



First Quarter 2017 Financial Results

19 April 2017



Key Highlights for 1Q 2017

3

Financial Highlights & Capital Management

4

Portfolio Performance

10

Market Update

16

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Key Highlights for 1Q 2017

Financial Highlights & Capital Management	\$48.1 mil Distributable Income	1.45 cents ⁽¹⁾ DPU	
	Aggregate leverage at 38.4%	All-in interest 2.57%	ICR at 4.6x
	No refinancing requirements until 2018	75% fixed-rate loans	
		84% unencumbered assets	
Portfolio Performance	Committed 10 leases or ~82,700 sf of spaces (attributable NLA: ~67,700 sf)	High committed portfolio occupancy 99.4%	
	2.8% & 1.7% of leases due for renewal and review in 2017 respectively	87% Tenant retention rate	Rent reversion -1%

(1) There is no distribution of other gains for 1Q 2017.

Financial Highlights & Capital Management

A low-angle photograph of the Ocean Financial Centre in Singapore. The building is a tall, modern skyscraper with a glass facade, reflecting the sky. In the foreground, there is a classical-style building with a sign that reads '26 EW14 Raffles Place'. Several people are walking in the foreground, some blurred, suggesting movement. The sky is blue with some clouds.

Ocean Financial Centre, Singapore



- Distribution to Unitholders for 1Q 2017 was 11.6% lower y-o-y due mainly to (i) absence of income from the divested 77 King Street in Sydney in January 2016, (ii) lower income contribution from Bugis Junction Towers, as well as (iii) absence of other gains distribution

	1Q 2017	1Q 2016	Change
Property income	\$39.9m	\$41.2m	(3.2)%
Net property income	\$31.4m	\$32.9m	(4.6)%
Share of Results of Associates and Joint Ventures	\$31.5m	\$25.6m	22.9%
Distribution to Unitholders	\$48.1m	\$54.4m ⁽¹⁾	(11.6)%
DPU	1.45 cents	1.68 cents	

(1) Income contribution from 77 King Street was from 1 January 2016 up to the date of divestment on 29 January 2016



	As at 31 March 2017	As at 31 December 2016
Total assets	\$7,550 mil	\$7,535 mil
Borrowings ⁽¹⁾	\$3,330 mil	\$3,329 mil
Total liabilities	\$2,632 mil	\$2,637 mil
Unitholders' funds	\$4,764 mil	\$4,747 mil
Adjusted NAV per Unit ⁽²⁾	\$1.42	\$1.43

(1) These included borrowings accounted for at the level of associates and excluded the unamortised portion of upfront fees in relation to the borrowings.

(2) For 31 March 2017 and 31 December 2016, these excluded the distributions to be paid in May 2017 and paid in February 2017 respectively.



Distribution per Unit

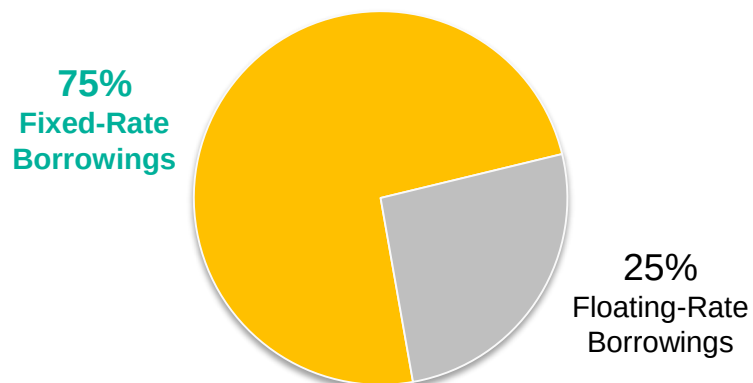
Distribution Per Unit (DPU)	
1Q 2017	1.45 cents

Distribution Timetable	
Trading on “Ex” Basis	Tuesday, 25 April 2017
Books Closure Date	Thursday, 27 April 2017
Distribution Payment Date	Tuesday, 30 May 2017

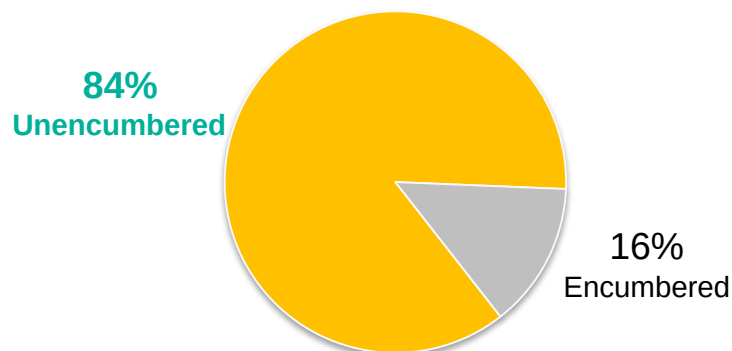


	As at 31 Mar 2017	As at 31 Dec 2016
Gross Borrowings	\$3,330 mil	\$3,329 mil
Interest Coverage Ratio	4.6x	4.7x
All-in Interest Rate	2.57%	2.51%
Weighted Average Term to Maturity	3.2 years	3.5 years
Aggregate Leverage	38.4%	38.5%

Borrowings on Fixed-Rate (as at 31 Mar 2017)



% of Assets Unencumbered (as at 31 Mar 2017)



