

**Keppel DC REIT Management Pte Ltd**

(Co Reg No. 199508930C) Tel: (65) 6803 1818  
1 Harbourfront Avenue, Level 2 Fax: (65) 6803 1717  
Keppel Bay Tower  
Singapore 098632  
[www.keppeldcreit.com](http://www.keppeldcreit.com)

**MEDIA RELEASE**

**Unaudited Results of Keppel DC REIT for the First Half Ended 30 June 2020**

**21 July 2020**

The Directors of Keppel DC REIT Management Pte. Ltd., as Manager of Keppel DC REIT, are pleased to announce the unaudited results of Keppel DC REIT for the first half ended 30 June 2020.

*The materials are also available at [www.keppeldcreit.com](http://www.keppeldcreit.com), [www.keppeltt.com.sg](http://www.keppeltt.com.sg), [www.kepcapital.com](http://www.kepcapital.com) and [www.kepcorp.com](http://www.kepcorp.com).*

**For more information, please contact:**

**Media Relations**

Mr Ang Lai Lee  
Assistant General Manager  
Group Corporate Communications  
Keppel Corporation Limited  
Tel: (65) 6413 6427  
Email: [lailee.ang@kepcorp.com](mailto:lailee.ang@kepcorp.com)

**Investor Relations**

Ms Emmulin Wee  
Manager  
Investor Relations  
Keppel Capital  
Tel: (65) 6803 1857  
Email: [emmulin.wee@kepcapital.com](mailto:emmulin.wee@kepcapital.com)

## Keppel DC REIT delivers 38% y-o-y growth in distributable income for 1H 2020 supported by new acquisitions

### Key Highlights

- Distributable income increased by 38.0% year-on-year (y-o-y) to \$75.0 million in 1H 2020, largely contributed by the acquisitions of Keppel DC Singapore 4 and DC1 in 4Q 2019
- Declared DPU of 4.375 cents for 1H 2020, 13.6% higher than 1H 2019's 3.850 cents
- Completed two European acquisitions and obtained tax transparency treatment for Keppel DC Singapore 4 in 1H 2020
- Strong income visibility supported by healthy portfolio statistics and sector resilience amid the COVID-19 pandemic

(\$'000)	1H 2020	1H 2019	% Change
Gross Revenue	123,950	95,493	29.8
Property Expenses	(9,733)	(9,003)	8.1
Net Property Income	114,217	86,490	32.1
Distributable Income to Unitholders <sup>(1)</sup>	74,980	54,353	38.0
Distribution per Unit <sup>(2)</sup> (DPU) (cents)	4.375	3.850	13.6
Annualised Distribution Yield <sup>(3)</sup> (%)	3.44	3.03	41bps

(1) Distributable income includes an amount of capital expenditure set aside for certain properties (Capex Reserves).

(2) DPU was computed based on the distributable income to Unitholders and excludes Capex Reserves.

(3) Computed based on 1H 2020's closing price of \$2.540 per Unit.

### Financial Review

Keppel DC REIT Management Pte. Ltd., the Manager of Keppel DC REIT, is pleased to announce that the REIT has delivered distributable income of \$75.0 million for 1H 2020, 38.0% higher compared to 1H 2019. The acquisitions of Keppel DC Singapore 4 and DC1 in 4Q 2019, as well as the addition of Kelsterbach Data Centre in May 2020, contributed to the positive performance for 1H 2020.

Accordingly, Keppel DC REIT declared DPU of 4.375 cents for 1H 2020, 13.6% higher than 1H 2019's 3.850 cents. Based on the closing price of \$2.540 on 30 June 2020, the REIT's annualised distribution yield was 3.44%.

### Portfolio Review

In 1H 2020, the Manager completed the acquisitions of the remaining 999-year leasehold land interest at Keppel DC Dublin 1, and Kelsterbach Data Centre, increasing the REIT's assets under management to approximately \$2.8 billion as at 30 June 2020.

Following the acquisition of Keppel DC Singapore 4 in 4Q 2019, the REIT has obtained tax transparency treatment for its share of taxable income from the asset and exercised the option to extend its land lease title by 30 years to June 2050.

As at 30 June 2020, the REIT's portfolio occupancy rate remained healthy at 96.1% with a long weighted average lease expiry (WALE) of 7.4 years. The REIT has 2.6% of total net lettable area (NLA) up for renewal in 2H 2020. The Manager has started engaging clients for early renewals and brought down the total NLA due for expiry in 2021 from 10.7% as at end-2019 to 6.2% as at 30 June 2020.

## Managing COVID-19 Impact

Data centres are critical infrastructure of the digital economy.

The Manager has put in place heightened controls and safety measures to protect its clients and employees, while ensuring that the REIT's assets continue to operate with zero downtime. Beyond the regulations set out by the respective governments, the Manager has also equipped its colocation facilities with sufficient supplies and set up alternative network operating centres, where practicable, in case of an infection at its facilities.

Following the 2-month lockdown by the Irish government to curb the spread of COVID-19, the asset enhancement works at Keppel DC Dublin 1 have resumed, and are expected to be completed in 2H 2020, subject to further delays caused by the pandemic. The Manager has also commenced works to convert additional space at Keppel DC Dublin 2 into a data hall, with expected completion in 1H 2021.

In Singapore, the additional power capacity at Keppel DC Singapore 5 has been fully committed by an existing client in the facility. Meanwhile, the asset enhancement works at Keppel DC Singapore 5 and DC1 remained suspended. The Manager will continue to monitor the situation amid manpower and supply chain constraints. Should construction works remain suspended in the near-term, delays in the completion of the asset enhancement works can be expected.

## **Capital Management**

Keppel DC REIT has in May 2020 refinanced its short-term Euro loan to a four-year term loan at favourable margins. The Manager has also secured the refinancing of the Australian dollar loan due in 3Q 2020 to 2024.

As at 30 June 2020, the REIT's average cost of debt remained competitive at 1.7% per annum and its interest coverage ratio is at a healthy level of 12.8 times. Aggregate leverage remained low at 34.5%, providing the REIT with a comfortable debt headroom to pursue acquisition growth.

To mitigate the REIT's exposure to fluctuations in interest rates, the Manager has hedged 69.0% of its borrowings as at 30 June 2020 through floating-to-fixed interest rate swaps, with the remaining unhedged borrowings in Euro. Forecasted foreign sourced distributions have also been substantially hedged till 2H 2021 with foreign currency forward contracts, mitigating the impact of currency fluctuations.

## **Looking Ahead**

In its Global Economic Prospects published in June 2020, the World Bank expects the global economy to contract by 5.2% in 2020, which could be the worst recession in 80 years despite fiscal and monetary policy support efforts.

The COVID-19 pandemic has radically altered the business and social landscape. While a number of business sectors have been adversely affected, the technology sector continues to do well. The widespread lockdowns have contributed to an accelerated adoption of digital technology. The data centre industry remains resilient, supporting data storage and processing requirements of the digital economy.

The Manager believes that the prospects for the data centre market remain robust, underpinned by strong digital trends such as rapid cloud adoption, smart technologies, big-data analytics, and 5G deployment.

Keppel DC REIT remains well-positioned to benefit from the growth of the data centre market, supported by its established track record and enlarged portfolio of assets. The Manager will continue to leverage its competencies in investment, asset and capital management, and build on Keppel Group's capabilities in project development and facilities management, to seek opportunities and strengthen its presence across key data centre hubs globally.

- END -

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

Listed on 12 December 2014, Keppel DC REIT is the first pure-play data centre REIT listed in Asia and on the Singapore Exchange (SGX-ST).

Keppel DC REIT's investment strategy is to principally invest, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centre purposes, as well as real estate related assets.

As at 30 June 2020, its portfolio comprises 18 data centres<sup>1</sup> strategically located in key data centre hubs. With an aggregate lettable area of approximately 1,952,280 sq ft, the portfolio spans 11 cities in eight countries across Asia Pacific and Europe.

Keppel Telecommunications & Transportation Ltd (Keppel T&T), the Sponsor of the REIT, has also granted Rights of First Refusal (ROFR) to the REIT for future acquisition opportunities of its data centre assets.

The REIT is managed by Keppel DC REIT Management Pte. Ltd.. Keppel Capital Holdings Pte. Ltd. (Keppel Capital) has a 50% interest in the Manager, with the remaining interest held by Keppel T&T. Keppel Capital is a premier asset manager in Asia with assets under management comprising real estate, infrastructure and data centre properties in key global markets.

The Manager's key objectives are to provide the REIT's Unitholders with regular and stable distributions, as well as achieve long-term growth while maintaining an optimal capital structure.

### **Important Notice**

*The past performance of Keppel DC REIT is not necessarily indicative of its future performance. Certain statements made in this release may not be based on historical information or facts and may be "forward-looking" statements due to a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, 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 DC REIT (Unitholders) are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Keppel DC REIT Management Pte. Ltd., as manager of Keppel DC REIT (the Manager) on future events. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained in this release. None of the Manager, the trustee of Keppel DC REIT or any of their respective advisors, representatives or agents*

---

<sup>1</sup> Excludes Intellicentre 3 East Data Centre, which is currently under development and is expected to be completed in 1H 2021.

*shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this release or its contents or otherwise arising in connection with this release. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially. The value of units in Keppel DC 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 possible loss of 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 DC REIT  
FINANCIAL STATEMENTS ANNOUNCEMENT****UNAUDITED RESULTS FOR THE HALF YEAR ENDED 30 JUNE 2020**

TABLE OF CONTENTS	
SUMMARY OF KEPPEL DC REIT RESULTS.....	2
INTRODUCTION.....	3
1 UNAUDITED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020.....	4
1(A)(i) STATEMENT OF PROFIT AND LOSS AND DISTRIBUTION STATEMENT.....	4
1(A)(ii) STATEMENT OF COMPREHENSIVE INCOME .....	6
1(B)(i) BALANCE SHEETS .....	7
1(B)(ii) AGGREGATE AMOUNT OF BORROWINGS AND DEBT SECURITIES .....	9
1(C) CONSOLIDATED STATEMENT OF CASH FLOWS .....	10
1(D)(i) STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS .....	12
1(D)(ii) DETAIL OF CHANGES IN THE UNITS .....	15
1(D)(iii) TOTAL NUMBER OF ISSUED UNITS.....	15
1(D)(iv) SALES, TRANSFER, DISPOSALS, CANCELLATION OR USE OF TREASURY UNITS .....	15
2 AUDIT.....	15
3 AUDITORS' REPORT.....	15
4 ACCOUNTING POLICIES .....	15
5 CHANGES IN ACCOUNTING POLICIES.....	15
6 CONSOLIDATED EARNINGS PER UNIT AND DISTRIBUTION PER UNIT .....	16
7 NET ASSET VALUE (NAV) / NET TANGIBLE ASSET (NTA) PER UNIT .....	16
8 REVIEW OF PERFORMANCE .....	17
9 PROSPECTS .....	18
10 RISK FACTORS AND RISK MANAGEMENT.....	18
11 DISTRIBUTIONS .....	20
12 DISTRIBUTION STATEMENT .....	21
13 INTERESTED PERSON TRANSACTIONS.....	22
14 CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS UNDER RULE 720(1).....	22
CONFIRMATION BY THE BOARD .....	24

## SUMMARY OF KEPPEL DC REIT RESULTS

	1H 2020 \$'000	1H 2019 \$'000	+/(-) %
Gross Revenue	123,950	95,493	29.8
Property Expenses	(9,733)	(9,003)	8.1
Net Property Income	114,217	86,490	32.1
Distributable Income to Unitholders (DI)	74,980	54,353	38.0
Distribution per Unit (DPU) (cents) <sup>1, 2</sup>	4.375	3.850	13.6
Annualised Distribution Yield (%) <sup>2, 3</sup>	3.44	3.03	41bps

### Notes:

- 1 Excludes an amount of capital expenditure that has been set aside.
- 2 Keppel DC REIT declares distributions on a half-yearly basis. For the financial period from 1 January to 30 June 2020, eligible unitholders will receive a distribution of 4.375 cents per Unit.
- 3 Annualised distribution yields were computed based on 1H 2020 closing unit price of \$2.540.

