

**Second Quarter &
First Half 2018
Financial Results**

17 July 2018



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.

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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.

Content

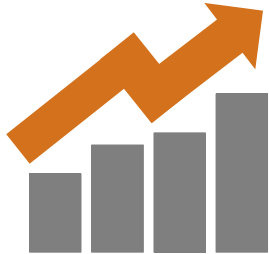
- Key Highlights
- Financial Performance
- Portfolio Review
- Capital Management
- Outlook
- Additional Information



Keppel DC REIT

Key Highlights

Key Highlights



DPU Declared¹
3.62 cents
for 1H 2018

Annualised Distribution Yield
5.32%
based on 1H 2018's
closing price of \$1.360



Portfolio Occupancy
92.0%
as at 30 Jun 2018

Portfolio WALE
8.8 years
by leased area



Aggregate Leverage²
31.7%
as at 30 Jun 2018

Interest Coverage
10.7 times
as at 30 Jun 2018

- (1) Keppel DC REIT declares distributions on a half-yearly basis. For the financial period from 1 January 2018 to 30 June 2018, eligible Unitholders will receive a total distribution of 3.62 cents per Unit, comprising 2.77 cents per Unit for the period from 1 January 2018 to 15 May 2018, and 0.85 cents per Unit for the period from 16 May 2018 to 30 June 2018.
- (2) Aggregate Leverage was computed based on gross borrowings as a percentage of the deposited properties, both of which do not take into consideration the finance lease liabilities pertaining to land rent commitments for isek Data Centre and Keppel DC Dublin 1.



Distributable Income

(\$'000)	2Q 2018	2Q 2017	+/(-) %	1H 2018	1H 2017	+/(-) %
Distributable Income to Unitholders¹	23,079	20,130	+14.6	43,946	41,896	+4.9
<u>Comprising:</u>						
Gross Revenue	41,927	34,515	+21.5	79,935	66,739	+19.8
Property Expenses	(3,852)	(3,152)	+22.2	(7,772)	(6,532)	+19.0
Net Property Income	38,075	31,363	+21.4	72,163	60,207	+19.9
Distribution per Unit ² (DPU) (cents)	1.82	1.74	+4.6	3.62	3.63	(0.3)
Adjusted DPU³ (cents)	1.82	1.74	+4.6	3.62	3.48	+4.0
Annualised Distribution Yield ⁴ (%)				5.32	5.23	+9 bps
Adjusted Annualised Distribution Yield⁴ (%)				5.32	5.12	+ 20 bps

- (1) 1Q 2017's distribution income included a one-off capital distribution of \$1.7 million for the month of December 2016 arising from the later completion of Keppel DC Singapore 3. Distributable income included Keppel DC Singapore 3 and Keppel DC Singapore 5's Capex Reserves.
- (2) DPU was computed based on the distributable income to Unitholders and had excluded the Capex Reserves. 1Q 2017 DPU included a one-off capital distribution of 0.15 cents per Unit. The Manager declared an advanced distribution of 2.77 cents per Unit to eligible Unitholders for the period from 1 January to 15 May 2018, in connection with the private placement of 224.0 million new Units. For the period from 16 May to 30 June 2018, eligible Unitholders will receive distribution of 0.85 cents per Unit.
- (3) 1H 2018's DPU was higher than 1H 2017's adjusted DPU after excluding the one-off capital distribution recorded in 1Q 2017.
- (4) Annualised by quarters and computed based on 1H 2018's closing price of \$1.360 per Unit.

Balance Sheet Highlights

(\$'000)	As at 30 Jun 2018	As at 31 Dec 2017	+/(-) %
Investment Properties	1,987,433	1,570,090	+26.6
Total Assets	2,206,396	1,763,282	+25.1
Gross Borrowings ¹	678,709	546,481	+24.2
Total Liabilities	816,658	646,780	+26.3
Unitholders' Funds	1,361,631	1,089,716	+25.0
Units in Issue ('000)	1,351,321	1,127,171	+19.9
Net Asset Value (NAV) per Unit (\$)	1.01	0.97	+4.1
Unit Price (Closing price of last trading day) (\$)	1.360	1.430	(4.9)
Premium to NAV (%)	+34.7	+47.4	-12.7 pp

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

Aggregate Leverage

(\$'000)	As at 30 Jun 2018	As at 31 Dec 2017	+/(-) %
Investment Properties ¹ <i>(excluding finance lease liabilities commitments)</i>	1,953,664	1,536,321	+27.2
Deposited Properties ¹ <i>(excluding finance lease liabilities commitments)</i>	2,141,969	1,701,350	+25.9
Gross Borrowings + Deferred Payment	678,709	546,481	+24.2
Aggregate Leverage²	31.7%	32.1%	-40 bps

