

Rights Issue

Successful Allotment of Rights Units

5 May 2008



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Results of Rights Issue

- 396.9m Rights Units to be issued at \$1.39 per unit
 - Closing date for acceptance and payment of Rights Units applications : 25 April 2008
- Successful allotment of Rights Units:
 - **96.3%** subscription rate for the 396.9m Rights Units available (including excess rights applications of 16.2m units)
 - **86.2%** minority unitholders take-up rate (including excess rights applications of 16.2m units)
 - **3.7%** of the remaining Rights Units will be subscribed by Keppel Land Ltd (8.6m units) and Keppel Corporation Ltd (6.3m units) pursuant to their earlier undertakings
 - The Rights Issue will therefore be **fully subscribed**

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Unitholdings Post-Rights Issue

- Free float post-Rights Issue:
 - Increase by 138% to **161.2m** units from 67.7m units
 - **24.9%** from pre-Rights Issue of 27.1%
- Market cap⁽¹⁾ will be about \$931.9m, post-Rights Issue, up from \$360.3m

	<i>Pre-Rights Issue</i>		<i>Post-Rights Issue</i>	
	Number of units ⁽²⁾ (million)	Unitholdings ⁽²⁾ (%)	Number of units (million)	Unitholdings (%)
Keppel Land Ltd	106.6	42.6	282.3	43.6
Keppel Corporation Ltd	75.9	30.3	203.7	31.5
Public	67.7	27.1	161.2	24.9
Total	250.2	100.0	647.2	100.0

(1) Based on closing unit price of \$1.44 on 5 May 2008
 (2) Unitholdings as at 30 April 2008

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Impact of Rights Issue

- Based on 396.9m Rights Units to be issued at \$1.39 per unit, gross proceeds from Rights Issue at about **\$551.7m**
- Aggregate leverage to be reduced to **27.7%** from 53.9%:
 - Net proceeds of Rights Issue to partly refinance the bridging loan taken to complete acquisition of 1/3 stake of One Raffles Quay
- Funding capacity of about **\$679.8m**, based on 60% leverage limit⁽¹⁾ which will allow K-REIT Asia to take advantage of acquisition opportunities of properties in Singapore and the region

(1) Based on borrowings of approximately \$581.4m which include \$190 million fixed rate mortgage loan and balance of bridging loan from Keppel Corporation

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Key Dates

Books closure date for Advanced Distribution	7 May 2008
Issue of Rights Units as well as commencement of trading of Rights Units	8 May 2008
Payment of Advanced Distribution	On or about 18 June 2008
Next payment of distribution (for the period 8 May – 30 June 2008)	August 2008