DPU Change⁽¹⁾

Every 50 bps in SOR

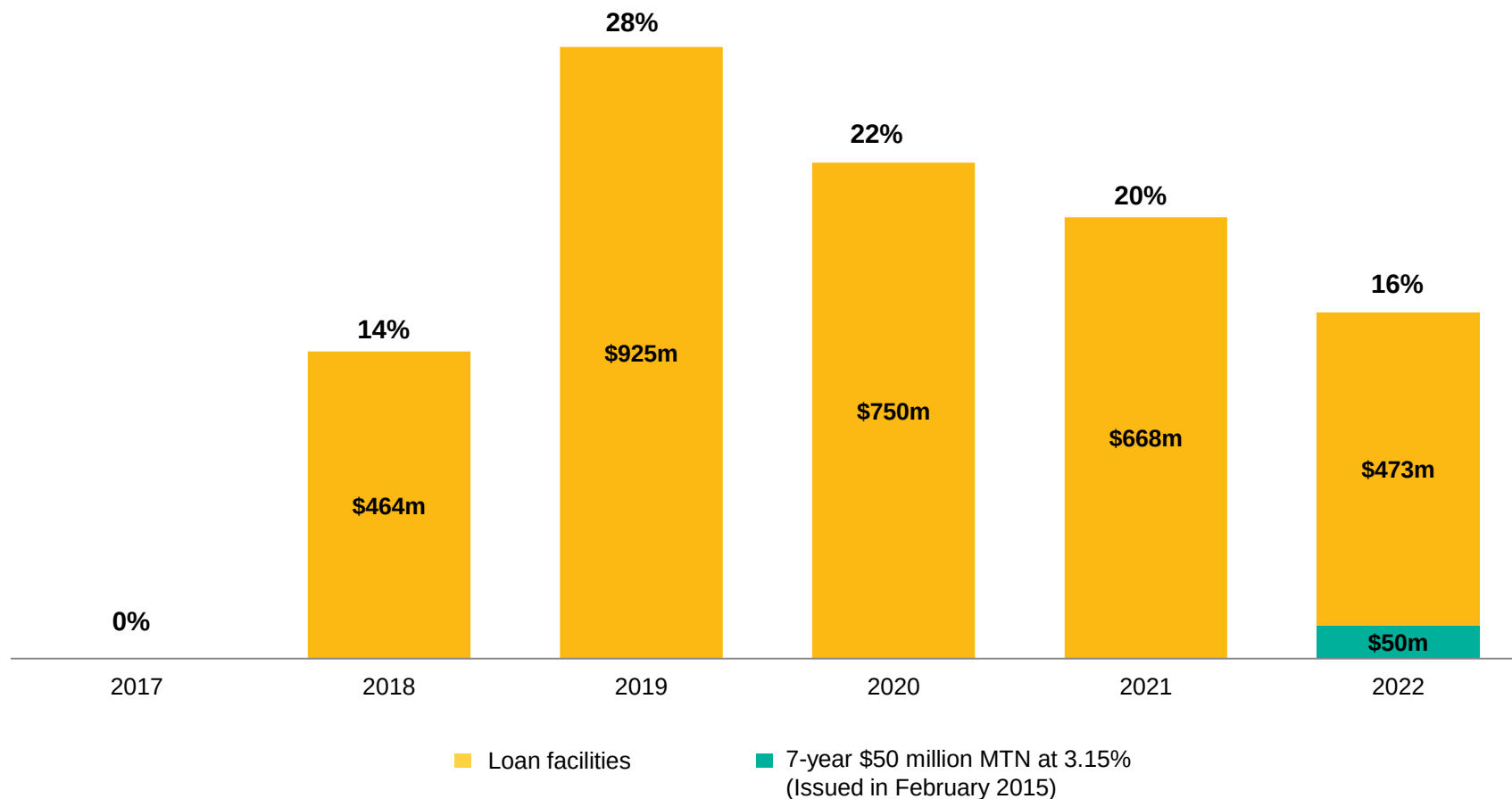
~0.12 cents in DPU

(1) Based on the Group's borrowings including those accounted for at the level of associates, and number of Units as at 31 March 2017.



- Weighted average term to maturity at 3.2 years as at 31 March 2017
- On 6 April 2017, issued a 7-year \$75 million Medium Term Notes (MTN) at a fixed-rate of 3.275%
- Proceeds from the issuance will be applied towards refinancing of borrowings