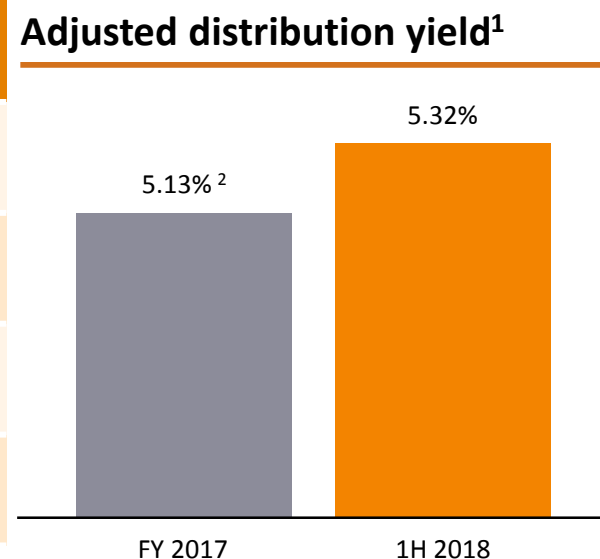
(1) Investment properties relates to carrying value and deposited properties relates to total assets as stipulated in the Property Fund Appendix in CIS Code, without considering finance lease liabilities pertaining to land rent commitments.

(2) Aggregate Leverage was computed based on gross borrowings as a percentage of the deposited properties (Note 1). Taking into consideration finance lease liabilities pertaining to land rent commitments, the Aggregate Leverage will be 32.7% (2017: 33.4%).

Distribution Declared

- DPU of 3.62 cents declared for 1H 2018, comprising:
 - 2.77 cents for 1 Jan to 15 May 2018 (before private placement)
 - 0.85 cents for 16 May to 30 Jun 2018 (after private placement)
- 1H 2018 DPU was 4.0% higher than 1H 2017's adjusted DPU of 3.48 cents after excluding the one-off capital distribution recorded in 1Q 2017 in relation to Keppel DC Singapore 3

Distribution Period	1 Jan to 15 May 2018	16 May to 30 Jun 2018
Amount	2.77 cents per Unit	0.85 cents per Unit
Ex-Date	11 May 2018	23 July 2018
Book Closure Date	15 May 2018	25 July 2018
Payment Date	8 August 2018	29 August 2018



(1) Annualised by quarters and computed based on 1H 2018's closing price of \$1.360 per Unit.

