



K-REITasía

Singapore's Leading Commercial REIT

Investor Presentation

October 2007

Important Notice

THIS PRESENTATION IS AVAILABLE ONLY TO PERSONS WHO ARE NON-U.S. PERSONS AND PERSONS WITH ADDRESSES OUTSIDE THE U.S., CANADA AND JAPAN

The information contained in this presentation is for information purposes only and does not constitute an offer or invitation to sell or the solicitation of an offer or invitation to purchase or subscribe for units in K-REIT Asia ("K-REIT", and units in K-REIT, "Units") or any other securities of K-REIT in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in any connection with, any contract or commitment whatsoever. No offering of Units or securities will be made except by means of a statutory offering document containing detailed information about K-REIT.

The past performance of the Units and K-REIT Asia Management Limited (the "K-REIT Manager") is not indicative of the future performance of K-REIT and the K-REIT Manager. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of K-REIT.

The value of the Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the K-REIT Manager. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the K-REIT Manager redeem or purchase their Units while the Units are listed. Holders of units ("Unitholders") may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the "SGX-ST"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

A circular dated 22 September 2007 (the "Unitholders' Circular") setting out the details of the proposed equity fund raising, the proposed issue of convertible bonds and the proposed acquisition of a one-third interest in ORQ (as defined in the Unitholders' Circular), together with the notice of an extraordinary general meeting of the holders of Units ("Unitholders"), has been despatched to Unitholders. This presentation is qualified in its entirety by, and should be read in conjunction with, the full text of the Unitholders' Circular. Terms not defined in this presentation adopt the meanings in the Unitholders' Circular.

This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the K-REIT Manager's current view of future events. All forecasts are based on a specified illustrative range of issue prices per Unit and on the K-REIT Manager's assumptions as explained in the Unitholders' Circular. You are advised to read the Unitholders' Circular carefully. Such yields will vary accordingly for investors who purchase Units in the secondary market at a market price higher or lower than the issue price range specified in the Unitholders' Circular. The major assumptions are certain expected levels of property rental income and property expenses over the relevant periods, which are considered by the K-REIT Manager to be appropriate and reasonable as at the date of the Unitholders' Circular. The forecast financial performance of K-REIT is not guaranteed and there is no certainty that it can be achieved. Investors should read the whole of the Unitholders' Circular for details of the forecasts and projections and consider the assumptions used and make their own assessment of the future performance of K-REIT.

This presentation has been prepared by the K-REIT Manager. The information in this presentation has not been independently verified. No representation, warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information and opinions in this presentation. None of the K-REIT Manager or any of its agents or advisers, or any of their respective affiliates, advisers or representatives, shall have any liability (in negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation.

K-REITasia



Overview Of K-REIT Asia

Singapore's Leading Commercial REIT

To invest in quality real estate and real estate-related assets which are income-producing and used predominantly for commercial purposes in Singapore and in Asia

- Listed on the SGX-ST with market capitalisation of S\$716 million⁽¹⁾
- Existing portfolio valued at S\$815 million⁽²⁾ comprising:
 - Prudential Tower Property⁽³⁾
 - Keppel Towers and GE Tower
 - Bugis Junction Towers
- Strong Keppel Land sponsorship
- Prudent capital management
 - Gearing of 22.9%⁽⁴⁾ with interest cost of 4.06% fixed until May 2011
- Received Unitholders' approval for acquisition of one-third interest in One Raffles Quay

(1) Based on closing unit price of S\$2.95 as at 10 October 2007

(2) Valuation as at 31 July 2007 by Colliers International

(3) Approximately 44.4% of the strata area

(4) As at 30 September 2007

High Quality Portfolio Of Assets



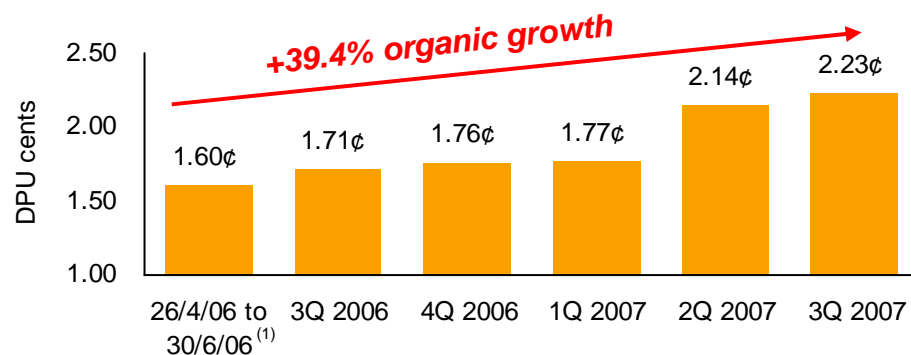
Property	Prudential Tower Property ⁽¹⁾	Keppel Towers and GE Tower	Bugis Junction Towers
Net Lettable Area (“NLA”)	10,074 sqm	40,014 sqm	22,990 sqm
Car Park Lots	N/A	288	N/A
Tenure	Leasehold estate of 99 years expiring 14 Jan 2095	Estate in fee simple	Leasehold estate of 99 years expiring 9 Sep 2089
Valuation ⁽²⁾	S\$152m	S\$444m	S\$219m
Committed Occupancy	100.0%	99.3%	100.0%