No refinancing requirements until 2018 as at 31 March 2017



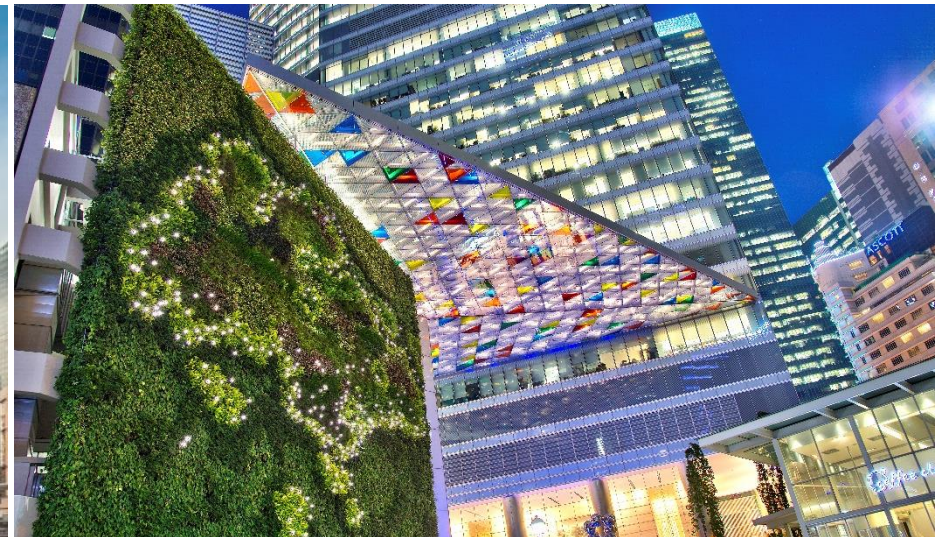
Portfolio Performance



David Malcolm Justice Centre, Perth

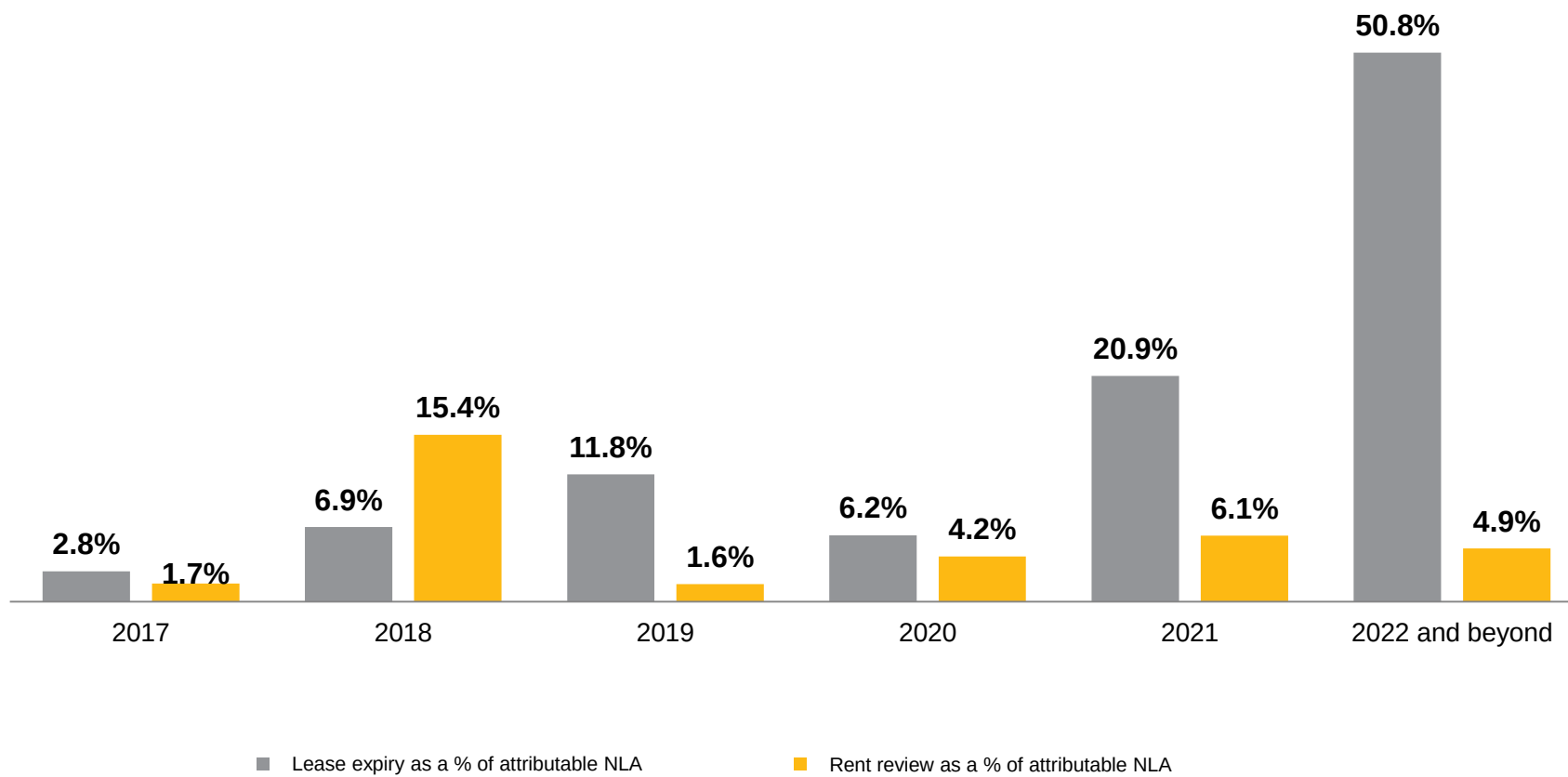
**Continued tenant-centric approach to retain tenants
and maintain high committed portfolio occupancy levels.**

Committed Leases	10 leases in 1Q 2017	~82,700 sf (Attributable ~67,700 sf)	-1% Rent Reversion
Tenant Retention	87% Tenant retention rate in 1Q 2017	99.4% High Committed Portfolio Occupancy	
Minimal Leasing Risk	2.8% & 1.7% of leases due for renewal and review in 2017 respectively		





