

The logo for Keppel REIT, featuring the word "Keppel" in white on a grey rectangular background, followed by "REIT" in red. The background of the entire slide is a low-angle photograph of several modern skyscrapers with glass facades, reaching towards a blue sky with light clouds. A large, semi-transparent red arrow graphic points upwards and to the right, starting from the bottom left and extending towards the top right.

**Keppel** REIT

# Second Half & Full Year 2020 Financial Results

25 January 2021

# Outline

■ FY 2020 Key Highlights	3
■ Financial Results	4
■ Portfolio Review	9
■ Market Update	22
■ Additional Information	28

**IMPORTANT NOTICE:** The past performance of Keppel REIT is not necessarily indicative of its future performance. Certain statements made in this presentation may not be based on historical information or facts and may be “forward-looking” statements due to a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments or shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes, and the continued availability of financing in the amounts and terms necessary to support future business.

Prospective investors and unitholders of Keppel REIT (“Unitholders”) are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Keppel REIT Management Limited, as manager of Keppel REIT (the “Manager”) on future events. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained in this presentation. None of the Manager, the trustee of Keppel REIT or any of their respective advisors, representatives or agents shall have any responsibility or liability whatsoever (for 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. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially. The value of units in Keppel REIT (“Units”) and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (“SGX-ST”). Listing of the Units on SGX-ST does not guarantee a liquid market for the Units.

## Constituent of:



FTSE ST Large &  
Mid Cap Index



FTSE EPRA Nareit  
Global Developed Index



GPR 250  
Index Series



MSCI Singapore  
Small Cap Index

# FY 2020 Key Highlights



## 5.73 cents

**FY 2020 DPU**

Up 2.7% y-o-y; 2H 2020 DPU was 2.93 cents (Up 4.6% y-o-y)

## \$194.6m

**FY 2020 distributable income, including \$10.0m capital gains**

Up 2.8% y-o-y

## 37.3%

**Aggregate leverage as at 31 Dec 2020**

Low all-in interest rate of 2.35%



## Ongoing portfolio optimisation

**Added Melbourne's Victoria Police Centre<sup>(1)</sup> and Sydney's Pinnacle Office Park. Proposed acquisition of Keppel Bay Tower in Singapore**

## 97.9%

**High portfolio committed occupancy as at 31 Dec 2020**

## 6.7 years

**Long portfolio weighted average lease expiry as at 31 Dec 2020**



## Keppel Bay Tower

Proposed acquisition of Grade A office building in the Keppel Bay waterfront precinct is a strategic expansion that complements the REIT's core CBD offering

# Financial Results

Marina Bay Financial Centre,  
Singapore

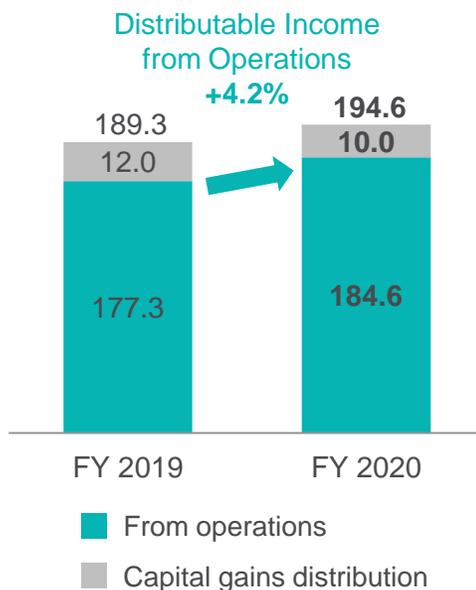


# Financial Performance

## Improvement in distributable income for FY 2020 due mainly to:

- Contributions from T Tower and Victoria Police Centre, as well as lower borrowing costs
- Offset by the impact of the divestment of Bugis Junction Towers in Nov 2019, COVID-19 tenant relief measures and the cessation of rental support