(1) Approximately 44.4% of the strata area

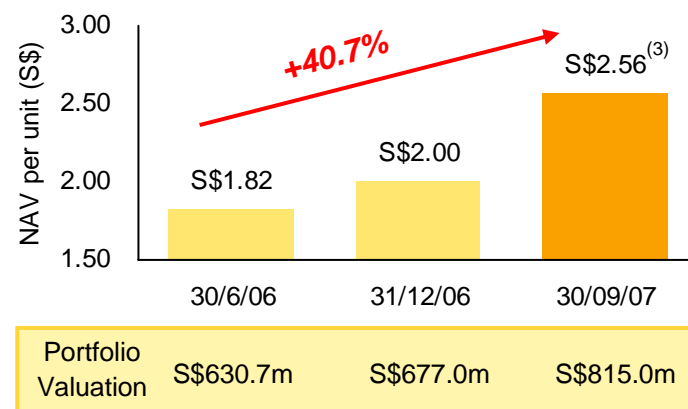
(2) Valuation as at 31 July 2007 by Colliers International

Strong Performance Since Listing

- Strong DPU growth for six consecutive quarters



- Strong NAV⁽²⁾ growth



- Significant outperformance relative to broader market index

	Since Listing	Last 12 Months
K-REIT Asia Total Return ⁽⁴⁾	194.0%	62.8%
Straits Times Index ⁽⁵⁾	55.4%	51.4%

(1) DPU stated on a quarterly basis

(2) After adjusting for distributable income for respective periods

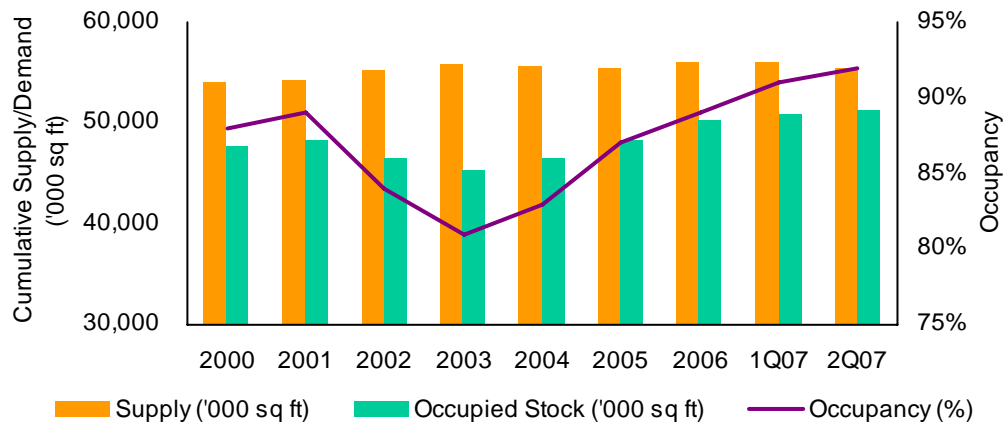
(3) Based on K-REIT Asia's third quarter 2007 unaudited financial statement announcement

(4) Based on K-REIT Asia's unit price appreciation (comprising K-REIT Asia's closing price of S\$2.95 per unit on 10 October 2007 against the first day opening price of S\$1.04 per unit on 28 April 2006 and closing unit price of S\$1.86 per unit on 11 October 2006) and total distribution per unit of 10.77 cents from 26 April 2006 to 30 September 2007 and 7.90 cents from 1 October 2006 to 30 September 2007

(5) Change in Straits Times Index over the corresponding periods, Bloomberg as at 10 October 2007

