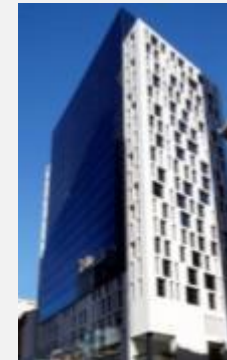
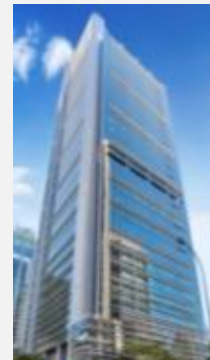
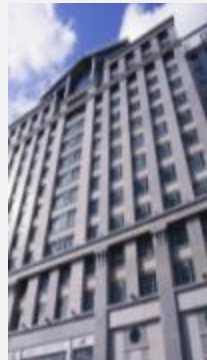


K-REITasia



FY2011 Financial Results

17 January 2012

Building Strengths. Defining Distinction.



Important Notice

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Contents

- FY2011 Highlights
- Financial Performance
- Capital Management
- Portfolio Analysis
- Market Review and Outlook
- Going Forward
- Additional Information



FY2011 Highlights

- FY2011 distribution per unit (DPU) **↑11.1%** y-o-y to 7.08 cents⁽¹⁾
 - **↑6.0%** from the 6.68 cents DPU forecast⁽²⁾
- FY2011 distributable income **↑31.9%** y-o-y to \$113.0 million
 - **↑23.8%** from the \$91.2 million distributable income forecast⁽²⁾
- Portfolio average occupancy at **94.1%**
 - Singapore portfolio occupancy of 93.9% higher than core CBD's 91.2%⁽³⁾
- 2.2% of total portfolio NLA due for rent review and renewal in 2012
- 8 Chifley Square approximately 40% pre-committed ahead of completion in 3Q 2013
- Additional 57,000 sf of space committed at Ocean Financial Centre, increasing the committed occupancy to nearly 85%
- Successful conversion of ownership structure of Ocean Financial Centre to a limited liability partnership
- All-in-interest rate **↓** to **2.35%** for 4Q 2011 from 2.48% in 3Q 2011

(1) DPU based on 1.79 cents, 1.93 cents, 1.96 cents and 1.40 cents for 1Q2011, 2Q2011, 3Q2011 and 4Q2011 results announcements respectively.

(2) Based on the profit forecast published in K-REIT Asia's Circular to Unitholders dated 8 November 2010.

(3) Source: CB Richard Ellis.



Income Accretive Acquisition of an 87.5% Interest in Ocean Financial Centre

- 2 weeks' rental income contribution in 4Q 2011
- Successful conversion of ownership structure to a limited liability partnership providing tax transparency on income
- Committed occupancy rate improved to nearly 85% up from 79.6% as at 19 October 2011 ¹
- Premium Grade office asset located in the heart of Singapore's core CBD

(1) Information published in K-REIT Asia's Circular to Unitholders dated 19 October 2011.





2H 2011 Distribution Per Unit

Distribution Per Unit (“DPU”)	2.45 cents ⁽¹⁾
Distribution Period	1 July 2011 – 31 December 2011

Distribution Timetable	
Trading on “Ex” Basis	Wednesday, 25 January 2012
Books Closure Date	Friday, 27 January 2012
Distribution Payment Date	Friday, 24 February 2012

(1) DPU based on the enlarged unit base after the rights issue which was undertaken to fund the acquisition of an approximate 87.5% interest in Ocean Financial Centre and the acquisition fees paid in Units in December 2011 .

Financial Performance



FY2011 Distributable Income ↑ 31.9% y-o-y to \$113.0m

	FY2011	FY2010	Change	
Property Income	\$78.0m	\$84.6m	-\$6.6m	-7.8%
Net Property Income	\$61.7m	\$67.3m	-\$5.7m	-8.4%
Share of Results of Associates	\$37.4m	\$9.7m	\$27.7m	285.7%
Distributable Income to Unitholders	\$113.0m	\$85.6m	\$27.3m	31.9%
Distribution Per Unit For the Period	7.08cts ⁽¹⁾	6.37cts	0.71cts	11.1%
Distribution Yield	8.5% ⁽²⁾	4.5% ⁽²⁾	4.0%	88.9%

(1) DPU based on 1.79 cents, 1.93 cents, 1.96 cents and 1.40 cents for 1Q2011, 2Q2011, 3Q2011 and 4Q2011 results announcements respectively.

(2) Distribution yield based on K-REIT Asia's respective market closing price of \$0.83 per unit as at 30 December 2011 and \$1.41 per unit as at 31 December 2010.