For details, refer to **Paragraph 1A(i) - Statement of profit and loss and distribution statement and Paragraph 8 - Review of Performance.**

<b>Distribution</b>	13th Distribution Distribution for the period from 1 January to 30 June 2020
<b>Distribution type</b>	(a) Taxable Income (b) Tax-exempt Income
<b>Distribution rate</b>	Distribution for the period from 1 January to 30 June 2020 (a) Taxable Income – 2.475 cents per Unit (b) Tax-exempt Income – 1.900 cents per Unit
<b>Distribution amount (\$'000)</b>	71,440
<b>Record Date</b>	29 July 2020
<b>Payment Date</b>	1 September 2020

## INTRODUCTION

Keppel DC REIT was listed on Singapore Exchange Securities Trading Limited (SGX-ST) on 12 December 2014.

Keppel DC REIT's strategy is to invest, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centres purposes, as well as real estate-related assets, with an initial focus on Asia Pacific and Europe.

On 14 March 2018, Keppel DC REIT entered into a contract to acquire the remainder of the 999-year leasehold land interest in Keppel DC Dublin 1. The acquisition was completed on 31 March 2020.

On 7 August 2018, Keppel DC REIT entered into an agreement to construct Intellicentre 3 East Data Centre on the vacant land within the current Intellicentre 2 Data Centre site. The completion is expected to be in 2021.

On 12 December 2019, Keppel DC REIT entered into a sales and purchase agreement to acquire a freehold interest in Kelsterbach Data Centre. The acquisition was completed on 1 May 2020.

As at 30 June 2020, the REIT has a portfolio size of approximately \$2.80 billion. The portfolio comprises 18 high quality well located data centres in Singapore, Malaysia, Australia, the United Kingdom (UK), the Netherlands, Republic of Ireland (Ireland), Italy and Germany, and 1 data centre under development in Australia.

### Asia-Pacific

1)	Keppel DC Singapore 1	Singapore	(KDC SGP 1)
2)	Keppel DC Singapore 2	Singapore	(KDC SGP 2)
3)	Keppel DC Singapore 3	Singapore	(KDC SGP 3)
4)	Keppel DC Singapore 4	Singapore	(KDC SGP 4)
5)	Keppel DC Singapore 5	Singapore	(KDC SGP 5)
6)	DC1	Singapore	(DC1)
7)	Basis Bay Data Centre	Malaysia	(Basis Bay DC)
8)	Gore Hill Data Centre	Australia	(Gore Hill DC)
9)	Intellicentre 2 Data Centre	Australia	(IC2 DC)
10)	iseek Data Centre	Australia	(iseek DC)

### Europe

11)	GV7 Data Centre	UK	(GV7 DC)	
12)	Cardiff Data Centre	UK	(Cardiff DC)	
13)	Almere Data Centre	The Netherlands	(Almere DC)	
14)	Keppel DC Dublin 1	Ireland	(KDC DUB 1)	<i>(Acquired 999-year leasehold land interest on 31 March 2020)</i>
15)	Keppel DC Dublin 2	Ireland	(KDC DUB 2)	
16)	Milan Data Centre	Italy	(Milan DC)	
17)	maincubes Data Centre	Germany	(maincubes DC)	
18)	Kelsterbach Data Centre	Germany	(Kelsterbach DC)	<i>(Acquired on 1 May 2020)</i>

The notes below shall be applicable to the relevant paragraphs thereafter:

- 1H – Refers to the first half from 1 January to 30 June 2020 and the corresponding period of the preceding year.
- Distributable income includes an amount of capital expenditure set aside for certain properties (Capex Reserves). The DPU has excluded Capex Reserves.
- Nm – Not meaningful



## 1 UNAUDITED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020

The Directors of Keppel DC REIT Management Pte. Ltd., as the manager of Keppel DC REIT, advise the following unaudited results of the Group for the financial period ended 30 June 2020:

### 1(A)(i) STATEMENT OF PROFIT AND LOSS AND DISTRIBUTION STATEMENT

Performance between 2020 and 2019 results

Statement of profit and loss and distribution statement, together with a comparative statement for the corresponding period of the immediately preceding financial year

Statement of Profit and Loss (Group)

		1H 2020 \$'000	1H 2019 \$'000	+ / (-) %
	<b>Note</b>			
Gross rental income	1	119,556	90,771	31.7
Other income	2	4,394	4,722	(6.9)
<b>Gross Revenue</b>		<b>123,950</b>	<b>95,493</b>	<b>29.8</b>
Property operating expenses	3	(9,733)	(9,003)	8.1
<b>Net Property Income</b>		<b>114,217</b>	<b>86,490</b>	<b>32.1</b>
Finance income		326	304	7.2
Finance costs	4	(9,767)	(8,129)	20.2
Trustees' fees		(206)	(197)	4.6
Manager's base fee	5	(6,620)	(4,913)	34.7
Manager's performance fee	5	(3,770)	(2,887)	30.6
Net realised gains on derivatives		1,959	1,043	87.8
Other trust expenses	6	(7,089)	(5,709)	24.2
<b>Profit before tax</b>		<b>89,050</b>	<b>66,002</b>	<b>34.9</b>
Tax expenses	7	(4,723)	(5,205)	(9.3)
<b>Profit after tax</b>		<b>84,327</b>	<b>60,797</b>	<b>38.7</b>
<b>Attributable to:</b>				
Unitholders		82,532	59,201	39.4
Non-controlling interests		1,795	1,596	12.5
		<b>84,327</b>	<b>60,797</b>	<b>38.7</b>
<u>Distribution Statement</u>				
Profit after tax attributable to Unitholders		82,532	59,201	39.4
Net tax and other adjustments	8	(7,552)	(4,848)	55.8
<b>Income available for distribution</b>	9	<b>74,980</b>	<b>54,353</b>	<b>38.0</b>
<b>Distribution per Unit (cents)</b>	10	<b>4.375</b>	<b>3.850</b>	<b>13.6</b>

**Notes (2020 and 2019):**

- 1 In 1H 2020, higher gross rental income was mainly due to the acquisitions of KDC SGP 4, DC1 and Kelsterbach DC.
- 2 In 1H 2020, lower other income was mainly due to the lower rental top up recognised.
- 3 Included as part of the property operating expenses were the following:

	<b>1H 2020</b>	<b>1H 2019</b>
	<b>\$'000</b>	<b>\$'000</b>
Property-related taxes	<b>(1,653)</b>	(1,424)
Facility management costs	<b>(5,108)</b>	(4,403)
Repairs and maintenance	<b>(502)</b>	(998)
Other property-related costs	<b>(2,470)</b>	(2,178)
	<b><u>(9,733)</u></b>	<b><u>(9,003)</u></b>

- 4 Included in finance costs were interest expense, amortisation of debt-related transaction costs from borrowings and lease charges recognised.
- 5 Increase in Manager's base fees and performance fees were mainly due to the acquisitions of KDC SGP 4, DC1 and Kelsterbach DC, as well as the higher net property income.
- 6 Included in the higher other trust expenses in 1H 2020 were payments made to the seller of Kelsterbach DC and higher foreign exchange loss, partially offset by lower amortisation of intangible assets.
- 7 Tax expenses comprise (i) tax in relation to the taxable income that are not accorded full tax transparency treatment, (ii) tax expenses of the Group's overseas properties, and (iii) net deferred tax expenses recognised on tax losses carried forward and fair value changes in investment properties.
- 8 Included in the net tax and other adjustments were the following:

	<b>1H 2020</b>	<b>1H 2019</b>
	<b>\$'000</b>	<b>\$'000</b>
Trustee's fees	<b>169</b>	159
Rental income adjustment on a straight-line basis	<b>(1,401)</b>	(929)
Amortisation of capitalised transaction costs	<b>208</b>	176
Foreign exchange losses	<b>1,174</b>	850
Deferred tax	<b>1,191</b>	2,567
Amortisation of intangible assets	<b>3,449</b>	4,000
Other net adjustments	<b>(12,342)</b>	(11,671)
<b>Net tax and other adjustments</b>	<b><u>(7,552)</u></b>	<b><u>(4,848)</u></b>

Included in other net adjustments were dividends and distribution income, lease charges, other non-taxable income and non-deductible expenses.

- 9 Higher DI in 1H 2020 was mainly due to the acquisitions of KDC SGP 4, DC1 and Kelsterbach DC.
- 10 The DPU was computed based on DI (Note 9) and has excluded Capex Reserves. Keppel DC REIT declares distributions on a half-yearly basis. For the financial period from 1 January to 30 June 2020, eligible unitholders will receive a distribution of 4.375 cents per Unit.

## 1(A)(ii) STATEMENT OF COMPREHENSIVE INCOME

Statement of comprehensive income, together with a comparative statement for the corresponding period of the immediate preceding financial year

### Statement of Comprehensive Income (Group)

	1H 2020 \$'000	1H 2019 \$'000	+/(-) %
<b>Profit after tax</b>	<b>84,327</b>	<b>60,797</b>	<b>38.7</b>
<b>Other comprehensive income</b>			
Movement in fair value of cash flow hedges	(18,627)	(5,402)	>100.0
Foreign currency translation movement	11,014	(12,854)	Nm
<b>Total other comprehensive loss</b>	<b>(7,613)</b>	<b>(18,256)</b>	<b>(58.3)</b>
<b>Total comprehensive income</b>	<b>76,714</b>	<b>42,541</b>	<b>80.3</b>
<b>Attributable to:</b>			
Unitholders	74,904	40,944	82.9
Non-controlling interests	1,810	1,597	13.3
	<b>76,714</b>	<b>42,541</b>	<b>80.3</b>

#### **Note:**

These other comprehensive income items relate to the 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 the movement in foreign currency transaction reserve that arises from the translation of foreign entities and intercompany loans that form part of the Group's net investment in foreign entities.

## 1(B)(i) BALANCE SHEETS

Balance sheets together with a comparative statement for the end of the immediately preceding financial year

	Note	Group			Trust		
		30-Jun-20 \$'000	31-Dec-19 \$'000	+ / (-) %	30-Jun-20 \$'000	31-Dec-19 \$'000	+ / (-) %
<b>Non-current assets</b>							
Investment properties	1	2,840,032	2,637,026	7.7	484,685	480,898	0.8
Property under development	2	7,382	-	Nm	-	-	-
Investment in subsidiaries	3	-	-	-	1,925,638	1,421,796	35.4
Loans to subsidiaries	3	-	-	-	308,281	273,611	12.7
Intangible assets	4	-	8,349	(100.0)	-	8,349	(100.0)
Derivative financial assets	5	216	518	(58.3)	216	485	(55.5)
Deferred tax assets	6	2,093	2,149	(2.6)	-	-	-
<b>Total non-current assets</b>		<b>2,849,723</b>	<b>2,648,042</b>	<b>7.6</b>	<b>2,718,820</b>	<b>2,185,139</b>	<b>24.4</b>
<b>Current assets</b>							
Trade and other receivables	7	73,634	95,848	(23.2)	37,335	390,279	(90.4)
Deposits	8	-	25,349	(100.0)	-	-	-
Intangible assets	4	4,901	-	Nm	4,901	-	Nm
Derivative financial assets	5	1,366	2,879	(52.6)	1,366	2,879	(52.6)
Tax recoverable	12	8,909	-	Nm	-	-	-
Cash and cash equivalents		205,167	155,876	31.6	86,251	61,713	39.8
<b>Total current assets</b>		<b>293,977</b>	<b>279,952</b>	<b>5.0</b>	<b>129,853</b>	<b>454,871</b>	<b>(71.5)</b>
<b>TOTAL ASSETS</b>		<b>3,143,700</b>	<b>2,927,994</b>	<b>7.4</b>	<b>2,848,673</b>	<b>2,640,010</b>	<b>7.9</b>
<b>Current liabilities</b>							
Loans from subsidiaries	9	-	-	-	75,740	36,789	>100.0
Loans and borrowings	10	76,736	40,264	90.6	-	-	-
Derivative financial liabilities	5	203	137	48.2	131	-	Nm
Trade and other payables	11	53,332	59,851	(10.9)	18,004	29,010	(37.9)
Provision for taxation	12	9,377	7,905	18.6	3,524	4,621	(23.7)
<b>Total current liabilities</b>		<b>139,648</b>	<b>108,157</b>	<b>29.1</b>	<b>97,399</b>	<b>70,420</b>	<b>38.3</b>
<b>Non-current liabilities</b>							
Loans from subsidiaries	9	-	-	-	979,420	833,599	17.5
Loans and borrowings	10	1,000,284	880,455	13.6	11,040	10,898	1.3
Derivative financial liabilities	5	24,496	7,750	>100.0	291	142	>100.0
Deferred tax liabilities	6	30,692	29,084	5.5	5,451	6,056	(10.0)
<b>Total non-current liabilities</b>		<b>1,055,472</b>	<b>917,289</b>	<b>15.1</b>	<b>996,202</b>	<b>850,695</b>	<b>17.1</b>
<b>TOTAL LIABILITIES</b>		<b>1,195,120</b>	<b>1,025,446</b>	<b>16.5</b>	<b>1,093,601</b>	<b>921,115</b>	<b>18.7</b>
<b>NET ASSETS</b>		<b>1,948,580</b>	<b>1,902,548</b>	<b>2.4</b>	<b>1,755,072</b>	<b>1,718,895</b>	<b>2.1</b>
<b>Represented by:</b>							
Unitholders' funds		1,912,148	1,868,018	2.4	1,755,072	1,718,895	2.1
Non-controlling interests	13	36,432	34,530	5.5	-	-	-
		<b>1,948,580</b>	<b>1,902,548</b>	<b>2.4</b>	<b>1,755,072</b>	<b>1,718,895</b>	<b>2.1</b>
<b>Net asset value per Unit (\$)</b>	14	<b>1.17</b>	<b>1.14</b>	<b>2.6</b>	<b>1.07</b>	<b>1.05</b>	<b>1.9</b>
<b>Aggregate leverage / Deposited properties (%)</b>	15	<b>34.5</b>	<b>30.7</b>	<b>380bps</b>	<b>Nm</b>	<b>Nm</b>	<b>Nm</b>