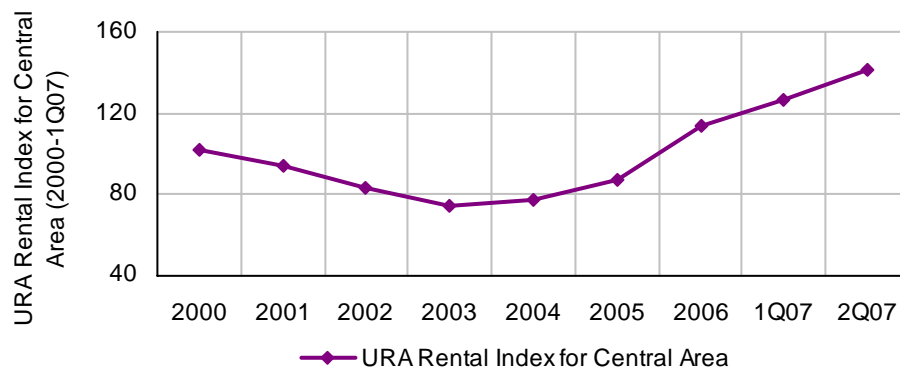
Riding On The Strengthening Singapore Office Sector

Demand and Supply of Office Space⁽¹⁾



- Forecast 7-8% real GDP growth for 2007⁽²⁾
- Demand in 1H2007 was 1.3m⁽³⁾ sq ft compared to 10-yr average of 1.1m sq ft
- Annual supply from 2008-2011 is forecast at 1.0m sq ft
- Prime office space enjoys full occupancy

Rental Index for Central Area⁽¹⁾



- Prime office rents in Raffles Place rose by 54% in 1H 2007
- Marina Bay / Raffles Place rentals forecast to grow by 56% from 2H2007-2010
- Costs of prime office space in Singapore remains lower than London, Tokyo and Hong Kong⁽⁴⁾

(1) Source for chart and text: Independent Office Market Review by DTZ Debenham Tie Leung (SEA) Pte Ltd ("DTZ") dated 2 July 2007, unless otherwise stated

(2) Source: Ministry of Trade and Industry 10 July 2007

(3) Source: URA Release of 2nd quarter 2007 real estate statistics

(4) As at 1Q 2007

Multi-pronged Growth Strategy

1

Organic Growth

- Consecutive quarter-on-quarter DPU growth since listing
- Approx. 85% of existing portfolio NLA is due for renewal from 2007-2011
- Potential for further positive rental reversions supported by strengthening Singapore office sector

2

Acquisitive Growth

- Closer to achieving target portfolio size of S\$2.0 billion
- Actively exploring acquisition opportunities in Singapore and the region

3

Leverage on Sponsor's Support

- Capitalise on Sponsor's strong commitment and alignment of interests to grow K-REIT Asia's portfolio

4

Capital Management

- Low leverage of 22.9%⁽¹⁾
- Interest cost of 4.06% fixed till May 2011
- Aim to minimise cost of funding while diversifying sources of capital

(1) As at 30 September 2007

Strong Keppel Land Sponsorship

1

Leading development expertise

- ◆ Leading property developer having successfully completed multiple landmark commercial developments
- ◆ Currently owns and developing more than 4m sq ft GFA of prime office space in Singapore with joint-venture partners

2

Pan-Asian platform and network

- ◆ Leverage on Keppel Land's platform in major cities across Asia
- ◆ Competitive edge in sourcing and pursuing pan-Asian acquisition opportunities

3

Strong alignment with K-REIT Asia's unitholders

- ◆ Sharing in K-REIT Asia's growth through anchor stake of approx. 41%
- ◆ Growing fund management platform

4

Established property management expertise

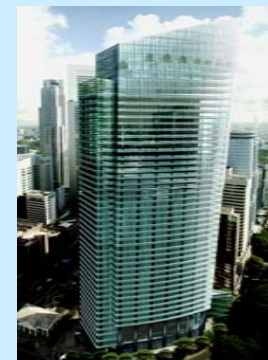
- ◆ Established property management capabilities and economies of scale
- ◆ Effective marketing and asset management enhancing property performance and value

Marina Business & Financial Centre



Phase One and Two
c.3m sq ft office GFA

Ocean Financial Centre



c.1m sq ft GFA

Keppel Bay Tower



c.338,000 sq ft GFA

Equity Plaza



c.448,000 sq ft GFA

K-REITasía



Acquisition of One Raffles Quay ("ORQ")

