

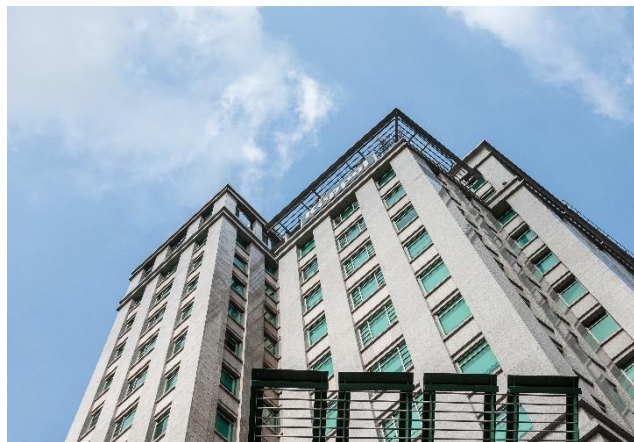
Divestment of Bugis Junction Towers

1 October 2019



Unlocking Value

- Sale of strata ownership of Bugis Junction Towers for \$547.5 million (\$2,200 psf)
- Achieved asset-level returns of 19.4% p.a. from this investment which has been held since Keppel REIT's listing in 2006
- Realising capital gains of \$378.1 million⁽¹⁾ as part of ongoing portfolio optimisation strategy
- Post divestment expected in 4Q 2019, Keppel REIT's portfolio will remain firmly anchored by Singapore CBD assets (accounting for 81.1% of the portfolio)



Bugis Junction Towers, Singapore	
Building Completion	1994
Total NLA	248,853 sf
Land Tenure	~70-year leasehold remaining until 9 Sep 2089
Occupancy (as at 30 Jun 2019)	100% committed
WALE (as at 30 Jun 2019)	6.2 years
Purchase Price	\$159.5m (\$645 psf ⁽²⁾)
Valuation (as at 8 Aug 2019)	\$515.0m (\$2,069 psf)

(1) Based on difference between sale price and purchase price, after taking into consideration capitalised expenditures and divestment costs

(2) Based on NLA of 247,464 sf at the time of acquisition



Asset-level returns

19.4% p.a.

