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MEDIA RELEASE

Unaudited Results of Keppel DC REIT for the Third Quarter and Nine Months Ended 30 September 2019

15 October 2019

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 third quarter and nine months ended 30 September 2019.

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 achieves 5.7% Y-o-Y growth in DPU to 5.78 cents for 9M 2019

Key Highlights

- Distributable income increased 16.9% y-o-y to \$81.8 million, and DPU increased by 5.7% y-o-y to 5.78 cents for 9M 2019
- Announced DPU-accretive acquisitions of two Singapore data centres that will increase AUM by 30.2% to approximately \$2.6 billion
- Inclusion in the FTSE EPRA Nareit Global Developed Index
- Lower aggregate leverage of 28.9% following a successful private placement; preferential offering allows Unitholders to participate in the REIT's growth
- Healthy portfolio occupancy of 93.6% and long WALE of 7.7 years support income visibility

(\$'000)	3Q 2019	3Q 2018	Change %	9M 2019	9M 2018	Change %
Gross Revenue	46,354	47,557	(2.5)	141,846	127,492	+11.3
Property Expenses	(4,085)	(4,514)	(9.5)	(13,088)	(12,286)	+6.5
Net Property Income	42,269	43,043	(1.8)	128,758	115,206	+11.8
Distributable Income to Unitholders ⁽¹⁾	27,427	26,024	+5.4	81,780	69,970	+16.9
Distribution per Unit ⁽²⁾ (DPU) (cents)	1.93	1.85	+4.3	5.78	5.47	+5.7
Annualised Distribution Yield ⁽³⁾ (%)				4.03	3.82	+21bps

(1) Distributable income includes Capex Reserves for Keppel DC Singapore 3 and Keppel DC Singapore 5.

(2) DPU was computed based on the distributable income to Unitholders and excluded Capex Reserves. The Manager has announced an advanced distribution of 1.81 cents per Unit to eligible Unitholders for the period from 1 July to 24 September 2019 in connection with the private placement launched on 16 September 2019. Keppel DC REIT declares distributions on a half-yearly basis. The next distribution will be for the period from 25 September to 31 December 2019. Semi-annual distributions will resume thereafter.

(3) Computed based on 3Q 2019's closing price of \$1.910 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 \$27.4 million for 3Q 2019, 5.4% higher than 3Q 2018's \$26.0 million. Distributable income for 9M 2019 was also higher at \$81.8 million, increasing by 16.9% from 9M 2018's \$70.0 million. The increases were mainly supported by higher contributions from the Singapore data centres, partially offset by overseas contribution due to currency depreciation against the Singapore dollar.

Accordingly, Keppel DC REIT achieved higher DPU of 1.93 cents for 3Q 2019, bringing 9M 2019 DPU to 5.78 cents, 5.7% higher than 9M 2018's 5.47 cents. Based on 9M 2019's market closing price of \$1.910 per Unit, the REIT's annualised distribution yield was 4.03%.

Portfolio Review

On 16 September 2019, the Manager announced the proposed acquisitions of Keppel DC Singapore 4 (KDC SGP 4) and the data centre located at 18 Riverside Road Singapore (DC1) at agreed values of approximately \$384.9 million and \$200.2 million respectively. The proposed acquisitions are expected to be highly accretive to Keppel DC REIT's DPU. When completed in 4Q 2019, subject to Unitholders'

approval at an extraordinary general meeting to be held on 23 October 2019, the REIT's assets under management will grow by 30.2% to approximately \$2.6 billion, comprising 17 data centres¹ in key data centre hubs globally, spanning an aggregate lettable area of approximately 1,411,412 sq ft.

The strategic acquisitions of these quality data centres will strengthen Keppel DC REIT's foothold in Singapore, which is amongst the world's fastest-growing data centre markets, driven by demand from internet enterprises as well as the IT services, telecommunications and financial services sectors.

On the operational front, the retrofitting works at Keppel DC Singapore 3 was completed in July 2019. The fit-out works at Keppel DC Dublin 2 to make way for client expansion was also completed, bringing the occupancy rate of Keppel DC Dublin 2 to 100%. Asset enhancement works to improve energy efficiency at Keppel DC Dublin 1 remains on track for completion in 2020.

As at 30 September 2019, the REIT's portfolio weighted average lease expiry (WALE) was 7.7 years, and portfolio occupancy rate remained healthy at 93.6%.

Capital Management

To partially fund the proposed acquisitions of KDC SGP 4 and DC1, the REIT raised approximately \$478.2 million in gross proceeds through a fully underwritten private placement and preferential offering of approximately 277.0 million new units. The private placement, which was over nine times covered, has reduced the REIT's aggregate leverage from 31.9% as at 30 June 2019, to 28.9% as at 30 September 2019. The preferential offering, which closed on 7 October 2019, was 175.4% subscribed and will further improve the REIT's aggregate leverage, providing more debt headroom to pursue growth.

Keppel DC REIT's average cost of debt remained competitive at 1.7% per annum while interest coverage ratio remained high at 12.7 times as at 30 September 2019. The Manager has refinanced its Singapore dollar-denominated loan due end-2019 by another six years, bringing the REIT's weighted average debt tenor to 3.8 years.

Keppel DC REIT has been included in the FTSE EPRA Nareit Global Developed Index from 23 September 2019. The Manager continues to mitigate the REIT's exposure to fluctuations in interest rates. The Manager has locked-in 80% of its borrowings through floating-to-fixed interest rate swaps and forecasted foreign-sourced distributions have also been substantially hedged with foreign currency forward contracts till 1H 2021 to safeguard distributions against exchange rates fluctuations.

Looking Ahead

In its interim economic outlook report published in September 2019, the Organisation for Economic Cooperation and Development expects global growth to slow to 2.9% in 2019 and 3% in 2020, citing escalating trade tensions and policy uncertainty which are weighing on risk sentiment in the financial markets.

The data centre market remains strong, supported by ongoing digitalisation and cloud deployments. Improved connectivity as well as the development and adoption of new technologies will continue to drive the growth of data creation and fuel demand for data storage requirements in key data centre hubs globally.

Notwithstanding increased competition in the data centre industry, Keppel DC REIT, with its established track record and enlarged portfolio of assets, is well-positioned to benefit from the growth

¹ Excludes IC3 East DC, which is currently under development and expected to be completed in 2020.

of the data centre market. The Manager will continue to leverage its competencies in investment, asset and capital management, building on the Keppel Group's capabilities in project development and facilities management, to seek opportunities and strengthen its presence across key data centre hubs globally.

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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 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 September 2019, its portfolio comprises 15² high-quality data centres strategically located in key data centre hubs. With an aggregate lettable area of approximately 1,113,898 sq ft, the portfolio spans 10 cities in eight countries in Asia Pacific and Europe. Following the completion of acquisition of the two data centres in Singapore by 4Q 2019, Keppel DC REIT will have a total of 17 data centres², spanning an aggregate lettable area of approximately 1,411,412 sq ft.

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 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

² Excludes IC3 East DC, which is currently under development and expected to be completed in 2020.

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.