



First Half 2013 Financial Results 15 July 2013

Keppel REIT



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Growing from strength to strength



- Portfolio of **nine** quality commercial Grade A office assets which are tenanted to established corporate tenants well-diversified across various business sectors
- Total portfolio value of more than **\$6.6 billion**
- Total NLA of approximately **2.8m sf** as at 30 June 2013
- Market capitalisation of **\$3.47 billion¹** as at 28 June 2013
- Strong sponsorship by Keppel Land Limited
- Proven organic growth and acquisition track record

¹ Based on market closing unit price of \$1.295 on 28 June 2013.

Growth History



Bugis Junction Towers



GE Tower



Keppel Towers



Prudential Tower



One Raffles Quay



- Maiden acquisition: One Raffles Quay
- Strategically located at Marina Bay

\$2.1 billion



Prudential Tower



- First third-party acquisition: Increased stake in Prudential Tower

\$2.1 billion



275 George Street, Brisbane



77 King Street, Sydney

- First overseas acquisition
- First SREIT to qualify for MIT structure
- First strategic asset swap to acquire MBFC Phase 1

\$3.5 billion



8 Chifley Square, Sydney



Ocean Financial Centre

- First forward funding acquisition structure
- First SREIT to structure LLP to hold assets

\$6.0 billion



Ocean Financial Centre



- Increased interest in OFC to 99.9%
- Obtained tax transparency for MBFC Phase 1
- Switched to quarterly distributions

\$6.5 billion



Office Tower at Old Treasury Building site, Perth



8 Exhibition Street, Melbourne

- Acquisition of the new office tower at the Old Treasury Building in Perth, WA

> \$6.6 billion

- Announced the acquisition of 8 Exhibition Street in Melbourne

K-REITasia listed in April

\$630.7 million



Renamed to
Keppel REIT

2006

2007

2009

2010

2011

2012

2013

Sterling Property Portfolio

- **Nine** premium Grade A office assets valued at more than **\$6.6 billion**
- Young portfolio, average age of approximately **5 years**
- More than **92%** of Singapore portfolio located in the **Raffles Place and Marina Bay precincts**
- Assets in Singapore and Australia, two of the handful of countries with AAA sovereign ratings.

Singapore Properties



Ocean Financial Centre
(99.9% interest)



MBFC Towers 1 and 2
and Marina Bay Link Mall
(33.3% interest)



One Raffles Quay
(33.3% interest)



Prudential Tower
(92.8% interest)



Bugis Junction Towers

Australia Properties



8 Chifley Square
(50% interest), Sydney
** Expected to be completed in 3Q 2013*



77 King Street
Office Tower,
Sydney



275 George Street
(50% interest),
Brisbane



Old Treasury Building Office Tower
(50% interest), Perth
** Expected to be completed in 2H 2015*

- 1H 2013 Highlights
- Financial Highlights
- Capital Management
- Portfolio Analysis
- Market Review and Outlook
- Going Forward
- Additional Information



Bugis Junction Towers

- Delivers **6.1%** distribution yield for 1H 2013
- Distributable income **↑ 6.8%** y-o-y to **\$105.1 million**
- Surpassing \$104 million** for two consecutive half-year distributions
- Distribution per Unit (DPU) **↑ 2.6%** y-o-y to **3.94 cents**
- Annualised DPU **↑ 3.0%** y-o-y to **7.95 cents**
- Net property income **↑ 11.5%** y-o-y to **\$66.7 million**
- Share of results of associates **↑ 37.5%** y-o-y to **\$30.4 million**
- All-in interest rate stood at **2.16%** p.a.

- Announced acquisition in Melbourne, Australia
 - 50% interest in 8 Exhibition Street
 - Premium **freehold** Grade A office building
 - Located in **prime CBD of Melbourne**
- Completed **early refinancing** of approximately **60%** of borrowings due in 2014
 - Weighted average term to expiry of borrowings **↑ to 3.6years**
- Average portfolio committed occupancy **↑ to 99.1%**
 - Singapore portfolio committed occupancy of **99.2%**
 - Ocean Financial Centre occupancy **↑ to 97.9%**

- Free-float increased to approximately **48.5%**
- Inclusion in:
 - FTSE EPRA/NAREIT Global Developed Index**
 - FTSE EPRA/NAREIT Pure Asia Index**
 - GPR 250 Index**
- Assisted Compliance Assurance Programme (**ACAP**)
Premium status for five years
 - Step down in IRAS-GST compliance activities
 - Faster GST refunds
 - Dedicated team from IRAS to handle GST rulings and issues

Ocean Financial Centre Phase 2



Canopy between the office tower and the retail and car park annex



Underground pedestrian network to Raffles Place interchange MRT station



Largest vertical green wall in Singapore



Construction overview of ground floor plaza

Income-accretive Acquisition in Melbourne

- Announced acquisition of 50% interest in 8 Exhibition Street, Melbourne, Australia
- Freehold premium Grade A office building
- Located in most prime part of Melbourne's CBD
- 100% leased to well-established tenants
- Long WALE of approximately 5 years
- Expected to be immediately DPU accretive
- Acquisition expected to be completed on 1 Aug 2013





