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MEDIA RELEASE

Unaudited Results of Keppel REIT for the Fourth Quarter 2013 and Financial Year 2013

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The Directors of Keppel REIT Management Limited, as manager of Keppel REIT, are pleased to announce the unaudited results of Keppel REIT for the fourth quarter and financial year 2013.

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

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Keppel REIT achieves its highest full-year distributable income of $214 million for FY2013

- Both Property Income and Net Property Income for FY2013 increased 10.9% year-on-year ("y-o-y") to $174.0 million and $138.3 million respectively.
- Share of Results of Associates for FY2013 increased 32.6% y-o-y to $62.1 million
- Distributable Income for FY2013 increased 6.0% y-o-y to $214 million.
- Distribution Per Unit ("DPU") of 1.97 cents for 4Q 2013 and a total DPU of 7.88 cents for FY2013.
- Completed refinancing of all loans due in 2014 and $60 million due in 2015 with no refinancing requirements for the next 22 months.
- All five Singapore properties achieved 100% occupancy and overall committed portfolio occupancy increased 1.3% y-o-y to 99.8%.
- Ocean Colours at Ocean Financial Centre is operational and fully leased, and the underground pedestrian network ("UPN") now links Ocean Financial Centre directly to the Raffles Place Interchange MRT Station, as well as Keppel REIT's properties in Marina Bay.

Summary of Results

	GROUP			
	4Q 2013 $'000	**FY2013** $'000	**FY2012** $'000	**+/(-)** %
Property Income	47,492	174,043	156,870	10.9
Net Property Income	37,350	138,294	124,660	10.9
Share of Results of Associates	15,764	62,134	46,844	32.6
Total Return before Net Change in Fair Value of Investment Properties and Tax	46,660	162,561	131,077	24.0
Income Available for Distribution	54,920	214,043	201,899	6.0
Distribution to Unitholders[1]	54,920	214,043	201,899	6.0
Distribution per Unit ("DPU") (Cents)				
For the Period/Year	**1.97**	**7.88** [2]	**7.77**	1.4
Distribution Yield %	6.6% [3]	6.6% [3]	6.0% [4]	

Notes:

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

(2) Total DPU for FY2013 is 7.88 cents based on 1.97 cents, 1.97 cents, 1.97 cents and 1.97 cents announced in 1Q 2013, 2Q 2013, 3Q 2013 and 4Q 2013 results announcements respectively.

(3) The yield is based on the market closing price per unit of $1.185 as at the last trading day, 31 December 2013.

(4) The yield is based on the market closing price per unit of $1.295 as at the last trading day, 31 December 2012.

Strong Financial Performance

Keppel REIT Management Limited is pleased to announce that it recorded its highest full-year distributable income of $214 million for FY2013 since its listing. This is an increase of 6.0% y-o-y and represents a distribution yield of 6.6% based on Keppel REIT's closing price of $1.185 on 31 December 2013.

The DPU of 1.97 cents for 4Q 2013 resulted in a DPU of 7.88 cents for FY2013, 1.4% higher than the DPU of 7.77 cents for FY2012.

In FY2013, Keppel REIT registered a 10.9% y-o-y increase for both the property income and net property income to $174.0 million and $138.3 million respectively. This is due to improved performance from Ocean Financial Centre and 77 King Street, and the additional income from the acquisition of 8 Exhibition Street in Melbourne.

Share of results of associates also increased 32.6% y-o-y to $62.1 million for FY2013 due to higher contributions from Marina Bay Financial Centre Phase 1 and One Raffles Quay.

Ms Ng Hsueh Ling, Chief Executive Officer of the Manager, said "We are pleased that the REIT has recorded its highest full year distributable income of $214 million for FY2013. This is the result of better performance of Marina Bay Financial Centre Phase 1, Ocean Financial Centre, One Raffles Quay and 77 King Street, together with additional income from our acquisitions of 8 Exhibition Street in Melbourne and Old Treasury Building in Perth. We have been proactive in our lease management and are pleased to conclude the financial year with all our Singapore assets of nearly 2.4 million sf of net lettable area fully committed, increasing our portfolio average occupancy to 99.8%."

Prudent Capital Management

The Manager has successfully completed the early refinancing of all loans due in 2014 and a further $60 million due in 2015. With that, Keppel REIT has no refinancing requirements for the next 22 months. Keppel REIT's average all-in interest rate stood at 2.15% with a resilient weighted average term to expiry of borrowings of 3.6 years and a healthy interest coverage ratio of 5.5 times. The Manager has also fixed approximately 70% of total borrowings of $3,031 million to mitigate interest rate volatility.

