

**First Quarter 2018
Financial Results**

16 April 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

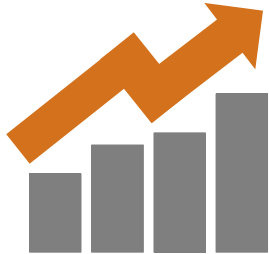
- Key Highlights
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- Capital Management
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- Additional Information



Keppel DC REIT

Key Highlights

Key Highlights



Distribution per Unit¹

1.80 cents

for 1Q 2018

Annualised Distribution Yield

5.00%

based on 1Q 2018's
closing price of \$1.440



Portfolio Occupancy

93.7%

as at 31 Mar 2018

Portfolio WALE

9.6 years

by leased area



Aggregate Leverage²

37.4%

as at 31 Mar 2018

Interest Coverage

10.7 times

as at 31 Mar 2018

Notes:

(1) Keppel DC REIT declares distributions on a half-yearly basis. No distribution has been declared for the quarter ended 31 March 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 iseek Data Centre and Keppel DC Dublin 1.



Distributable Income

(\$'000)	1Q 2018	1Q 2017	+/(-) %
Distributable Income to Unitholders¹	20,867	21,766	(4.1)
<u>Comprising:</u>			
Gross Revenue	38,008	32,224	+17.9
Property Expenses	(3,920)	(3,380)	+16.0
Net Property Income	34,088	28,844	+18.2
Distribution per Unit ² (DPU) (cents)	1.80	1.89	(4.8)
Adjusted DPU (cents)	1.80	1.74	+3.4
Annualised Distribution Yield ³ (%)	5.00	4.94	+ 6 bps
Adjusted Annualised Distribution Yield³ (%)	5.00	4.83	+ 17 bps

Notes:

- (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 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. 1Q 2018 and 1Q 2017's distributable income included Keppel DC Singapore 3'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. Keppel DC REIT declares distributions on a half-yearly basis. No distribution has been declared for the quarter ended 31 March 2018.
- (3) Annualised by quarters and computed based on 1Q 2018's closing price of \$1.440 per Unit.

Balance Sheet Highlights

(\$'000)	As at 31 Mar 2018	As at 31 Dec 2017	+/(-) %
Investment Properties	1,719,094	1,570,090	+9.5
Total Assets	1,896,543	1,763,282	+7.6
Gross Borrowings ¹	685,738	546,481	+25.5
Total Liabilities	787,082	646,780	+21.7
Unitholders' Funds	1,082,663	1,089,716	(0.6)
Units in Issue ('000)	1,127,275	1,127,171	-
Net Asset Value (NAV) per Unit (\$)	0.96	0.97	(1.0)
Unit Price (Closing price of last trading day) (\$)	1.440	1.430	+0.7
Premium to NAV (%)	+50.0	+47.4	+2.6 pp

Note:

(1) Gross borrowings relates to bank borrowings drawn down from loan facilities.

