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MEDIA RELEASE

Unaudited Results of Keppel DC REIT for Second Quarter and First Half Ended 30 June 2017

17 July 2017

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 second quarter and first half ended 30 June 2017.

The materials are also available at www.keppeldcreit.com, www.keppeltt.com.sg, www.kepcapital.com and www.kepcorp.com.

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Keppel DC REIT Delivers 8.7% Year-on-Year Growth in 1H 2017 DPU^{1,2}

Key Highlights

- DPU^{1,2} of 3.63 cents declared for 1H 2017, translating to a 8.7% year-on-year growth
- Distributable income³ for 1H 2017 was \$41.9 million, 42.0% higher than 1H 2016, contributed by income from the acquisitions announced last year and a \$1.7 million one-off capital distribution announced in 1Q 2017 in relation to the Keppel DC Singapore 3 acquisition.
- Portfolio occupancy rate of 93.1%
- Portfolio weighted average lease expiry (WALE) of 9.4 years by leased area
- Aggregate leverage of 27.7%
- Interest coverage ratio of 10.6 times

(\$'000)	2Q 2017	2Q 2016	+ / (-) %	1H 2017	1H 2016	+ / (-) %
Gross Revenue	34,515	24,865	+38.8	66,739	49,636	+34.5
Property Expenses	(3,152)	(2,760)	+14.2	(6,532)	(6,345)	+2.9
Net Property Income	31,363	22,105	+41.9	60,207	43,291	+39.1
Distributable Income to Unitholders ³	20,130	14,749	+36.5	41,896	29,496	+42.0
Distribution per Unit ^{1,2} (DPU)(cents)	1.74	1.67	+4.2	3.63	3.34	+8.7
Annualised Distribution Yield ² (%)						
- At 1H 2017 closing price of \$1.290				5.56	5.21	+35bps
- At 1H 2016 closing price of \$1.110				6.46	6.05	+41bps

(1) The DPU was computed based on the distributable income to Unitholders and had excluded the capital expenditure that was set aside for Keppel DC Singapore 3 (the Capex Reserves). For the financial period from 1 January 2017 to 30 June 2017, eligible Unitholders will receive distribution of 3.63 cents per Unit.

(2) Excluding the one-off capital distribution of approximately \$1.7 million (equivalent to 0.15 cents per Unit), 1H 2017's DPU would have been 3.48 cents and the adjusted annualised distribution yield would have been 5.44% and 6.32% based on closing prices of 1H 2017 and 1H 2016 respectively.

(3) 1H 2017's distributable income included a one-off capital distribution of approximately \$1.7 million for the month of December 2016 arising from the later completion of Keppel DC Singapore 3 on 20 January 2017 and where the vendor had agreed that all the rights and obligations shall pass to the REIT as if completion had occurred on 1 December 2016. Pursuant to the lease agreement entered into for Keppel DC Singapore 3, the distributable income would also include the Capex Reserves.

Financial Review

Keppel DC REIT Management Pte. Ltd. (the Manager) is pleased to announce that Keppel DC REIT has achieved a 42.0% year-on-year growth in distributable income from \$29.5 million in 1H 2016 to \$41.9 million in 1H 2017. A distribution of 3.63 cents per Unit has been declared for 1H 2017. Book Closure Date is 25 July 2017 and eligible Unitholders can expect to receive their distribution on 31 August 2017.

The year-on-year increase in distributable income was contributed by income from the acquisitions announced last year, and a one-off capital distribution of \$1.7 million in 1Q 2017 in relation to the Keppel DC Singapore 3 acquisition, partially offset by lower variable income from Keppel DC Singapore 1 and Keppel DC Singapore 2 due to lower recurring and power revenue.

Keppel DC REIT's annualised distribution yield was 5.56% based on 1H 2017's market closing price of \$1.290 per Unit. Excluding the one-off capital distribution of approximately 0.15 cents per Unit, 1H 2017's adjusted DPU would have been 3.48 cents, above 1H 2016's 3.34 cents. Accordingly, 1H 2017's adjusted annualised distribution yield would have been 5.44%, higher than 1H 2016's 5.21%.

Portfolio Review

Keppel DC REIT's portfolio occupancy was 93.1% with a long portfolio WALE of 9.4 years as at 30 June 2017. The REIT's income stability remains supported by an established global clientele and a portfolio mix comprising master-leased facilities on long leases, and colocation facilities which provide diversity in terms of client profile and lease expiry.