Robust Portfolio Performance

Keppel REIT continued to improve its portfolio's occupancy in 4Q 2013 with seven out of eight existing buildings being fully committed. This means that all five of its Singapore properties are fully committed, strengthening Keppel REIT's overall portfolio average occupancy strengthened from 99.4% in 3Q 2013 to 99.8% in 4Q 2013.

All retail spaces in Ocean Colours at Ocean Financial Centre have been committed in 4Q 2013 and F&B tenants such as Starbucks, Cedele, Paul's Café, Woo's Ricebox, Shinkansen and Fresh+ have commenced operations. Also, with the completion of the UPN, Ocean Financial Centre is linked directly to the Raffles Place Interchange MRT Station, as well as to Keppel REIT's properties in Marina Bay.

In Australia, 8 Chifley Square, the new premium office building in Sydney's CBD, was officially opened on 29 October 2013 and has achieved 95% occupancy.

Active leasing management has strengthened the tenant base of Keppel REIT's portfolio to a total of 263 tenants in 4Q2013. The top ten tenants accounted for 43% of Keppel REIT's portfolio net lettable area and contributed a weighted average lease expiry ("WALE") of nearly 9 years, while the WALE for the entire portfolio was 6.5 years.

Improved Asset Valuations of Keppel REIT's Portfolio

Keppel REIT's total portfolio of 10 property assets in Singapore and Australia grew 10.4% y-o-y to a total value of $7.2 billion based on independent valuations as at 31 December 2013.

The growth in total asset valuation was due to the inclusion of the newly acquired 8 Exhibition Street in Melbourne and Old Treasury Building in Perth, and the higher capital values of properties in the portfolio. The average capitalisation rate for the Singapore properties was maintained at 4% while the average capitalisation rate for the Australian properties was compressed slightly to 6.7%.

Positive Outlook for Singapore Office Market

According to advanced estimates by the Ministry of Trade and Industry, Singapore's 2013 full-year GDP growth is expected to be 3.7%, higher than the forecast of between 1% and 3% growth at the beginning of 2013. In 4Q2013, Singapore's economy was also forecasted to have expanded by 4.4%.

Industry consultants expect that there will be positive absorption in office space and an upward shift in rental rates in the next few years. This may be attributable to economic growth in the ASEAN region, limited supply of Grade A office space for the next two years as well as Singapore's success in positioning itself as a business hub for various industries. In recent months, there have been increased interest from Asia-Pacific financial institutions entering and expanding their operations in Singapore.[1]

According to CBRE, Singapore's overall island-wide office occupancy increased to 95.6% in 4Q 2013 with a significant improvement in leasing activity in the core CBD, particularly for the Grade A sector. Average core CBD occupancy increased to 95.2%, and average monthly rents of Grade A office space improved 2.1% to $9.75 psf as at end December 2013. With sustained office demand from the insurance, professional services, technology and social media sectors, leasing activity is expected to be concentrated in higher-quality buildings. Coupled with limited new supply, CBRE expects Grade A office rental growth to lead the sector with growth of 8% and above 10% for 2014 and 2015 respectively.

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[1] *Business Times, 16 December 2013: "Grade A CBD rents poised to rise next year: analysts" and CBRE, 12 December 2013: "Vacancy levels for office space lowest since 2008 on the back of healthy take up"*

Renewed Confidence in Australia

In Australia, the Reserve Bank of Australia maintained interest rates at 2.5% to promote export earnings and domestic investments. In 3Q 2013, the construction, logistics and transport, financial and insurance services, public administration and health care sectors contributed primarily to Australia's GDP growth. Improving consumer confidence in recent months coupled with the competitive Australian dollar have supported the manufacturing and tourism industry, and encouraged more domestic spending. This has helped to boost the non-mining sectors and further rebalance the Australian economy.

Following the Federal election in September 2013, confidence in the economy has gradually improved, resulting in higher leasing activity in Sydney and Brisbane. Both Sydney and Melbourne have also seen an increase in the number of tenants migrating from the fringe areas into the CBD. In Perth, pre-commitment continues to be the main leasing activity.

Looking Ahead

In 2014, the Manager will continue to focus on maintaining the strong occupancy for its portfolio of properties and proactively manage leases due for rent review and renewal. The Manager will also monitor interest rate and foreign exchange exposures so as to manage financial risks. At the same time, it will selectively pursue and review opportunities for strategic acquisitions and divestments to deliver long-term growth for 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 31 December 2013, Keppel REIT has an asset size of approximately S$7.2 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.

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.