4Q2011 Share of Results of Associates ↑ 264.8% y-o-y to \$12.0m

	4Q 2011	4Q 2010	Change	
Property Income	\$22.6m	\$21.4m	\$1.3m	5.9%
Net Property Income	\$17.8m	\$17.5m	\$0.3m	1.4%
Share of Results of Associates	\$12.0m	\$3.3m	\$8.7m	264.8%
Distributable Income to Unitholders	\$35.7m	\$23.2m	\$12.6m	54.3%
Distribution Per Unit For the Period	1.40cts ⁽¹⁾	1.71cts	-0.31cts	-18.1%
Distribution Yield	6.7% ⁽²⁾	4.8% ⁽²⁾	-1.9 %	-39.6%

(1) DPU based on the enlarged unit base after the rights issue which was undertaken to fund the acquisition of an approximate 87.5% interest in Ocean Financial Centre and the acquisition fees paid in Units in December 2011 .

(2) Distribution yield based on K-REIT Asia's annualised DPU for the quarter and respective market closing price of \$0.83 per unit as at 30 December 2011 and \$1.41 per unit as at 31 December 2010.



4Q2011 Distributable Income ↑ 33.9% q-o-q to \$35.7m

	4Q 2011	3Q 2011	Change	
Property Income	\$22.6m	\$18.6m	\$4.0m	21.5%
Net Property Income	\$17.8m	\$14.7m	\$3.1m	21.1%
Share of Results of Associates	\$12.0m	\$10.9m	\$1.0m	9.6%
Distributable Income to Unitholders	\$35.7m	\$26.7m	\$9.0m	33.9%
Distribution Per Unit For the Period	1.40cts ⁽¹⁾	1.96cts	-0.56cts	-28.6%
Distribution Yield	6.7% ⁽²⁾	7.7% ⁽²⁾	-1.0%	-13.0%

(1) DPU based on the enlarged unit base after the rights issue which was undertaken to fund the acquisition of an approximate 87.5% interest in Ocean Financial Centre and the acquisition fees paid in Units in December 2011 .

(2) Distribution yield based on K-REIT Asia's annualised DPU for the quarter and respective market closing price of \$0.83 per unit as at 30 December 2011 and \$1.005 per unit as at 30 September 2011.



Healthy Balance Sheet

	As at 31 Dec 2011	As at 30 Sep 2011
Non-current Assets	\$5,735.0m	\$3,189.3m
Total Assets	\$5,856.9m	\$3,254.1m
Borrowings ⁽¹⁾	\$2,166.0m	\$1,151.5m
Total Liabilities	\$2,381.4m	\$1,272.8m
Unitholders' Funds	\$3,262.6m	\$1,981.3m
Net Asset Value (NAV) Per Unit	\$1.28 ⁽³⁾	\$1.46
Adjusted NAV Per Unit ⁽²⁾	\$1.26 ⁽³⁾	\$1.44

(1) Excludes borrowings accounted for at the level of associates and unamortised portion of fees.

(2) Excludes balance distributable income.

(3) Based on the enlarged unit base after the rights issue which was undertaken to fund the acquisition of an 87.5% interest in Ocean Financial Centre and the acquisition fees paid in Units in December 2011 .

Prudent Capital Management



Healthy Financial Position

	As at 31 Dec 2011	As at 30 Sep 2011
Gross Borrowings⁽¹⁾	\$2,495 m ⁽⁴⁾	\$1,454 m
Aggregate Leverage	41.6%	39.8%
Average All-in Interest Rate⁽²⁾	2.35%	2.48%
Interest Coverage Ratio⁽³⁾	5.5 times	4.6 times
Weighted Average Term to Expiry	3.1 years	3.6 years

(1) Includes borrowings accounted for at the level of associates and excludes the unamortised portion of upfront fees in relation to the borrowings.

(2) Average all-in interest rates for the respective quarters include cost of swapping floating interest rates to fixed rates.