### Distributable Income (\$m)



	2H 2020	2H 2019	+ / (-)	FY 2020	FY 2019	+ / (-)
<b>Property Income<sup>(1)</sup></b>	\$94.7m	\$84.1m	+12.6%	\$170.2m	\$164.1m	+3.8%
<b>Net Property Income (NPI)</b>	\$76.5m	\$66.5m	+15.0%	\$135.5m	\$128.9m	+5.1%
Less: Attributable to Non-controlling Interests	(\$8.5m)	(\$8.6m)	(0.9%)	(\$16.9m)	(\$16.8m)	+0.6%
<b>NPI Attributable to Unitholders</b>	\$68.0m	\$57.9m	+17.3%	\$118.6m	\$112.1m	+5.8%
<b>Share of Results of Associates<sup>(2)</sup></b>	\$47.7m	\$38.8m	+23.0%	\$88.2m	\$77.9m	+13.2%
<b>Share of Results of Joint Ventures<sup>(3)</sup></b>	\$15.7m	\$14.2m	+10.1%	\$29.4m	\$28.5m	+2.9%
<b>Distributable Income from Operations</b>	<b>\$99.8m</b>	<b>\$88.6m</b>	<b>+12.6%</b>	<b>\$184.6m</b>	<b>\$177.3m</b>	<b>+4.2%</b>
<b>Capital Gains Distribution</b>	-	\$6.0m	N.m.	\$10.0m	\$12.0m	(16.7%)
<b>Distribution to Unitholders</b>	<b>\$99.8m</b>	<b>\$94.6m</b>	<b>+5.5%</b>	<b>\$194.6m</b>	<b>\$189.3m</b>	<b>+2.8%</b>
<b>DPU (cents)</b>	<b>2.93</b>	<b>2.80</b>	<b>+4.6%</b>	<b>5.73</b>	<b>5.58</b>	<b>+2.7%</b>

N.m. = Not meaningful

(1) Property income relates to income from directly-held properties including Ocean Financial Centre, 50% interest in 275 George Street, 50% interest in 8 Exhibition Street office building and 100% interest in the three adjacent retail units, T Tower after it was acquired on 27 May 2019, Bugis Junction Towers before it was divested on 29 Nov 2019 and Victoria Police Centre after it achieved practical completion on 9 Jul 2020.

(2) Share of results of associates relates to Keppel REIT's one-third interests in One Raffles Quay and Marina Bay Financial Centre.

(3) Share of results of joint ventures relates to Keppel REIT's 50% interests in 8 Chifley Square and David Malcolm Justice Centre.

# Balance Sheet

	As at 31 Dec 2020	As at 31 Dec 2019	+ / (-)
<b>Deposited Property<sup>(1)</sup></b>	\$8,389m	\$8,032m	+4.4%
<b>Total Assets</b>	\$7,764m	\$7,449m	+4.2%
<b>Borrowings<sup>(2)</sup></b>	\$3,130m	\$2,879m	+8.7%
<b>Total Liabilities</b>	\$2,544m	\$2,286m	+11.3%
<b>Unitholders' Funds</b>	\$4,498m	\$4,585m	(1.9%)
<b>Adjusted NAV per Unit<sup>(3)</sup></b>	\$1.29	\$1.35	(4.4%)

(1) Included interests in associates and joint ventures.

