

MEDIA RELEASE

Keppel Capital deepens Australian footprint through a joint venture company with Australian Unity

Singapore, 31 January 2020 – Keppel Capital Holdings Pte. Ltd. (Keppel Capital)¹, the asset management arm of Keppel Corporation Limited, has entered into a shareholders' deed with Australian Unity Limited (Australian Unity)², a company providing healthcare, financial services, as well as retirement and living services, to form a 50:50 joint venture company, Australian Unity Keppel Capital Pty Ltd (JV Co).

The JV Co's primary objective is to provide attractive income yield and total return to investors over the long term through establishing funds focused on the Australian metropolitan office sector.

At the same time, the JV Co has entered into a share sale agreement (SSA) to acquire a 100% stake in Australian Unity Investment Real Estate Limited (AUIREL) for a purchase consideration of approximately A\$400,000. AUIREL, which is currently a wholly-owned subsidiary of Australian Unity, is the Responsible Entity of the Australian Securities Exchange (ASX)-listed REIT, Australian Unity Office Fund.

The purchase consideration for AUIREL was arrived at on a willing buyer willing seller basis taking into account the book value and net tangible assets of AUIREL, which was approximately A\$482,000 as of 30 June 2019. The purchase consideration will be paid in cash and funded 50:50 by Keppel Capital and Australian Unity through equity contributions in the JV Co.

The Australian Unity Office Fund has a market capitalisation of A\$467 million as at 31 December 2019. With assets under management of A\$668 million as at 31 December 2019, the REIT's portfolio comprises nine office properties located across key metropolitan and central business district markets in Sydney, Adelaide, Melbourne, Brisbane and Canberra. The REIT has a total net lettable area of approximately 108,000

¹ Through its wholly-owned subsidiary, Keppel Capital Two Pte. Ltd

² Through its wholly-owned subsidiary, Australian Unity Investments Strategic Holdings Pty Ltd.

sm, a healthy portfolio occupancy of 95.3% and portfolio weighted average lease expiry of 3.5 years as at 30 June 2019.

Ms Christina Tan, CEO of Keppel Capital, said, “Our partnership with Australian Unity marks a significant milestone for Keppel Capital as we seek to deepen our Australian footprint. Keppel Capital, through Keppel REIT and funds managed by Alpha Investments Partners, has been investing in Australian real estate for nearly a decade.

“Australian real estate continues to be an attractive asset class, generating attractive income returns in a low yield environment. Leveraging the strengths and network of Australian Unity, we are excited to commence this partnership to create investment opportunities for investors in the Australian metropolitan office markets.”

Both the JV Co and AUIREL will be associated companies of Keppel Corporation Limited upon formation and completion of acquisition respectively.

The transaction is not expected to have a material impact on the earnings per share or net tangible asset per share of Keppel Corporation Limited for the financial year ending 31 December 2020.

None of the directors or controlling shareholders of Keppel Corporation Limited has any interest, direct or indirect, in the transaction other than through their shareholding interests in the Company.

A copy of the SSA may be inspected at the registered office of Keppel Corporation Limited at 1 HarbourFront Avenue, #18-01 Keppel Bay Tower Singapore 098632 during normal business hours for a period of three (3) months from the date of this announcement.

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About Keppel Capital

Keppel Capital is a premier asset manager in Asia. It is the asset management arm of Keppel Corporation Limited, a multi-business company providing solutions for sustainable urbanisation, to meet the growing need for energy, infrastructure, clean environments, high quality homes and offices, and connectivity.

With assets under management of approximately S\$33 billion as at end-2019, Keppel Capital has a diversified portfolio that includes real estate, infrastructure and data centre assets in key global markets.

Keppel Capital aims to create value and deliver sustainable returns for institutional and retail investors through a range of products including listed REITs, business trusts, private funds, separate accounts and pooled investment vehicles.

The asset managers under Keppel Capital include Keppel REIT Management Limited, Keppel Infrastructure Fund Management Pte Ltd, Keppel DC REIT Management Pte Ltd, Keppel Pacific Oak US REIT Management Pte Ltd, Alpha Investment Partners Limited, and Keppel Capital Alternative Asset Pte Ltd.

About Australian Unity

Australian Unity is a health, wealth and living organisation providing products and services designed to help people thrive. More than one million Australians have created a bright future with Australian Unity. Australian Unity's businesses span operations providing healthcare, financial services, and retirement and living services, employing more than 7,500 people across Australia.

About the Australian Unity Office Fund (AOF)

AOF is an ASX-listed REIT (ASX ticker AOF) that wholly owns a diversified portfolio of nine office properties located across Australian metropolitan and CBD markets in Sydney, Adelaide, Melbourne, Brisbane and Canberra.

For more information, please contact:

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