The Manager has been adopting a proactive asset management strategy to optimise returns from the portfolio. Two of the three major leases that were due for expiry in 2017 have been agreed in-principle and are pending finalisation of lease documentation. The remaining lease at Basis Bay Data Centre in Malaysia has been renewed for another five years. The client has returned one data centre floor and will continue to lease the two remaining data centre floors.

Apart from seeking inorganic growth, the Manager also reviews the REIT's portfolio periodically to identify opportunities for enhancement and further value creation. Capex works at Keppel DC Dublin 1 to improve overall power efficiency have been scheduled to commence in 4Q 2017.

Pursuant to the forward sale and purchase agreement signed in 4Q 2015, the construction of the REIT's first German asset, maincubes Data Centre, is on track. The deal's legal completion is targeted to be in 2Q 2018.

Capital Management

On 23 June 2017, a S\$500,000,000 Multicurrency Medium Term Note Programme was established to enable Keppel DC REIT to diversify its sources of funding. The REIT's aggregate leverage remained low at 27.7% as at 30 June 2017, providing financial flexibility to pursue growth opportunities.

All of the REIT's borrowings were unsecured with an average annualised cost of debt of 2.2% per annum. Weighted average debt maturity was extended to 3.3 years due to early refinancing of EUR and GBP-denominated loans that were maturing in 2018. Interest coverage ratio remained healthy at 10.6 times.

The Manager remains committed to use appropriate hedging strategies to achieve the best risk-adjusted returns and enhance stability of distributions to Unitholders. As at 30 June 2017, interest rates of the long-term loans have been substantially locked in with interest rate swaps, while the REIT's forecasted foreign-sourced distributions have been hedged up to 2H 2018 with foreign currency forward contracts. There is also natural hedging in place with borrowings in currencies that match the corresponding investments.

Outlook

In its June 2017 update on Global Economic Prospects, the World Bank forecasts a growth rate of 2.7% for the global economy in 2017. However, substantial risks were also noted from potential trade restrictions and persistent policy uncertainty that could dampen this outlook.

Despite these potential macroeconomic headwinds ahead, the data centre industry continues to be driven by global trends such as cloud adoption amongst consumers and corporations. Digital transformation remains a key part of corporations' business strategies. A global survey conducted by the Uptime Institute indicated a robust level of spending allocated to data centre resources, and the continued demand for high-redundancy premium data centre facilities for large enterprises' mission-critical workloads.

These industry trends bode well for Keppel DC REIT. With its quality portfolio of data centres and the Manager's established track record, Keppel DC REIT is well-positioned to capture value from the data centre industry and deliver sustainable returns to its investors.

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About Keppel DC REIT (www.keppeldcreit.com)

Listed on 12 December 2014, Keppel DC REIT is the first pure-play data centre REIT listed in Asia 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, with an initial focus on Asia Pacific and Europe.

As at 30 June 2017, the REIT had a portfolio valued at approximately \$1.40 billion, comprising 12 data centres strategically located in key data centre hubs. With a total attributable lettable area of approximately 892,040 sq ft, the portfolio spanned nine cities in seven countries in Asia Pacific and Europe.

Keppel DC REIT's data centre properties in Asia Pacific include Keppel DC Singapore 1, Keppel DC Singapore 2 and a 90% interest in Keppel DC Singapore 3 in Singapore; a 99% interest in Basis Bay Data Centre in Cyberjaya, Malaysia; Intellicentre 2 Data Centre and Gore Hill Data Centre in Sydney, Australia; and iseek Data Centre in Brisbane, Australia.

In Europe, Keppel DC REIT owns GV7 Data Centre in London, United Kingdom; Cardiff Data Centre in Cardiff, United Kingdom; Keppel DC Dublin 1 in Dublin, Ireland; Milan Data Centre in Milan, Italy; and Almere Data Centre in Almere, the Netherlands. The portfolio excluded the REIT's forward purchase of maincubes Data Centre which is under construction by the vendor in Offenbach am Main, Germany.

The REIT is managed by Keppel DC REIT Management Pte. Ltd., which is 50% owned by Keppel Capital Holdings (Keppel Capital) and 50% owned by Keppel Telecommunications & Transportation (Keppel T&T). Keppel Capital is a premier asset manager in Asia with assets under management of approximately \$25 billion in real estate, infrastructure and data centre properties in key global markets.

Keppel T&T is a provider of integrated services and solutions for logistics and data centres. Its data centre division owns, acquires, develops and manages high-availability data centres. As the Sponsor of the REIT, Keppel T&T has also granted Rights of First Refusal to the REIT for its income generating data centre assets.

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 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.