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MEDIA RELEASE

Unaudited Results of Keppel REIT for the Third Quarter and Nine Months Ended 30 September 2013

14 October 2013

The Directors of Keppel REIT Management Limited, as manager of Keppel REIT, are pleased to announce the unaudited results of Keppel REIT for the third quarter and nine months ended 30 September 2013.

The materials are also available at *www.keppelreit.com, www.keppelland.com and www.kepcorp.com*.

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Keppel REIT's Total Return before Tax for YTD Sep 2013 Grew 14.6% Year-on-Year

- ***Total Return before Tax increased 14.6% year-on-year ("y-o-y") to $115.9 million***
- ***Net Property Income for YTD Sep 2013 increased 9.9% y-o-y to $100.9 million due mainly to improved performance from Ocean Financial Centre and the additional contribution from 8 Exhibition Street, a premium freehold Grade A office building in prime central business district ("CBD") of Melbourne, Australia***
- ***Share of Results of Associates for YTD Sep 2013 registered an improvement of 33.2% y-o-y to $46.4 million due to improved performance from Marina Bay Financial Centre Phase 1 and One Raffles Quay***
- ***Distributable Income for YTD Sep 2013 rose 6.1% y-o-y to $159.1 million***
- ***Overall committed portfolio occupancy increased from 99.1% to 99.4%***

Milestones in 3Q 2013

- ***Six out of eight existing properties in Singapore and Australia are 100% occupied***
- ***No refinancing requirements over the next 24 months***
- ***Completed the acquisition of a 50% stake in 8 Exhibition Street in Melbourne***
- ***Completed the construction of Ocean Financial Centre Phase 2, which comprises the retail and car park annexe, as well as 8 Chifley Square in Sydney***
- ***Keppel REIT's free-float up from 24.4% at the beginning of 2013, to 55.3% in 3Q 2013***
- ***Moody's rating of Keppel REIT upgraded by one-notch to Baa2 with a stable outlook***
- ***Awarded the Best Annual Report (Gold) in the REITs and Business Trusts category at the Singapore Corporate Awards 2013***

Summary of Results

	3Q 2013 ($'000)	**YTD Sep 2013** ($'000)	**YTD Sep 2012** ($'000)	**% Change**
Property Income	43,952	126,551	116,073	9.0
Net Property Income	34,277	100,944	91,861	9.9
Share of Results of Associates	15,999	46,370	34,801	33.2
Distributable Income to Unitholders[1]	54,079	159,149	150,040	6.1
DPU (cents)	1.97	5.91	5.80	1.9
Annualised DPU (cents)	7.82	7.90	7.75	1.9
Distribution Yield	6.4%[2]	6.4%[2]	6.5%[3]	-

[1] The distributable income to Unitholders is based on 100% of the income available for distribution.
[2] The yield is based on the market closing price per unit of $1.23 as at the last trading day, 30 September 2013.
[3] The yield is based on the market closing price per unit of $1.185 as at the last trading day, 28 September 2012.

Financial Performance

Keppel REIT Management Limited is pleased to announce that Keppel REIT's distributable income for YTD Sep 2013 has increased 6.1% y-o-y to $159.1 million, representing a distribution yield of 6.4% based on the market closing price of $1.23 as at 30 September 2013. The increase in income was due mainly to higher contributions from Ocean Financial Centre and additional new income from 8 Exhibition Street in Melbourne. Increased interest income from 8 Chifley Square in Sydney and the office tower to be built at the Old Treasury Building site in Perth have also contributed to the higher income for YTD Sep 2013.

For the first three quarters of 2013, Keppel REIT registered a 9.9% and 9.0% y-o-y increase in net property income and property income to $100.9 million and $126.6 million respectively, due mainly to improved performance from Ocean Financial Centre and income contribution from 8 Exhibition Street.