Aggregate Leverage

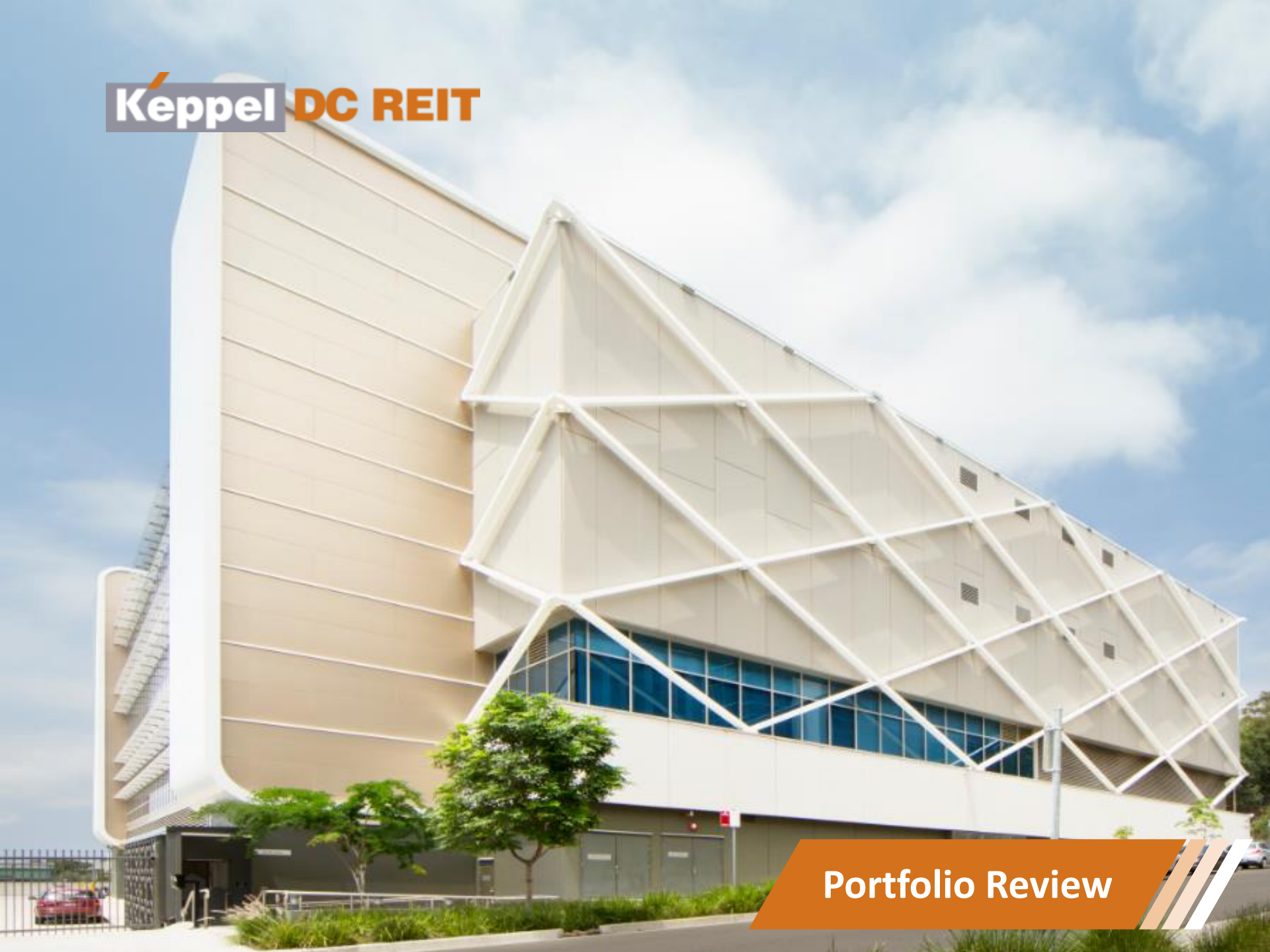
(\$'000)	As at 31 Mar 2018	As at 31 Dec 2017	+/(-) %
Investment Properties ¹ <i>(excluding finance lease liabilities commitments)</i>	1,685,325	1,536,321	+9.7
Deposited Properties ¹ <i>(excluding finance lease liabilities commitments)</i>	1,834,581	1,701,350	+7.8
Gross Borrowings + Deferred Payment	685,738	546,481	+25.5
Aggregate Leverage²	37.4%	32.1%	+530 bps

Notes:

- (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 38.5% (2017: 33.4%).