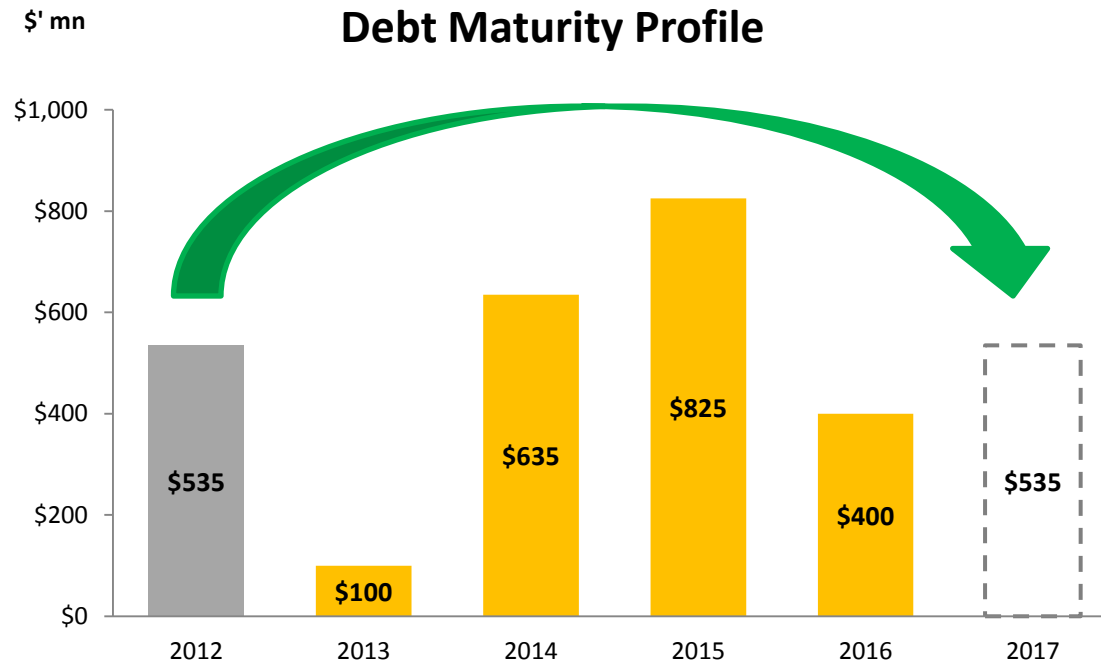
(3) Figures for the respective quarters. Interest coverage ratio = Ratio of year-to-date earnings before interest, tax, depreciation and amortisation divided by interest expense.

(4) Includes K-REIT Asia's proportionate share of the deferred payments due to the construction of the car park and retail podium at Ocean Financial Centre.



Balance Debt Maturity Profile

- Well-staggered debt expiry profile with average **3.1 years⁽¹⁾** term to expiry
- All-in interest cost of 2.35% achieved in 4Q 2011
- Borrowings diversified across 12 lenders



When the \$535 million loans due for refinancing on 31 December 2012 are refinanced for 5 years to 2017, the weighted debt term to expiry will be extended to **4.0 years**.

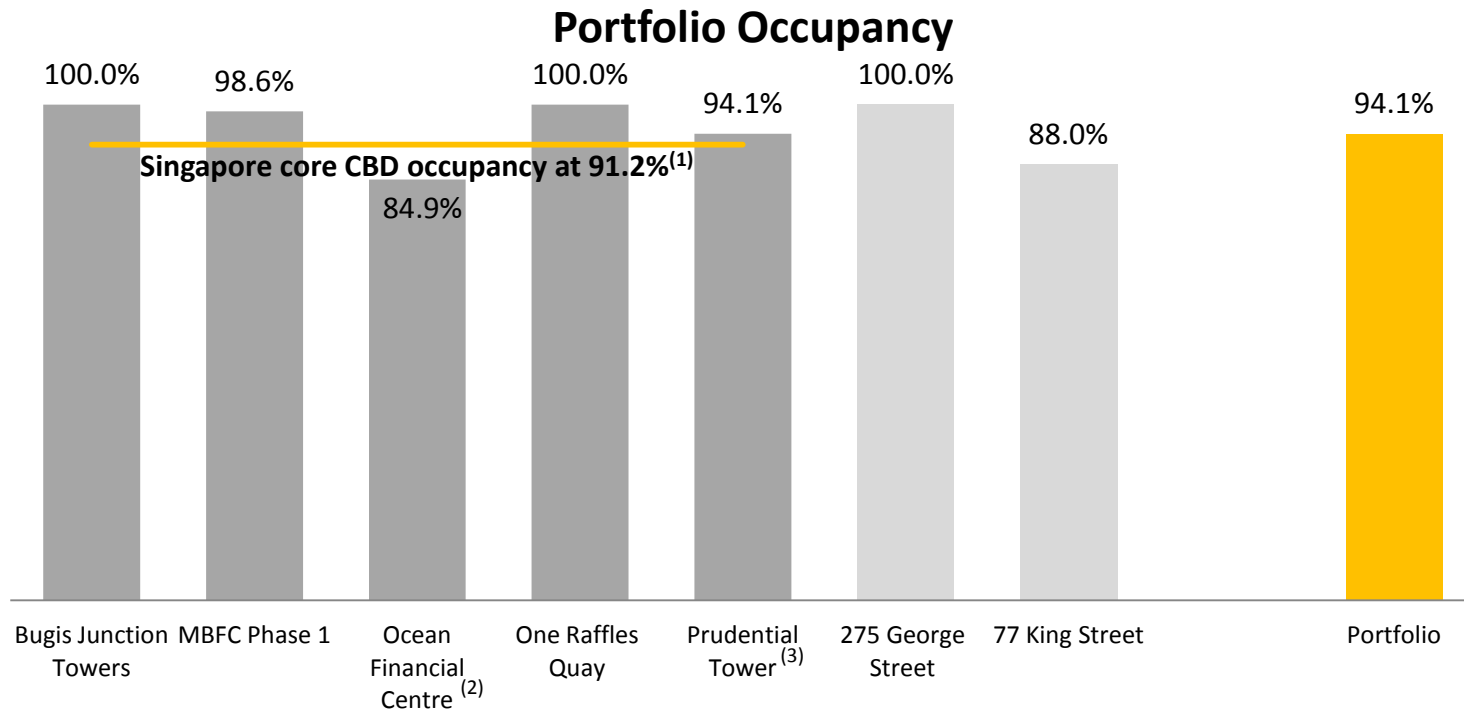
(1) Includes borrowings accounted for at the level of associates.