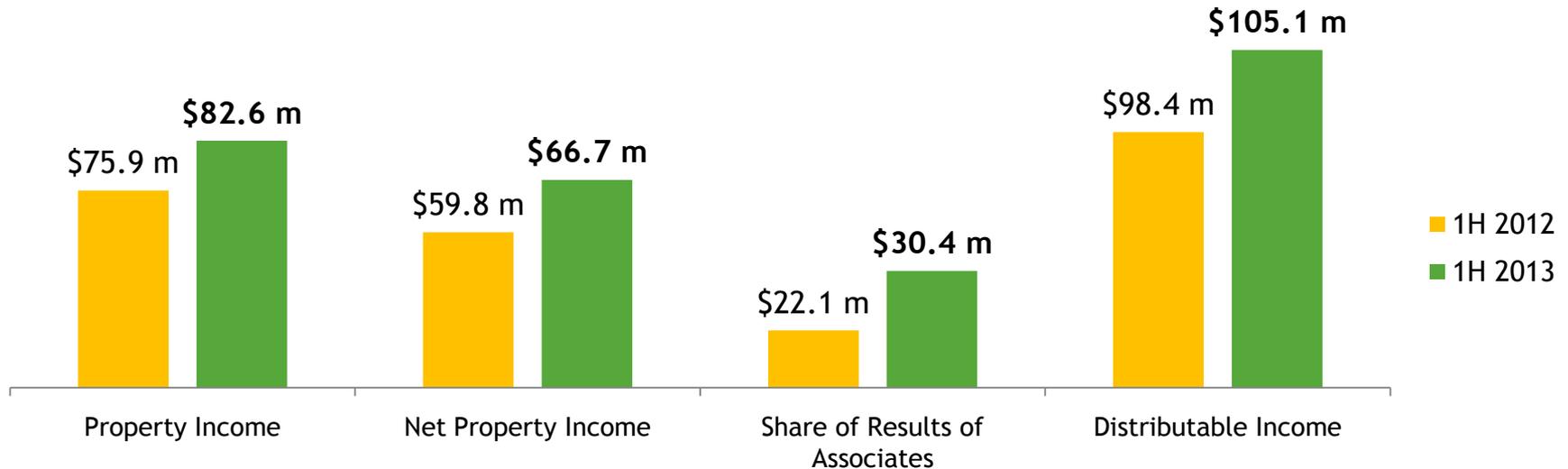
Financial Highlights



Ocean Financial Tower

Distributable income ↑ 6.8% y-o-y to \$105m

	1H 2013	1H 2012	Change	
Property Income	\$82.6m	\$75.9m	\$6.7m	8.9%
Net Property Income	\$66.7m	\$59.8m	\$6.9m	11.5%
Share of Results of Associates	\$30.4m	\$22.1m	\$8.3m	37.5%
Distributable Income to Unitholders ¹	\$105.1m	\$98.4m	\$6.7m	6.8%
Distribution Per Unit (DPU)				
- For the Period	3.94 cents	3.84 cents	0.10 cents	2.6%
- Annualised	7.95 cents	7.72cents	0.23 cents	3.0%



¹ The distributable income to Unitholders is based on 100% of the income available for distribution.

 1H 2013 DPU  **2.6%** y-o-y to **3.94 cents**

	2Q 2013 Distribution
Distribution Per Unit (DPU)	1.97 cents
Distribution Period	1 Apr 2013 - 30 Jun 2013
Trading on “Ex” Basis	Friday, 19 Jul 2013
Books Closure Date	Tuesday, 23 Jul 2013
Distribution Payment Date	Wednesday, 28 Aug 2013

	1H 2013 Distribution
Distribution Per Unit (DPU)	3.94 cents
Annualised DPU	7.95 cents
Distribution Period	1 Jan 2013 - 30 Jun 2013

	As at 30 June 2013	As at 31 Mar 2013
Non-current Assets	\$6,097 m	\$6,107 m
Total Assets	\$6,228 m	\$6,254 m
Borrowings ¹	\$2,931 m	\$2,878 m
Total Liabilities	\$2,767m	\$2,734 m
Unitholders' Funds	\$3,460 m	\$3,518 m
Net Asset Value (NAV) Per Unit	\$1.29	\$1.31
Adjusted NAV Per Unit ²	\$1.27	\$1.29

¹ These include borrowings accounted for at the level of associates and excludes the unamortised portion of upfront fees in relation to the borrowings.

² For 30 June 2013, this excludes the 2013 distribution which will be distributed in August 2013.

For 31 March 2013, this excludes the advanced distribution in April 2013, and the remaining distribution in May 2013.