**Notes:**

- 1 Included in the investment properties were leases of \$28.4 million capitalised at the lower of its fair value and the present value of the lease payments for certain investment properties.

<u>Investment Properties</u>	<u>Tenure</u>	<u>Carrying Value (\$'000)</u>
Keppel DC Singapore 1	Leasehold, expiring 30 Sept 2055 <sup>^</sup>	306,216
Keppel DC Singapore 2	Leasehold, expiring 31 July 2051 <sup>^</sup>	178,469
Keppel DC Singapore 3	Leasehold, expiring 31 Jan 2052 <sup>^</sup>	269,177
Keppel DC Singapore 4	Leasehold, expiring 30 June 2050	382,363
Keppel DC Singapore 5	Leasehold, expiring 31 August 2041	334,410
DC1	Leasehold, expiring 31 July 2044	200,207
Basis Bay Data Centre	Freehold	25,679
Gore Hill Data Centre	Freehold	195,092
Intellcentre 2 Data Centre	Freehold	54,250
iseek Data Centre	Leasehold, expiring 29 June 2047 <sup>^</sup>	42,261
GV7 Data Centre	Leasehold, expiring 28 Sept 2183	63,227
Cardiff Data Centre	Freehold	62,488
Almere Data Centre	Freehold	141,323
Keppel DC Dublin 1	Leasehold, expiring 31 Dec 2999	132,775
Keppel DC Dublin 2	Leasehold, expiring 31 Dec 2997	109,495
Milan Data Centre	Freehold	60,050
maincubes Data Centre	Freehold	143,366
Kelsterbach Data Centre	Freehold	139,184
		<hr/>
		2,840,032

<sup>^</sup> Include options to renew between 7 to 30 years

- 2 Property under development pertains to costs capitalised for IC3 East DC according to construction progress till date.
- 3 These relate to the investments in subsidiaries as well as interest-bearing and quasi-equity loans to subsidiaries.
- 4 This relates to intangible assets with finite useful lives recognised in relation to a rental top up provided by the vendors. The intangible assets have been amortised on a diminishing balance method over the relevant rental top up periods.
- 5 These relate to the fair value of the foreign currency forward contracts entered into in relation to the income from overseas investment properties, and the fair value of interest rate swaps entered into by the Group for hedging purposes.
- 6 These relate to the net deferred tax assets/liabilities recognised in different tax jurisdictions that arose on tax losses carried forward and fair value changes in certain investment properties.
- 7 Included in trade and other receivables were accrued rental revenue from the clients and deferred lease receivables relating to lease income which had been recognised due to the straight-lining of rental revenue in accordance with SFRS(I) 16 Leases, but not yet received from the clients.
- 8 These relate to deposit paid in 2019 to the vendor for the acquisition of 100% freehold interest in a data centre in Kelsterbach, Germany.
- 9 These relate to loans from subsidiaries. The higher balances as at 30 June 2020 were mainly due to the additional loans drawn, partially offset by the repayment of certain loans.
- 10 These relate to external borrowings of \$1,055.2 million (refer to Paragraph 1(B)(ii)), lease liabilities pertaining to land rent commitments and options, and capitalised debt-related transaction costs. The higher external borrowings as at 30 June 2020 were mainly due to proceeds drawn from new bank borrowings.
- 11 Included in trade and other payables were trade creditors, accrued liabilities and deferred revenue.
- 12 Included in tax recoverable and income tax provision were income tax credit/expense accrued for the Group and provision of withholding tax expense in relation to the income received from the Group's overseas investments.
- 13 This relates to the non-controlling interests' share of net assets.
- 14 This excludes the non-controlling interests' share of net assets.
- 15 Aggregate leverage relates to the \$1,055.2 million external borrowings drawn down (refer to Paragraph 1(B)(ii)) and deferred payment over deposited properties which refers to the value of the Group's total assets based on the latest valuation defined in the property fund guidelines in the Code on Collective Investment Schemes issued by MAS, without considering lease liabilities pertaining to the land rent commitments and options. If these lease liabilities pertaining to land rent commitments and options were included, the ratio would be 35.0% (31 December 2019: 31.9%).

**1(B)(ii) AGGREGATE AMOUNT OF BORROWINGS AND DEBT SECURITIES**

	Group	
	As at 30 Jun 20 \$'000	As at 31 Dec 19 \$'000
<b><u>Unsecured borrowings<sup>1</sup></u></b>		
Amount repayable within one year	12,382	36,789
Amount repayable after one year	1,042,778	833,599
	1,055,160	870,388

**Note:**

- 1 Keppel DC REIT has unsecured borrowings of approximately \$769.6 million (2019: \$498.2 million) and \$128.4 million (2019: \$221.8 million) and \$157.2 million (2019: \$150.4 million) under its term loan facilities, revolving credit facilities and Multicurrency Medium Term Note Programme respectively.

As at 30 June 2020, the Group had total borrowings of approximately \$1,055.2 million and unutilised facilities of approximately \$326.6 million to meet its future obligations. The all-in average interest rate for borrowings was 1.7% per annum for the financial period ended 30 June 2020.

## 1(C) CONSOLIDATED STATEMENT OF CASH FLOWS

	1H 2020 \$'000	1H 2019 \$'000
<b>Operating activities</b>		
Profit after tax for the financial period	84,327	60,797
Adjustments for:		
Tax expenses	4,723	5,205
Finance income	(326)	(304)
Finance costs	9,767	8,129
Amortisation of intangible assets	3,449	4,000
Management fees payable in Units	857	781
Unrealised currency translation differences	(5,436)	(4,268)
	<u>97,361</u>	<u>74,340</u>
Changes in working capital:		
- Trade and other receivables	22,741	7,244
- Trade and other payables	(13,318)	(10,835)
<b>Cash generated from operations</b>	<u>106,784</u>	<u>70,749</u>
Net tax paid	(9,357)	(6,556)
<b>Net cash generated from operating activities</b>	<u>97,427</u>	<u>64,193</u>
<b>Cash flows from investing activities</b>		
Acquisition of interests in investment properties (Note A)	(100,786)	-
Additions to investment properties	(53,416)	(9,110)
Capital expenditures on investment properties	(7,832)	(16,220)
<b>Net cash used in investing activities</b>	<u>(162,034)</u>	<u>(25,330)</u>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings and medium term note	238,289	83,326
Capital contribution from a non-controlling interest	2,608	-
Payment of financing transaction costs	(600)	(115)
Repayment of borrowings	(75,297)	(46,890)
Finance costs paid	(9,070)	(7,645)
Distributions paid to Unitholders	(31,832)	(50,008)
Dividends paid to non-controlling interests	(2,516)	(1,397)
<b>Net cash generated from/(used in) financing activities</b>	<u>121,582</u>	<u>(22,729)</u>
<b>Net increase in cash and cash equivalents</b>	<u>56,975</u>	<u>16,134</u>
Cash and cash equivalents at beginning of period	155,876	128,415
Effects of exchange rate fluctuations on cash held	(7,684)	(660)
<b>Cash and cash equivalents at end of period</b>	<u>205,167</u>	<u>143,889</u>

### Note A – Acquisition of interests in investment properties

In May 2020, Keppel DC REIT completed the acquisition of Kelsterbach DC in Germany. The remaining balance of the purchase consideration was paid, along with the release of the deposit, to the vendor as settlement of the purchase consideration.

## 1(C) CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

### Cash flow analysis (1H 2020 vs 1H 2019)

Cash generated from operating activities for the 1H 2020 was \$97.4 million, \$33.2 million higher than \$64.2 million for the corresponding period last year. This was mainly due to higher operational cash inflow.

Net cash used in investing activities for 1H 2020 was \$162.0 million, comprising mainly the acquisition of Kelsterbach DC, remaining 999-year interest in KDC DUB 1, upfront land premium paid for KDC SGP 4 and capital expenditures. Net cash used in investing activities for the corresponding period last year was \$25.3 million, comprising mainly an additional consideration paid to a vendor of an overseas asset acquired in 2017, upfront land premium paid for KDC SGP 5 and capital expenditures.

The Group recorded net cash generated from financing activities of \$121.6 million in 1H 2020 as compared to net cash used in financing activities of \$22.7 million for the corresponding period last year. Net cash used in 1H 2020 was mainly due to proceeds from borrowings, partially offset by distributions paid to Unitholders, repayment of borrowings and finance costs. Net cash used in 1H 2019 was mainly due to distributions paid to Unitholders, repayment of borrowings and finance costs, partially offset by the proceeds from bank borrowings and medium term notes issued.

### Usage of proceeds of the Equity Fund Raising

Further to the announcement dated 21 January 2020 titled "Unaudited Results for the Year ended 31 December 2019 (the Announcement)", the Manager wishes to update on the use of the remaining net proceeds as at 30 June 2020 raised from the Equity Fund Raising (the Net Proceeds) as follows.

<b>Intended Use</b>	<b>Amount allocated (as stated in the Announcements)</b>	<b>Reallocation of the use of Net Proceeds</b>	<b>Amount utilised as at 30 June 2020</b>	<b>Balance of Net Proceeds as at 30 June 2020</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
To partially fund the acquisitions of 99% interest in KDC SGP 4 and 100% interest in DC1	438,548	16,668	(455,216)	-
To fund capital expenditures or acquisitions	31,086	(16,668)	(2,229)	12,189
<b>Total Use of Net Proceeds</b>	<b>469,634</b>	<b>-</b>	<b>(457,445)</b>	<b>12,189</b>



## 1(D)(i) STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

<u>GROUP (2020)</u>	Note	<u>Foreign Currency</u>		<u>Hedging Reserve</u>	<u>Other Reserve</u>	<u>Accumulated Profits</u>	<u>Unitholders' Funds</u>	<u>Non- Controlling Interests</u>	<u>Total</u>
		<u>Units in Issue</u>	<u>Translation Reserve</u>						
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 1 January 2020</b>		1,855,019	(11,985)	(4,490)	(95,751)	125,225	1,868,018	34,530	1,902,548
<b>Operations</b>									
Profit after tax for the period		-	-	-	-	82,532	82,532	1,795	84,327
<b>Net increase in net assets resulting from operations</b>		-	-	-	-	<b>82,532</b>	<b>82,532</b>	<b>1,795</b>	<b>84,327</b>
<b>Unitholders' transactions</b>									
Distributions to Unitholders		-	-	-	-	(31,832)	(31,832)	-	(31,832)
Payment of management fees in Units		1,058	-	-	-	-	1,058	-	1,058
<b>Net increase in net assets resulting from Unitholders' transactions</b>		<b>1,058</b>	-	-	-	<b>(31,832)</b>	<b>(30,774)</b>	-	<b>(30,774)</b>
Capital contribution of a non- controlling interest into a subsidiary		-	-	-	-	-	-	2,608	2,608
Dividends paid to non- controlling interests		-	-	-	-	-	-	(2,516)	(2,516)
<b>Other comprehensive income</b>									
Movement in hedging reserve	1	-	-	(18,627)	-	-	(18,627)	-	(18,627)
Foreign currency translation movement	1	-	10,999	-	-	-	10,999	15	11,013
<b>Net increase in other comprehensive income</b>		-	<b>10,999</b>	<b>(18,627)</b>	-	-	<b>(7,628)</b>	<b>15</b>	<b>(7,614)</b>
<b>At 30 June 2020</b>		<b>1,856,077</b>	<b>(986)</b>	<b>(23,117)</b>	<b>(95,751)</b>	<b>175,925</b>	<b>1,912,148</b>	<b>36,432</b>	<b>1,948,580</b>

### Note:

- These other comprehensive income items relate to the 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 the movement in foreign currency translation reserve that arises from the translation of foreign entities and intercompany loans that form part of the Group's net investment in foreign entities.