Acquisition Of One-Third Interest In One Raffles Quay

A Prestigious Landmark Commercial Development

North Tower



South Tower



The Plaza



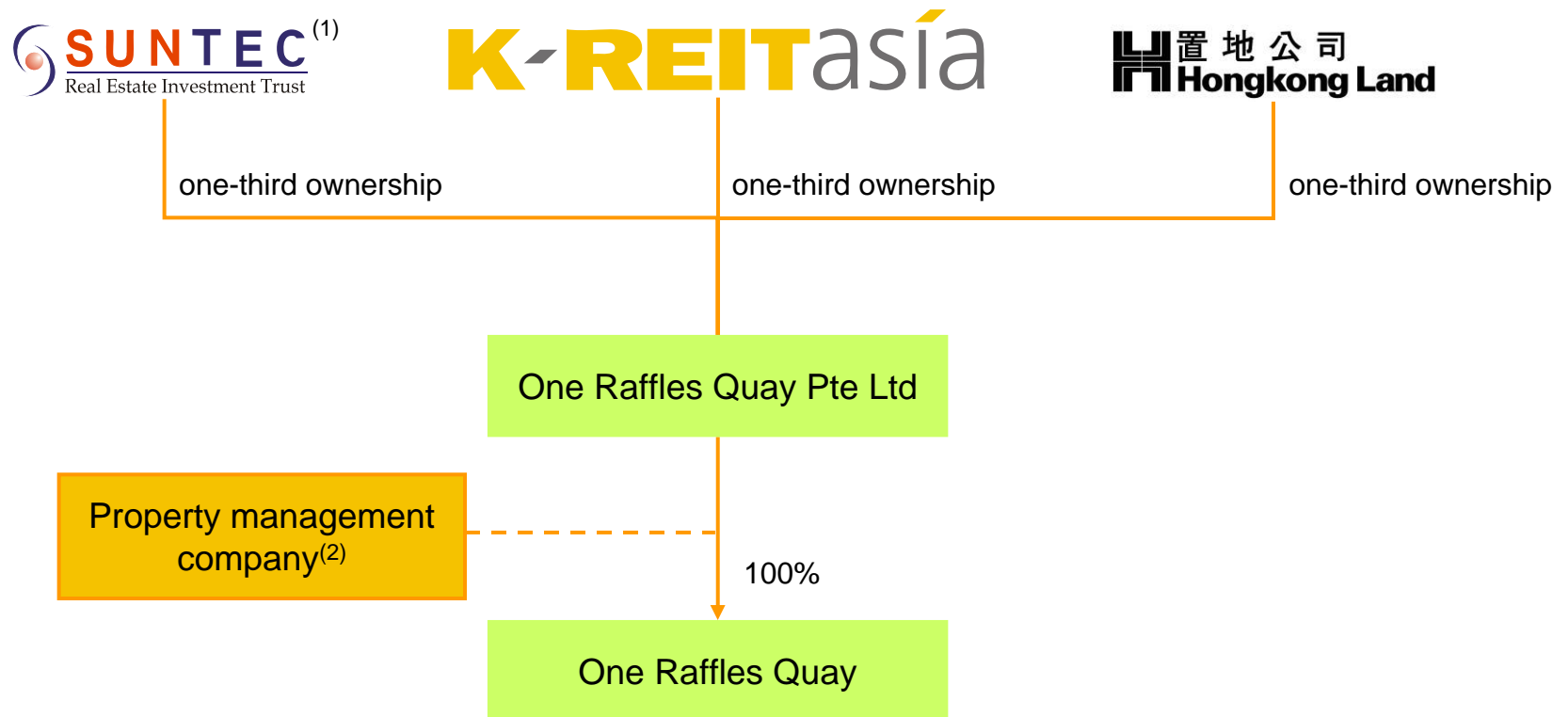
Retail Link



- Strategically located in Singapore's new downtown
- Close proximity to the Marina Bay Financial Centre and the Sands Integrated Resort developments
- 50-storey office tower ("North Tower"), a 29-storey office tower ("South Tower") and a pedestrian/retail link to Raffles Place mass rapid transit interchange station
- Sizeable development with NLA of approx. 1.34m sq ft.
- 713 car park lots