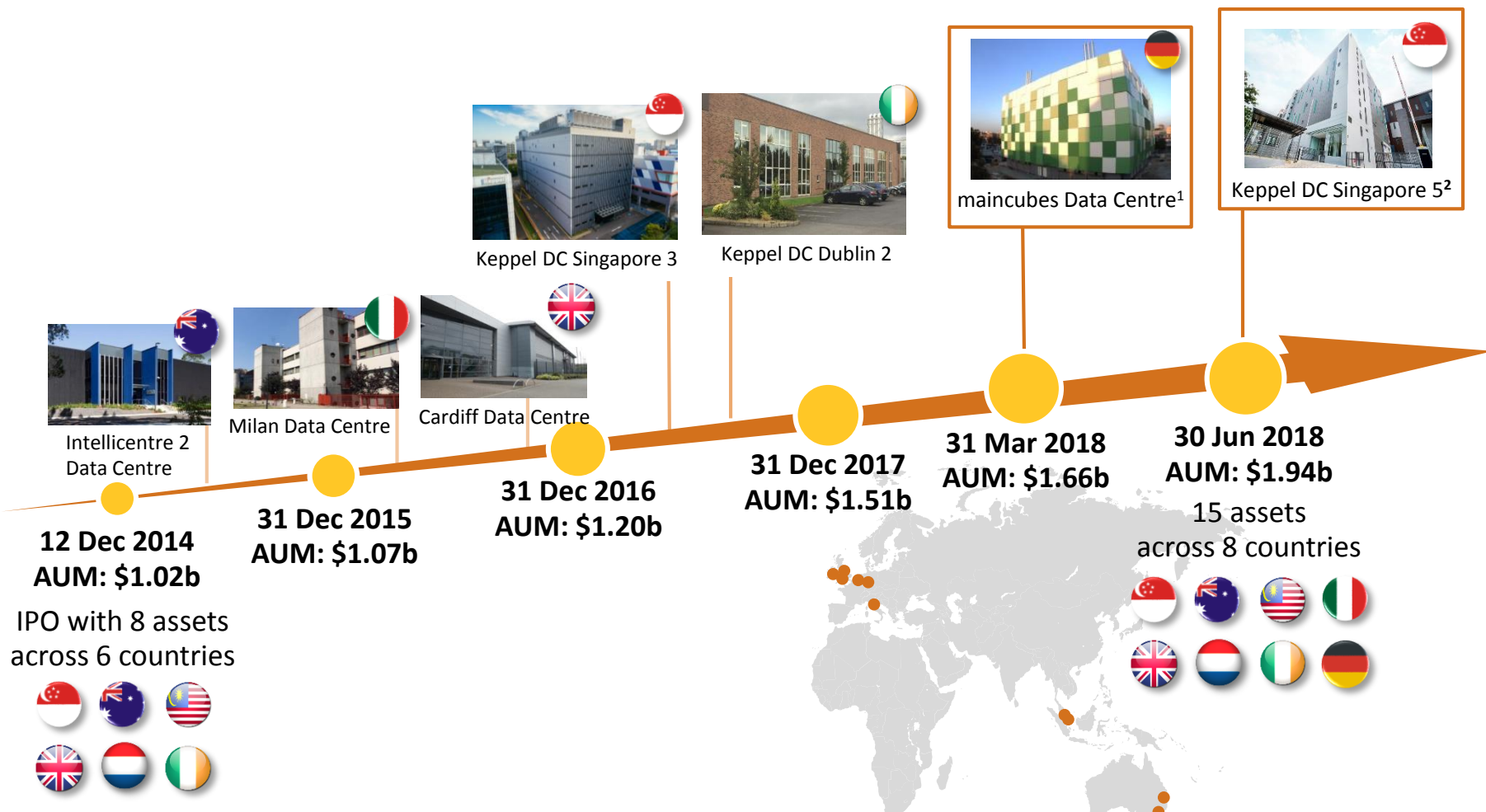
(2) FY 2017's adjusted distribution yield was computed from FY 2017's adjusted DPU of 6.97 cents which had excluded the one-off capital distribution in relation to Keppel DC Singapore 3.

Keppel DC REIT

Portfolio Review



Portfolio Growth since Listing



(1) The forward purchase of maincubes Data Centre was announced on 28 October 2015 and completed on 30 March 2018.

(2) The acquisition of Kingsland Data Center Pte Ltd (renamed as Keppel DC Singapore 5 Pte Ltd) was announced on 7 May 2018 and completed on 12 June 2018

Strengthened Foothold in Singapore

- Completed acquisition of 99% interest in Keppel DC Singapore 5 Pte Ltd (formerly known as Kingsland Data Center Pte Ltd) on 12 June 2018
- Data centre's IT power is fully committed to leading internet enterprise and IT services clients
- Acquisition largely funded by private placement of 224.0 million new Units



Establishing strategic presence in western Singapore with the acquisition of Keppel DC Singapore 5 Pte Ltd

Location	Jurong, Singapore
Land Lease Title	Leasehold
Lettable Area	98,769 sq ft
Occupancy Rate	84.2% committed
Lease Type	Colocation
Agreed Value	\$295.1 million

Strengthened Foothold in Singapore (Cont'd)

Merits of acquisition of Keppel DC Singapore 5 :

1

DPU accretive acquisition consistent with investment strategy

2

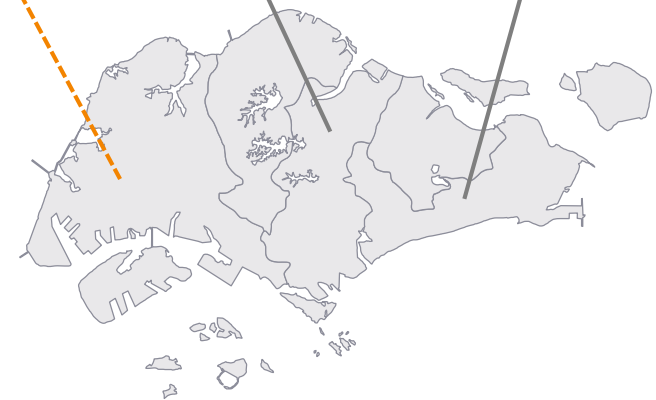
Strengthened foothold and creation of further synergy in Singapore