Keppel DC REIT

Portfolio Review



Completion of First German Acquisition

- Expansion of the REIT's footprint in Europe with its first German acquisition completed on 30 March 2018
- The four-storey fully-fitted data centre has energy-efficient features and has been certified by TÜV as a Level 3 Highly Available data centre
- Commencement of 15-year triple-net lease lengthens the REIT's portfolio WALE and strengthens the REIT's income stream



maincubes Data Centre completed on schedule

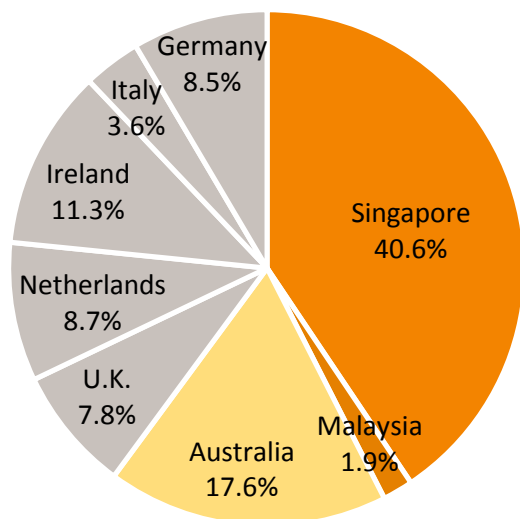
Location	Offenbach am Main, Germany
Land Tenure	Freehold
Lettable Area	126,800 sq ft
Occupancy Rate	100.0%
Lease Type	15-year triple-net master lease
Agreed Value	€84.0 million

Diversified & Resilient Portfolio

- Geographical diversification of portfolio enhances income stream sustainability
- Portfolio WALE remained long at 9.6 years while occupancy was at 93.7%
- Acquisition of the remainder of 999-year leasehold land interest in Keppel DC Dublin 1 announced on 14 March 2018. Legal completion expected in 1H 2020

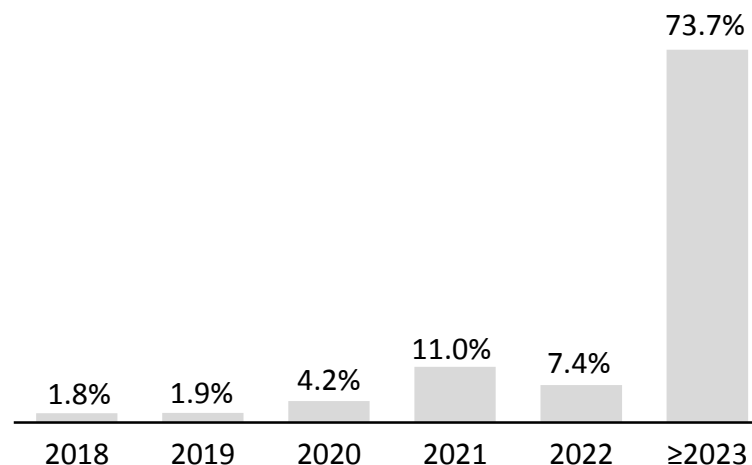
Portfolio AUM¹ breakdown

As at 31 March 2018



Lease expiry profile (by leased area)

As at 31 March 2018

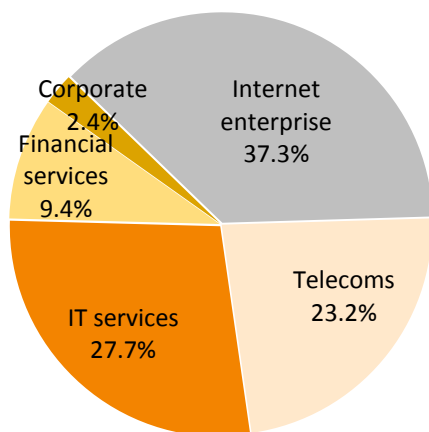


Note:
 (1) maincubes Data Centre is based on initial valuation of €84 million at time of forward purchase. Remaining portfolio AUM is based on respective independent valuations and respective ownership interests as at 31 December 2017.