Joint Ownership Structure

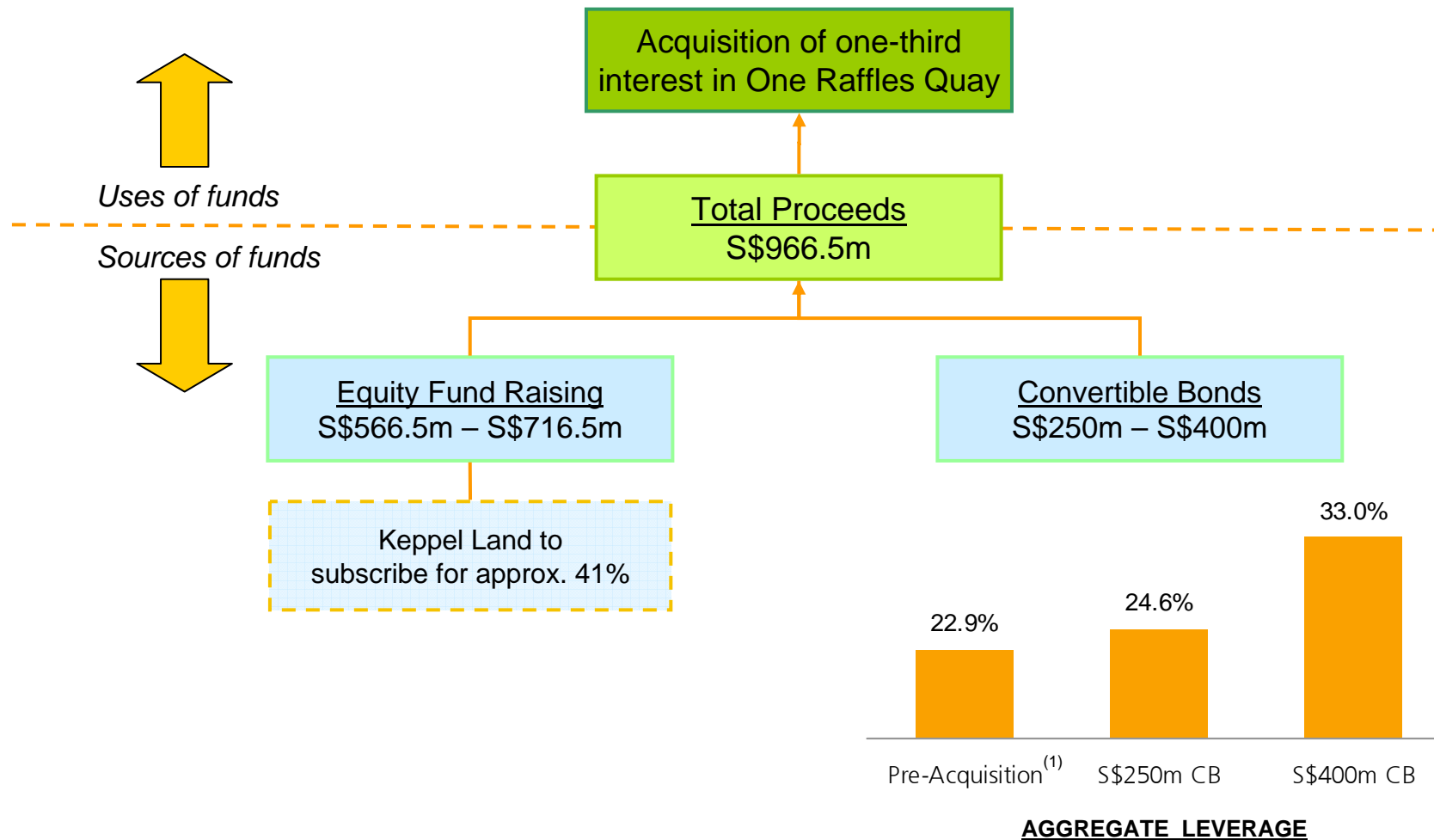
Joint ownership with Suntec REIT and Hongkong Land



(1) Suntec REIT's unitholders approved the acquisition of one-third interest in ORQ on 8 October 2007; pending completion

(2) Property management company is jointly-owned by K-REIT Asia Property Management Pte Ltd, Hongkong Land (Singapore) Pte Ltd and Charm Aim International Limited (associated with Cheung Kong Holdings)