3

Greater income resilience through exposure to a larger portfolio

4

Expanded portfolio creates a stronger platform for growth

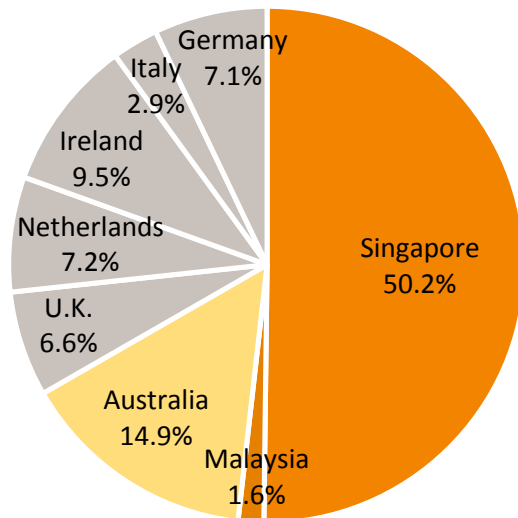


Portfolio Update

- 66.7% of the expanded portfolio is in Asia Pacific while 33.3% is in Europe
- Portfolio WALE remained long at 8.8 years while occupancy was at 92.0%
- Less than 5% of the leases expiring per year until end-2020

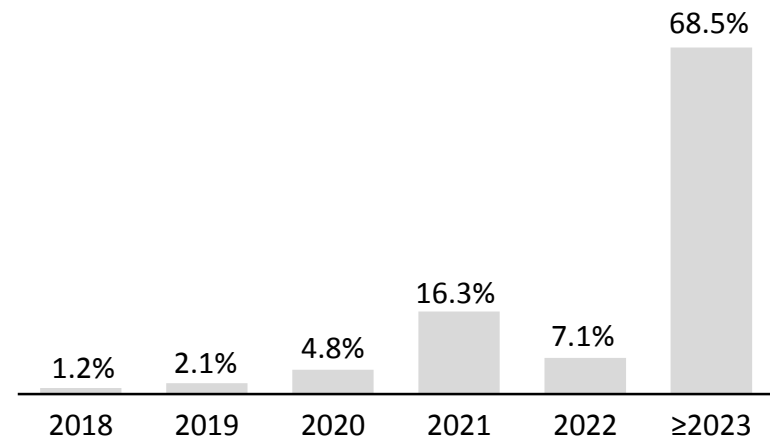
Portfolio AUM¹ breakdown

As at 30 June 2018



Lease expiry profile (by leased area)

As at 30 June 2018

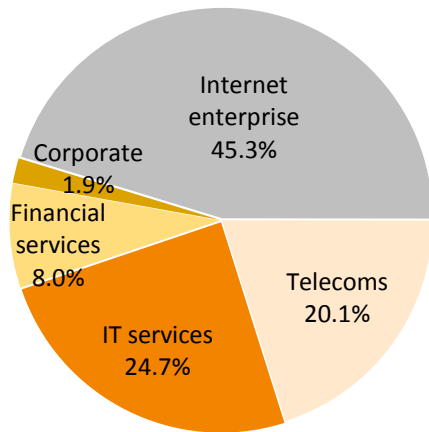


(1) Portfolio AUM is based on respective independent valuations, capital expenditures and ownership interests, except for maincubes Data Centre which is derived from a forward purchase price of €84 million, and Keppel DC Singapore 5 which is derived from an agreed value of \$295.1 million.

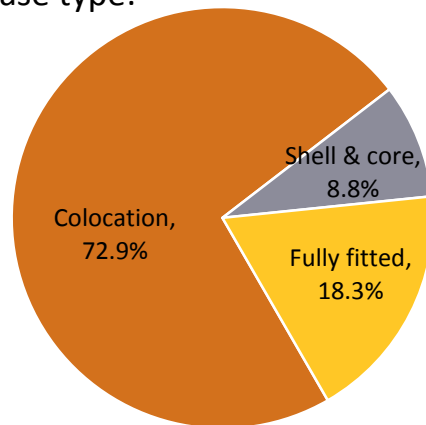
Portfolio Update (Cont'd)

Rental income breakdown for the month of June 2018¹

By trade sector:



By lease type:



- Quality data centres that cater to the requirements of global clientele
- Income stability with a mix of master-leased facilities on long leases, as well as colocation facilities which provide diverse client profile and lease expiry

Lease Type	Client Count	WALE ² (years)	Ownership of Data Centre Components		
			M&E Equipment	Facility Management	Servers & Racks
Colocation	Multi	3.7	✓	✓	-
Fully fitted	Single	11.7	✓	-	-
Shell & core	Single	11.6	-	-	-

- (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 June 2018.