Portfolio Analysis



Portfolio Occupancy Rate

- Healthy portfolio occupancy of **94.1%**
- Singapore property portfolio occupancy of **93.9%** is higher than core CBD occupancy of 91.2%



(1) Source: CB Richard Ellis

(2) Ocean Financial Centre was acquired on 14 December 2011.

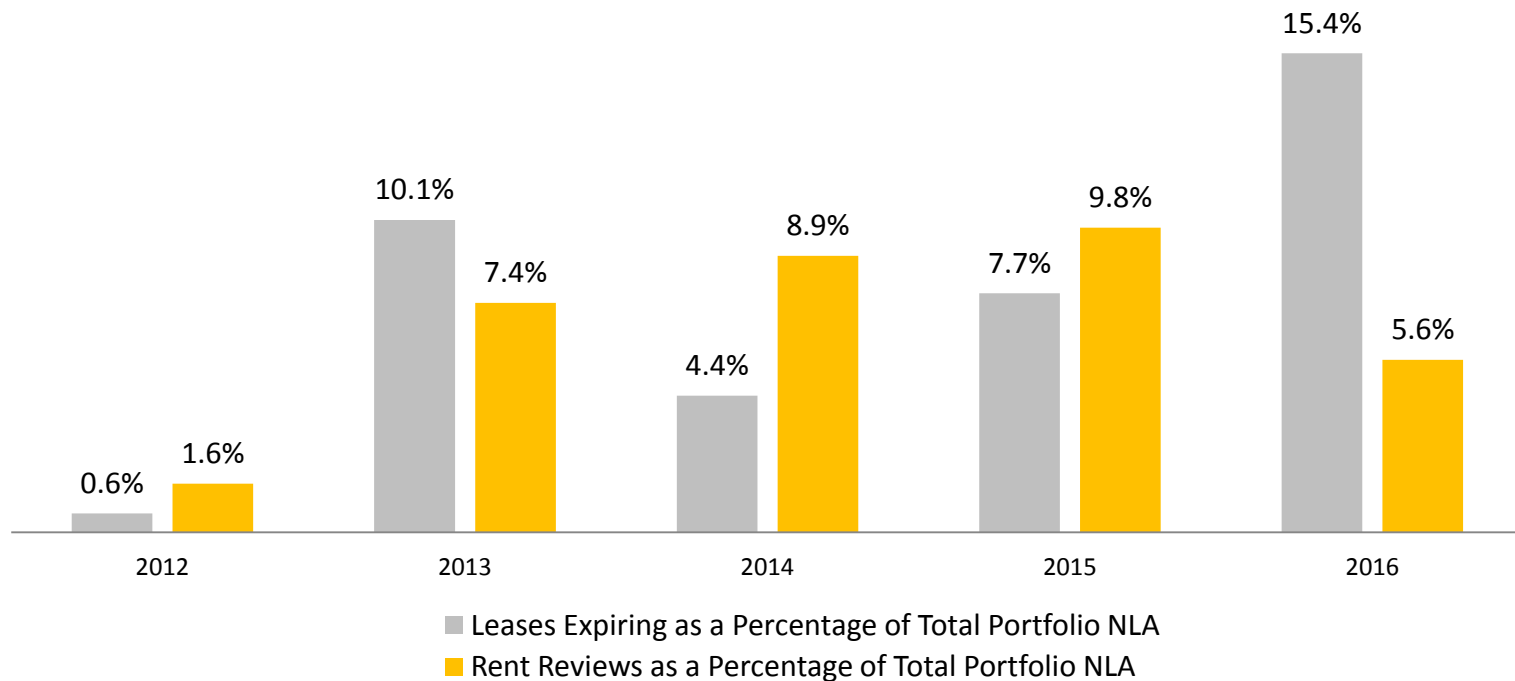
(3) Refers to K-REIT Asia's 92.8% interest in Prudential Tower.