Financing Structure



(1) As at 30 September 2007

K-REITasía



Key benefits of the Acquisition

Key Benefits of the Acquisition

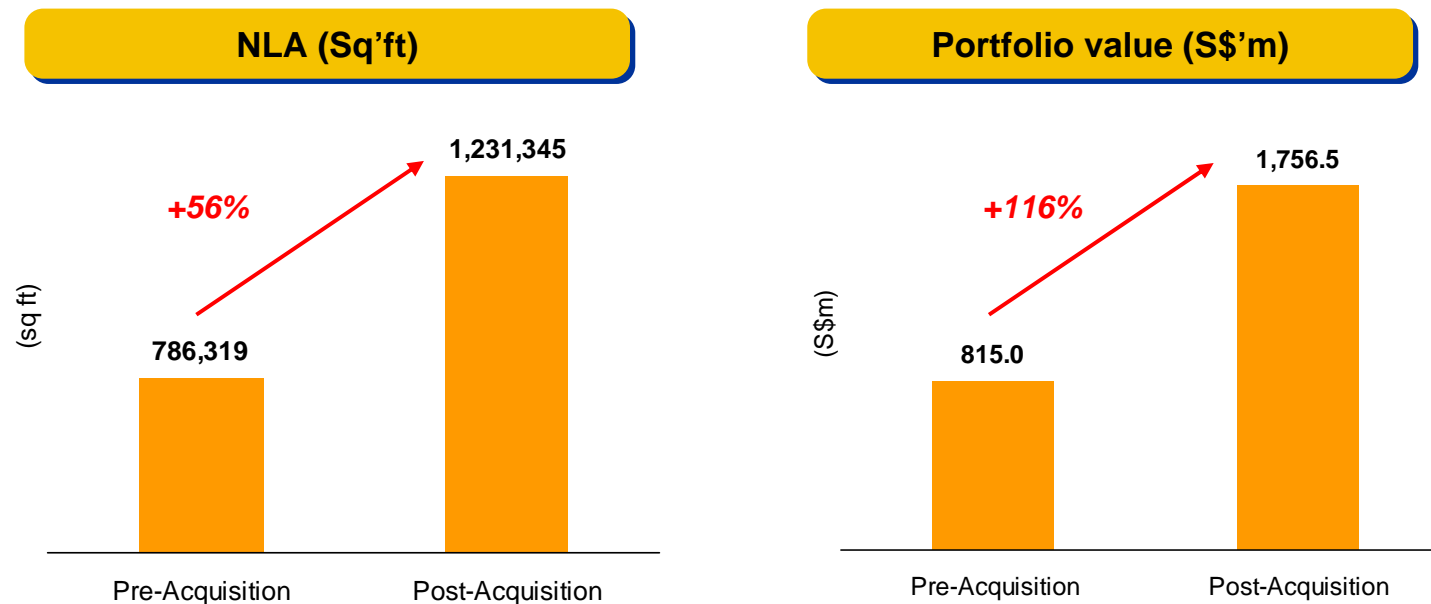
The acquisition will bring the following key benefits to Unitholders:

- 1 **Delivering on Growth Strategy**
- 2 **Acquisition of a Landmark Commercial Property with Blue-Chip Tenants**
- 3 **Accretive Acquisition**
- 4 **High Growth Potential from Future Rental Reversions**
- 5 **Greater Trading Liquidity and Flexibility**

Delivering On Growth Strategy

Acquisition of One Raffles Quay:

- More than doubles K-REIT Asia's portfolio value
- Closer to achieving acquisition target of S\$2.0 billion
- Increases ability to capitalise on strengthening Singapore office sector
- Enhances K-REIT Asia's position as a leading commercial REIT in Asia



Acquisition of A Landmark Commercial Property

Singapore's Central Business District

One Raffles Quay



Tenants include:



Deutsche Bank



BARCLAYS

CREDIT SUISSE



ABN-AMRO

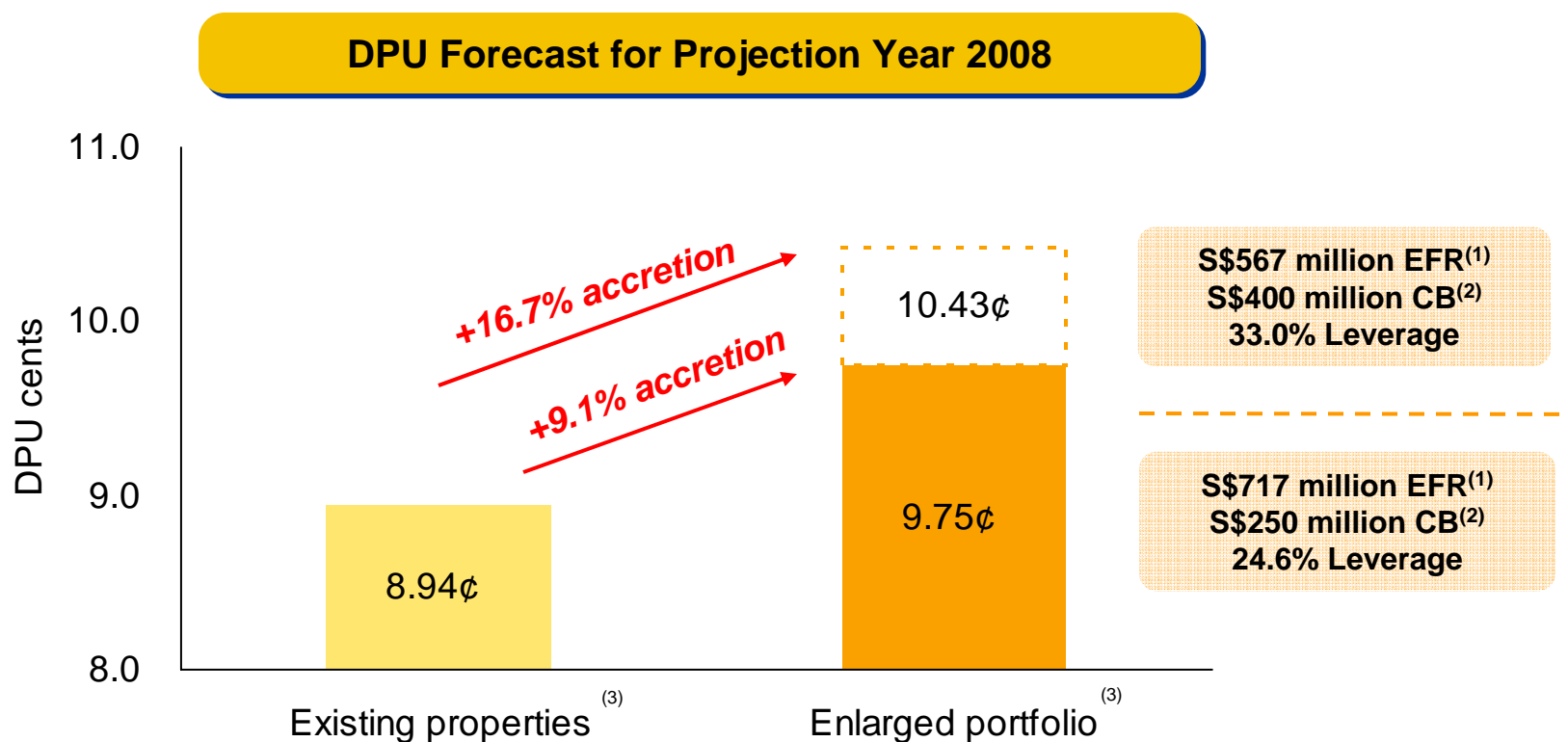


ERNST & YOUNG

- Designed by internationally-acclaimed architectural firm: KPF, New York
- Strategically located at the gateway to Marina Bay, the new Singapore downtown
- Fully occupied: 87.5% of tenants are blue-chip institutions - with long term leases
- Easy access via major expressways
- Retail/pedestrian link to Raffles Place mass rapid transit interchange station and future Landmark station

Accretive Acquisition

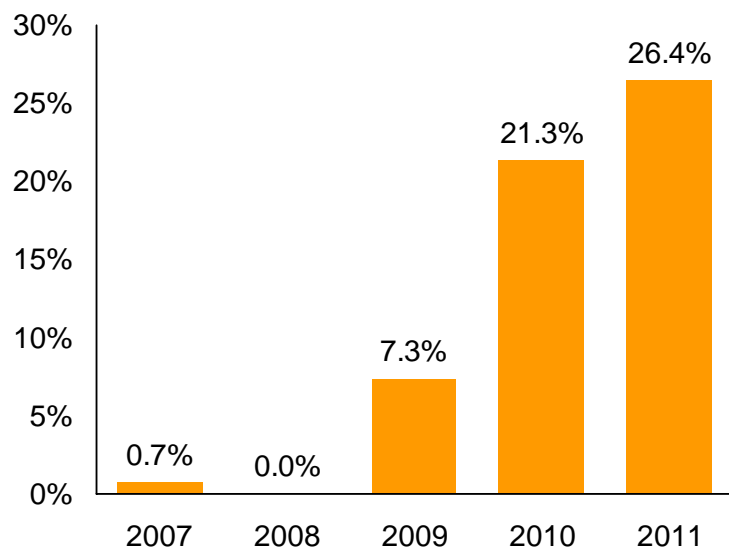
The Acquisition is expected to improve DPU...