Keppel DC REIT

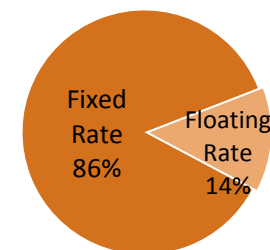
Capital Management

Prudent Capital Management

- **Managing interest rate exposure:** Interest rates of loans substantially hedged with floating-to-fixed interest rate swaps
- **Diversifying sources of funding:** Refinanced loans maturing in 2018 with issuance of €50 million floating rate notes due 2023
- **Increasing debt headroom and free float:** Private placement of 224.0 million new Units in May 2018 lowered the aggregate leverage to 31.7% and increased free float to \$1.28 billion

Borrowings on fixed rate

As at 30 June 2018

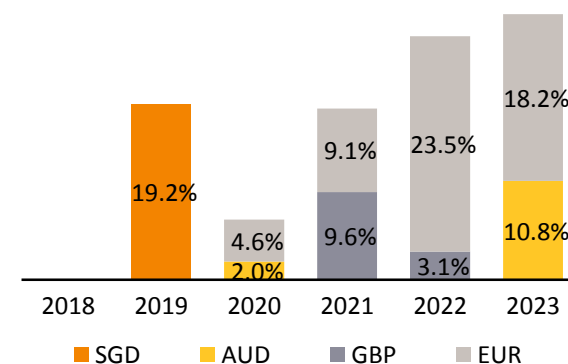


As at 30 June 2018

Total debt	■ ~\$679m of external loans (unencumbered)
Available facilities	■ ~\$133m of undrawn credit facilities
Aggregate Leverage¹	■ 31.7%
Average cost of debt²	■ 1.9% per annum
Debt tenor	■ 3.5 years
Interest coverage³	■ 10.7 times

Debt maturity profile

As at 30 June 2018

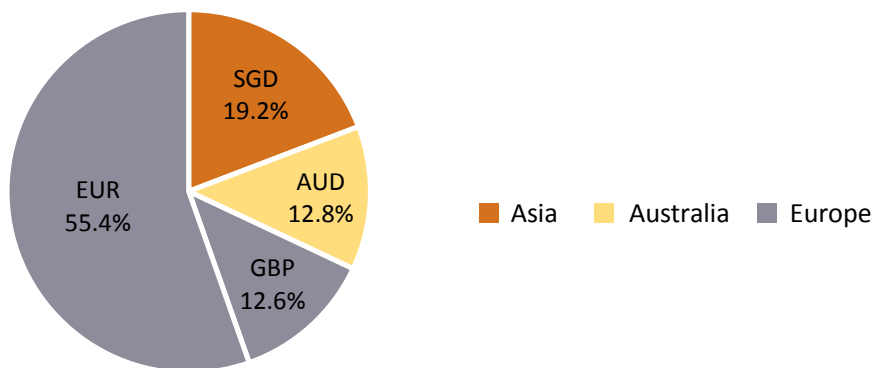


- (1) Aggregate Leverage was computed based on gross borrowings as a percentage of the deposited properties, both of which do not take into consideration the finance lease liabilities pertaining to land rent commitments for isek Data Centre and Keppel DC Dublin 1.
- (2) Including amortisation of upfront debt financing costs and excluding finance lease charges.
- (3) Calculated as EBIT / Finance costs, where EBIT is NPI less Manager's base and performance fees, Trustee's fee and Other trust expenses. Finance costs pertain to interest expense based on total debt drawn and debt amortisation costs.

Prudent Capital Management (Cont'd)

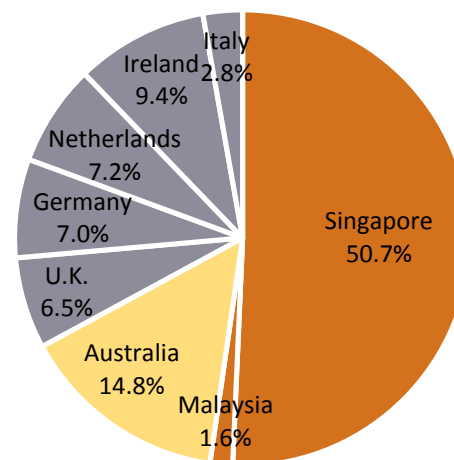
- **Mitigating impact of currency fluctuations:**
 - Hedged the REIT's forecasted foreign-sourced distributions till 2H 2019 through foreign currency forward contracts
 - Adopted natural hedging by borrowing in currencies that match the corresponding investments

Debt currency breakdown
(as at 30 June 2018)



Total borrowings:
Approx. \$679m

Investment properties breakdown¹
(as at 30 June 2018)



Total carrying value:
Approx. \$1.95b

(1) Based on 100% carrying value as at 30 June 2018 without taking into consideration the finance lease liabilities pertaining to the land rent commitments for isek Data Centre and Keppel DC Dublin 1.