1(D)(i) STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS (CONT'D)

<b>GROUP (2019)</b>	<b>Note</b>	<b>Units in Issue \$'000</b>	<b>Foreign Currency Translation Reserve \$'000</b>	<b>Hedging Reserve \$'000</b>	<b>Other Reserve \$'000</b>	<b>Accumulated Profits \$'000</b>	<b>Unitholders' Funds \$'000</b>	<b>Non- Controlling Interests \$'000</b>	<b>Total \$'000</b>
<b>At 1 January 2019</b>		1,378,025	16,416	885	(95,751)	145,264	1,444,839	31,155	1,475,994
<b>Operations</b>									
Profit after tax for the period		-	-	-	-	59,201	59,201	1,596	60,797
<b>Net increase in net assets resulting from operations</b>		-	-	-	-	<b>59,201</b>	<b>59,201</b>	<b>1,596</b>	<b>60,797</b>
<b>Unitholders' transactions</b>									
Distributions to Unitholders		-	-	-	-	(50,008)	(50,008)	-	(50,008)
Payment of management fees in Units		761	-	-	-	-	761	-	761
<b>Net increase in net assets resulting from Unitholders' transactions</b>		<b>761</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(50,008)</b>	<b>(49,247)</b>	<b>-</b>	<b>(49,247)</b>
Dividends paid to non- controlling interests		-	-	-	-	-	-	(1,397)	(1,397)
<b>Other comprehensive income</b>									
Movement in hedging reserve	1	-	-	(5,402)	-	-	(5,402)	-	(5,402)
Foreign currency translation movement	1	-	(12,855)	-	-	-	(12,855)	1	(12,854)
<b>Net decrease in other comprehensive income</b>		<b>-</b>	<b>(12,855)</b>	<b>(5,402)</b>	<b>-</b>	<b>-</b>	<b>(18,257)</b>	<b>1</b>	<b>(18,256)</b>
<b>At 30 June 2019</b>		<b>1,378,786</b>	<b>3,561</b>	<b>(4,517)</b>	<b>(95,751)</b>	<b>154,457</b>	<b>1,436,536</b>	<b>31,355</b>	<b>1,467,891</b>

**Note:**

- 1 These other comprehensive income items relate to the 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 the movement in foreign currency translation reserve that arises from the translation of foreign entities and intercompany loans that form part of the Group's net investment in foreign entities.

1(D)(i) STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS (CONT'D)

<u>TRUST (2020)</u>	Note	<u>Unit in Issue</u> \$'000	<u>Hedging Reserve</u> \$'000	<u>Other Reserve</u> \$'000	<u>Accumulated Profits</u> \$'000	<u>Unitholders' Funds</u> \$'000
At 1 January 2020		1,855,019	3,222	(95,751)	(43,595)	1,718,895
<b>Operations</b>						
Profit after tax for the period		-	-	-	69,014	69,014
<b>Net increase in net assets resulting from operations</b>		-	-	-	69,014	69,014
<b>Unitholders' transactions</b>						
Distribution to Unitholders		-	-	-	(31,832)	(31,832)
Payment of management fees in Units		1,058	-	-	-	1,058
<b>Net increase in net assets resulting from Unitholders' transactions</b>		1,058	-	-	(31,832)	<b>(30,774)</b>
<b>Other comprehensive income</b>						
Movement in hedging reserve	1	-	(2,063)	-	-	(2,063)
<b>Net decrease in other comprehensive income</b>		-	(2,063)	-	-	(2,063)
<b>At 30 June 2020</b>		<b>1,856,077</b>	<b>1,159</b>	<b>(95,751)</b>	<b>(6,413)</b>	<b>1,755,072</b>
<b>TRUST (2019)</b>						
	Note	<u>Unit in Issue</u> '000	<u>Hedging Reserve</u> \$'000	<u>Other Reserve</u> \$'000	<u>Accumulated Profits</u> \$'000	<u>Unitholders' Funds</u> \$'000
At 1 January 2019		1,378,025	3,655	(95,751)	410	1,286,339
<b>Operations</b>						
Profit after tax for the period		-	-	-	46,677	46,677
<b>Net increase in net assets resulting from operations</b>		-	-	-	46,677	46,677
<b>Unitholders' transactions</b>						
Distribution to Unitholders		-	-	-	(50,008)	(50,008)
Payment of management fees in Units		761	-	-	-	761
<b>Net increase in net assets resulting from Unitholders' transactions</b>		<b>761</b>	-	-	<b>(50,008)</b>	<b>(49,247)</b>
<b>Other comprehensive income</b>						
Movement in hedging reserve	1	-	380	-	-	380
<b>Net increase in other comprehensive income</b>		-	<b>380</b>	-	-	<b>380</b>
<b>At 30 June 2019</b>		<b>1,378,786</b>	<b>4,035</b>	<b>(95,751)</b>	<b>(2,921)</b>	<b>1,284,149</b>

Note:

- 1 The other comprehensive income item relates to the fair value changes of the cash flow hedges as a result of foreign currency forward contracts and interest rate swaps entered into by the Trust.

#### 1(D)(ii) DETAIL OF CHANGES IN THE UNITS

GROUP AND TRUST	1 Jan 20 to 30 Jun 20	1 Jan 19 to 30 Jun 19
	<b>No. of Units</b>	<b>No. of Units</b>
Issued Units as at beginning of period	1,632,395,361	1,351,578,450
Management fees paid in Units	524,352	542,596
Issued Units as at end of period	1,632,919,713	1,352,121,046

#### 1(D)(iii) TOTAL NUMBER OF ISSUED UNITS

Keppel DC REIT did not hold any treasury units as at 30 June 2020 and 31 December 2019.

	Group	
	As at 30 Jun 20	As at 31 Dec 19
Total number of issued Units	1,632,919,713	1,632,395,361

#### 1(D)(iv) SALES, TRANSFER, DISPOSALS, CANCELLATION OR USE OF TREASURY UNITS

Not applicable.

#### 2 AUDIT

Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

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

#### 3 AUDITORS' REPORT

Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

#### 4 ACCOUNTING POLICIES

Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The accounting policies and methods of computation have been consistently applied during the current reporting period except that in the current financial year, the Group has adopted new and revised standards and SFRS (I) Interpretation that are effective for annual period beginning on 1 January 2020.

#### 5 CHANGES IN ACCOUNTING POLICIES

If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Refer to Paragraph 4 - Accounting Policies.

## 6 CONSOLIDATED EARNINGS PER UNIT AND DISTRIBUTION PER UNIT

	1H 2020	1H 2019
<b>Earnings per Unit (EPU)</b>		
<b>EPU (basic and diluted) (cents)</b>	<b>5.05</b>	4.38
Weighted average number of Units <sup>1</sup>	<b>1,632,763,194</b>	1,351,940,076
Profit after tax <sup>2</sup> (\$'000)	<b>82,532</b>	59,201
<b>Distribution per Unit (DPU)</b>		
<b>DPU<sup>3</sup> (cents)</b>	<b>4.375</b>	3.850
Total number of Units in issue at end of period	<b>1,632,919,713</b>	1,352,121,046
Income available for distribution to Unitholders (\$'000)	<b>75,354</b>	54,353

## 7 NET ASSET VALUE (NAV) / NET TANGIBLE ASSET (NTA) PER UNIT

	Group	
	As at 30 Jun 20	As at 31 Dec 19
<b>NAV<sup>2</sup> per Unit<sup>4</sup> (\$)</b>	<b>1.17</b>	1.14
Adjusted NAV <sup>2</sup> per unit <sup>4</sup> (excluding the distributable income)	<b>1.13</b>	1.12
<b>NTA<sup>2</sup> per Unit<sup>4</sup> (\$)</b>	<b>1.17</b>	1.14
Adjusted NTA <sup>2</sup> per unit <sup>4</sup> (excluding the distributable income)	<b>1.12</b>	1.12

### Notes:

- 1 The weighted average number of Units was based on the issued Units during the financial period in review.
- 2 This excludes the non-controlling interests' share of net asset value / net tangible asset and profit and loss for the period after tax.
- 3 DPU excludes Capex Reserves. Keppel DC REIT declares distributions on a half-yearly basis. For the financial period from 1 January to 30 June 2020, eligible unitholders will receive a distribution of 4.375 cents per Unit.
- 4 The NAV per Unit and the NTA per Unit were computed based on the issued Units at the end of the financial period.

## **8 REVIEW OF PERFORMANCE**

### Review of the Performance between 2020 and 2019 results

#### (1H 2020 vs 1H 2019)

Gross rental income for 1H 2020 was \$119.6 million, an increase of \$28.8 million or 31.7% from 1H 2019 of \$90.8 million. This was mainly contributed by the acquisitions of KDC SGP 4, DC1 and Kelsterbach DC.

Other income of \$4.4 million was \$0.3 million lower than 1H 2019 due to lower rental top up income recognised.

Property operating expenses for 1H 2020 was \$9.7 million, an increase of \$0.7 million or 8.1% from 1H 2019 of \$9.0 million. This was mainly due to the acquisition of KDC SGP 4, as well as higher property-related expenses recorded at KDC DUB 2.

Net property income of \$114.2 million for 1H 2020 was \$27.7 million or 32.1% higher than 1H 2019.

Profit after tax for 1H 2020 was \$84.3 million, an increase of \$23.5 million or 38.7% as compared to 1H 2019 of \$60.8 million. This was mainly due to higher net property income and net realised gains on derivatives, partially offset by higher finance costs, Manager's fees and other trust expenses.

## **9 PROSPECTS**

A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

In its Global Economic Prospects published in June 2020, the World Bank expects the global economy to contract by 5.2% in 2020, which could be the worst recession in 80 years despite fiscal and monetary policy support efforts.

The COVID-19 pandemic has radically altered the business and social landscape. While a number of business sectors have been adversely affected, the technology sector continues to do well. The widespread lockdowns have contributed to an accelerated adoption of digital technology. The data centre industry remains resilient, supporting data storage and processing requirements of the digital economy.

The Manager believes that the prospects for the data centre market remain robust, underpinned by strong digital trends such as rapid cloud adoption, smart technologies, big-data analytics, and 5G deployment.

Keppel DC REIT remains well-positioned to benefit from the growth of the data centre market, supported by its established track record and enlarged portfolio of assets. The Manager will continue to leverage its competencies in investment, asset and capital management, and build on Keppel Group's capabilities in project development and facilities management, to seek opportunities and strengthen its presence across key data centre hubs globally.

## **10 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 DC 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. Consideration has been given to funding and expense requirements so as to manage the cash position at any point in time.

### **Credit risk**

Credit risk assessments of prospective clients are carried out by way of evaluation of information from corporate searches conducted prior to the signing of lease agreements. In addition, the Manager also monitors the property portfolio's client trade sector mix to assess and manage exposure to any potentially volatile trade sector.

### **Currency risk**

The Group's foreign currency risk relates mainly to its exposure from its investments in Australia, Europe and Malaysia, and the distributable income and interest income from progressive payments related to such foreign investments. The Group maintains a natural economic hedge, whenever possible, by borrowing in the currency of the country in which the property or investment is located or by borrowing in currencies that match the future revenue stream to be generated from its 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 ensure sustainability of net property income. These measures include steps taken to negotiate for favourable terms/covenants, manage expenses, and actively monitor rental payments from clients and continuously evaluate the Group's counter-parties.