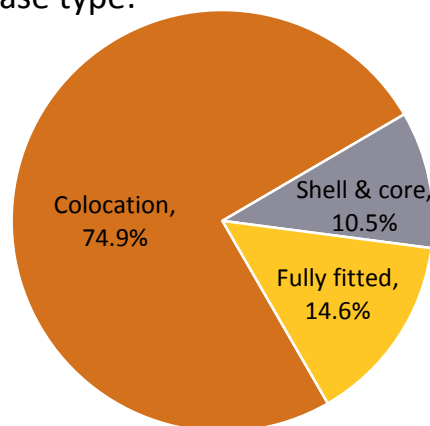
Diversified & Resilient Portfolio (Cont'd)

Rental income breakdown for the month of March 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	WALE ² (years)	Ownership of Data Centre Components		
		M&E Equipment	Facility Management	Servers & Racks
Colocation	4.0	✓	✓	-
Fully fitted	12.2	✓	-	-
Shell & core	11.9	-	-	-

Notes:

- (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 31 March 2018.



Keppel DC REIT



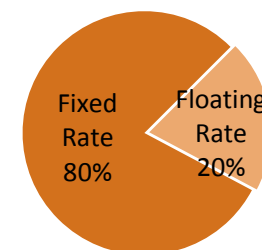
Capital Management

Prudent Capital Management

- **Managing interest rate exposure:** Interest rates of long-term loans substantially hedged with floating-to-fixed interest rate swaps
- **Diversifying sources of funding:** Issuance of €50 million floating rate notes due 2023 under the \$500 million multicurrency Medium Term Note Programme on 10 April 2018

Borrowings on Fixed Rate

As at 31 March 2018

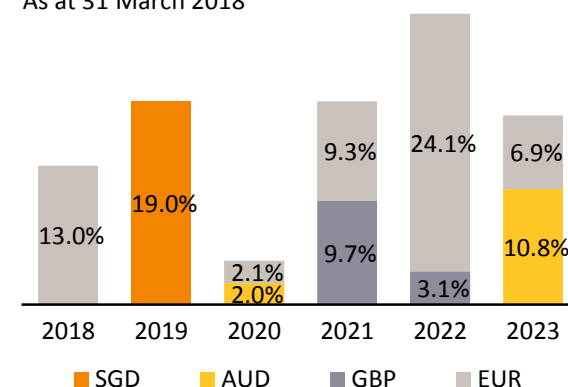


As at 31 March 2018

Total debt	■ ~\$686m of external loans (unencumbered)
Available facilities	■ ~\$62m of undrawn credit facilities
Aggregate Leverage¹	■ 37.4%
Average cost of debt²	■ 2.1% per annum
Debt tenor	■ 3.2 years
Interest coverage³	■ 10.7 times

Debt maturity profile

As at 31 March 2018



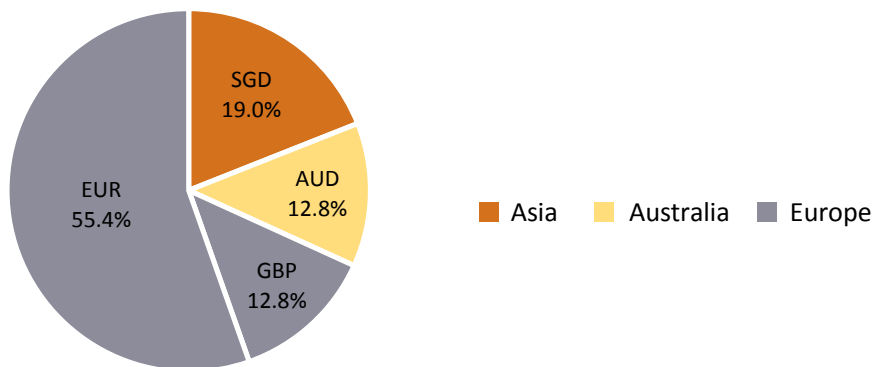
Notes:

- (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)