Sound Industry Fundamentals

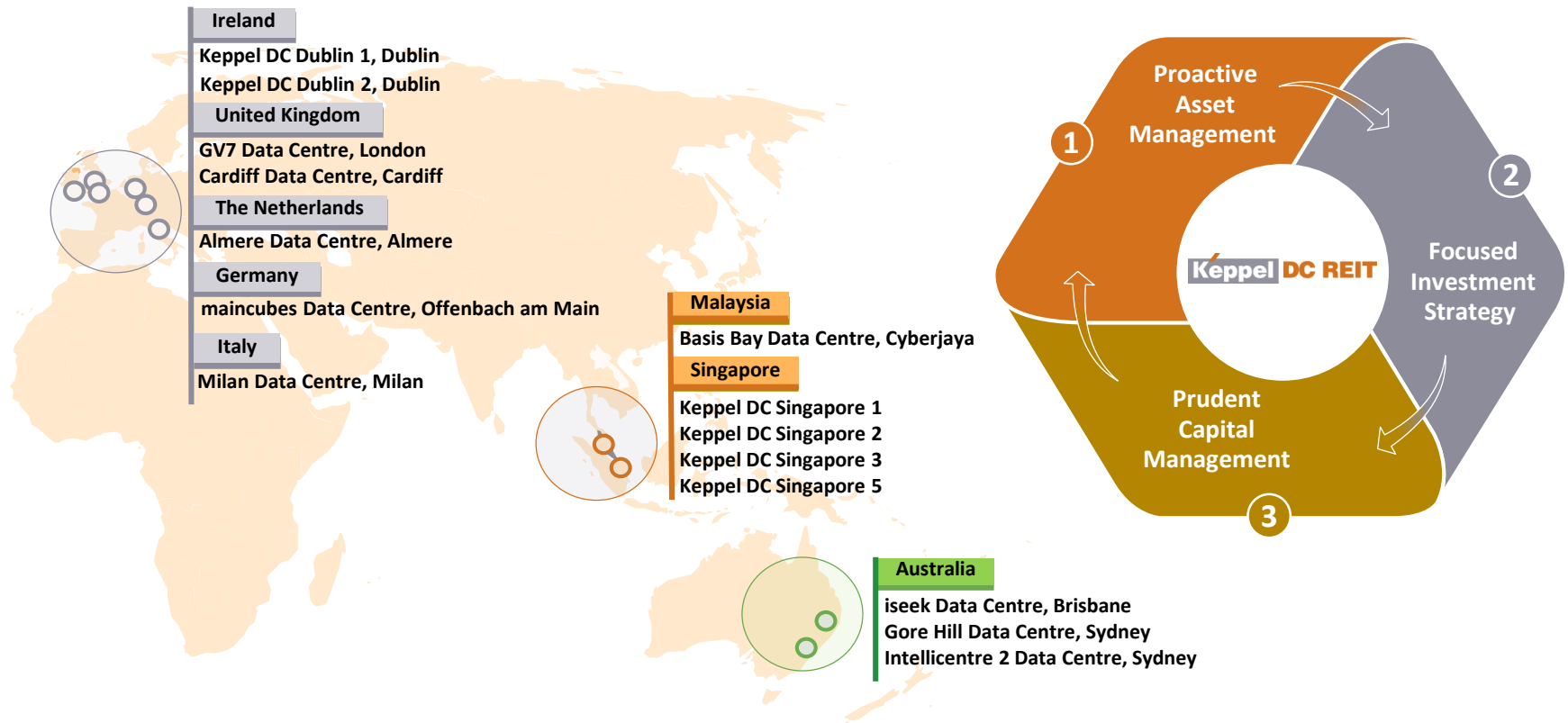
- **Digitalisation by enterprises and consumers:** Demand for data centre space remains supported by both enterprises' and consumers' move towards digitalisation and cloud adoption
- **Demand for quality data centres:** Trend of data centre outsourcing is expected to continue as large enterprises seek efficient deployment of high-redundancy data centre space



Keppel DC REIT is well-positioned capture value from the data centre industry with its quality portfolio of assets