Share of results of associates increased 33.2% y-o-y to $46.4 million for YTD Sep 2013 due to higher contributions from Marina Bay Financial Centre Phase 1 and One Raffles Quay. The improved performances of both assets were attributed to a combination of an increase in occupancy and positive rental reversions, as well as the conversion of Marina Bay Financial Centre Phase 1 to a Limited Liability Partnership ("LLP") in mid-June 2012. The conversion to a LLP allows income contribution from Marina Bay Financial Centre Phase 1 to be passed on to Unitholders on a tax transparent basis.

Following the early refinancing of $425 million of borrowings due in 2014, the Manager also completed the early refinancing of a further $282 million in 3Q 2013. This means that 100% of the borrowings that would have been due in 2014 have been successfully early refinanced and termed out. In addition, during the quarter, the Manager also commenced early refinancing of loans due in 2015. Currently, the Manager has also successfully early refinanced approximately $60 million of borrowings due in 2015. The weighted average term to expiry of borrowings has been further extended from 3.6 years to 3.8 years. Keppel REIT also maintained a low all-in interest rate of 2.15% and a healthy interest coverage ratio of 5.6 times as at 3Q 2013.

Sustained Strong Portfolio Performance

Keppel REIT continued to improve its portfolio's occupancy in 3Q 2013. Six out of eight existing buildings are 100% occupied. Both One Raffles Quay and Ocean Financial Centre registered improved occupancies, and are 100% and 98.8% committed respectively. In Singapore, Marina Bay Financial Centre Phase 1, Prudential Tower and Bugis Junction Towers continue to maintain their full occupancies. This brings Keppel REIT's Singapore portfolio average occupancy to 99.5% in 3Q 2013, up from 99.2% in 2Q 2013, significantly higher than the average Singapore CBD occupancy of 93.5%. Occupancy of Keppel REIT's Australia portfolio remained strong in 3Q 2013, with an average occupancy rate of 98.8%, and with 275 George Street and 8 Exhibition Street fully occupied.

There were a total of 247 tenants in Keppel REIT's portfolio of commercial properties as at end-September 2013. Keppel REIT's weighted average lease expiry ("WALE") remained at healthy levels of 8.3 years and 6.4 years for its top ten tenants and the entire portfolio respectively.

The construction of the seven-storey retail and car park annexe in Ocean Financial Centre Phase 2 was completed during the quarter. Retail tenants at Ocean Financial Centre Phase 2 have commenced their fitting-out works, and the car parks have started generating income from 1 September 2013. Construction of 8 Chifley Square, the new premium office building in Sydney's CBD, was also completed recently.

DPU Accretive Acquisition of 8 Exhibition Street in Melbourne

On 26 June 2013, Keppel REIT announced the acquisition of a 50% interest in a premium freehold Grade A office building at 8 Exhibition Street in Melbourne. The acquisition, which was completed on 1 August 2013, was immediately DPU accretive and adds to Keppel REIT's existing sterling portfolio of commercial assets in Singapore and in key cities of Australia. 8 Exhibition Street is 100% leased to well-established tenants in the financial, aviation, financial advisory, tax and transaction services sectors.

Industry Recognition

In August 2013, Moody's upgraded Keppel REIT's rating by one-notch to Baa2 with a stable outlook. The improved rating was assigned based on Keppel REIT's enlarged and high-quality asset portfolio in Singapore and Australia, strong operating performance, as well as its proactive capital management which minimises refinancing risks for the next 12 to 18 months. Moody's also highlighted the Manager's ability to obtain funds at low interest rates and for maintaining a high interest coverage, thereby ensuring financial flexibility.

The Manager also clinched the Best Annual Report (Gold) in the REITs and Business Trusts category at the Singapore Corporate Awards 2013 in August. The award recognises the Manager's efforts in ensuring good financial reporting presentation and corporate disclosures beyond the minimum regulatory requirements, in tandem with the needs of investors and other stakeholders.

Positive Outlook for Singapore Office Market

The Singapore economy is expected to grow at a revised 2.5% to 3.5% in 2013, higher than the earlier forecast of between 1% and 3%. The higher GDP growth expected for the second half of the year is also reflected in a survey conducted by the Monetary Authority of Singapore.