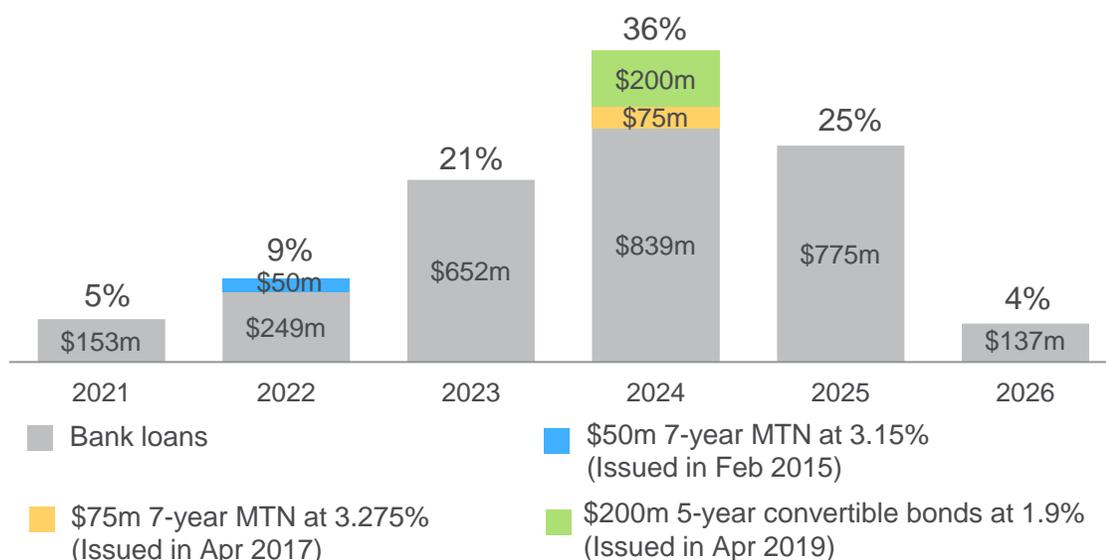
(2) Included borrowings accounted for at the level of associates and excluded the unamortised portion of upfront fees in relation to the borrowings.

(3) For 31 Dec 2020 and 31 Dec 2019, these excluded the distributions to be paid in Mar 2021 and paid in Feb 2020 respectively.

# Prudent Capital Management

- All-in interest rate reduced year-on-year to 2.35% p.a. from 2.77% p.a.
- Strengthened sustainability-focused funding with additional A\$300m of green loans
- Issued \$300m<sup>(1)</sup> of 3.15% perpetual securities to refinance 4.98% perpetual securities<sup>(2)</sup> and increase financial flexibility

## Debt Maturity Profile (As at 31 Dec 2020)



As at 31 Dec 2020	
Interest Coverage Ratio <sup>(3)</sup>	3.4x
All-in Interest Rate	2.35% p.a.
Aggregate Leverage	37.3%
Weighted Average Term to Maturity	3.2 years
Borrowings on Fixed Rates	74%
Unencumbered Assets	73%
Undrawn Credit Facilities	\$835m (\$367m committed)

(1) \$150m of perpetual securities was issued on 11 Sep 2020 while another \$150m of perpetual securities was issued on 7 Oct 2020.

(2) \$150m of 4.98% perpetual securities was redeemed on 2 Nov 2020.

(3) Computed as trailing 12 months EBITDA (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), over trailing 12 months interest expense, borrowing-related fees and distributions on hybrid securities, as defined in the Code on Collective Investment Schemes revised by the MAS on 16 Apr 2020.

# Managing the COVID-19 Situation

- Keppel REIT's quality office portfolio and high-quality tenant profile continue to provide income stability and resilience
- To support tenants, and in line with government measures, measures were implemented to alleviate tenants' cashflow and cost pressures



Rental collection<sup>(1)</sup>

**98%**

in 4Q 2020



Total rent deferrals

**\$1.9m**

as at 31 Dec 2020



Tenant relief measures<sup>(2)</sup>

**Approx. \$14.6m**

including estimated \$9.9m of government property tax rebates and cash grant

# Portfolio Review

Ocean Financial Centre  
lit in blue in support of the  
#SeeltBlue campaign that  
highlights the importance of  
mental well-being and  
expresses gratitude to  
frontline workers battling the  
COVID-19 pandemic



# Continuing Portfolio Optimisation

- Portfolio optimisation to improve yield and create long-term value for Unitholders
- Holding quality assets across different markets enhances income diversification and long-term stability