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



Committed to Deliver Value

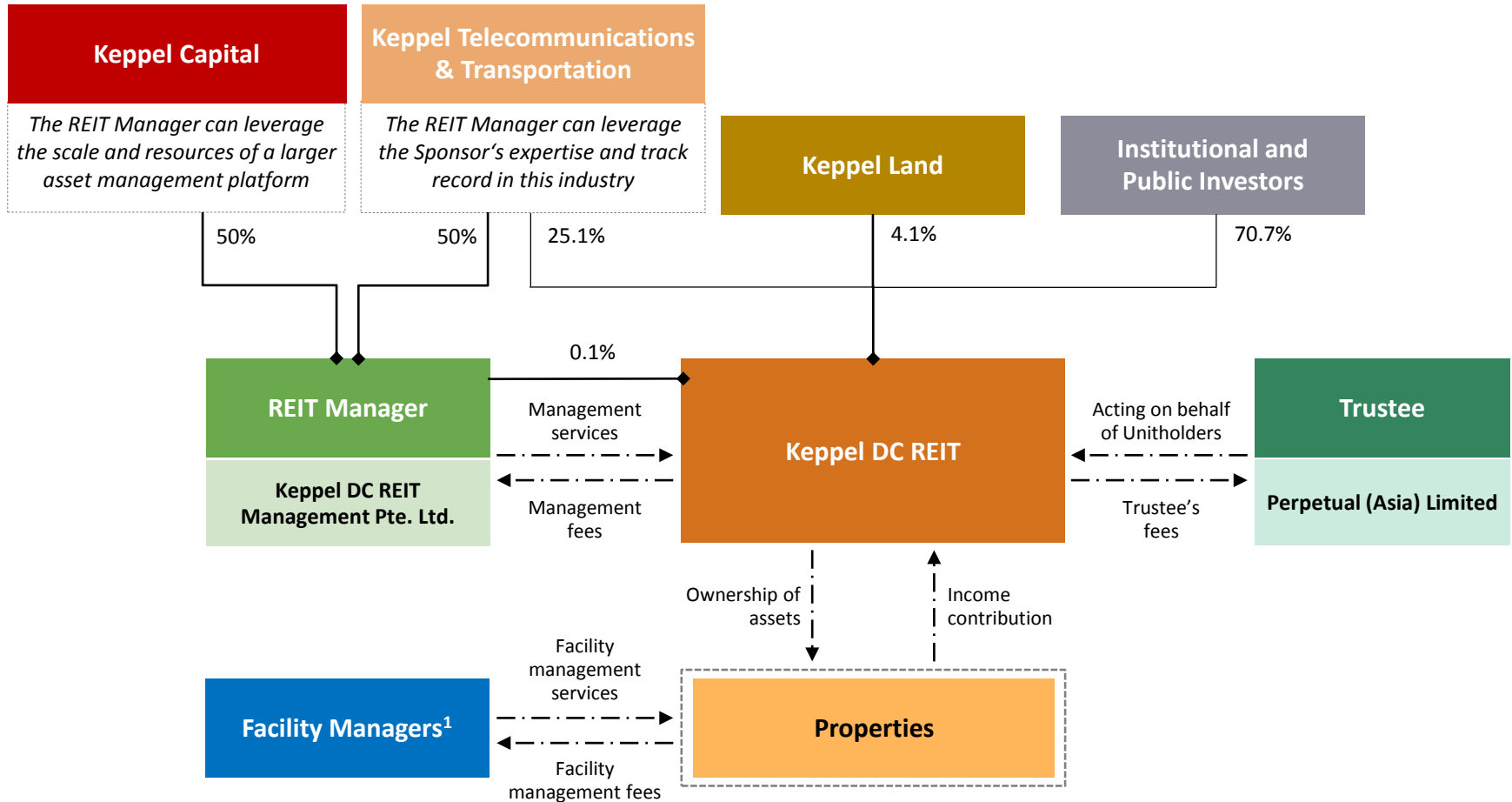


Vision: To be the preferred data centre real estate investment trust, serving as a trusted partner to our stakeholders.

Mission: Guided by the Keppel Group's operating principles and core values, we will create value for our investors by growing a quality portfolio of data centre assets that generates sustainable returns.



Keppel DC REIT Structure



(1) The Facility Managers are appointed pursuant to the facility management agreements entered into for the respective properties.