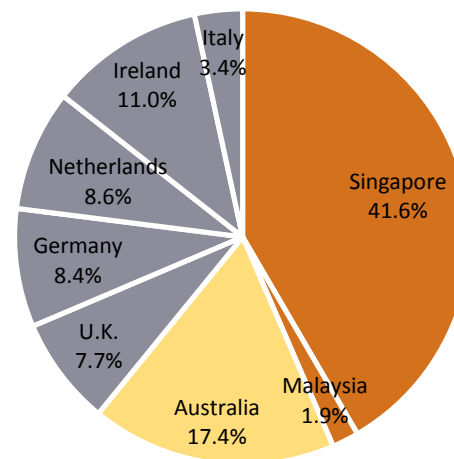
- **Mitigating impact of currency fluctuations:**
 - Hedged the REIT's forecasted foreign-sourced distributions till 1H 2019 through foreign currency forward contracts
 - Adopted natural hedging by borrowing in currencies that match the corresponding investments

Debt currency breakdown
(as at 31 March 2018)



Total borrowings:
Approx. \$686m

Investment properties breakdown¹
(as at 31 March 2018)



Total carrying value:
Approx. \$1.69b

Note:

(1) Based on 100% carrying value as at 31 March 2018 without taking into consideration the finance lease liabilities pertaining to the land rent commitments for isek Data Centre and Keppel DC Dublin 1.