In addition, the Manager also continuously reviews disaster and pandemic business continuity plans and modifies them, when necessary. The Manager manages such risks through multiple layers of redundancy and back-up systems supported by detailed operational procedures and maintenance programmes. However, the Manager notes that no system of risk management can provide absolute assurance against all potential risks.

### **Competition risk**

The Manager will actively manage the properties and grow strong relationships with its clients by providing value-added property-related services. Through such active asset management and enhancements, the Manager seeks to maintain high client retention and occupancy levels and achieve stable rental growth, as well as minimise the costs associated with marketing and leasing space to new clients.

The Manager will work with the facility managers (where applicable) to actively manage (i) contract and colocation renewals and (ii) new contracts and colocation arrangements to maintain high client retention levels and minimise vacancy periods. The Manager also intends to leverage on its relationship with existing data centre clients as well as data centre brokers to secure new clients for the Group's new and existing data centre facilities.



## 11 DISTRIBUTIONS

### (a) Current Financial Period reported on

Any distribution recommended for the current financial period reported on?

Name of distribution:	<u>13th</u> Distribution Distribution for the period from 1 January to 30 June 2020
Distribution type:	(a) Taxable income distribution (b) Tax-exempt income distribution
Distribution rate:	Distribution for the period from 1 January to 30 June 2020 (a) Taxable income – 2.475 cents per Unit (b) Tax-exempt income – 1.900 cents per Unit
Distribution amount (\$'000):	71,440
Tax rate:	<p>(a) <u>Taxable Income Distribution:</u></p> <p>Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distribution. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Such individual unitholders, i.e. to whom the exemption will not apply, must declare the distribution received as income in their tax returns.</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, qualifying foreign non-individual investors and qualifying non-resident funds 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>(b) <u>Tax-exempt income distribution</u></p> <p>Tax-exempt income distribution is exempt from tax in the hands of all Unitholders. Tax-exempt income relates to net taxed income, exempt dividend income and interest income received by Keppel DC REIT.</p>

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

Any distribution declared for the corresponding period of the immediately preceding financial year?

Name of distribution:	<u>10th</u> Distribution Distribution for the period from 1 January to 30 June 2019
Distribution type:	(a) Taxable income distribution (b) Tax-exempt income distribution
Distribution rate:	Distribution for the period from 1 January to 30 June 2019 (a) Taxable income – 2.82 cents per Unit (b) Tax-exempt income – 1.03 cents per Unit
Distribution amount (\$'000):	52,057
Tax rate:	(a) <u>Taxable Income Distribution:</u>  Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distribution. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Such individual unitholders, i.e. to whom the exemption will not apply, must declare the distribution received as income in their tax returns.  Investors using CPF funds and SRS funds will also receive pre-tax distributions. These distributions are tax-exempt.  Subject to meeting certain conditions, qualifying foreign non-individual investors and qualifying non-resident funds will receive their distributions after deduction of tax at the rate of 10%.  All other investors will receive their distributions after deduction of tax at the rate of 17%.  (b) <u>Tax-exempt income distribution</u>  Tax-exempt income distribution is exempt from tax in the hands of all Unitholders. Tax-exempt income relates to net taxed income, exempt dividend income and interest income received by Keppel DC REIT.

**(c) Record date**

The Transfer Books and Register of Unitholders of Keppel DC REIT for the 13th Distribution will be closed at 5.00 p.m. on 29 July 2020 for the purposes of determining each Unitholder's entitlement to the REIT's distribution.

**(d) Date payable**

The date the distribution is payable: 1 September 2020

**12 DISTRIBUTION STATEMENT**

If no distribution has been declared / recommended, a statement to that effect.

Other than as disclosed in Paragraph 11(a), no distribution has been declared / recommended.

### 13 INTERESTED PERSON TRANSACTIONS

Name of Interested Persons	Aggregate value of all interested person transaction during the financial period under review (excluding transactions less than \$100,000)	
	1H 2020 \$'000	1H 2019 \$'000
<b>Temasek Holdings Group</b>		
- Rental income	9,011	-
<b>Keppel Corporation Limited and its subsidiaries</b>		
- Fixed rental income in relation to 99% interest of KDC SGP 5	-	62,667
- Variable rental income	48,793	37,681
- Facility management and property management fees	1,971	1,522
- Manager's management fees	10,390	7,800
- Manager's acquisition and development management fees	1,928	86
- Rental top up income	3,449	-
- Support services fees	267	283
<b>Perpetual (Asia) Limited</b>		
- Trustee fees	169	159

Keppel DC REIT has not obtained a general mandate from Unitholders for Interested Person Transactions for the financial period under review.

### 14 CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS UNDER RULE 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

The past performance of Keppel DC REIT is not necessarily indicative of its future performance. Certain statements made in this announcement 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, 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 DC REIT (“Unitholders”) are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Keppel DC REIT Management Pte. Ltd., as manager of Keppel DC 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 announcement. None of the Manager, the trustee of Keppel DC 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 announcement or its contents or otherwise arising in connection with this announcement. 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 DC 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.

**By Order of the Board**  
**Keppel DC REIT Management Pte. Ltd.**  
**(Company Registration Number: 199508930C)**  
**As Manager of Keppel DC REIT**

Tan Weiqiang, Marc

Company Secretary  
21 July 2020

**CONFIRMATION BY THE BOARD**  
**Pursuant to Rule 705(5) of the Listing Manual**

We, Christina Tan Hua Mui and Lee Chiang Huat, being two Directors of Keppel DC REIT Management Pte. Ltd. (the "Company"), as manager of Keppel DC REIT, do hereby confirm on behalf of the Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements of Keppel DC REIT for the financial period from 1 January 2020 to 30 June 2020 to be false or misleading in any material respects.

On behalf of the Board,



Christina Tan Hua Mui  
Chairman



Lee Chiang Huat  
Director

21 July 2020

The logo for Keppel DC REIT, featuring the word "Keppel" in white on a grey background, followed by "DC REIT" in red. The background of the entire slide is a photograph of a server room with rows of server racks, blue lighting, and a red diagonal graphic element.

**Keppel DC REIT**

# First Half 2020 Financial Results

21 July 2020

# Outline

- Key Highlights
- Financial Performance
- Capital Management
- Portfolio Update
- Outlook

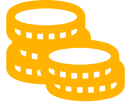
## Constituent of:



## Awards and Accreditations:

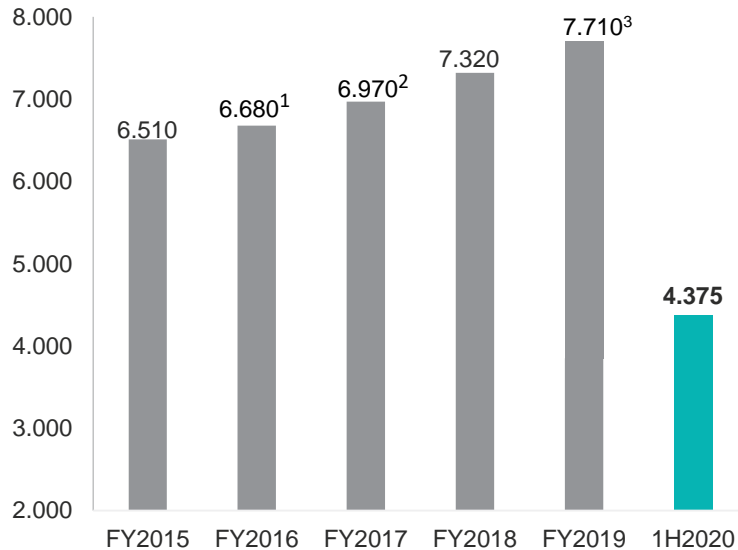


# 1H 2020 Highlights



## Steady growth in DPU

Adjusted DPU (cents)



## Resilient income stream

High portfolio occupancy

**96.1%**

as at 30 Jun 2020

Long portfolio WALE

**7.4 years**

by leased area



## Financial flexibility

Low aggregate leverage<sup>4</sup>

**34.5%**

as at 30 Jun 2020

High interest coverage

**12.8 times**

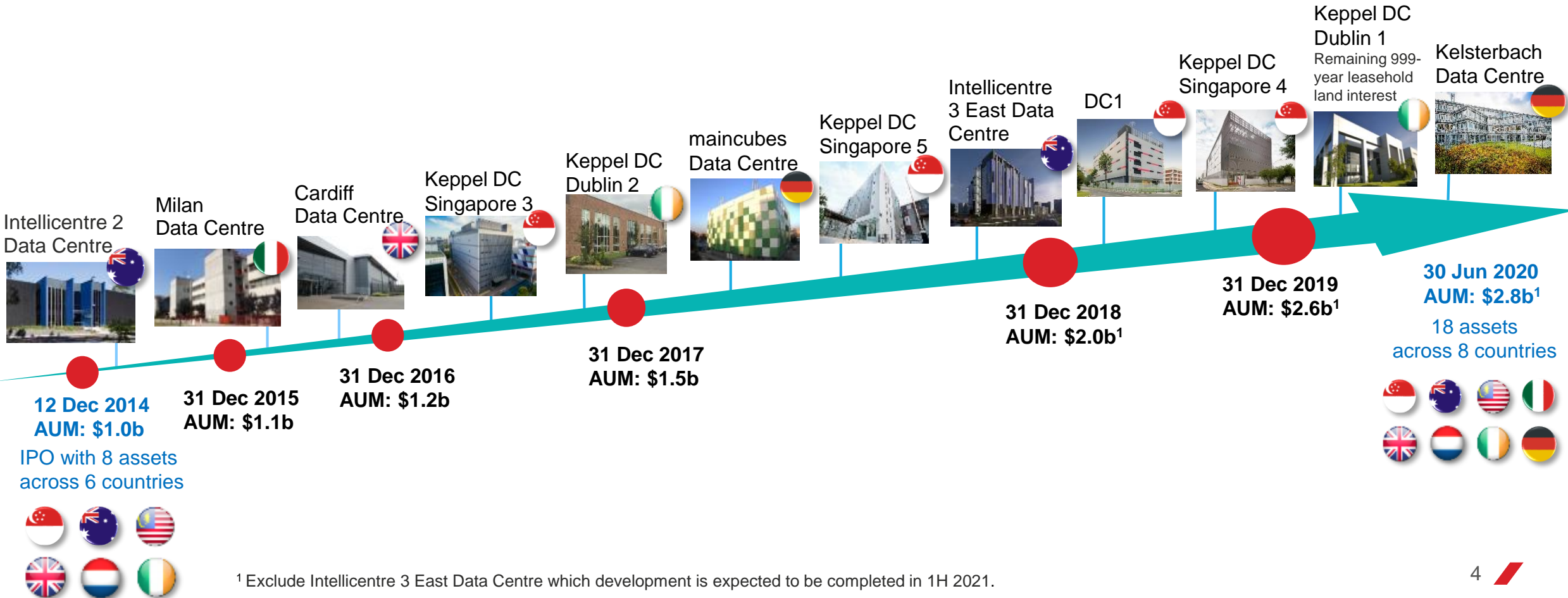
as at 30 Jun 2020

1. Exclude the impact of the pro-rata preferential offering and the one-off net property tax refund in 2016.
2. Exclude the one-off capital distribution for the month of December 2016 arising from the later completion of Keppel DC Singapore 3 in 2017.
3. Excluding the impact of the pro-rata preferential offering in October 2019.
4. Aggregate Leverage was computed based on gross borrowings and deferred payment as a percentage of the deposited properties, both of which do not take into consideration the lease liabilities pertaining to land rent commitments and options.