Portfolio Lease Profile

- Well-balanced lease renewal and rent review profile
- Approximately 57,600 sf or 2.2% of portfolio NLA due for rent review and renewal in 2012

Portfolio Lease Profile (by Net Lettable Area)





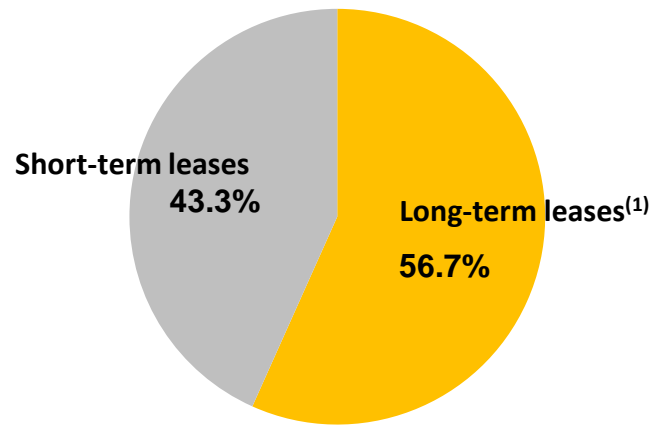
Stable Lease Portfolio

➤ Portfolio of long leases provides income stability

Weighted Average Lease Expiry (WALE)



Portfolio with Long-Term Leases⁽¹⁾ by NLA



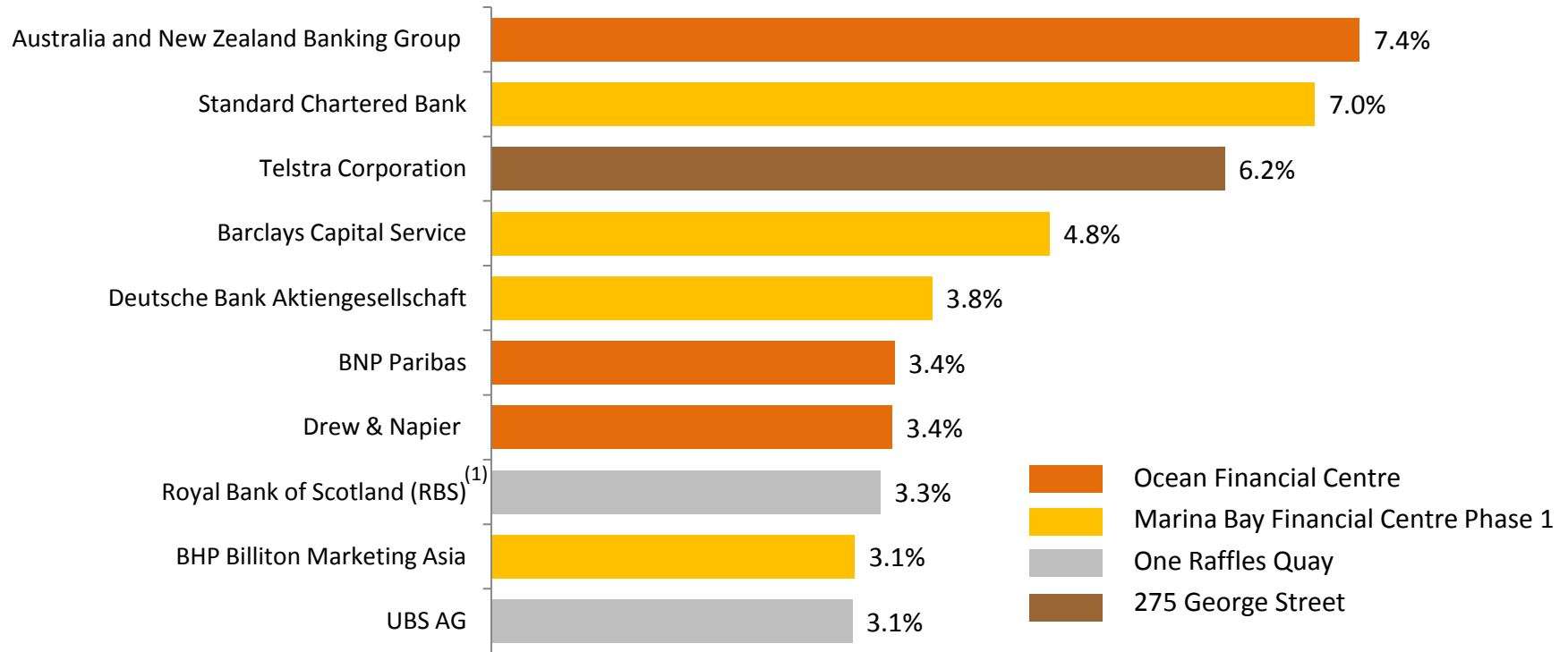
(1) Long-term leases are those with lease terms to expiry of at least five years.