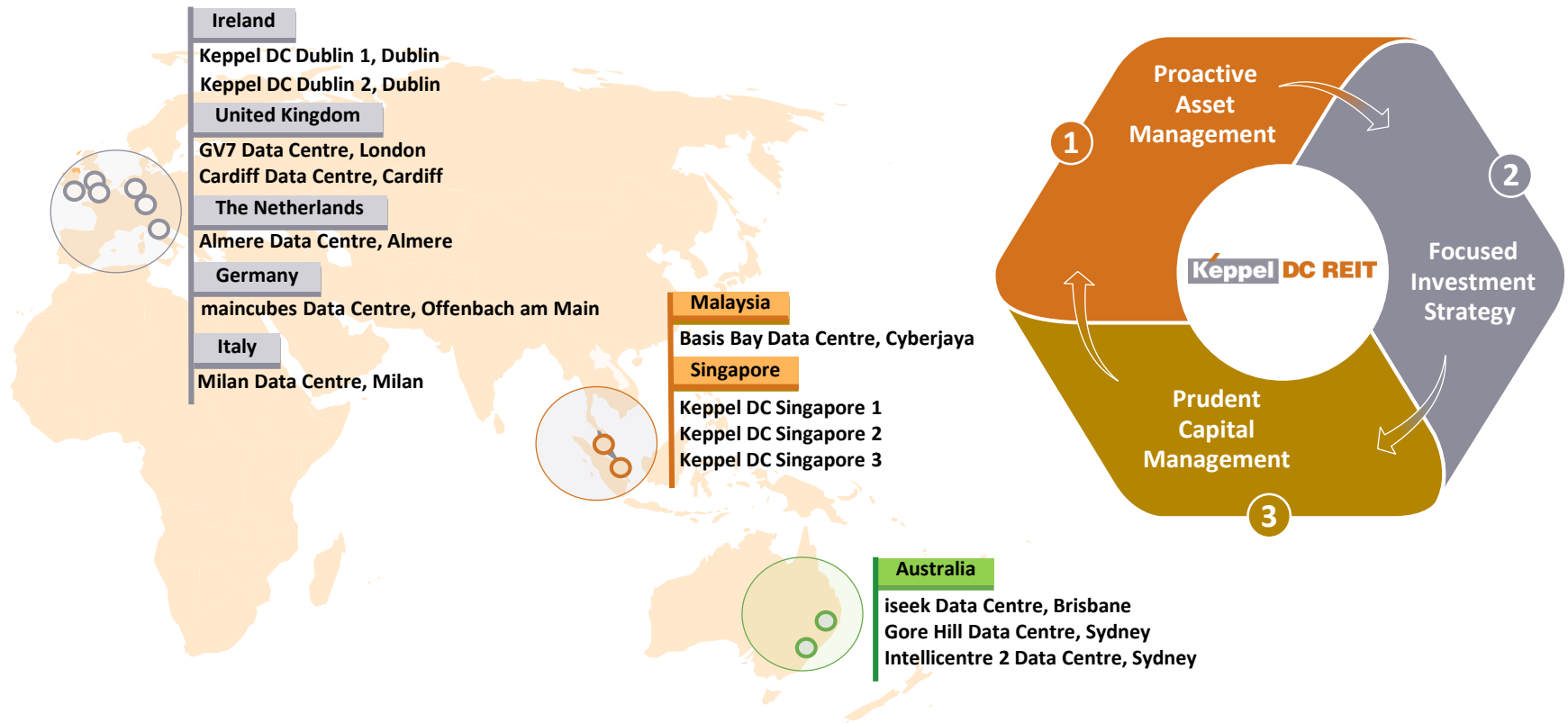
Sound Industry Fundamentals

- Demand for data centre space continues to be driven by:
 - Enterprises moving towards digitalisation
 - Increasing cloud adoption
 - Development of new technologies
 - Implementation of data sovereignty regulations
- These trends are expected to fuel data storage requirements in key data centre hubs