# Achieving Growth through DPU-accretive Acquisitions

- Completed acquisitions of the remaining 999-year leasehold land interest at Keppel DC Dublin 1 and Kelsterbach Data Centre in Germany in Mar and May 2020 respectively

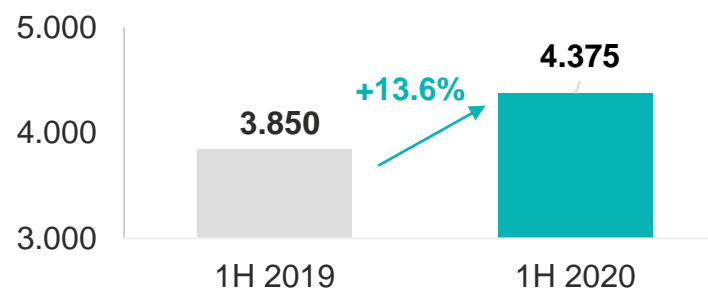


# Financial Performance

# Distributable Income



## Distribution Per Unit (cents)<sup>1</sup>



## Distribution Timetable

<b>Ex-Date</b>	28 Jul 2020
<b>Record Date</b>	29 Jul 2020
<b>Payment Date</b>	1 Sep 2020

(\$'000)	1H 2020	1H 2019	+/(-) %
Distributable Income to Unitholders	74,980	54,353	+38.0
<u>Comprising</u>			
Gross Revenue	123,950	95,493	+29.8
Property Expenses	(9,733)	(9,003)	+8.1
Net Property Income	114,217	86,490	+32.1
Distribution per Unit <sup>1</sup> (DPU) (cents)	4.375	3.850	+13.6
Distribution Yield <sup>2</sup> (%)	3.44	3.03	+41 bps

# Balance Sheet Highlights

(\$'000)	As at 30 Jun 2019	As at 31 Dec 2019	+/(-) %
<b>Investment Properties</b>	2,840,032	2,637,026	+7.7
<b>Property under development</b>	7,382	-	Nm
<b>Total Assets</b>	3,143,700	2,927,994	+7.4
<b>Gross Borrowings<sup>1</sup></b>	1,055,160	870,388	+21.2
<b>Total Liabilities</b>	1,195,120	1,025,446	+16.5
<b>Unitholders' Funds</b>	<b>1,912,148</b>	<b>1,868,018</b>	+2.4
<b>Units in Issue ('000)</b>	1,632,920	1,632,395	-
<b>Net Asset Value (NAV) per Unit (\$)</b>	1.17	1.14	+2.6
<b>Unit Price (Closing price of last trading day) (\$)</b>	2.54	2.08	+22.1
<b>Premium to NAV (%)</b>	+117.1	+82.5	34.6pp

1. Gross borrowings relates to borrowings drawn down from loan facilities and the medium term note programme.

# Aggregate Leverage

(\$'000)	As at 30 Jun 2020	As at 31 Dec 2019	+/(-) %
Investment Properties <sup>1</sup> (excluding lease liabilities commitments)	2,823,640	2,585,178	+9.2
Deposited Properties <sup>1</sup> (excluding lease liabilities commitments)	3,082,225	2,838,306	+8.6
Gross Borrowings + Deferred Payment	1,062,429	870,388	+22.1
<b>Aggregate Leverage<sup>2</sup></b>	<b>34.5%</b>	<b>30.7%</b>	<b>380bps</b>

1. Investment properties relates to carrying value and deposited properties relates to total assets as stipulated in the Property Fund Appendix in CIS Code, without considering lease liabilities pertaining to land rent commitments and options.
2. Aggregate Leverage was computed based on gross borrowings and deferred payment as a percentage of the deposited properties (Note 1). Taking into consideration lease liabilities pertaining to land rent commitments and options, the Aggregate Leverage will be 35.0% (2019: 31.9%).

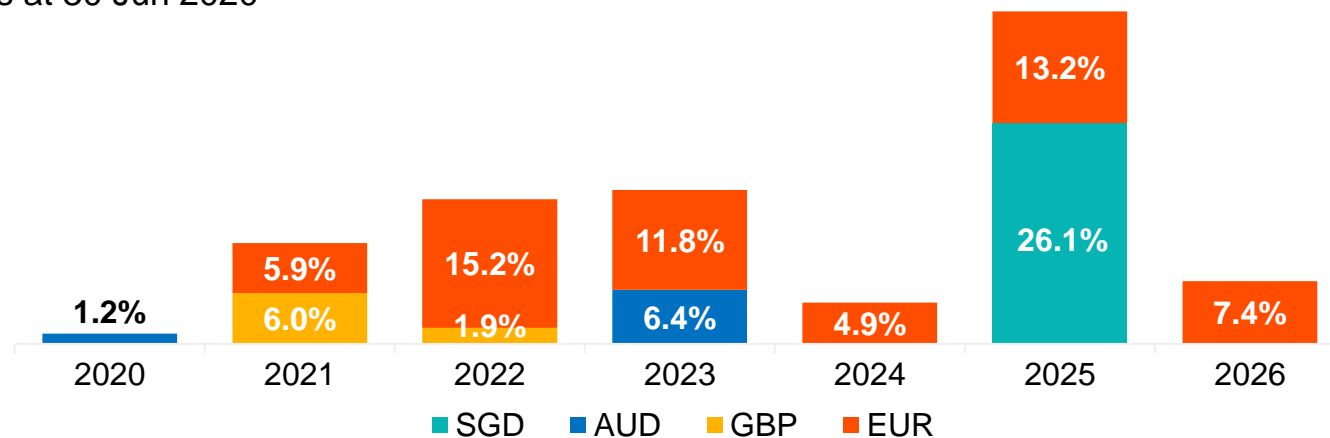
# Capital Management



# Prudent Capital Management

## Debt Maturity Profile

As at 30 Jun 2020



- Refinanced short-term EUR 32.7m loan with new EUR 70m loan facilities due 2024
- Secured refinancing of AUD 13.2m loan due in 3Q 2020 to 2024

As at 30 Jun 2020

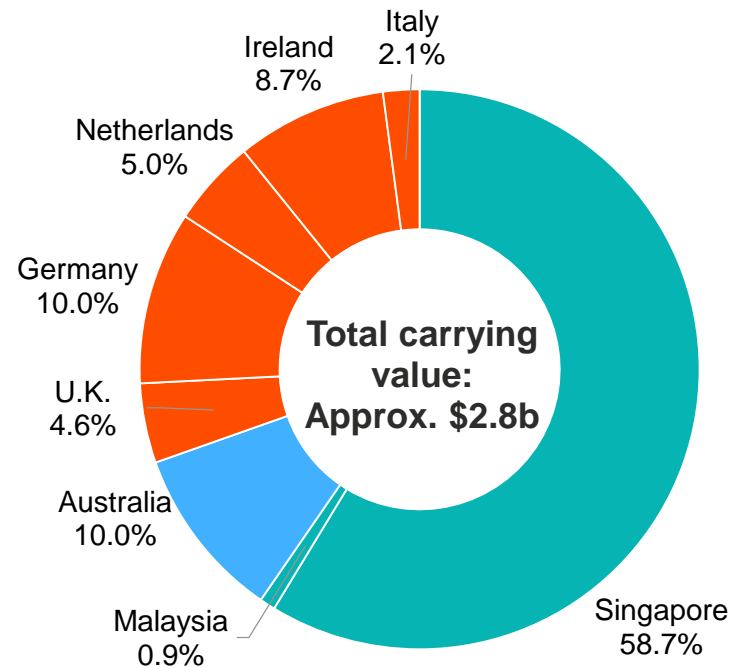
<b>Total debt</b>	~\$1,055.2m of external loans/notes (unencumbered)
<b>Available facilities</b>	~\$326.6m of unutilised credit facilities
<b>Aggregate leverage<sup>1</sup></b>	34.5%
<b>Average cost of debt<sup>2</sup></b>	1.7% per annum
<b>Debt tenor</b>	3.7 years
<b>Interest coverage<sup>3</sup></b>	12.8 times

1. Computed based on gross borrowings and deferred payment as a percentage of deposited properties, both of which do not consider the lease liabilities pertaining to land rent commitments and options.
2. Including amortisation of upfront debt financing costs and excluding lease charges.
3. Interest Coverage Ratio disclosed above is computed based on the definition set out in Appendix 6 of the Code on Collective Investment Schemes revised on 16 April 2020.

# Prudent Capital Management

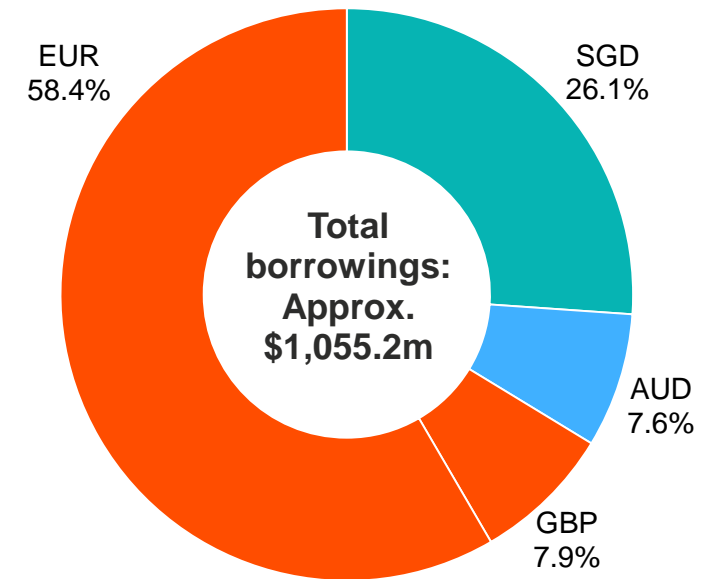
- **Managing interest rate exposure:**  
69% of loans hedged with floating-to-fixed interest rate swaps, with the remaining unhedged borrowings in EUR
- **Mitigating impact of currency fluctuations:**
  - Hedged forecasted foreign-sourced distributions till 2H 2021 through foreign currency forward contracts
  - Adopted natural hedging by borrowing in currencies that match the corresponding investments

**Investment properties breakdown<sup>1</sup>**  
(as at 30 Jun 2020)



■ Asia ■ Australia ■ Europe

**Debt currency breakdown**  
(as at 30 Jun 2020)



1. Based on 100% carrying value as at 30 Jun 2020 without taking into consideration the lease liabilities pertaining to the land rent commitments and options. Intellicentre 3 East Data Centre is separately accounted under property under development.



# Portfolio Update

Stable income stream with healthy portfolio occupancy and long WALE



Portfolio Occupancy

**96.1%**

as at 30 Jun 2020



Portfolio WALE

**7.4 years**

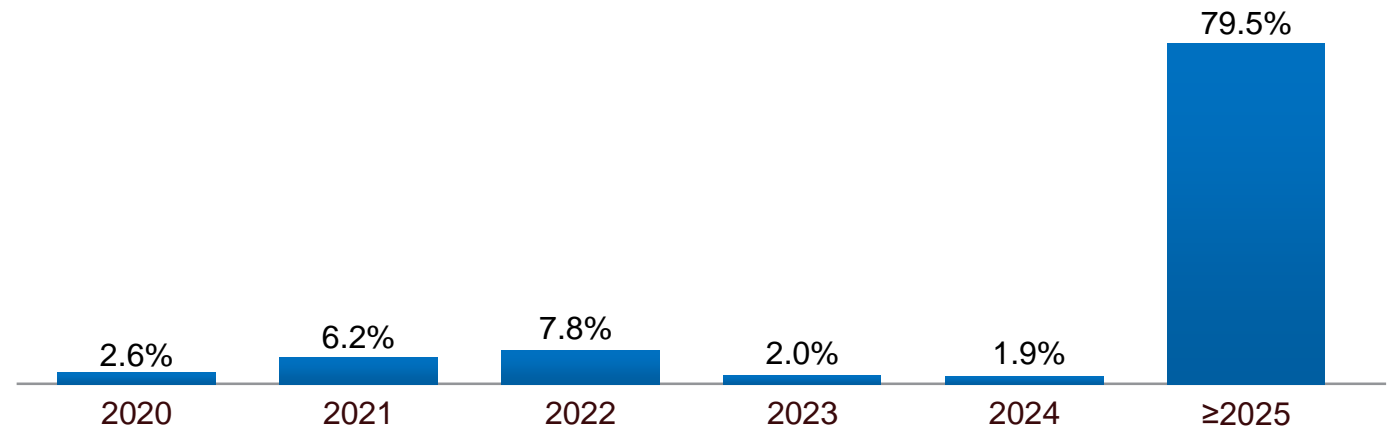
by leased area

## Diversified and Resilient Portfolio

- Obtained tax transparency treatment for Keppel DC Singapore 4
- Renewed land lease of Keppel DC Singapore 4 by 30 years
- Additional power capacity at Keppel DC Singapore 5 fully-committed
- Converting additional space at Keppel DC Dublin 2 into a data hall: Works have commenced with expected completion in 1H 2021, and costs estimated at EUR 12m