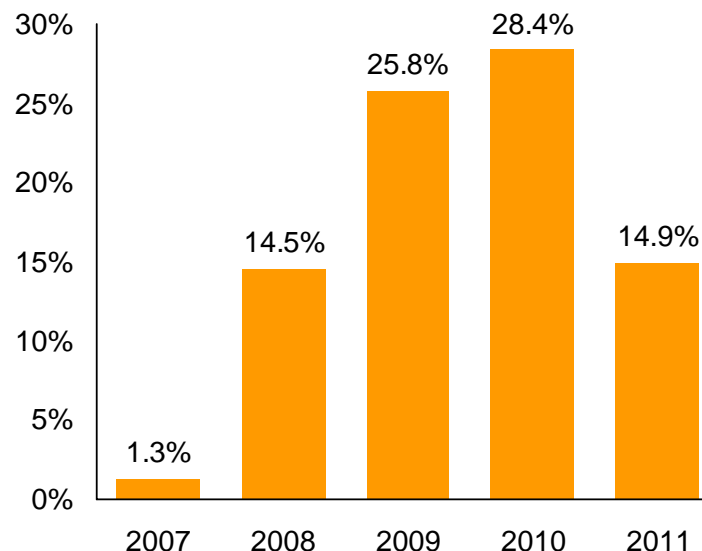
High Growth Potential From Future Rental Reversions

- 55.7% of ORQ NLA is due for renewal or rent review from 2007-2011
- 84.9% of existing properties NLA is due for renewal from 2007-2011
- Strong potential for positive rental reversions
- Staggered expiry profile facilitates stable and rising rental income

One Raffles Quay⁽¹⁾



Existing Properties⁽¹⁾

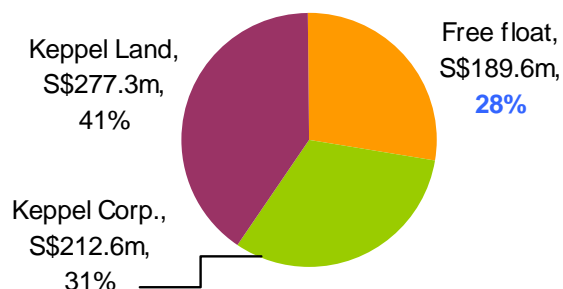


(1) As of 30 June 2007

Greater Trading Liquidity and Flexibility

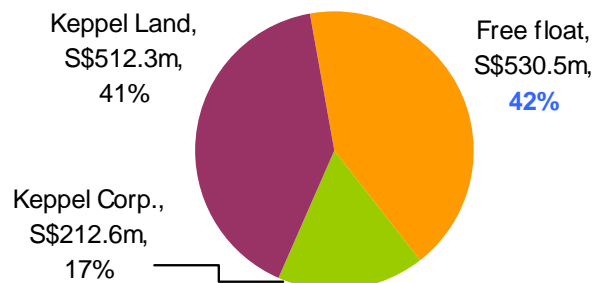
- Investors will have greater trading liquidity and free float

Pre-Acquisition



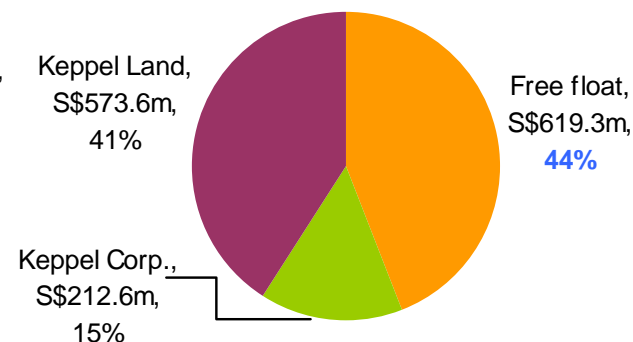
Pre-Acquisition Mkt Cap. = S\$679.5m⁽¹⁾

Post-Acquisition (if S\$567m EFR; S\$400m CB)



Post-Acquisition Mkt Cap. = S\$1,255.4m⁽¹⁾⁽²⁾

Post-Acquisition (if S\$717m EFR; S\$250m CB)



Post-Acquisition Mkt Cap. = S\$1,405.5m⁽¹⁾⁽²⁾

Post-Conversion of CB⁽³⁾

Market Cap = S\$1,563.2m
Free Float = S\$838.2m (54%)

Market Cap = S\$1,597.8m
Free Float = S\$811.6m (51%)

(1) Assuming unit price and issue price of S\$2.80 per K-REIT Asia Unit

(2) Prior to conversion of CB into K-REIT Asia Units

(3) Assuming CB conversion price of S\$3.64

K-REITasia



***K-REIT Asia
- An Attractive Investment
Proposition***

Attractive Investment Proposition

1

Leading pure-play commercial REIT

2

High quality portfolio with blue-chip tenants

3

Strong organic growth supported by positive rental reversions

4

Strong sponsorship and commitment from Keppel Land

K-REITasía



THANK YOU