Capital Management



Prudential Towers

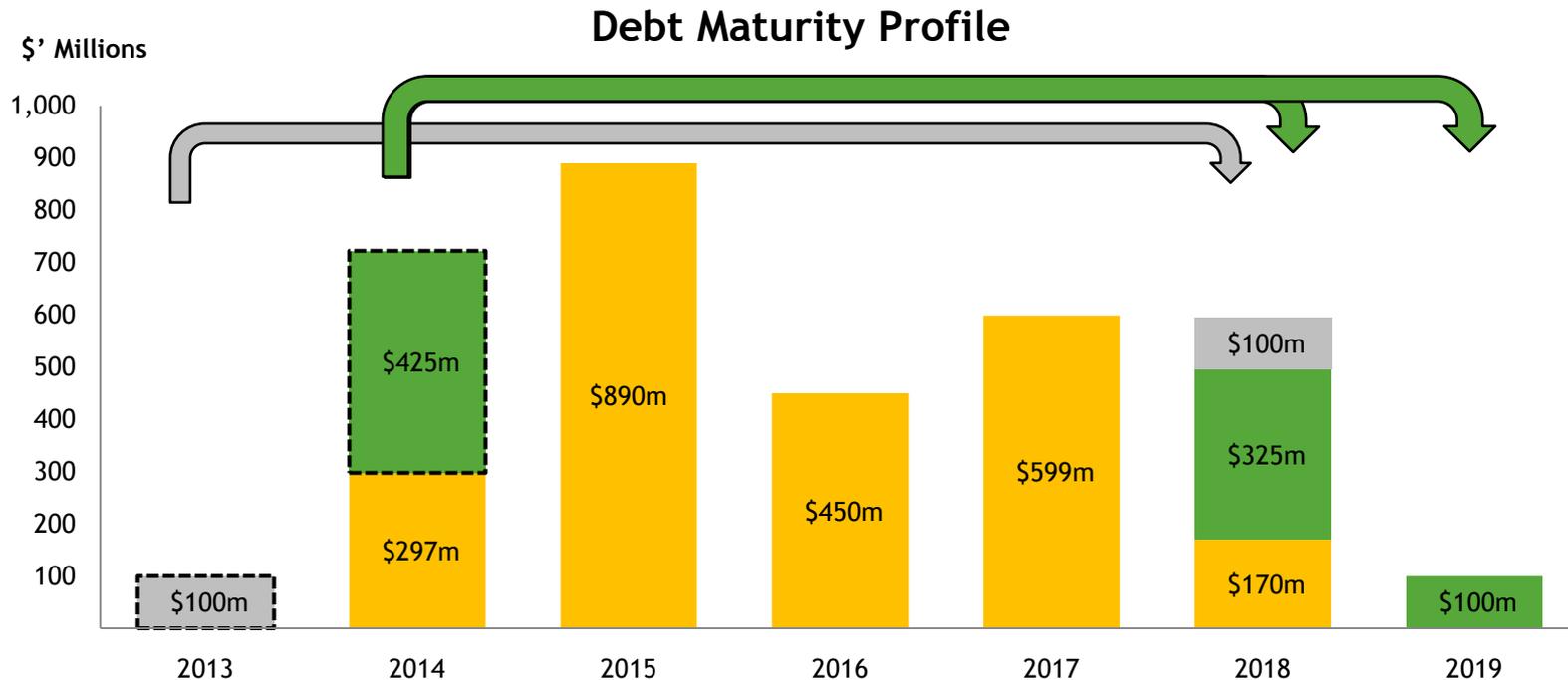
- Completed **all** refinancing for 2013
- Completed **early refinancing** of approximately **60%** of borrowings due in 2014
- Well-staggered** debt maturity profile
- Further diversified number of lenders from **14** to **15**
- All-in interest rate stood at **2.16%** p.a.
- Interest coverage ratio of **4.8 times**¹
- Weighted average term to expiry of **3.6 years**²

¹ Interest coverage ratio = Ratio of quarter earnings before interest, tax, depreciation and amortisation divided by interest expense.

² As refinancing will be completed on 15 July 2013, the pro forma weighted average term to expiry as of 30 June 2013 is 3.6 years.

As at 30 June 2013

Gross Borrowings	\$2,931 m
Aggregate Leverage	44.2%
All-in Interest Rate	2.16% p.a.
Interest Coverage Ratio	4.8 times
Weighted Average Term to Expiry	3.6 years ¹



¹ As refinancing will be completed on 15 July 2013, the pro forma weighted average term to expiry as of 30 June 2013 is 3.6 years.