Portfolio Lease Expiry Profile
(By Attributable NLA) as at 31 March 2017





Committed Occupancy Levels

Singapore

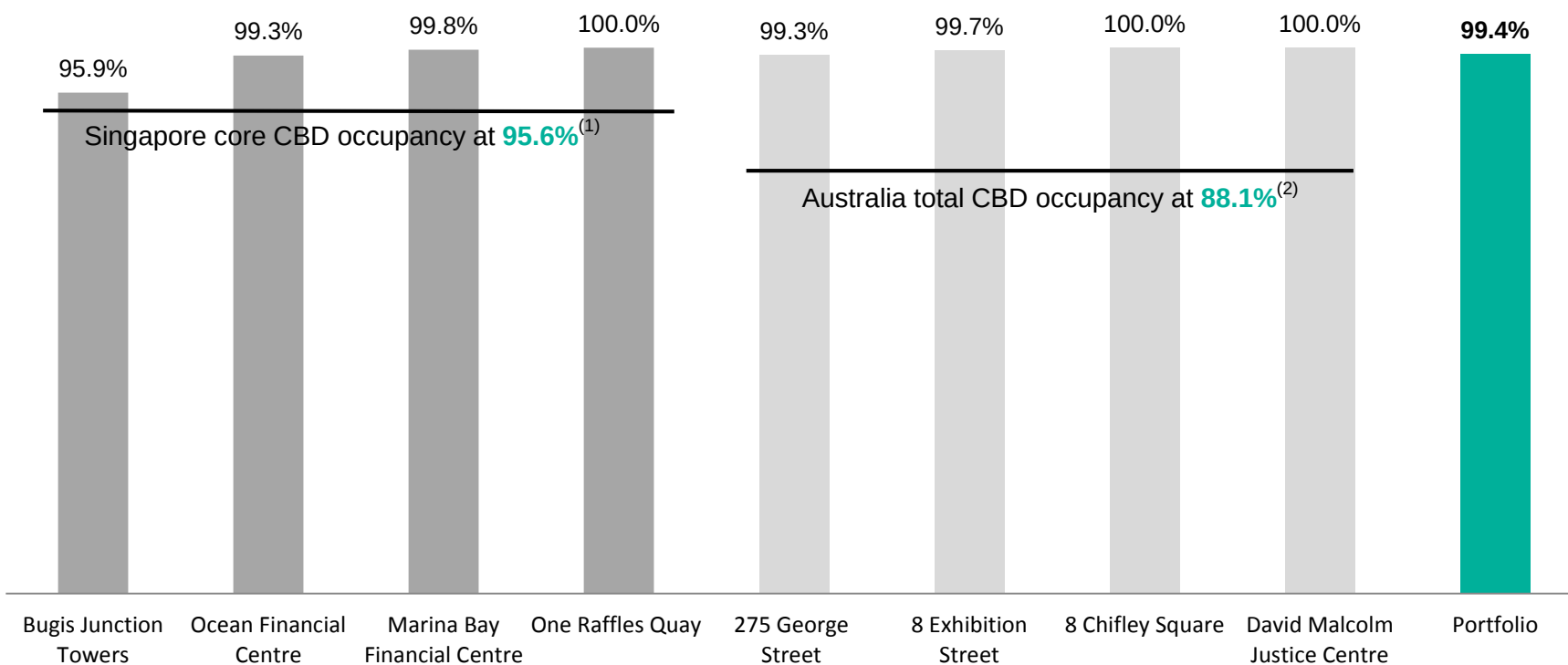
99.3%

Australia

99.7%

Overall

99.4%



(1) CBRE, 1Q 2017.

(2) JLL, end-December 2016.



Weighted Average Lease Expiry

Weighted Average Lease Expiry (WALE)⁽¹⁾

Approx. 9 years
(till year 2026)