Portfolio Overview (as at 30 June 2018)

<u>Asia Pacific</u>	Location	Interest	Attributable lettable area (sq ft)	No. of clients ¹	Occupancy rate (%)	Valuation ² (\$m)	Lease type	WALE (years)	Land lease title	
	Keppel DC Singapore 1	Singapore	100%	109,721	16	87.3	286.0	Keppel lease / Colocation	3.7	Leasehold (Expiring 30 Sep 2025, with option to extend by 30 years)
	Keppel DC Singapore 2	Singapore	100%	37,098	4	100.0	166.0	Keppel lease / Colocation	3.0	Leasehold (Expiring 31 Jul 2021, with option to extend by 30 years)
	Keppel DC Singapore 3	Singapore	90%	49,433	2	100.0	223.5	Keppel lease / Colocation	3.9	Leasehold (Expiring 31 Jan 2022, with option to extend by 30 years)
	Keppel DC Singapore 5	Singapore	99%	97,781	3	73.9 ³	316.8	Keppel lease / Colocation	3.3	Leasehold (Expiring 31 Aug 2041)
	Basis Bay Data Centre	Cyberjaya, Malaysia	99%	48,193	1	63.1	31.6	Colocation	4.0	Freehold
	Gore Hill Data Centre	Sydney, Australia	100%	90,955	3	100.0	203.0	Triple-net (Shell & core) / Colocation	6.8	Freehold
	Intellicentre 2 Data Centre	Sydney, Australia	100%	87,930	1	100.0	51.0	Triple-net (Shell & core)	17.1	Freehold
	iseek Data Centre	Brisbane, Australia	100%	12,389	1	100.0	34.0	Double-net ⁴ (Fully fitted)	8.0	Leasehold (Expiring 29 Jun 2040, with option to extend by 7 years)

(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 December 2017, except for Keppel DC Singapore 5's independent valuation which is as at 2 May 2018.

(3) Keppel DC Singapore 5's committed occupancy is 84.2%.

(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.

Portfolio Overview (as at 30 June 2018) (Cont'd)

<u>Europe</u>	Location	Interest	Attributable lettable area (sq ft)	No. of clients ¹	Occupancy rate (%)	Valuation ² (\$m)	Lease type	WALE (years)	Land lease title
	Cardiff, United Kingdom	100%	79,439	1	100.0	60.6	Triple-net (Shell & core)	13.0	Freehold
	London, United Kingdom	100%	24,972	1	100.0	66.9	Triple-net (Fully fitted)	8.6	Leasehold (Expiring 28 Sep 2183)
	Almere, Netherlands	100%	118,403	1 ³	100.0	139.9	Double-net (Fully fitted)	10.2	Freehold
	Dublin, Ireland	100%	68,118	16	56.8	75.2	Colocation	1.8	Leasehold ⁴ (Expiring 11 Apr 2041)
	Dublin, Ireland	100%	25,127	4	90.7	106.1	Colocation	10.1	Leasehold (Expiring 31 Dec 2997)
	Milan, Italy	100%	165,389	1	100.0	57.1	Double-net (Shell & core)	9.5	Freehold
	Offenbach am Main, Germany	100%	97,043 ⁵	1	100.0	131.3	Triple-net (Fully fitted)	14.8	Freehold

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

(2) maincubes Data Centre is based on initial valuation of €84 million at time of forward purchase. Remaining portfolio AUM is based on respective independent valuations and respective ownership interests as at 31 December 2017.

(3) Keppel DC REIT, through its wholly-owned subsidiary has entered into the Ground Lease with Borchveste. With the Ground Lease in place, the lease with the underlying client becomes conceptually similar to a sub-lease, with Borchveste being (i) the leasehold client of KDCR Almere B.V. and (ii) the lessor to the underlying client.

(4) On 14 March 2018, Keppel DC REIT entered into a contract to acquire the remainder of the 999-year (from 1 January 2000) leasehold land interest in Keppel DC Dublin 1. Legal completion of acquisition expected to take place within 1H 2020.

(5) maincubes Data Centre's NLA was adjusted to 97,043 sq ft to reflect the new as-built area.

Overview of Lease Arrangements

Asia Pacific

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

- 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 and Keppel DC Singapore 2 respectively. However, 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.
- Refers to the lease entered into by Keppel DC Singapore 3 LLP and Keppel DC Singapore 5 Pte Ltd with the Keppel lessee (Keppel DCS3 Services Pte Ltd) in relation to Keppel DC Singapore 3 and Keppel DC Singapore 5 respectively. However, due to the pass-through nature of the Keppel lease, Keppel DC REIT will substantially enjoy the benefits and assume the liabilities of the underlying colocation arrangement between Keppel lessee and the underlying client.
- 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.
- 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 thereof are structured as effectively equivalent to a double-net lease.

Overview of Lease Arrangements (Cont'd)

Europe

Property	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 ^{1,2}	■ Client: Pays rent ■ Owner: Bears all expenses; responsible for facilities management	✓	✓	✓	✓
Keppel DC Dublin 2	Colocation ^{1,2}	■ 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	-	-	-	-

- (1) 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.
- (2) Keppel DC REIT has in place colocation arrangements with the clients of Keppel DC Dublin 1 and Keppel DC Dublin 2.

Thank you.