Blue-Chip Tenant Base

Top ten tenants account for 48.1% of portfolio NLA

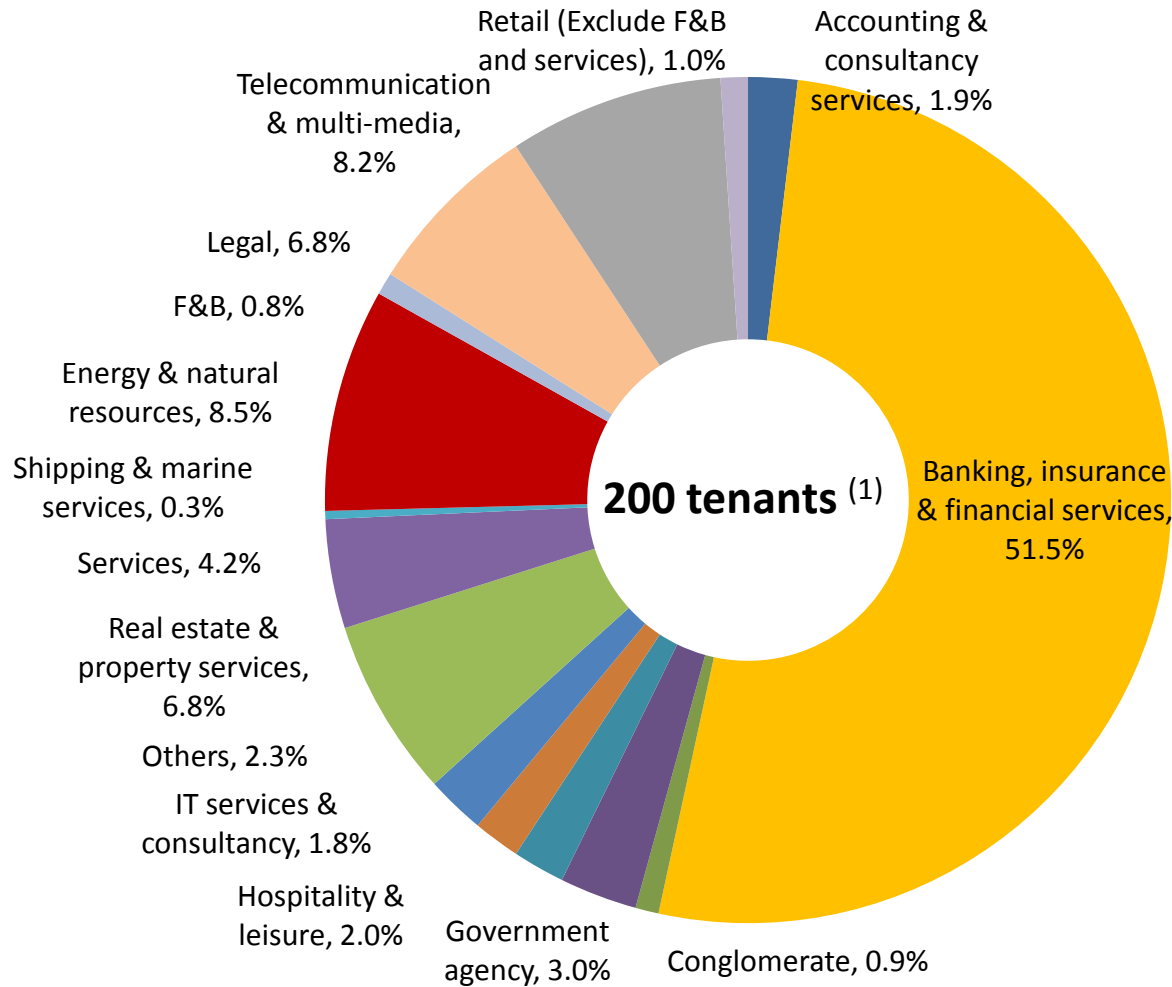
Top Ten Tenants



(1) Royal Bank of Scotland has leased premises at Ocean Financial Centre and One Raffles Quay.