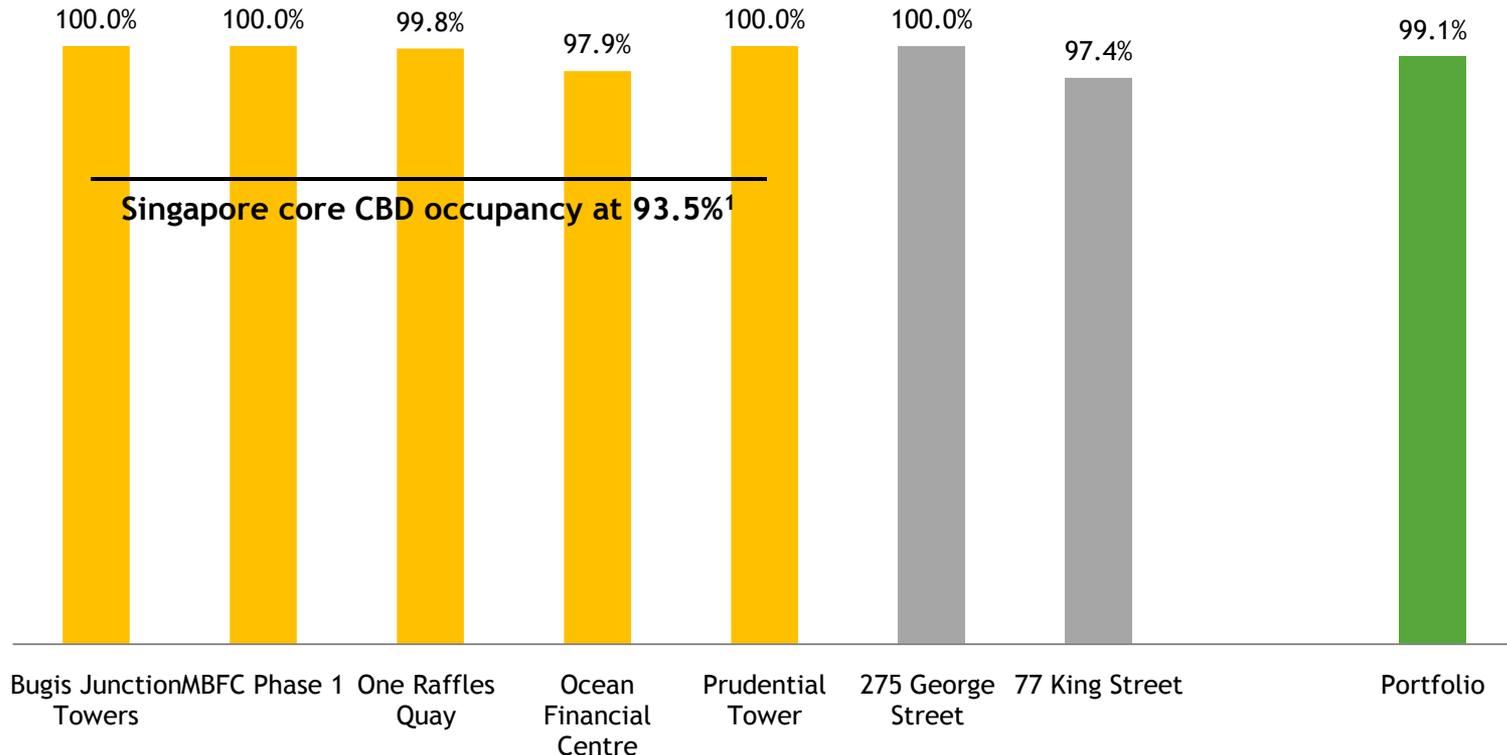


Portfolio Analysis



Strong Portfolio Occupancy at 99.1%

- Portfolio average occupancy ↑ to 99.1% in 2Q 2013
- Singapore portfolio occupancy ↑ to 99.2%
- Occupancy at Ocean Financial Centre now 97.9%



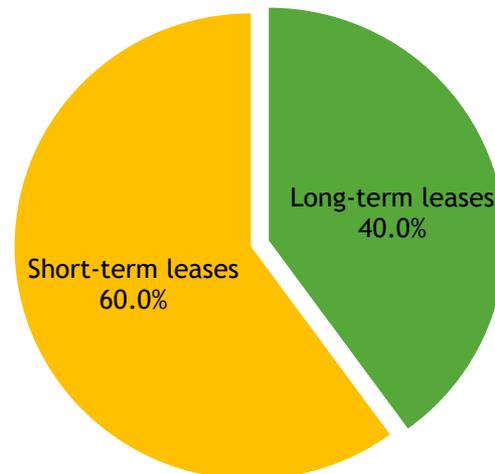
¹ Source: Colliers International

Top ten tenants have long WALE of 9.0 years¹

Weighted Average Lease Expiry (WALE)



Portfolio with Long-term Leases³ by NLA



¹ Excluding the acquisition of the Old Treasury Building office tower, the top ten tenants WALE will be 6.7 years.

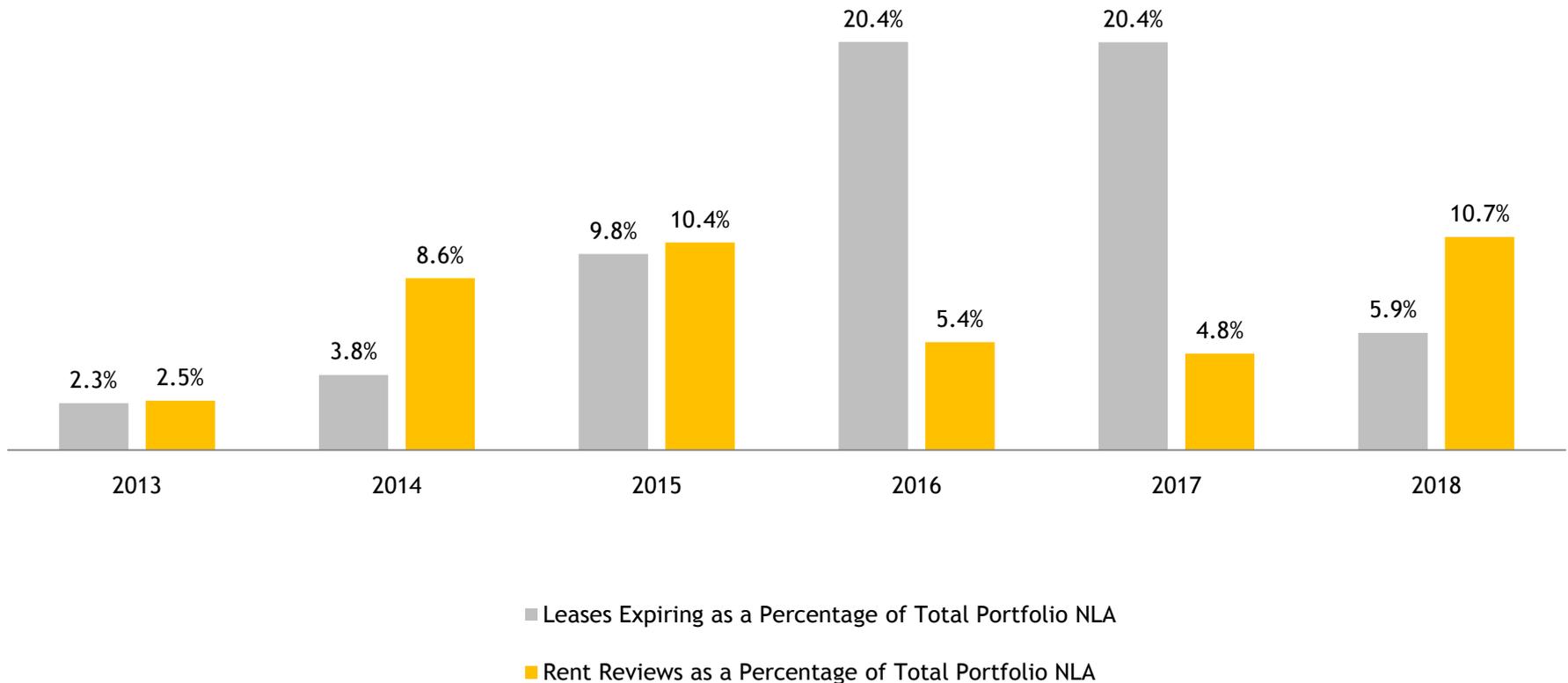
² Excluding the acquisition of the Old Treasury Building office tower, the portfolio WALE will be 5.5 years.