### Lease expiry profile (by leased area)

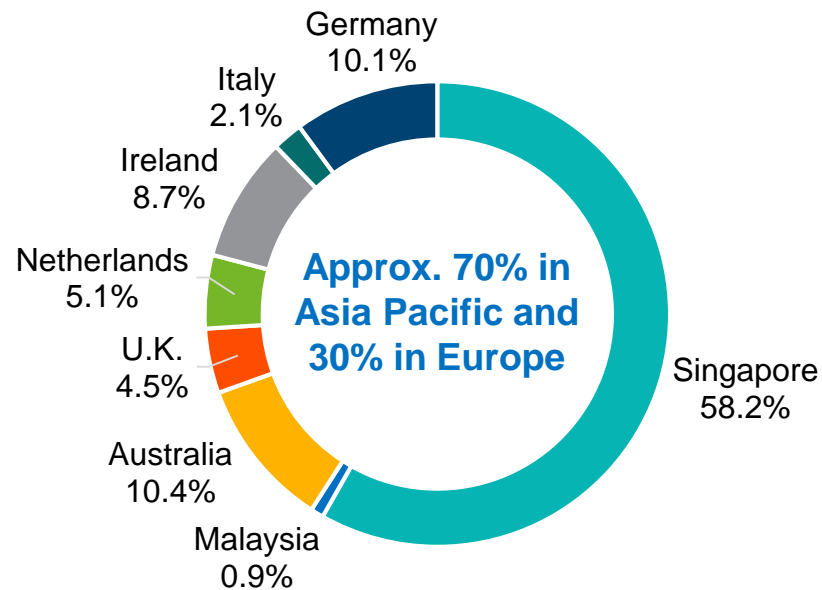
As at 30 Jun 2020



- **Quality data centres that cater to the requirements of global clientele**
  - Colocation facilities provide diverse client profile and lease expiry
  - Fully-fitted and shell & core facilities provide income stability with typically longer lease terms

### Portfolio AUM breakdown

As at 30 Jun 2020

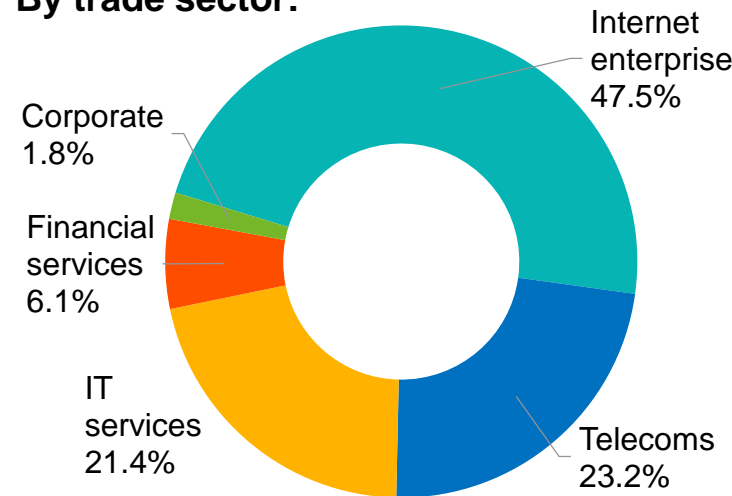


# Diversified and Resilient Portfolio

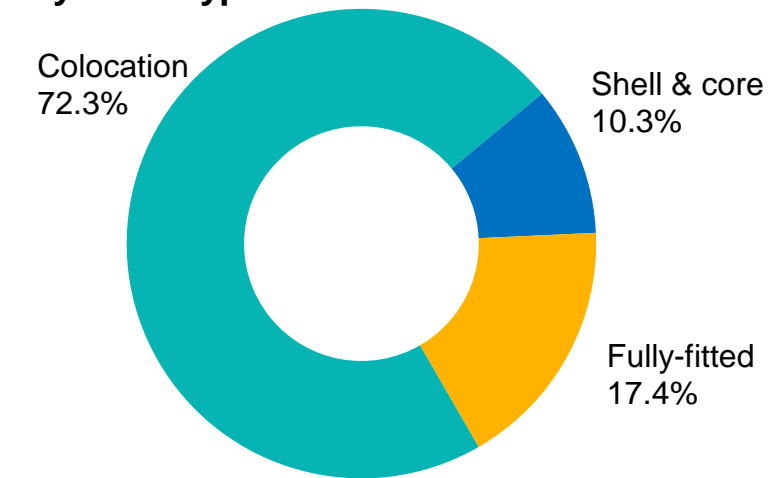
## Rental income breakdown

for Jun 2020<sup>1</sup>

### By trade sector:



### By lease type:



Lease Type	Client Count	WALE <sup>2</sup> (years)	Ownership of Data Centre Components		
			M&E Equipment	Facility Management	Servers & Racks
Colocation	Multi	2.8	✓	✓	-
Fully-fitted	Single	11.5	✓	-	-
Shell & core	Single	8.1	-	-	-

1. Based on the colocation agreements and lease agreements with clients of the properties, treating the Keppel leases on a pass-through basis to the underlying clients.  
 2. By leased area as at 30 Jun 2020.




# Prioritising Well-being of Clients and Employees amid COVID-19




## Heightened controls and safety measures

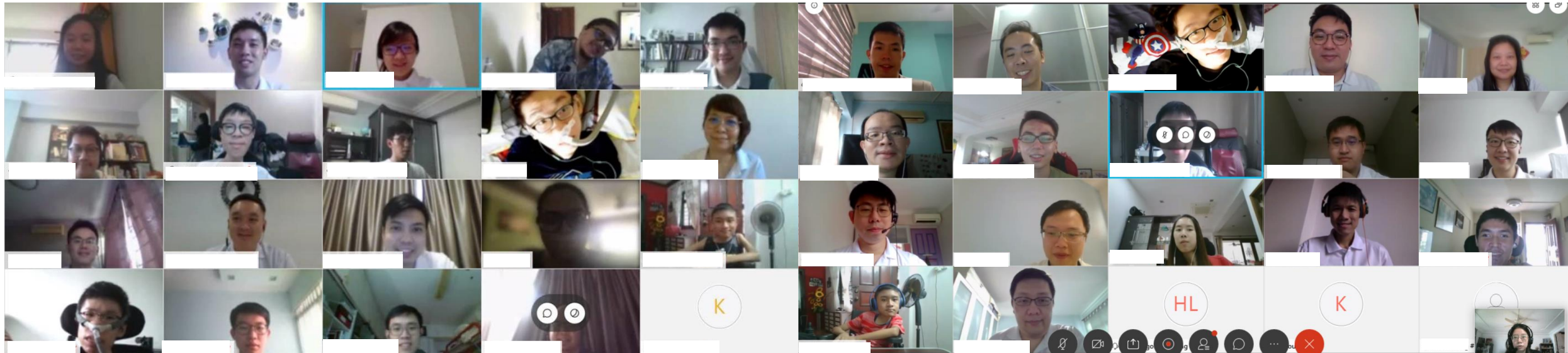
- Temperature screening, online health & travel declaration, social distancing and split team arrangements
- Ensure no downtime to the servicing and maintenance of key components with alternative sources of suppliers
- Set up alternative network operating centres where practicable in case of infection at the REIT's colocation facilities

## Closely monitoring impact on asset enhancement initiatives

-  **Ireland:** Resumed works at Keppel DC Dublin 1 in May 2020 with expected completion in 2H 2020, subject to further delays due to the pandemic
-  **Singapore:** Works at Keppel DC Singapore 5 and DC1 suspended due to government policies on foreign workers residing in dormitories
-  **Australia:** Development of Intellicentre 3 East Data Centre in Sydney continued through the pandemic though completion date affected by the delay in certain supplies

# Supporting Community Efforts in this Pandemic

 Continued engagement with Keppel Capital's beneficiaries from the Muscular Dystrophy Association of (Singapore) (MDAS) through virtual game sessions



# Outlook

# Resilient Asset Class that Supports the Digital Economy

- COVID-19 a catalyst to go digital, and some of these online behaviours are expected to continue post-pandemic<sup>1</sup>
- Expect higher data traffic as enterprises adopt cloud solutions and ensure adequacy of collaboration platforms and videoconferencing tools as well as stepped-up cybersecurity and cloud data protection
- Traditional client-facing roles could increasingly be augmented with customer-friendly online platforms/applications such as digital banking and telemedicine<sup>1</sup>



**Global colocation market** expected to grow by 15%<sup>2</sup> in 2020



**>70% of all hyperscale data centers** are located in facilities that are leased or owned by partners<sup>3</sup>



**Global mobile data traffic** expected to increase by 31% annually from 2019 to 2025<sup>4</sup>



**Enterprise spending on cloud infrastructure** expected to grow by 22%<sup>2</sup> CAGR over next 5 years



**Data traffic increased by 20–100%** across markets in Europe, Asia and America as a result of COVID-19 lockdowns<sup>4</sup>



**5G subscriptions** to generate 2.5 times more traffic than the average 4G connection, and take up 10.6% of total mobile traffic by 2023<sup>5</sup>

# Positioned for Growth

- The Manager will continue to strengthen Keppel DC REIT's presence and position it to capitalise growth opportunities in the data centre industry



Fast growing  
asset class



Resilient  
income stream



Focused  
investment strategy



Prudent  
capital management





# Thank You

**Important Notice:** The past performance of Keppel DC 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, 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.

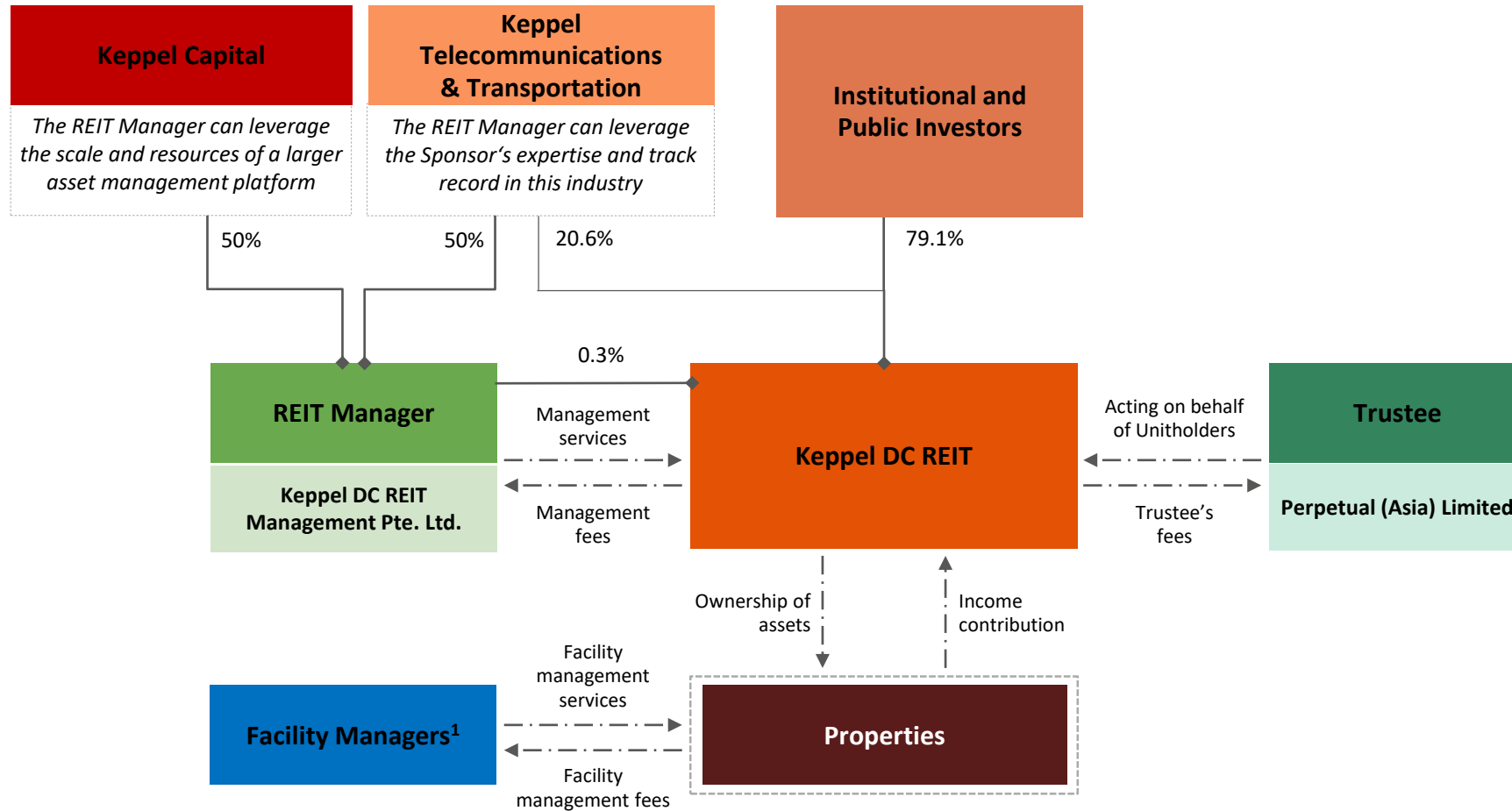
Prospective investors and unitholders of Keppel DC REIT (“Unitholders”) are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Keppel DC REIT Management Pte. Ltd., as manager of Keppel DC REIT (the “Manager”) on future events. No representation 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 DC 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 DC 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.