*Dec 2018: Divested 20% of Ocean Financial Centre in Singapore*



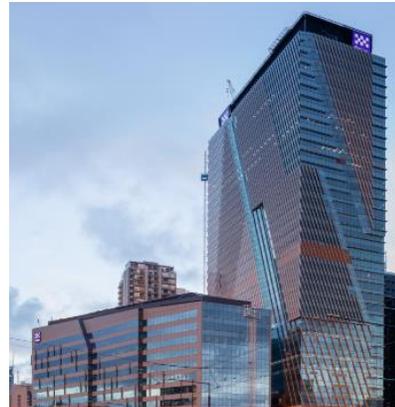
*May 2019: Acquired T Tower in Seoul*



*Nov 2019: Divested Bugis Junction Towers in Singapore*

## FY 2020 developments:

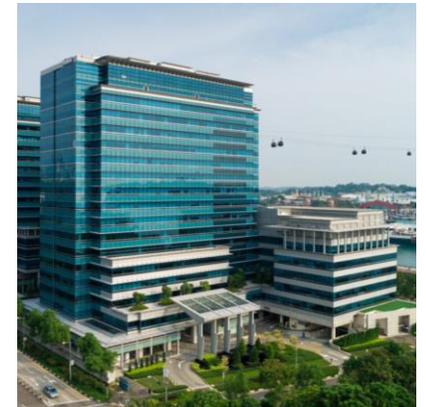
- Commencement of Victoria Police Centre's income contribution
- Acquired Pinnacle Office Park to expand into Sydney's Grade A metropolitan office space
- Announced proposed acquisition of Keppel Bay Tower in Singapore



*Jul 2020: Completed Victoria Police Centre in Melbourne*



*Dec 2020: Acquired Pinnacle Office Park in Sydney*



*Dec 2020: Announced Proposed Acquisition of Keppel Bay Tower in Singapore*

# Victoria Police Centre Achieved Practical Completion

Practical Completion:  
9 Jul 2020



- Commencement of the 30-year lease for Victoria Police's new headquarters contributes a steady income stream to Keppel REIT
- The Grade A office tower is powered by 100% renewable electricity as part of the City of Melbourne's second Melbourne Renewable Energy Project

## Victoria Police Centre at 311 Spencer Street, Melbourne

<b>Ownership</b>	50.0%
<b>Attributable NLA</b>	364,180 sf (33,833 sm)
<b>Tenure</b>	Freehold
<b>Committed Occupancy</b>	100%
<b>Valuation<sup>(1)</sup></b>	A\$385.0m (S\$380.0m)

# Acquired Pinnacle Office Park in Sydney

- Acquisition completed on 31 Dec 2020 as part of ongoing portfolio optimisation to improve income resilience and portfolio yield
- Gains exposure to Macquarie Park, a key Australian metropolitan office market
- Expands into Grade A metropolitan office space to meet demand for cost-effective or hub-and-spoke business models

Acquisition Completed:  
31 Dec 2020

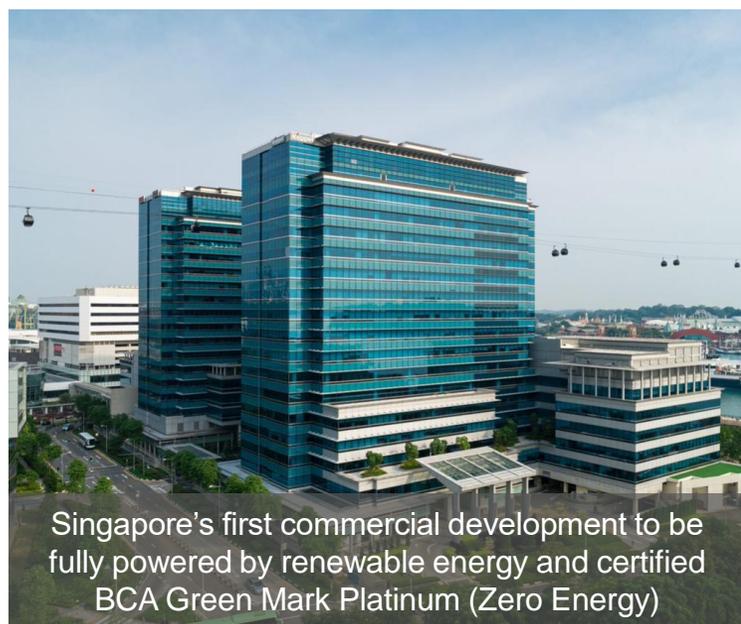


## Pinnacle Office Park, Sydney

<b>Ownership</b>	100.0%
<b>Attributable NLA</b>	378,164 sf (35,132 sm)
<b>Tenure</b>	Freehold
<b>Committed Occupancy</b>	96.9%
<b>Valuation<sup>(1)</sup></b>	A\$306.1m (\$302.1m)