³ Long-term leases are those with lease terms to expiry of at least five years.

Well-staggered Lease Expiry Profile

- Approximately **2.3%** of portfolio NLA due for renewal in 2H 2013
- Approximately **2.5%** of portfolio NLA due for rent review in 2H 2013

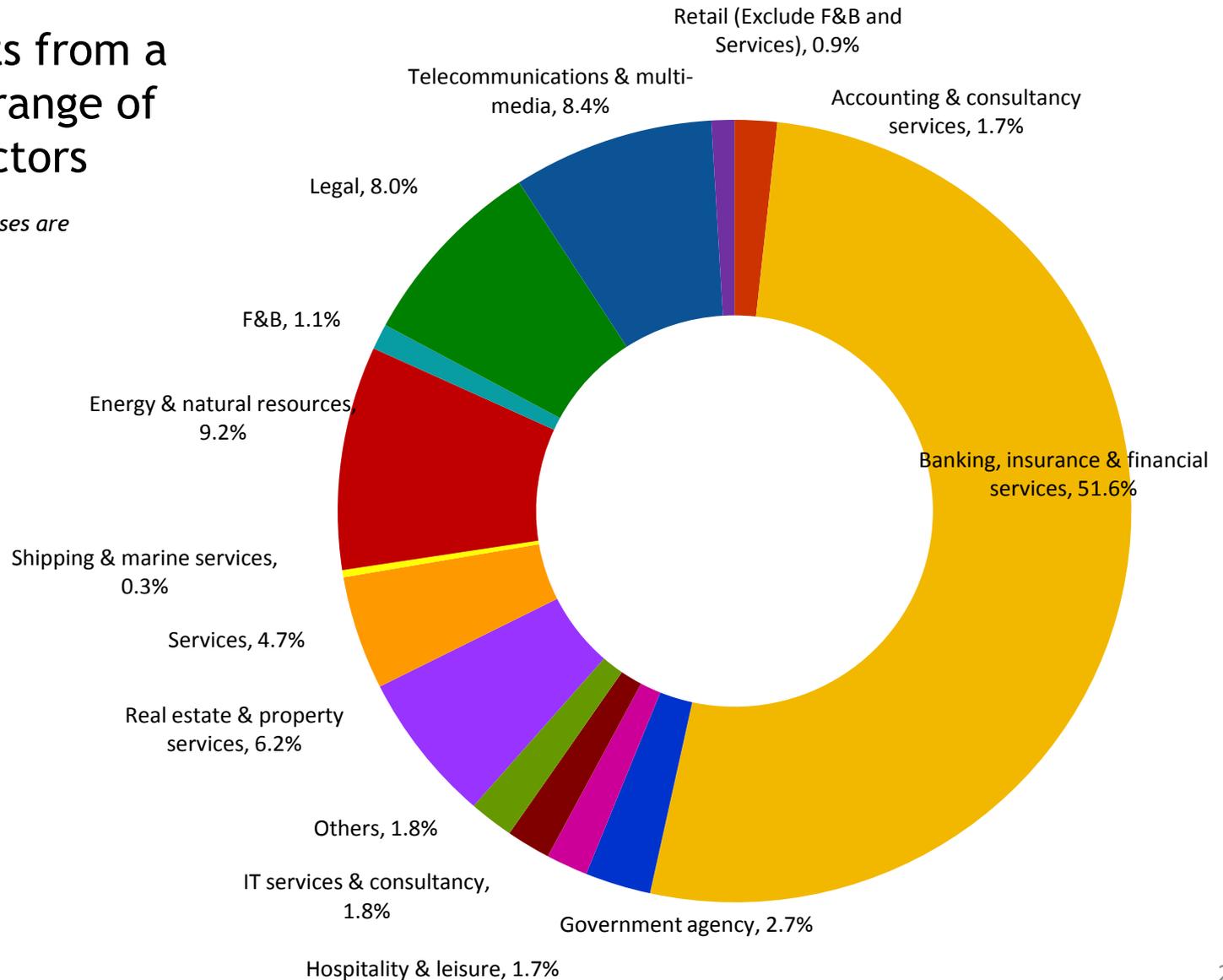
Portfolio Lease Profile (by NLA) as at 30 June 2013