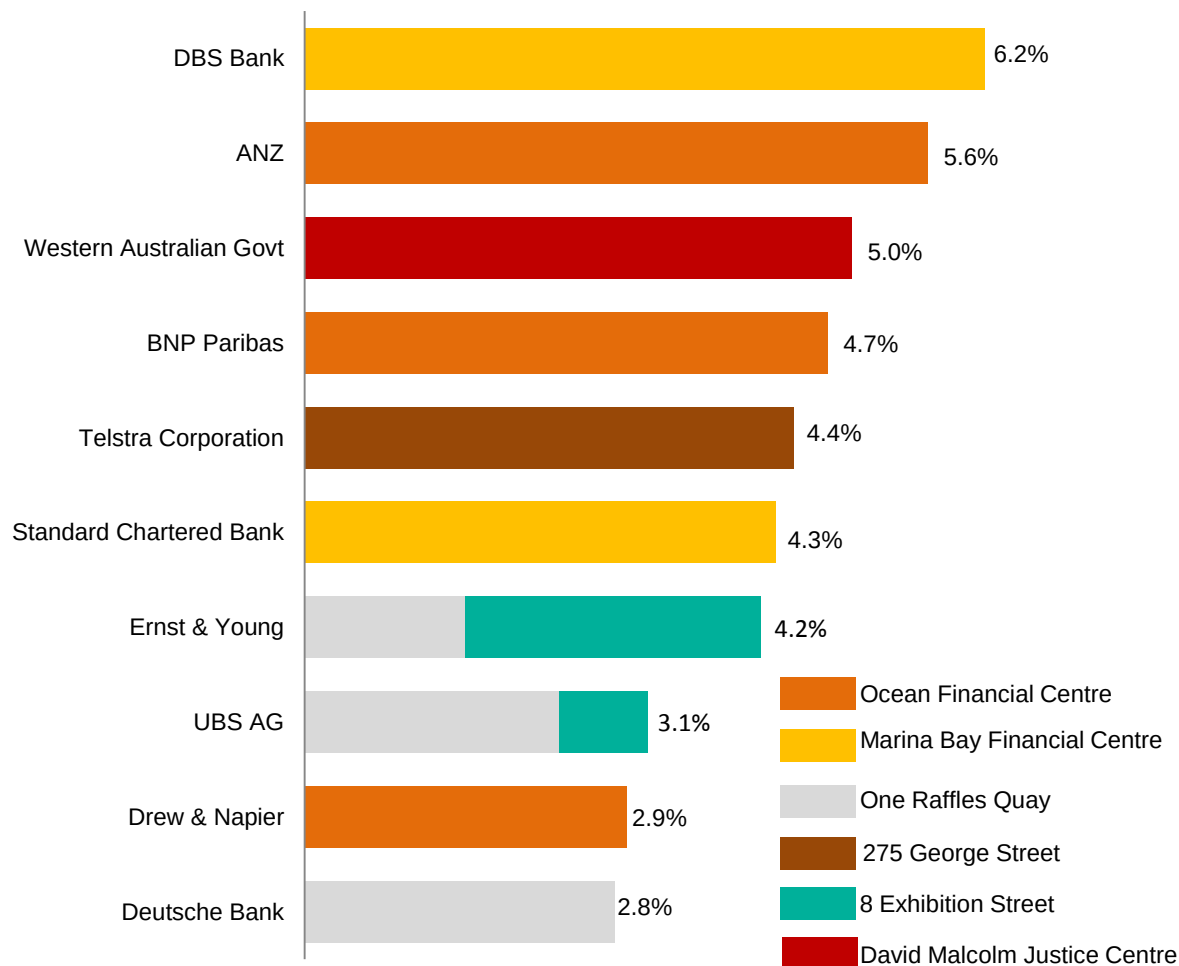
Top Ten Tenants WALE

Approx. 6 years
(till year 2023)

Portfolio WALE

Top Ten Tenants⁽²⁾

- 43.2% of portfolio NLA
- 39.8% of gross rental income



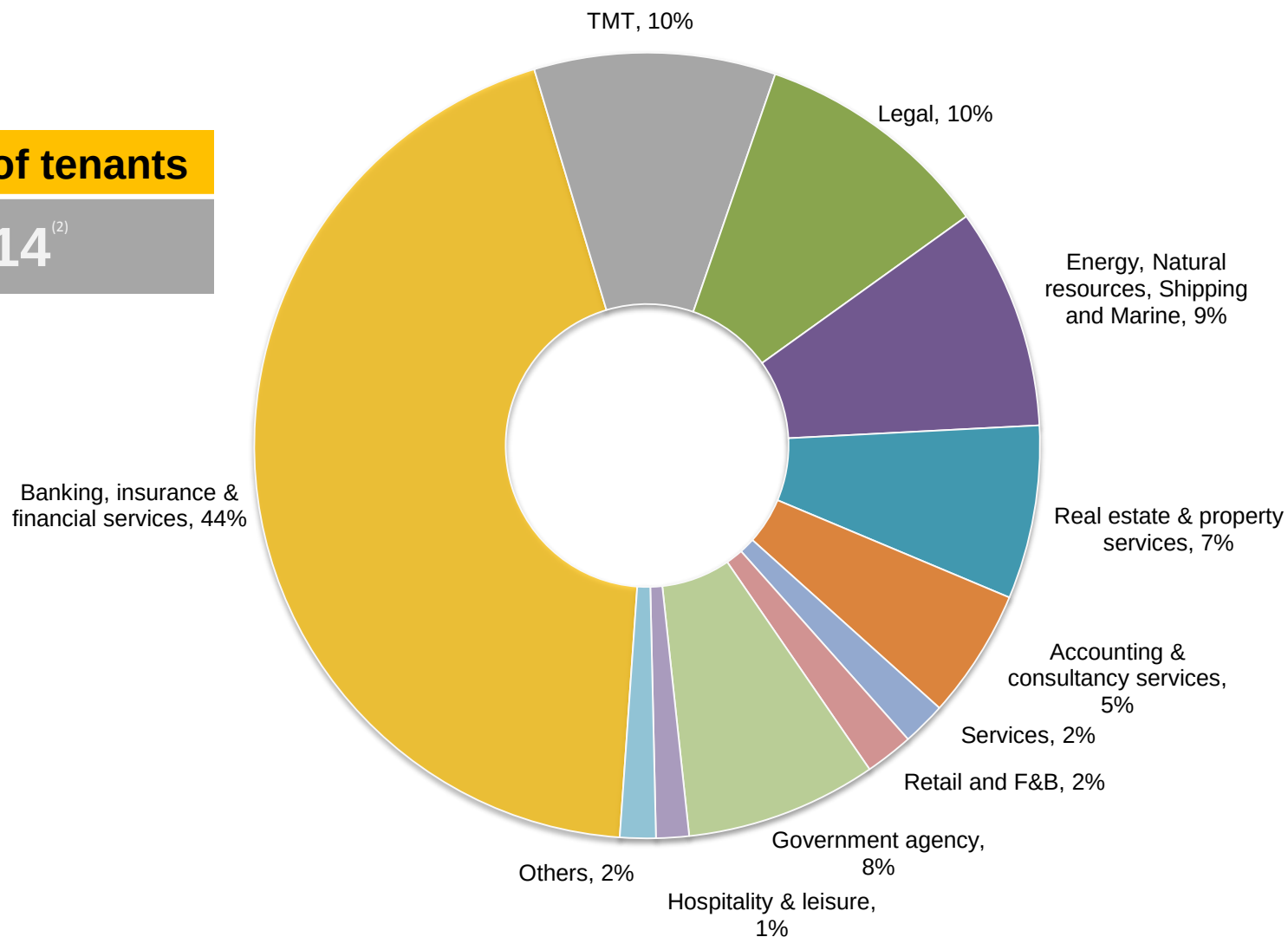
(1) As at end-March 2017.