# Proposed Acquisition of Keppel Bay Tower

- DPU-accretive acquisition of a 100% interest in Keppel Bay Tower, a Grade A office building strategically located in the HarbourFront/Alexandra submarket of Singapore
- Acquisition complements the REIT's core CBD offering, and is consistent with its strategy of strengthening and diversifying its portfolio, while staying focused on its core markets
- Established tenant base of multinational corporations and anchored by the Keppel Group



Transaction Overview	
<b>Agreed Property Value<sup>(1)</sup></b>	\$657.2m <sup>(2)</sup> (\$1,700 psf)
<b>Valuation<sup>(1)</sup></b>	<ul style="list-style-type: none"> <li>▪ JLL (commissioned by Trustee): \$665.0m (\$1,720 psf)</li> <li>▪ C&amp;W (commissioned by Manager): \$667.3m (\$1,726 psf)</li> </ul>
<b>Intended Funding Structure</b>	<ul style="list-style-type: none"> <li>▪ Debt financing and proceeds from an equity fund raising which is intended to comprise a private placement</li> <li>▪ Proportion of the debt and equity will be determined at the appropriate time, taking into account the then prevailing market conditions</li> </ul>
<b>Initial NPI Yield</b>	4.0% <sup>(3)</sup>
<b>DPU Accretion</b>	+2.7% <sup>(4)</sup> (FY 2019); +2.9% <sup>(5)</sup> (1H 2020)
<b>EGM to be Scheduled<sup>(6)</sup></b>	1Q 2021
<b>Expected Completion</b>	2Q 2021

*(1) Takes into account rental support of up to \$3.2m for vacant units and leases that are expiring in the 18 months post-completion. Without rental support, valuation is \$664.0m (\$1,718 psf) and \$665.0m (\$1,720 psf) by JLL and C&W respectively; (2) Total acquisition cost would be \$667.0m, comprising total consideration which takes into account the estimated net asset value, transaction costs and equity fund raising costs; (3) Based on the estimated net property income (NPI) for a year from completion of the acquisition, including rental support by the vendor for the same period; (4) On a pro forma basis as if the acquisition was completed on 1 Jan 2019, including rental support; (5) On a pro forma basis as if the acquisition was completed on 1 Jan 2020, including rental support; (6) An extraordinary general meeting (EGM) will be scheduled for Unitholders' approval of this acquisition from Keppel REIT's Sponsor, Keppel Land, as an interested person transaction.*