*Bugis Junction Towers has been held since
Keppel REIT's listing in 2006*

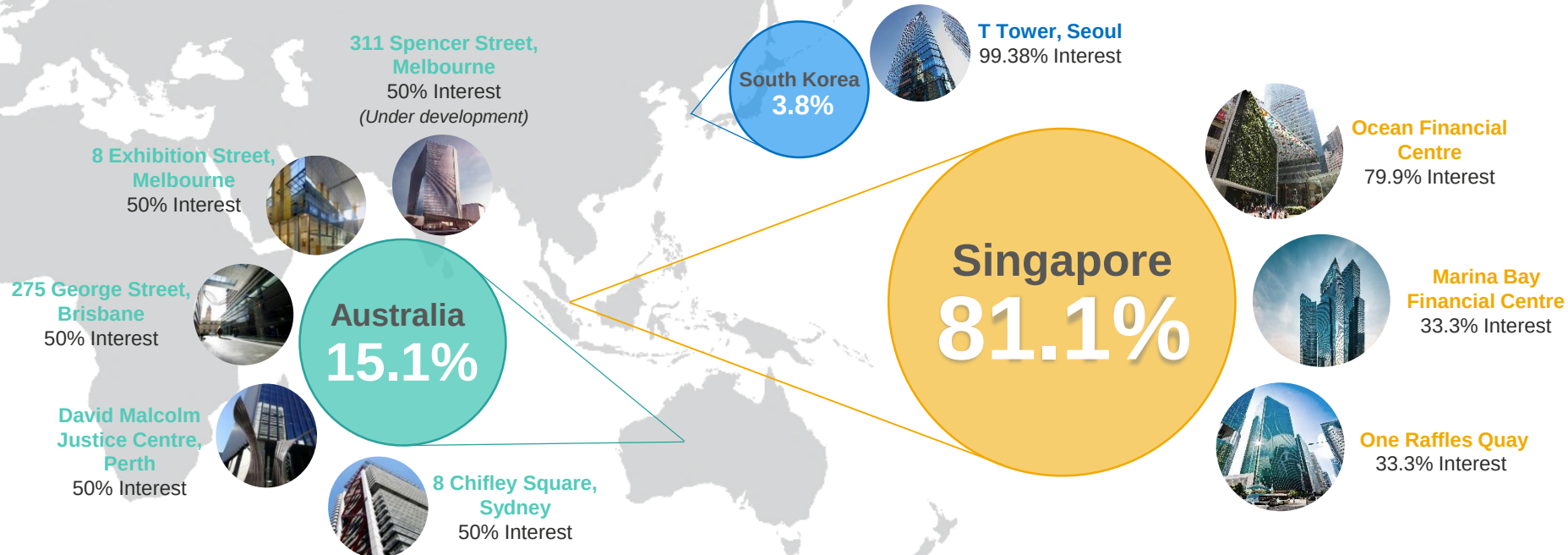
Divestment Rationale

- 1** Attractive asset-level returns of 19.4% p.a., driven by \$378.1 million⁽¹⁾ of capital gains
- 2** Unlock value of capital appreciation while maintaining exposure to Singapore CBD
- 3** Improved financial flexibility for ongoing portfolio optimisation:
 - Continue DPU-accretive Unit buy-back programme
 - Redeploy funds to higher yielding assets
 - Distribute capital gains
 - Pare down debt
- 4** In-line with strategy to continually capture opportunities to achieve long-term sustainable return for Unitholders

(1) Based on difference between sale price and purchase price, after taking into consideration capitalised expenditures and divestment costs

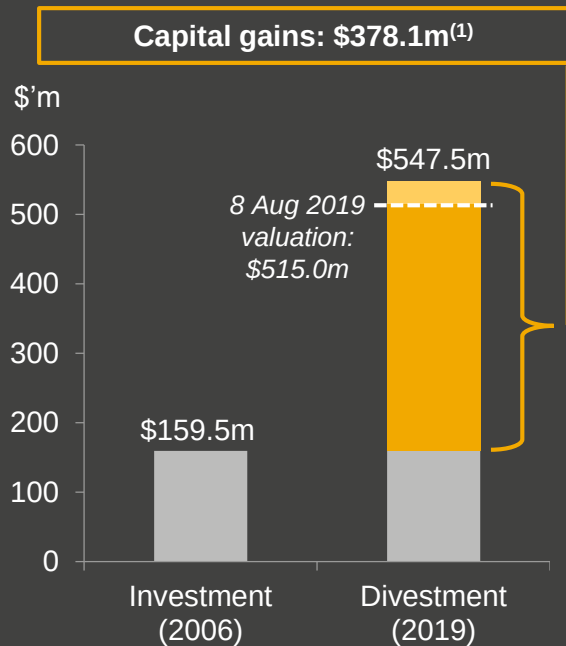
Portfolio Anchored by Singapore CBD Assets

\$7.9 billion portfolio in key business districts of Singapore, Australia and South Korea enhances income diversification and long-term stability



Note: Based on pro forma assets under management, assuming that the sale was completed on 30 June 2019.

Bugis Junction Towers



Attractive Capital Gains

Sale price of \$547.5 million:

- translates to a net property income yield of 3.0%⁽²⁾
- is 6.3% above latest valuation⁽³⁾ of \$515.0 million
- is 243.2% above purchase price of \$159.5 million in 2006

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Valuation (as at 8 Aug 2019)	\$515.0m (\$2,069 psf)
Purchase Price	\$159.5m (\$645 psf ⁽⁴⁾)

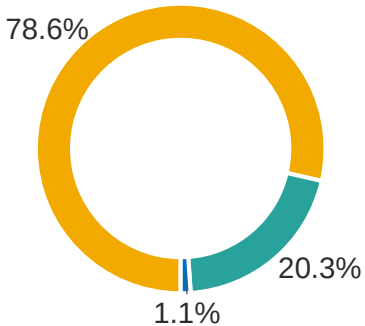
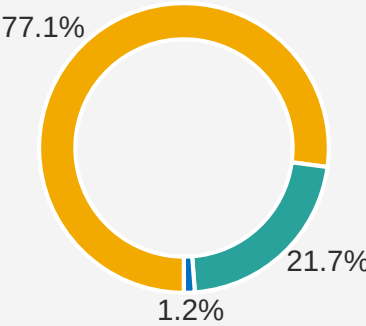
(1) Based on difference between sale price and purchase price, after taking into consideration capitalised expenditures and divestment costs

(2) Based on NPI for the 12 months preceding 30 June 2019

(3) Valuation as at 8 August 2019

(4) Based on NLA of 247,464 sf at the time of acquisition

Pro Forma Impact: Financials

For Illustrative Purpose	Before	After
DPU⁽¹⁾	5.56 cents	5.52 cents
Adjusted NAV per Unit⁽²⁾	\$1.39	\$1.40
Income Contribution⁽³⁾	 78.6% 20.3% 1.1% ■ Singapore ■ Australia ■ South Korea	 77.1% 21.7% 1.2% ■ Singapore ■ Australia ■ South Korea