(2) Top 10 Tenants by attributable NLA.



Number of tenants

314⁽²⁾



(1) Based on committed leases as at 31 March 2017 and by attributable NLA.

(2) Tenants with multiple leases were accounted as one tenant.

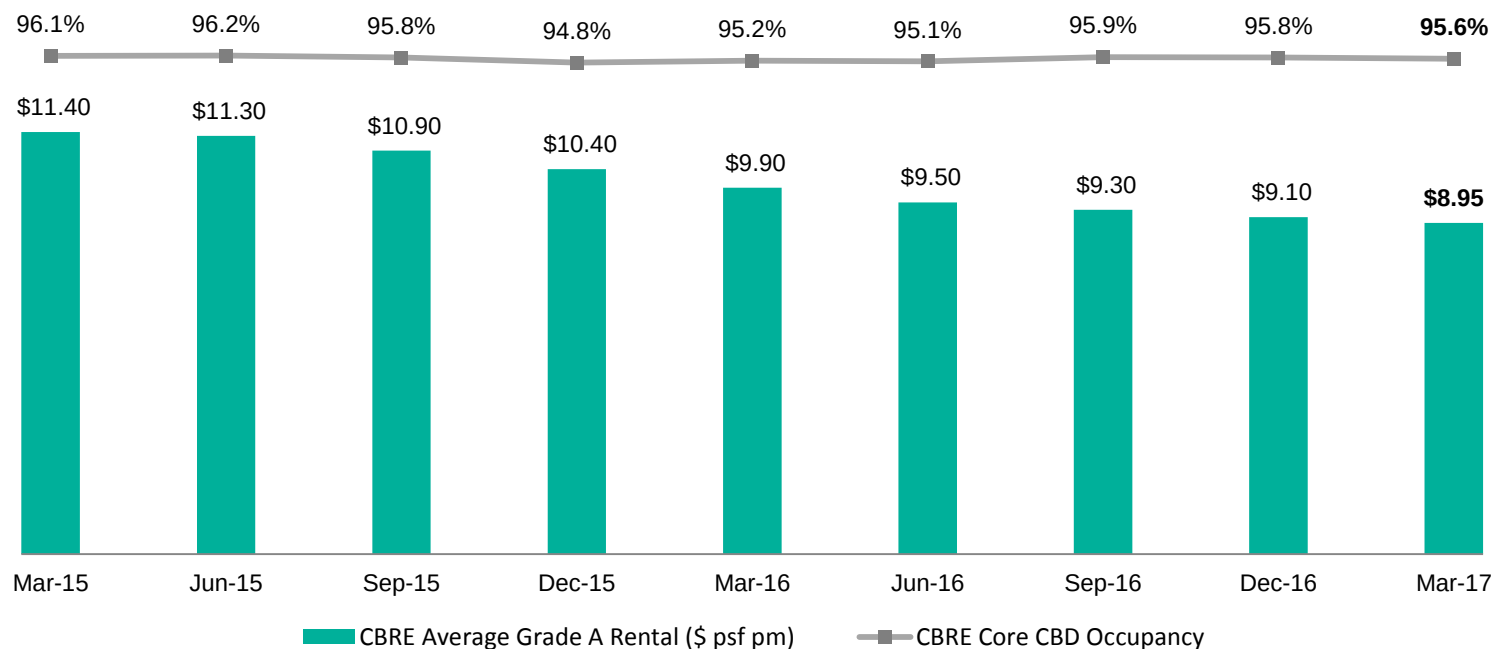
Market Update



8 Chifley Square, Sydney



- According to CBRE, concerns around supply overhang from the new office projects are dissipating.
- Soon-to-be completed developments are now reporting stronger pre-commitments.
- Increased leasing activities, with demand from tenants in the banking and finance sector, as well as expansion in the technology and media sector.
- CBRE believes the office market may see a slight rebound by end-2017, followed by a more sustained market recovery in 2018





- Recorded a 2.4% growth for 2016, driven mainly by stronger household consumption.
- Growth estimated at between 2.0% and 3.0% for 2017.
- Australia's national CBD office occupancy remained stable at 88.1% as at end-December 2016.
- Leasing activities remained strong in the CBDs of Sydney and Melbourne, while the CBDs of Brisbane and Perth showed early signs of recovery.



Additional Information





Portfolio Overview

Best-in-Class Assets in Strategic Locations

11 office towers in 8 quality
Premium Grade and Grade A assets
in the business and financial districts
of Singapore and Australia

