately S$298.9 million (which is equivalent to 98.6% of the gross proceeds of the Private Placement) to partially fund the acquisition of the property located at 13 Sunview Way, Singapore 627541 and the associated costs (the "**Proposed Acquisition**"); and

(ii) approximately S$4.2 million (which is equivalent to 1.4% of the gross proceeds of the Private Placement) to pay the estimated fees and expenses, including professional fees and expenses, incurred or to be incurred by Keppel DC REIT in connection with the Private Placement,

with the balance of the gross proceeds of the Private Placement, if any, to be used for general corporate purposes and/or working capital purposes.

Pending the deployment of the net proceeds from the Private Placement, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions or used to repay outstanding borrowings or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

The Manager will make periodic announcements on the utilisation of the net proceeds of the Private Placement via SGXNET as and when such funds are materially utilised and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. Where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such deviation.

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1 "**Market Day**" refers to a day on which the SGX-ST is open for securities trading.

2 The Adjusted VWAP is computed based on the VWAP of trades in the Units done on the SGX-ST for the full Market Day on 4 May 2018 (being the preceding Market Day on which the Subscription Agreement was signed) and subtracting the Advanced Distribution (as defined herein) of 2.75 Singapore cents, being the aggregate of the announced distribution per Unit for the period from 1 January 2018 to 31 March 2018 and the mid-point of the estimated distribution for the period from 1 April 2018 to 15 May 2018. This amount is only an estimate based on information currently available to the Manager. The actual Advanced Distribution may differ and will be announced on a later date.

4. RATIONALE FOR THE PRIVATE PLACEMENT

The Manager intends to use the net proceeds from the Private Placement towards the Proposed Acquisition. Please refer to the announcement dated 7 May 2018 in relation to the Proposed Acquisition for further details of the benefits of the Proposed Acquisition to Keppel DC REIT and its unitholders of Keppel DC REIT ("**Unitholders**"). A summary of these benefits is as follows:

4.1 Benefits of the Proposed Acquisition

4.1.1 Distribution per Unit accretive acquisition consistent with Keppel DC REIT's investment strategy

4.1.2 Strengthening of foothold and creation of further synergy in Singapore

4.1.3 Greater income resilience through exposure to a larger portfolio

4.1.4 Expanded portfolio creates a stronger platform for growth

4.1.5 Lower risk profile of Singapore asset

4.2 Expected increase in trading liquidity of Units

The New Units to be issued pursuant to the Private Placement will increase the number of Units in issue by 224,000,000, which represents an increase of approximately 19.9% of the total number of Units currently in issue.

This increase in the total number of Units in issue and enlarged Unitholder base are expected to improve the trading liquidity of the Units.

4.3 Rebalance Aggregate Leverage

Keppel DC REIT intends to have a long term capital structure comprising 70% equity funding and 30% debt funding managed at a portfolio level. Keppel DC REIT's current aggregate leverage is 37.4%[1] as the previous two acquisitions, being Keppel DC Dublin 2 and mainCubes DC, were both fully funded by debt. With the proceeds of the Private Placement being used to fund the Proposed Acquisition, Keppel DC REIT's aggregate leverage will be reduced to 32.1%[2].

5. AUTHORITY TO ISSUE NEW UNITS

The New Units will be issued pursuant to the general mandate (the "**General Mandate**") given to the Manager at the annual general meeting ("**AGM**") held on 17 April 2018, pursuant to which the Manager may, during the period from 17 April 2018 to (i) the conclusion of the next AGM of Keppel DC REIT or (ii) the date by which the next AGM of Keppel DC REIT is required by applicable regulations to be held, whichever is earlier, issue new Units and/or securities, warrants, debentures or other instruments convertible into Units ("**Convertible Securities**") such that the number of new Units (and/or Units into which the Convertible Securities may be converted) does not exceed 50.0% of the total number of Units in issue (excluding treasury Units, if any) as at 17 April 2018 (the "**Base Figure**"), of which the aggregate number of new Units (and/or Units into which the Convertible Securities may be

1 As at 31 March 2018.

2 Computed on a pro forma basis based on aggregate leverage as at 31 March 2018.

converted) issued other than on a pro-rata basis to existing Unitholders, shall not be more than 20.0% of the Base Figure.

As at 17 April 2018, the number of Units in issue was 1,127,275,317.

The amount of Units that can be issued under the General Mandate on a pro-rata basis to existing Unitholders is 563,637,658 Units, of which no more than 225,455,063 Units may be issued for a non pro-rata placement. The Manager has issued 46,086 Units under the General Mandate since 17 April 2018 on a non pro-rata basis (the "**Issued Units**").