The average monthly gross rents of both Premium Grade and Grade A office space in the CBD reported a stronger quarterly growth of 1.2% to achieve rentals of approximately $8.52 psf in 3Q 2013 according to Colliers. For Premium Grade offices in the core CBD areas of Raffles Place and Marina Bay, average monthly gross rents also registered a stronger quarter-on-quarter growth of 3.3% in 3Q 2013 to achieve rentals of approximately $9.92 psf.

Average occupancy rate of Premium Grade and Grade A office space in the CBD was approximately 93.5%. Colliers also highlighted that buildings with large and efficient floor plates will continue to attract tenants and landlords of these buildings should see more examples of flight-to-quality going into the fourth quarter of 2013.

Renewed Confidence in Australia

In Australia, the Reserve Bank of Australia cut interest rates in August to 2.5% in a bid to boost export earnings and ease competitive pressures on the domestic industry. Following the Australian general election in September 2013, the coalition pledged to cut taxes and invest in new infrastructure. This move, viewed as pro-business, led to an improvement in consumer and business confidence.

In Sydney, there has been an ongoing flight-to-quality from existing CBD tenants to newer buildings and from tenants looking to centralise their operations into the CBD. In Melbourne, although there will be some new office supply coming onstream, most of the space has been pre-committed, and property consultants expect rental rates to remain relatively stable. In Brisbane, rental rates are also forecasted to stabilise as no new office supply is expected in the CBD until late-2015. In Perth, although leasing activities were not as active, there have been a record number of pre-commitment leasing deals concluded over the last three quarters.

Looking Ahead

The Manager remains confident of Keppel REIT's performance as nearly all assets are fully committed with long tenured leases, there are no refinancing requirements over the next 24 months and approximately 70% of the borrowings are at fixed interest rates.

Looking ahead, the Manager will continue to focus on maintaining strong occupancy for its portfolio of properties. It will also continue to proactively manage the leases due for rent review and renewal, as well as actively seek early refinancing for maturing loans at competitive terms and extend the debt maturity profile. In addition, it will also monitor interest rate and foreign exchange exposure so as to manage financial risks. The Manager will selectively pursue opportunities for strategic acquisitions so as to deliver long-term growth to Unitholders.

About Keppel REIT (http://www.keppelreit.com)

Listed by way of an introduction on 28 April 2006, K-REIT Asia was renamed Keppel REIT on 15 October 2012. Keppel REIT is currently one of the largest real estate investment trusts listed on the Singapore Exchange Securities Trading Limited.

Keppel REIT's objective is to generate stable income and long-term growth for Unitholders by owning and investing in a portfolio of quality income-producing commercial real estate and real estate-related assets pan-Asia.

As at 30 September 2013, Keppel REIT has an asset size of approximately S$6.8 billion comprising ten premium commercial assets strategically located in the central business districts of Singapore, and key cities of Sydney, Melbourne, Brisbane and Perth in Australia.

In Singapore, Keppel REIT owns a 99.9% interest in Ocean Financial Centre, a one-third interest in Marina Bay Financial Centre Towers 1 and 2 and Marina Bay Link Mall, a one-third interest in One Raffles Quay, a 92.8% interest in Prudential Tower, and Bugis Junction Towers.

In July 2013, 8 Chifley Square received its Certificate of Practical Completion. On 1 August 2013, Keppel REIT completed the acquisition of the 50% interest in 8 Exhibition Street.

Post the completion of the acquisition in 8 Exhibition Street, Keppel REIT now owns five premium commercial assets in Australia: a 50% interest in 8 Chifley Square and the office tower at 77 King Street, both in Sydney, a 50% interest in the office building at 8 Exhibition Street in Melbourne, a 50% interest in 275 George Street in Brisbane, as well as a 50% interest in the new office tower to be built on the site of the Old Treasury Building in Perth.

Keppel REIT is sponsored by Keppel Land Limited ("Keppel Land"), one of Asia's leading property developers, and managed by Keppel REIT Management Limited, a wholly-owned subsidiary of Keppel Land.

Important Notice