Tenants diversified across various business sectors

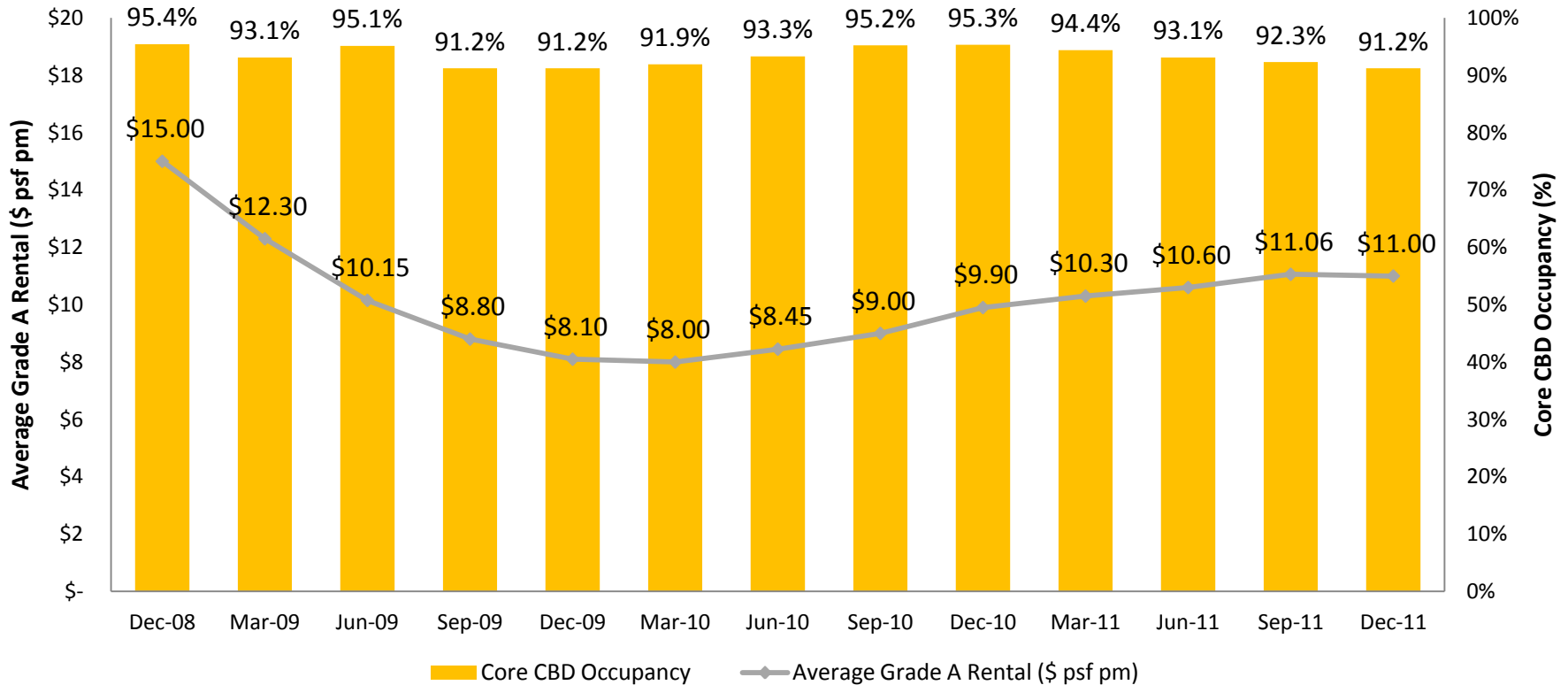


(1) Tenants with multiple leases are accounted as one tenant.

Market Review and Outlook

Singapore Office Market

➤ Average Grade A office rental shows resilience



Source: CB Richard Ellis.



Economic and Office Market Outlook

Singapore

- Economy expanded 4.8% in 2011
- Forecast GDP growth of between 1% and 3% for 2012
- Grade A office rental remains stable at \$11.00 psf per month
- Positive net take-up expected despite significant amounts of new office space being completed in the core CBD in 2012