# Additional Information

# Keppel DC REIT Structure

as at 30 Jun 2020



# Portfolio Overview (as at 30 Jun 2020)

	Location	Interest	Attributable lettable area (sq ft)	No. of clients <sup>1</sup>	Occupancy rate (%)	Valuation <sup>2</sup>	Lease type	WALE (years)	Land lease title
<b>Asia Pacific</b>									
Keppel DC Singapore 1	Singapore	100%	109,721	21	89.2	S\$296.0m	Keppel lease / Colocation	4.3	Leasehold (Expiring 30 Sep 2025, with option to extend by 30 years)
Keppel DC Singapore 2	Singapore	100%	38,480	4	93.5	S\$174.0m	Keppel lease / Colocation	1.7	Leasehold (Expiring 31 Jul 2021, with option to extend by 30 years)
Keppel DC Singapore 3	Singapore	90%	49,433	2	100.0	S\$238.5m	Keppel lease / Colocation	1.9	Leasehold (Expiring 31 Jan 2022, with option to extend by 30 years)
Keppel DC Singapore 4	Singapore	99%	83,698	6	95.7	S\$384.9m <sup>3</sup> (purchase price)	Keppel lease / Colocation	2.1	Leasehold (Expiring 30 June 2050)
Keppel DC Singapore 5	Singapore	99%	97,781	3	84.2	S\$327.7m	Keppel lease / Colocation	2.2	Leasehold (Expiring 31 Aug 2041)
DC1	Singapore	100%	213,815	1	100	S\$200.2m (purchase price)	Triple-net (Fully-fitted/ Shell & core)	15.8	Leasehold (Expiring 31 Jul 2044)
Basis Bay Data Centre	Cyberjaya, Malaysia	99%	48,193	1	63.1	MYR 78.2m (S\$25.6m)	Colocation	2.0	Freehold
Gore Hill Data Centre	Sydney, Australia	100%	90,955	3	100.0	A\$207.5m (S\$192.1m)	Triple-net (Shell & core) / Colocation	4.9	Freehold
iseek Data Centre	Brisbane, Australia	100%	12,389	1	100.0	A\$35.0m (S\$32.4m)	Double-net <sup>4</sup> (Fully-fitted)	6.0	Leasehold (Expiring 29 June 2040, with option to extend by 7 years)

# Portfolio Overview (as at 30 Jun 2020)

	Location	Interest	Attributable lettable area (sq ft)	No. of clients <sup>1</sup>	Occupancy rate (%)	Valuation <sup>2</sup>	Lease type	WALE (years)	Land lease title
Intellicentre 2 Data Centre	Sydney, Australia	100%	87,930	1	100.0	A\$57.7 m (S\$53.4m)	Triple-net (Shell & core)	15.1	Freehold
Intellicentre 3 East Data Centre <sup>5</sup>	Sydney, Australia	100%	Min. 86,000	1	100.0 <sup>5</sup>	A\$26.0-A\$36.0m (development costs)	Triple-net (Shell & core)	20.0 <sup>5</sup>	Freehold
<b>Europe</b>									
Cardiff Data Centre	Cardiff, United Kingdom	100%	79,439	1	100.0	£35.9m (S\$63.2m)	Triple-net (Shell & core)	11.0	Freehold
GV7 Data Centre	London, United Kingdom	100%	24,972	1	100.0	£36.3m (S\$64.0m)	Triple-net (Fully-fitted)	6.6	Leasehold (Expiring 28 Sep 2183)
Almere Data Centre	Almere, Netherlands	100%	118,403	1	100.0	€89.9m (S\$135.2m)	Double-net (Fully-fitted)	8.2	Freehold
Keppel DC Dublin 1	Dublin, Ireland	100%	68,118	26	63.3	€49.9m (S\$75.0m)	Colocation	2.2	Leasehold (Expiring 31 Dec 2999)
Keppel DC Dublin 2	Dublin, Ireland	100%	25,652	4	100.0	€68.7m (S\$103.3m)	Colocation	8.1	Leasehold (Expiring 31 Dec 2997)
Milan Data Centre	Milan, Italy	100%	165,389	1	100.0	€38.2m (S\$57.4m)	Double-net (Shell & core)	7.5	Freehold
maincubes Data Centre	Offenbach am Main, Germany	100%	97,043	1	100.0	€91.2m (S\$137.1m)	Triple-net (Fully-fitted)	12.8	Freehold
Kelsterbach Data Centre	Kelsterbach, Germany	100%	540,869	1	100.0	€81.8m (S\$123.0m) (purchase price)	Triple-net (Shell & core)	5.5	Freehold

1. Certain clients have signed more than one colocation arrangement using multiple entities.

2. Based on respective independent valuations and respective ownership interests as at 31 Dec 2019, unless otherwise stated.

3. Purchase price includes rental support.

4. Keppel DC REIT has in place the iseek Lease with the client of iseek Data Centre. While the iseek Lease is called a colocation arrangement, the terms are structured as effectively equivalent to a double-net lease.

5. This development is expected to be completed in 1H 2021 and is excluded from the portfolio's asset under management; Facility will be fully leased to Macquarie Telecom upon completion.

# Overview of Lease Arrangements

Asia Pacific	Lease Arrangement	Description	Responsibilities of Owner			
			Property Tax	Building Insurance	Maintenance Opex	Refresh Capex
Keppel DC Singapore 1	Keppel lease <sup>1</sup> / Colocation <sup>3</sup>	<ul style="list-style-type: none"> <li>Client: Pays rent</li> <li>Owner: Bears all expenses; responsible for facilities management</li> </ul>	✓	✓	✓	✓
Keppel DC Singapore 2	Keppel lease <sup>1</sup> / Colocation <sup>3</sup>	<ul style="list-style-type: none"> <li>Client: Pays rent</li> <li>Owner: Bears all expenses; responsible for facilities management</li> </ul>	✓	✓	✓	✓
Keppel DC Singapore 3	Keppel lease <sup>2</sup> / Colocation <sup>3</sup>	<ul style="list-style-type: none"> <li>Client: Pays rent</li> <li>Owner: Bears all expenses; responsible for facilities management</li> </ul>	✓	✓	✓	✓
Keppel DC Singapore 4	Keppel lease <sup>1</sup> / Colocation <sup>3</sup>	<ul style="list-style-type: none"> <li>Client: Pays rent</li> <li>Owner: Bears all expenses; responsible for facilities management</li> </ul>	✓	✓	✓	✓
Keppel DC Singapore 5	Keppel lease <sup>2</sup> / Colocation <sup>3</sup>	<ul style="list-style-type: none"> <li>Client: Pays rent</li> <li>Owner: Bears all expenses; responsible for facilities management</li> </ul>	✓	✓	✓	✓
DC1	Triple-net lease	<ul style="list-style-type: none"> <li>Client: Pays rent and all outgoings except insurance for the shell of the building, responsible for facilities management</li> </ul>	-	✓	-	-
Basis Bay Data Centre	Colocation <sup>3</sup>	<ul style="list-style-type: none"> <li>Client: Pays rent; responsible for facilities management</li> <li>Owner: Bears pre-agreed facilities management amount, insurance and property tax</li> </ul>	✓	✓	✓	✓
Gore Hill Data Centre (for one client)	Triple-net lease	<ul style="list-style-type: none"> <li>Client: Pays rent and all outgoings; responsible for facilities management in their space</li> </ul>	-	-	-	-
Gore Hill Data Centre (for two clients)	Colocation <sup>3</sup>	<ul style="list-style-type: none"> <li>Client: Pays rent</li> <li>Owner: Bears all expenses; responsible for facilities management</li> </ul>	✓	✓	✓	✓
Intellicentre 2 Data Centre	Triple-net lease	<ul style="list-style-type: none"> <li>Client: Pays rent and all outgoings; responsible for facilities management</li> </ul>	-	-	-	-
Intellicentre 3 East Data Centre <sup>5</sup> (under development)	Triple-net lease	<ul style="list-style-type: none"> <li>Client: Pays rent and all outgoings; responsible for facilities management</li> </ul>	-	-	-	-
iseek Data Centre	Double-net lease <sup>4</sup>	<ul style="list-style-type: none"> <li>Client: Pays rent and all outgoings except building insurance; responsible for facilities management</li> </ul>	-	✓	-	✓

# Overview of Lease Arrangements

Europe	Lease Arrangement	Description	Responsibilities of Owner			
			Property Tax	Building Insurance	Maintenance Opex	Refresh Capex
Cardiff Data Centre	Triple-net lease	■ Client: Pays rent and all outgoings; responsible for facilities management	-	-	-	-
GV7 Data Centre	Triple-net lease	■ Client: Pays rent and all outgoings; responsible for facilities management	-	-	-	-
Almere Data Centre	Double-net lease	■ Client: Pays rent and all outgoings except building insurance and property tax; responsible for facilities management	✓	✓	-	-
Keppel DC Dublin 1	Colocation <sup>3,6</sup>	■ Client: Pays rent ■ Owner: Bears all expenses; responsible for facilities management	✓	✓	✓	✓
Keppel DC Dublin 2	Colocation <sup>3,6</sup>	■ Client: Pays rent ■ Owner: Bears all expenses; responsible for facilities management	✓	✓	✓	✓
Milan Data Centre	Double-net lease	■ Client: Pays rent and all outgoings except building insurance and property tax; responsible for facilities management	✓	✓	-	-
maincubes Data Centre	Triple-net lease	■ Client: Pays rent and all outgoings; responsible for facilities management	-	-	-	-
Kelsterbach Data Centre	Triple-net lease	■ Client: Pays rent and all outgoings; responsible for facilities management	-	-	-	-

1. Refers to the leases entered into by Keppel DC REIT with the Keppel lessees (Keppel DC Singapore 1 Ltd and Keppel DC Singapore 2 Pte Ltd) in relation to Keppel DC Singapore 1, Keppel DC Singapore 2 and Keppel DC Singapore 4 respectively. 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 colocation arrangements between Keppel lessees and the underlying clients.
2. Refers to the leases entered into by Keppel DC Singapore 3 LLP and Keppel DC Singapore 5 LLP with the Keppel lessee (Keppel DCS3 Services Pte Ltd) in relation to Keppel DC Singapore 3 and Keppel DC Singapore 5 respectively.
3. Colocation arrangements are typically entered into by end-clients who utilise colocation space for the installation of their servers and other mission critical IT equipment. Keppel DC REIT is usually responsible for facilities management in respect of such colocation arrangements, except in the case of Basis Bay Data Centre where the client is responsible for facilities management.
4. Keppel DC REIT has in place the isseek Lease with the client of isseek Data Centre. While the isseek Lease is called a colocation arrangement, the terms thereof are structured as effectively equivalent to a double-net lease.
5. This development is expected to be completed in 4Q 2020 and is excluded from the portfolio's assets under management; Facility will be leased to Macquarie Telecom upon completion.
6. Keppel DC REIT has in place colocation arrangements with the clients of Keppel DC Dublin 1 and Keppel DC Dublin 2.