224,000,000 New Units to be issued pursuant to the Private Placement would constitute approximately 19.9% of the Base Figure, which is within the 20.0% limit for issue of new Units other than on a pro-rata basis. Accordingly, the prior approval of the Unitholders is not required for the issue of the New Units under the Private Placement.

6. ELIGIBILITY TO PARTICIPATE IN THE PRIVATE PLACEMENT

The offer of New Units under the Private Placement will be made to accredited, institutional and other investors.

The New Units have not been and will not be registered under the Securities Act or the securities laws of any state or jurisdiction of the United States, or under the securities laws of any other jurisdiction, and may not be offered, sold, resold, granted, delivered, allotted, taken up or transferred, directly or indirectly, in the United States, except pursuant to an exemption from the registration requirements of the Securities Act and in compliance with applicable state laws.

The New Units may be offered or sold only (a) outside the United States only in "offshore transactions" (as defined in Regulation S) in accordance with Regulation S or (b) within the United States only to "qualified institutional buyers" (as defined in Rule 144A of the Securities Act) who have delivered to the Manager and the Joint Bookrunners and Underwriters a signed representation letter in such form as they may prescribe.

The Manager, along with the Joint Bookrunners and Underwriters, reserve the absolute discretion in determining whether to allow such participation as well as the persons who may be allowed to do so.

7. STATUS OF THE NEW UNITS

7.1 Entitlement to Advanced Distribution

Keppel DC REIT's policy is to distribute at least 90.0% of its distributable income on a semi-annual basis to Unitholders.

In connection with the Private Placement, the Manager intends to declare, in respect of the Units in issue on the day immediately prior to the date on which the New Units pursuant to the Private Placement are issued (the "**Existing Units**"), a distribution of the distributable income for the period from 1 January 2018 to the day immediately prior to the date on which the New Units are issued pursuant to the Private Placement (the "**Advanced Distribution**").

The New Units pursuant to the Private Placement are expected to be listed on or around 16 May 2018. The quantum of the distribution per Existing Unit under the Advanced Distribution

is estimated to be between 2.72 Singapore cents to 2.78 Singapore cents[1]. A further announcement on the actual amount of Advanced Distribution (which may differ from the estimate above) will be made by the Manager in due course after the management accounts of Keppel DC REIT for the relevant period have been finalised.

The next distribution thereafter will comprise Keppel DC REIT's distributable income for the period from the day the New Units are issued pursuant to the Private Placement to 30 June 2018 (the "**Relevant Period Distribution**"). Semi-annual distributions will resume thereafter.

The Advanced Distribution is intended to ensure that the distributable income accrued by Keppel DC REIT up to the day immediately preceding the date of issue of the New Units (which at this point, will be entirely attributable to the Existing Units) is only distributed in respect of the Existing Units, and is being proposed as a means to ensure fairness to holders of the Existing Units.

7.2 Status of New Units issued pursuant to the Private Placement

The New Units issued pursuant to the Private Placement will, upon issue, rank *pari passu* in all respects with the Existing Units, including the right to Keppel DC REIT's distributable income from the day of issuance of the New Units under the Private Placement as well as all distributions thereafter, other than in respect of the Advanced Distribution.

For the avoidance of doubt, the holders of the New Units to be issued pursuant to the Private Placement will not be entitled to the Advanced Distribution.

8. APPLICATION TO THE SGX-ST FOR APPROVAL IN-PRINCIPLE

The Manager will make a formal application to the SGX-ST for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST. An appropriate announcement will be made upon the receipt of such in-principle approval from the SGX-ST.

By Order of the Board
Keppel DC REIT Management Pte. Ltd.
(Company Registration No. 199508930C)
as manager of Keppel DC REIT

Kelvin Chua
Company Secretary
7 May 2018

1 Calculated based on the aggregate of the announced distribution per Unit for the period from 1 January 2018 to 31 March 2018 and the estimated distribution range for the period from 1 April 2018 to 15 May 2018.

Important Notice

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

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale or distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events. The past performance of Keppel DC REIT and the Manager are not necessarily indicative of the future performance of any of them.

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager, or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed and quoted on the Main Board of the SGX-ST. It is intended that Unitholders may only deal in their Units through trading on. Listing and quotation of the Units on the SGX-ST does not guarantee that a trading market for the New Units will develop or, if a market does develop, the liquidity of that market for the New and existing Units.