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

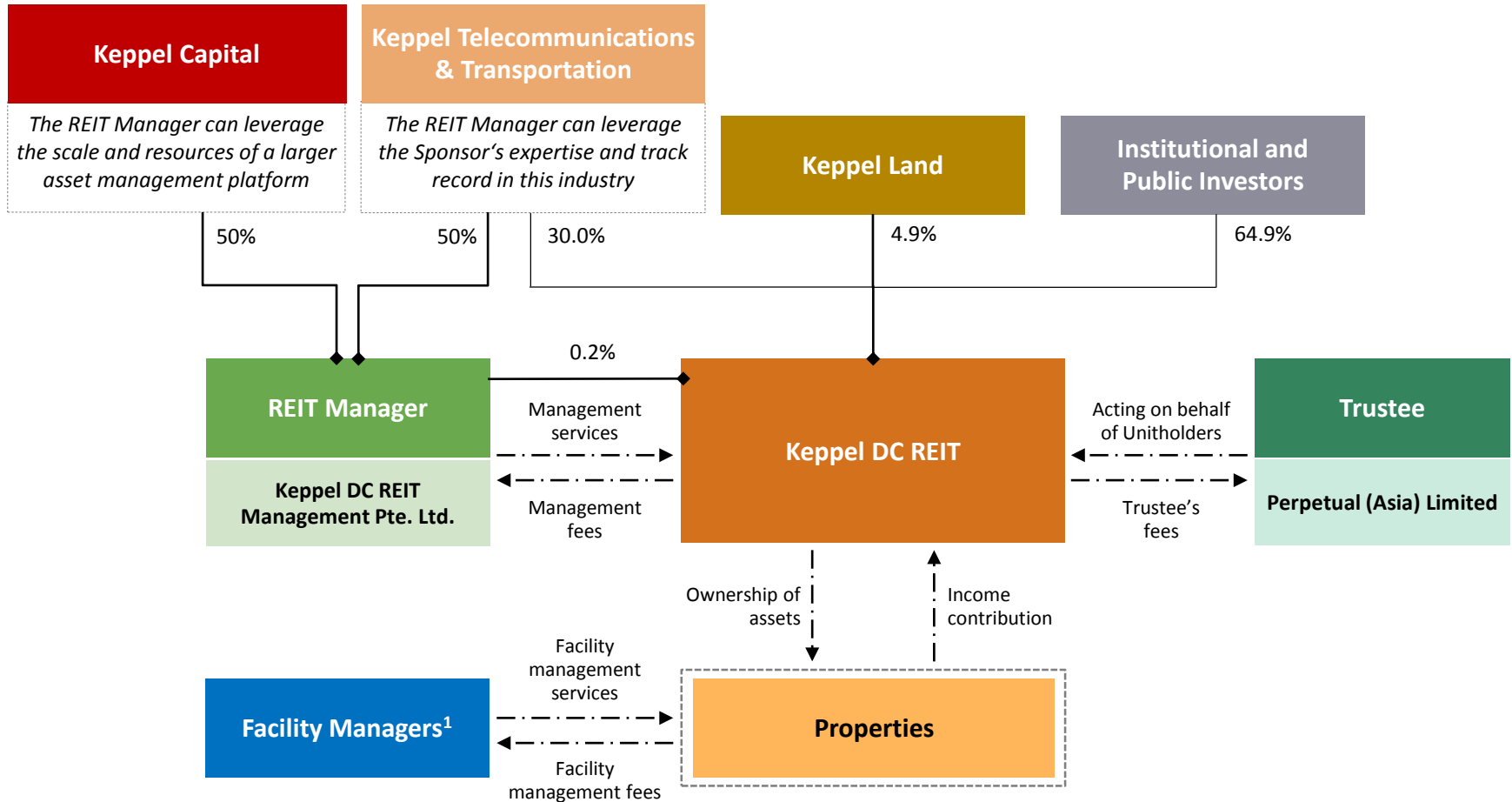


Vision: To be the preferred data centre real estate investment trust, serving as a trusted partner to our stakeholders.

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



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

Portfolio Overview (as at 31 March 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	84.6	286.0	Keppel lease / Colocation	4.0	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	3.3	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	4.2	Leasehold (Expiring 31 Jan 2022, with option to extend by 30 years)
 Basis Bay Data Centre	Cyberjaya, Malaysia	99%	48,193	1	63.1	31.8	Colocation	4.2	Freehold
 Gore Hill Data Centre	Sydney, Australia	100%	90,955	3	100.0	206.2	Triple-net (Shell & core) / Colocation	7.0	Freehold
 Intellicentre 2 Data Centre	Sydney, Australia	100%	87,930	1	100.0	51.8	Triple-net (Shell & core)	17.4	Freehold
 iseek Data Centre	Brisbane, Australia	100%	12,389	1	100.0	34.5	Double-net ³ (Fully fitted)	8.2	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.

(3) 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 31 March 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	62.0	Triple-net (Shell & core)	13.2	Freehold
	London, United Kingdom	100%	24,972	1	100.0	68.4	Triple-net (Fully fitted)	8.9	Leasehold (Expiring 28 Sep 2183)
	Almere, Netherlands	100%	118,403	1 ³	100.0	144.5	Double-net (Fully fitted)	10.4	Freehold
	Dublin, Ireland	100%	68,118	15	57.2	77.7	Colocation	1.7	Leasehold ⁴ (Expiring 11 Apr 2041)
	Dublin, Ireland	100%	25,127	4	90.7	109.7	Colocation	10.3	Leasehold (Expiring 31 Dec 2997)
	Milan, Italy	100%	165,389	1	100.0	59.0	Double-net (Shell & core)	9.8	Freehold
	Offenbach am Main, Germany	100%	126,800	1	100.0	135.7	Triple-net (Fully fitted)	15.0	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.

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 	✓	✓	✓	✓
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 outgoings; responsible for facilities management in their space 	-	-	-	-
Gore Hill Data Centre <i>(for two clients)</i>	Colocation arrangement ³	<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 outgoings; responsible for facilities management 	-	-	-	-
iseek Data Centre	Double-net lease ⁴	<ul style="list-style-type: none"> Client: Pays rent and all outgoings except building insurance; 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 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.
- (2) Refers to the lease entered into by Keppel DC Singapore 3 LLP with the Keppel lessee (Keppel DCS3 Services Pte Ltd) in relation to Keppel DC Singapore 3. 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.
- (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 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.