Tenants **Diversified** Across Various Business Sectors

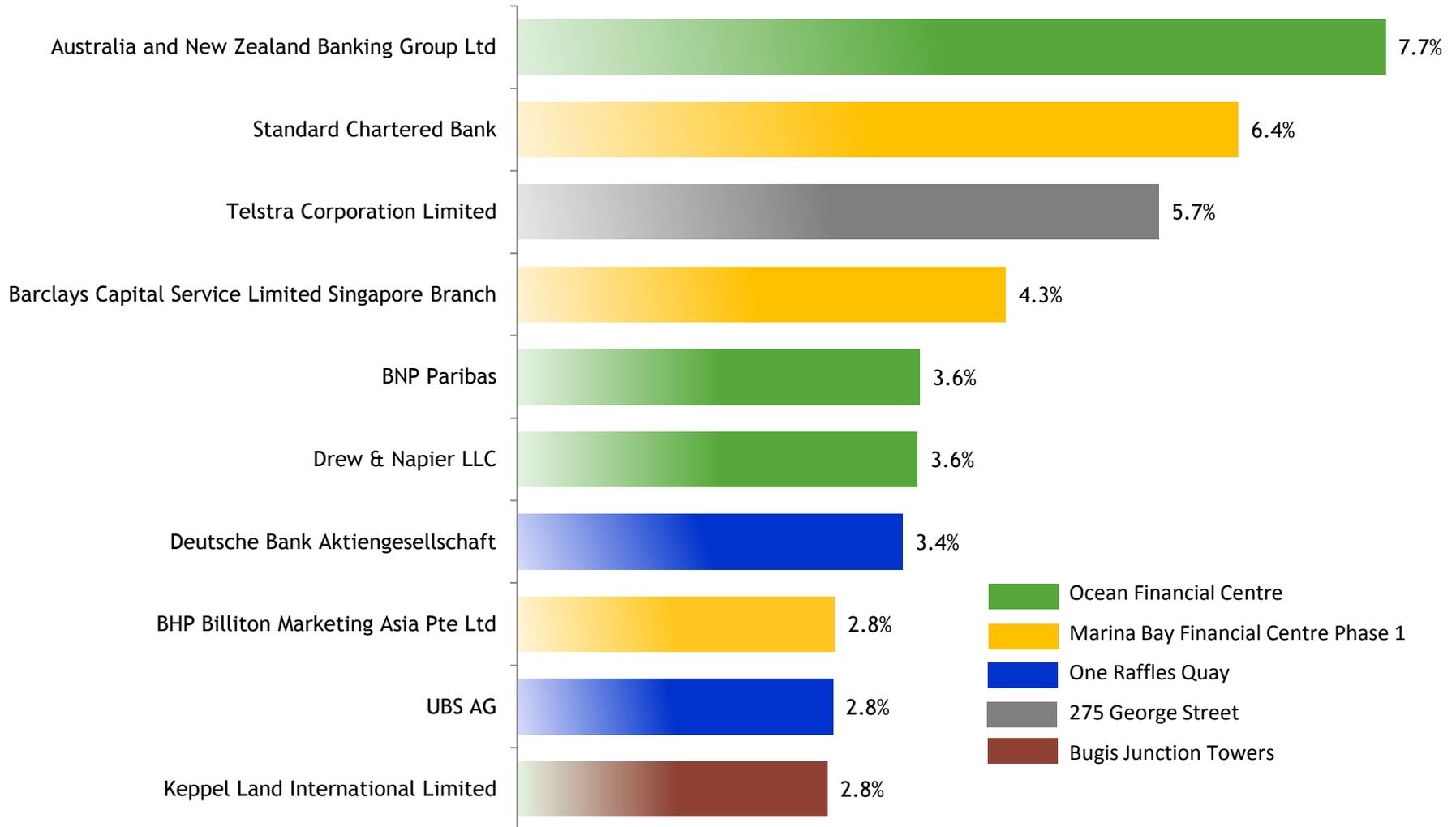
223¹ tenants from a diversified range of business sectors

¹ Tenants with multiple leases are accounted as one tenant.