(1) Pro forma financial effects of the sale on DPU prepared based on the audited financial statements of Keppel REIT for the financial year ended 31 December 2018, assuming that the sale was completed on 1 January 2018

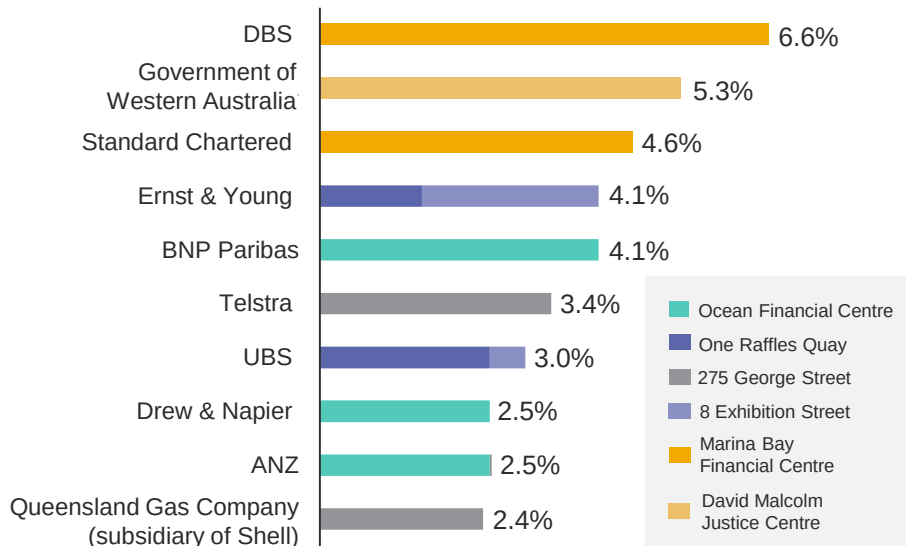
(2) Pro forma financial effects of the sale on NAV per Unit prepared based on the audited financial statements of Keppel REIT for the financial year ended 31 December 2018, assuming that the sale was completed on 31 December 2018 and after adjusting for 4Q 2018's distributable income

(3) Pro forma financial effects of the sale on 1H 2019's portfolio income, assuming that the sale was completed on 1 January 2019

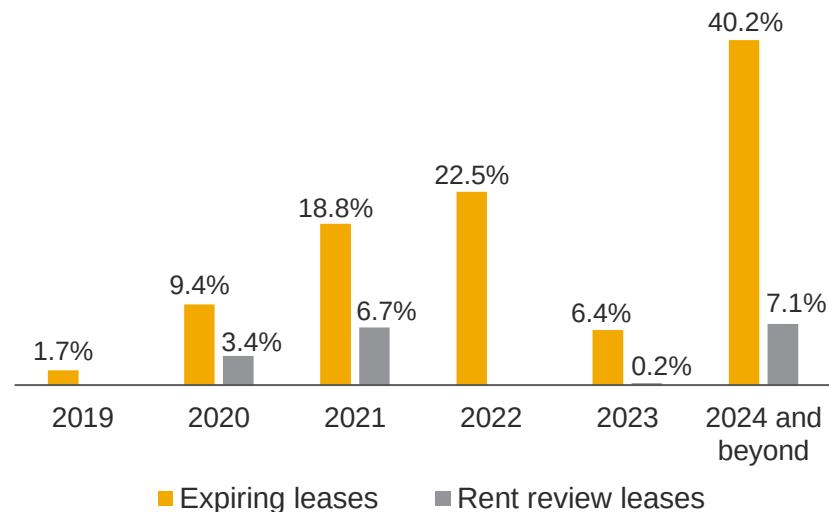
Pro Forma Impact: Portfolio

- Post divestment of Bugis Junction Towers, portfolio committed occupancy remains high at 99.0%⁽¹⁾, while portfolio WALE remains long at 5.2 years⁽¹⁾

Top 10 Tenants⁽¹⁾



Lease Expiry Profile⁽¹⁾



(1) Based on portfolio committed NLA, assuming that the sale was completed on 30 June 2019

Committed to delivering stable income and sustainable returns

Marina Bay
Financial Centre

One Raffles
Quay

Ocean Financial
Centre





Thank You

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