Largest Portfolio of Premium Office Assets

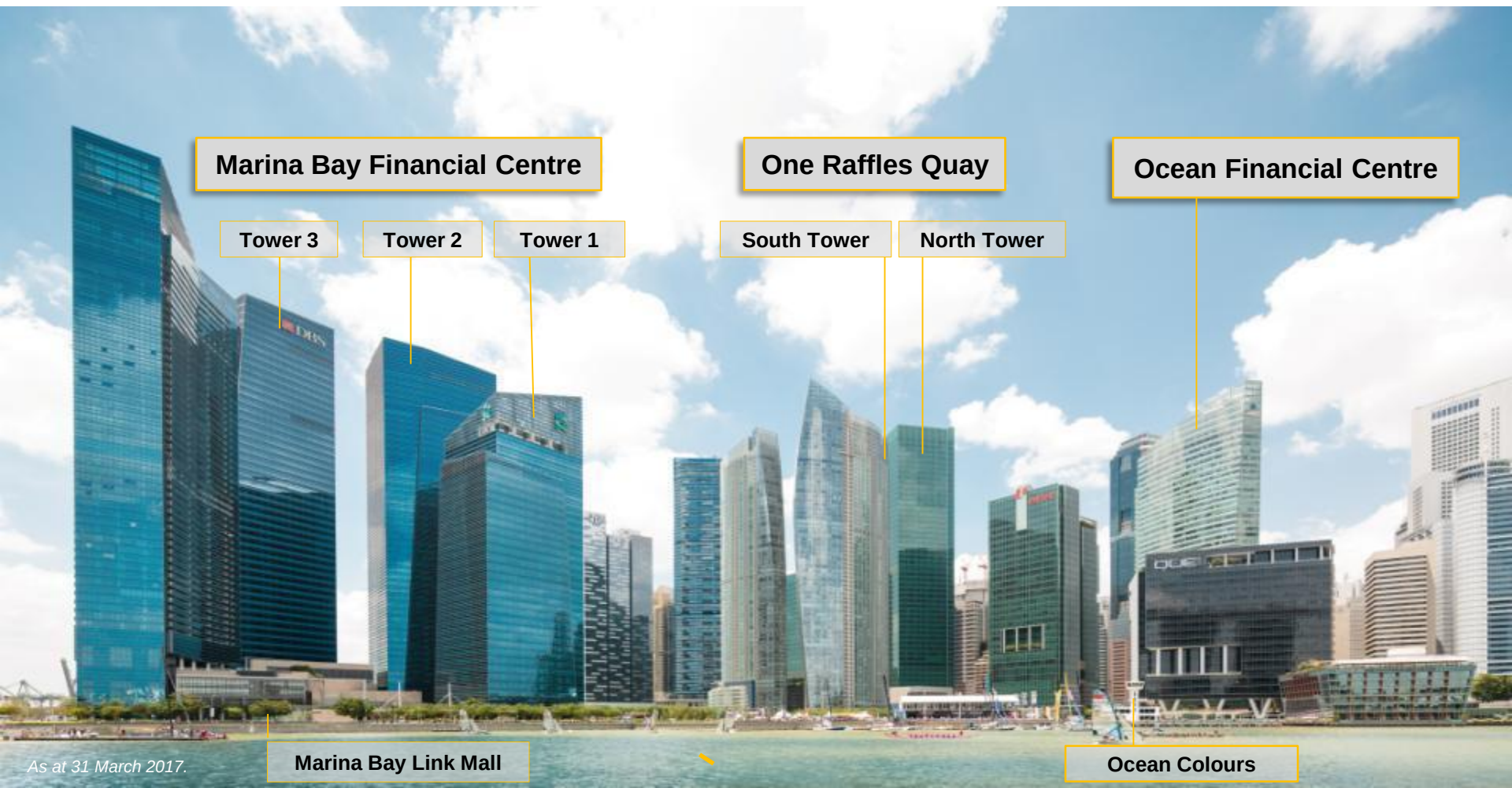
3.3 million sf
total attributable NLA

Assets Under Management

S\$8.4 billion

Well-Diversified Tenant Base

314 tenants
diversified across various
business sectors



Marina Bay Financial Centre

Tower 3

Tower 2

Tower 1

One Raffles Quay

South Tower

North Tower

Ocean Financial Centre

Marina Bay Link Mall

Ocean Colours



Ocean Financial Centre
(99.9% interest)



Marina Bay Financial Centre
(33.3% interest)



One Raffles Quay
(33.3% interest)



Bugis Junction Towers
(100% interest)

Singapore
89%*

Australia

11%*



**8 Chifley Square,
Sydney**
(50% interest)



**8 Exhibition Street,
Melbourne**
(50% interest)



**275 George Street,
Brisbane**
(50% interest)



**David Malcolm Justice
Centre, Perth**
(50% interest)

** Based on Keppel REIT's total assets under management of approximately \$8.4 billion, as at 31 March 2017.*



Portfolio Information

<u>SINGAPORE</u>	Ocean Financial Centre	Marina Bay Financial Centre ⁽³⁾	One Raffles Quay	Bugis Junction Towers
Attributable NLA	881,366 sf	1,026,319 sf	443,603 sf	244,579 sf
Ownership	99.9%	33.33%	33.33%	100.0%
Principal tenants	ANZ, BNP Paribas, Drew & Napier	DBS Bank, Standard Chartered Bank, BHP Billiton	Deutsche Bank, UBS, Ernst & Young	Keppel Land, IE Singapore, InterContinental Hotels Group
Tenure	99 years expiring 13 Dec 2110	99 years expiring 10 Oct 2104 ⁽⁴⁾ and 7 Mar 2106 ⁽⁵⁾	99 years expiring 12 Jun 2100	99 years expiring 9 Sep 2089
Purchase Price (on acquisition)	S\$2,298.8m ⁽²⁾	S\$1,426.8m ⁽⁴⁾ S\$1,248m ⁽⁵⁾	S\$941.5m	S\$159.5m
Valuation ⁽¹⁾	S\$2,627m	S\$1,693m ⁽⁴⁾ S\$1,316m ⁽⁵⁾	S\$1,273m	S\$540m
Capitalisation rates	3.75%	3.75%	3.75%	3.75%
<u>AUSTRALIA</u>	8 Chifley Square, Sydney	8 Exhibition Street, Melbourne ⁽⁷⁾	275 George Street, Brisbane	David Malcolm Justice Centre, Perth
Attributable NLA (sf)	104,138	246,053	224,693	167,784
Ownership	50.0%	50.0%	50.0%	50.0%
Principal tenants	Corrs Chambers Westgarth, Quantum Group, QBE Insurance Group	Ernst & Young, Minister for Finance- State of Victoria, UBS, CBRE	Telstra Corporation, Queensland Gas Company,	Government of Western Australia
Tenure	99 years expiring 5 Apr 2105	Freehold	Freehold	99 years expiring 30 Aug 2114
Purchase Price (on acquisition)	A\$167m	A\$169m ⁽⁷⁾	A\$166m	A\$165m
Valuation ^{(1) (6)}	S\$235.9m	S\$236.9m ⁽⁷⁾	S\$213.9m	S\$220.0m
Capitalisation rates	5.00%	5.25% ⁽⁸⁾ 4.50% ⁽⁹⁾	6.25%	5.50%