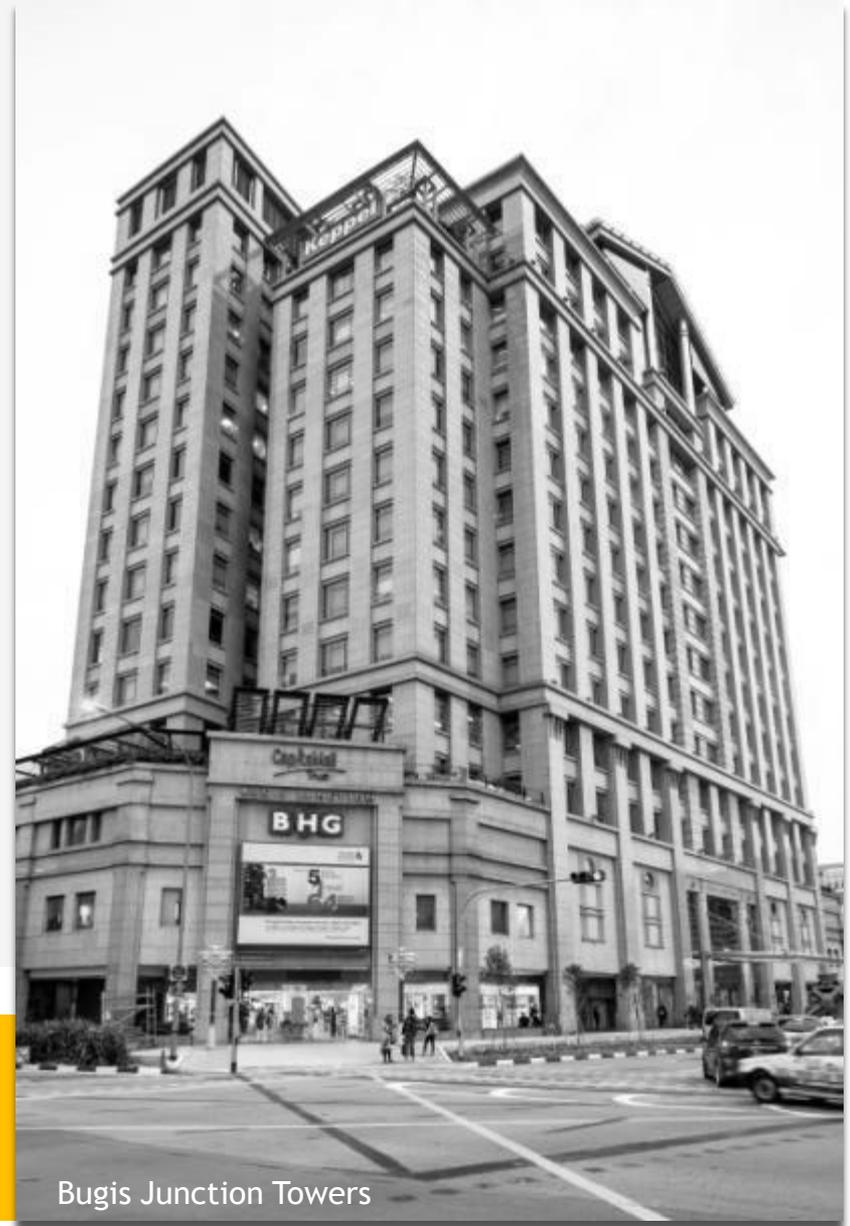
Top ten tenants account for **43.2%** of portfolio NLA

Top Ten Tenants





Market Review and Outlook



Bugis Junction Towers

- Rents of premium grade office space in the core CBD of Raffles Place and Marina Bay increased for the **1st** time in 7 quarters
- Average monthly gross rents for premium grade office space in the core CBD **increased** from \$9.41 psf in 1Q 2013 to **\$9.60 psf** in 2Q 2013
- Occupancy rate for premium grade office space in the core CBD continued to increase for the **5th** consecutive quarter
- Occupancy rate of premium grade office space in the core CBD **increased** from 90.2% in 1Q 2013 to **93.5%** in 2Q 2013
- Demand for prime office space in 2Q 2013 came mainly from financial and business service companies.

Singapore

- Asia Pacific region expected to experience a positive GDP growth due to high employment rates and strong consumerism
- Advanced estimates by the Ministry of Trade and Industry showed that the Singapore economy grew by 15.2% quarter-on-quarter in 2Q 2013
- Singapore office market becoming more diversified, and is benefiting from the city's growth as one of Asia's wealth management centres and commodities hubs