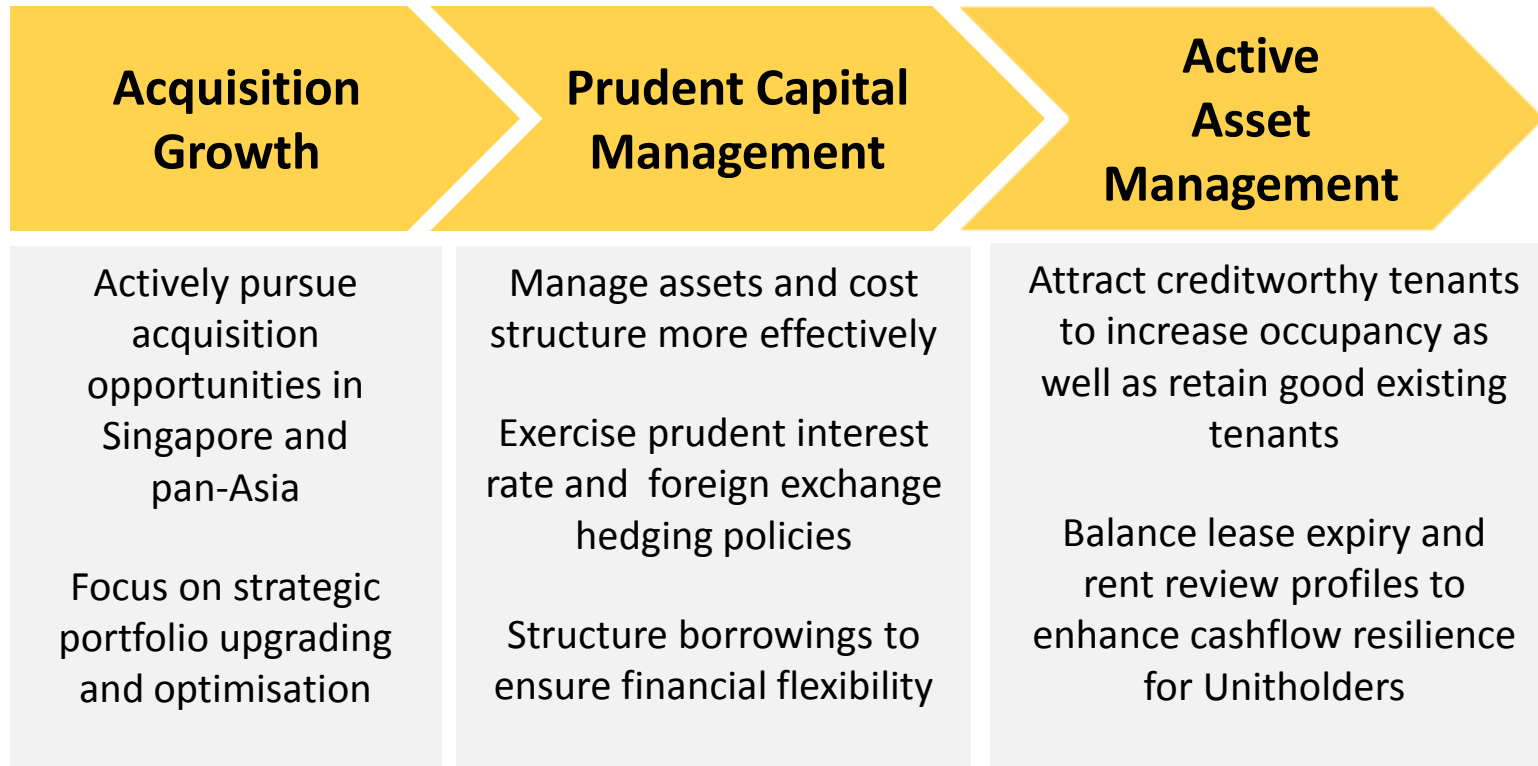
Australia

- Economy to achieve 2.75% growth in 2011
- RBA cut benchmark interest rate to 4.25% to counter inflationary pressures
- Occupancy and rental rates of prime office space in Sydney and Brisbane office markets hold steady on the back of sustained employment growth

Going Forward



Key Thrusts



Continue to deliver sustainable long term growth in DPU and asset value

Additional Information



Singapore's Leading Office REIT

Overview

- Listed on the SGX-ST in April 2006 with a market cap of \$2.1bn⁽¹⁾ as at 30 December 2011.
- Quality portfolio of eight commercial Grade A office assets valued at approximately \$6.0bn and spanning 2.6m sf NLA as at 31 December 2011.
- High quality office property portfolio with blue-chip tenants.
- Strong sponsorship by Keppel Land Limited.
- Proven organic growth and acquisition track record.

(1) Based on market closing price of S\$0.83 per unit as at 30 December 2011.



Portfolio Information

	Singapore Portfolio					Australia Portfolio		
	Bugis Junction Towers	MBFC Interest ⁽²⁾	Ocean Financial Centre Interest	One Raffles Quay Interest	Prudential Tower Property	275 George Street Property	77 King Street Property	8 Chifley Square Interest ⁽⁵⁾
Attributable NLA (sf)	246,238	581,653	775,734	445,120	223,286	224,686	147,979	102,891
Ownership	100.0%	33.3%	~87.5%	33.3%	92.8%	50.0%	100.0%	50.0%
Number of tenants	12	81	25	29	35	9	16	1
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	McGraw-Hill Companies, The Executive Centre, UniCredit Bank	Queensland Gas Company, Telstra Corporation	Capgemini Australia, Hebert Geer, Drake Australia	Corrs Chambers Westgarth ⁽⁶⁾
Tenure	99 years expiring 9 Sep 2089	99 years expiring 10 October 2104	99 years expiring 13 December 2110	99 years expiring 12 Jun 2100	99 years expiring 14 Jan 2095	Freehold	Freehold	99 years expiring 5 Apr 2105
Valuation ⁽¹⁾ (S\$ million)	410.5	1,513.0	2,054.0 ⁽³⁾	1,099.0	477.4	236.0 ⁽⁴⁾	154.7 ⁽⁴⁾	202.4 ⁽⁷⁾
Committed occupancy	100.0%	98.6%	84.9%	100.0%	94.1%	100.0%	88.0%	40.0%

(1) Valuation as at 1 October 2011 based on K-REIT Asia's interest in the respective properties unless otherwise stated.

(2) Refers to K-REIT's one-third interest in Marina Bay Financial Centre Tower 1 & 2 and Marina Bay Link Mall.

(3) Valuation as at 15 September 2011.

(4) Based on the exchange rate of A\$1 = S\$1.311.

(5) 8 Chifley Square currently under construction and expected to be completed in 3Q 2013.

(6) Pre-committed lease.

(7) Based on the lower acquisition consideration of A\$154.4million on completion and an exchange rate of A\$1 = S\$1.311.

Thank you

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