1) Valuation as at 31 December 2016 based on Keppel REIT's interest in the respective properties.

2) 87.5% interest of the building was acquired on 14 December 2011 and 12.4% interest of the building was acquired on 25 June 2012.

3) Comprises Marina Bay Financial Centre (MBFC) office Towers 1, 2 and 3 and Marina Bay Link Mall (MBLM).

4) Refers to MBFC Towers 1 and 2 and MBLM.

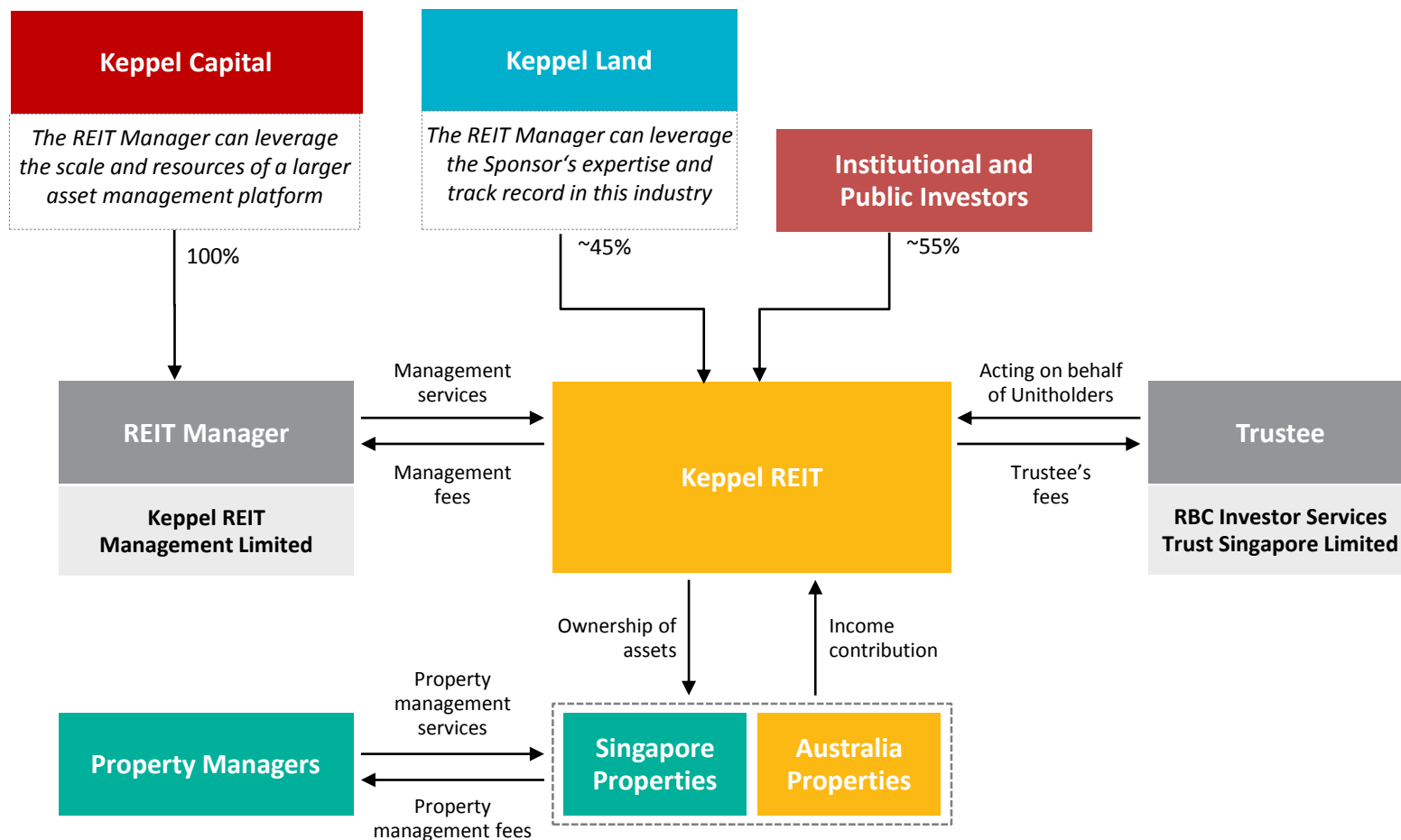
5) Refers to MBFC Tower 3.

6) Based on the exchange rate of A\$1 = S\$1.06.

7) Keppel REIT owns a 50% interest in the 8 Exhibition Street office building and two retail units, as well as 100% interest in the three adjoining retail units

8) Refers to Keppel REIT's 50% interest in the office building and two retail units.

9) Refers to Keppel REIT's 100% interest in the three adjoining retail units.





Thank You