Economic and Office Market Outlook

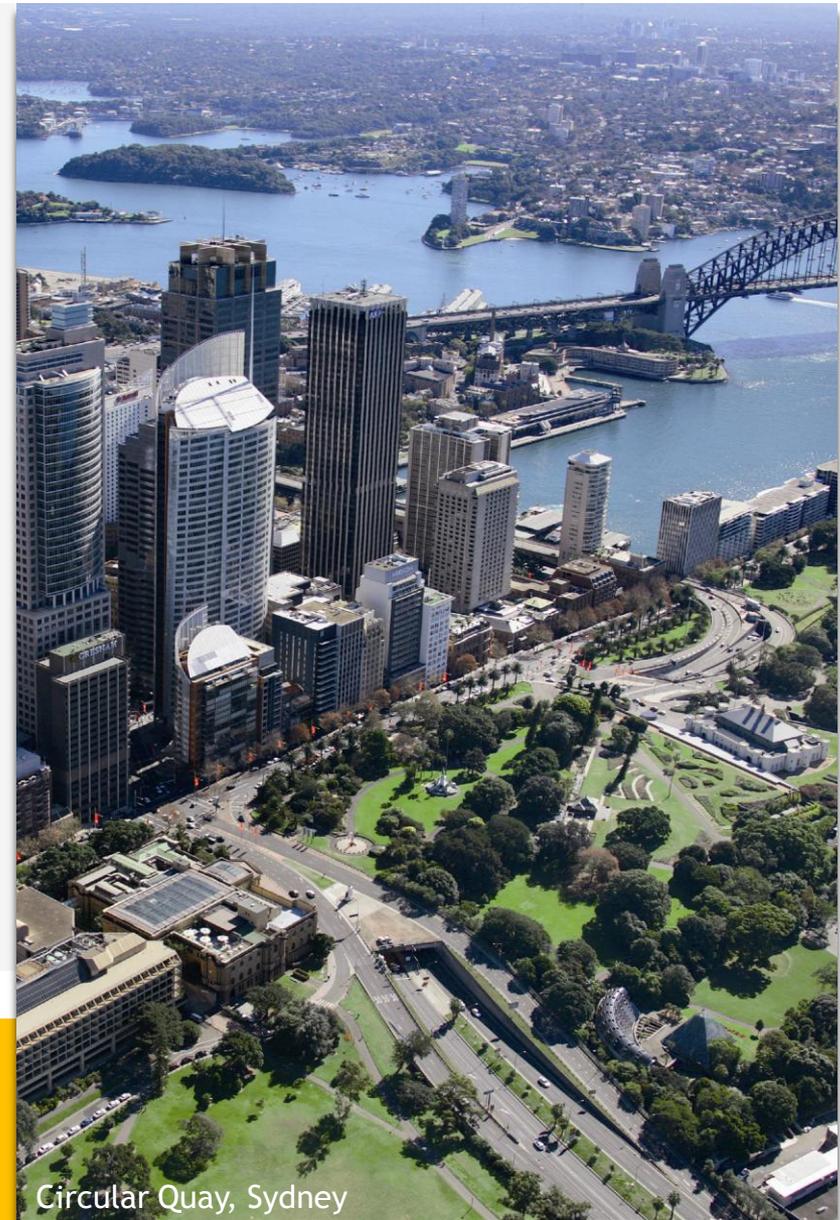


Marina Bay area

Australia

- Normalisation of the Australian dollar seen as a good stimulus for the economy
- Limited new supply of prime offices in Sydney's CBD has kept occupancy rates at healthy levels
- Rebalancing of growth from mining to other sectors has kept occupancy rates of prime office markets in Brisbane and Perth steady

Economic and Office Market Outlook



Circular Quay, Sydney



Going Forward



8 Chifley Square

Vision

Keppel REIT aims to be a successful commercial real estate investment trust with a sterling portfolio of assets pan-Asia

Mission

To deliver stable and sustainable returns to Unitholders by continually enhancing our assets and expanding our portfolio

Proactive Lease Management

- **Proactively** manage leases due for rent review
- Continue to focus on maintaining **strong occupancy** for its portfolio

Prudent Capital Management

- **Actively refinance** maturing loans at **competitive** terms to extend debt maturity profile
- **Monitor** interest rate and foreign exchange exposures

Long- Term Growth

- **Selectively** pursue opportunities for **strategic** acquisitions so as to deliver **long term growth** to Unitholders



Additional Information



275 George Street

Portfolio Information

More than **92%** of the Singapore portfolio is located in the **Raffles Place and Marina Bay precincts**.

	Bugis Junction Towers	MBFC Interest ⁽³⁾	Ocean Financial Centre Interest	One Raffles Quay Interest ⁽³⁾	Prudential Tower Property
Description	15-storey Grade A office tower	A pair of 33 and 50 storey premium Grade A office towers and subterranean mall	43-storey premium Grade A office tower	A pair of 50 and 29 storey premium Grade A office towers	30-storey Grade A office tower
Attributable NLA (sf)	244,976	581,902	885,100	443,922	221,785
Ownership	100.0%	33.3%	99.9%	33.3%	92.8%
Number of tenants ⁽¹⁾	11	83	39	32	39
Principal tenants	IE Singapore, InterContinental Hotels Group, Keppel Land	Barclays Capital, BHP Billiton, Standard Chartered Bank	ANZ, BNP Paribas, Drew & Napier LLC	Royal Bank of Scotland, Deutsche Bank, UBS	Prudential Assurance Company, UniCredit Bank, Kumon Asia & Oceania
Tenure	99 years expiring 9 Sep 2089	99 years expiring 10 Oct 2104	99 years expiring 13 Dec 2110	99 years expiring 12 Jun 2100	99 years expiring 14 Jan 2095
Valuation ⁽²⁾ (\$ million)	455.0	1,528.0	2,377.0 ⁽⁴⁾	1,137.3	489.7
Committed occupancy	100.0%	100.0%	97.9%	99.8%	100.0%

(1) Tenants with multiple leases accounted as one tenant.

(2) Valuation as at 31 December 2012 based on Keppel REIT's interest in the respective properties unless otherwise stated.

(3) Refers to Keppel REIT's one-third interest in Marina Bay Financial Centre Towers 1 & 2 and Marina Bay Link Mall, and a one-third interest in One Raffles Quay.

(4) Valuation as at 28 December 2012.

Portfolio Information

	275 George Street Property	77 King Street Property	8 Chifley Square Interest	Office Tower to be built at the Old Treasury Building site
Description	30-storey Grade A office tower	18-storey Grade A office tower	34-storey Grade A office tower scheduled for completion in 3Q 2013	35-storey Grade A office tower scheduled for completion in 2H 2015
Attributable NLA (sf)	224,688	147,980	102,893	165,685
Ownership	50.0%	100.0%	50.0%	50.0%
Number of tenants ⁽¹⁾	8	16	2	1
Principal tenants	Queensland Gas Company, Telstra Corporation	Apple, Capgemini Australia, Facebook	Corrs Chambers Westgarth, QBE Insurance Group ⁽³⁾	Government of Western Australia ⁽³⁾
Tenure	Freehold	Freehold	99 years expiring 5 Apr 2105	99 years ⁽⁵⁾
Valuation (S\$ million)	223.4 ⁽²⁾	144.1 ⁽²⁾	191.0 ⁽⁴⁾	198.2 ⁽⁶⁾
Committed occupancy	99.7%	97.4%	56.5%	98.2%

(1) Tenants with multiple leases accounted as one tenant

(2) Valuation as at 31 December 2012 based on Keppel REIT's interest in the respective properties unless otherwise stated and based on the exchange rate of A\$1 = S\$1.201.

(3) Pre-committed leases.

(4) Valuation as at 31 December 2012 based on completed basis and based on the exchange rate of A\$1 = S\$1.201.

(5) The 99 year leasehold tenure will commence on the date of practical completion of the property.

(6) Based on purchase price of A\$165 million and based on the exchange rate of A\$1 = S\$1.201, as the valuation of the property which is under construction has not been performed.



<http://www.keppelreit.com>

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One Raffles Quay