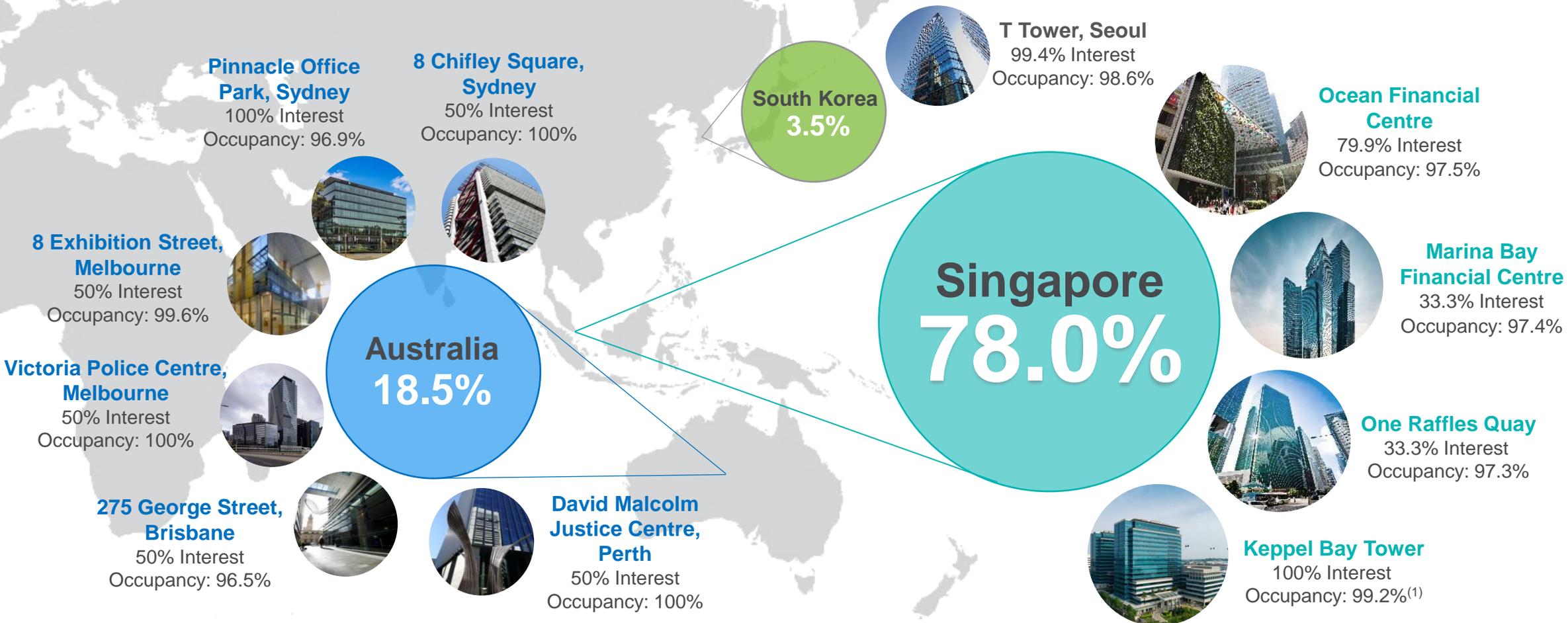
Photo Credit: ST Press

# Proposed Acquisition's Investment Merits

- 1 DPU and NPI yield accretive acquisition that enhances Keppel REIT's distributions and improves total unitholder returns
- 2 Diversifies portfolio and strengthens tenant base for income resilience
- 3 Strategic expansion that complements the current core CBD offering
- 4 Grade A waterfront office with excellent connectivity to CBD and amenities
- 5 Augments green footprint via renewable energy and technology innovation
- 6 Increases free float and liquidity

# Resilient Portfolio Anchored by Singapore CBD Assets

\$8.9 billion portfolio in key business districts of Singapore, Australia and South Korea enhances income diversification and long-term stability

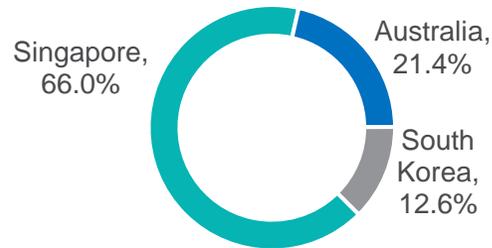


# FY 2020 Portfolio Update

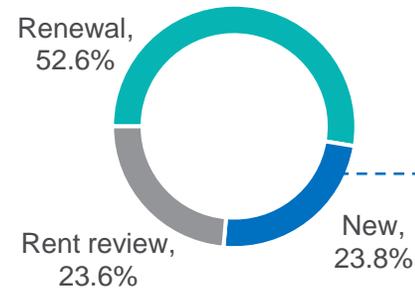
Total Leases Committed  
**~1,205,500 sf**  
 (Attributable ~510,500 sf)

Retention Rate  
**72%<sup>(1)</sup>**

Leases Committed by Geography<sup>(2)</sup>



Leases Committed by Type<sup>(2)</sup>



**New leasing demand and expansions from:**

Banking, insurance and financial services	36.5%
Real estate and property services	34.2%
Technology, media and telecommunications	13.5%
Energy, natural resources, shipping and marine	8.9%
Retail and F&B	4.9%
Accounting and consultancy services	2.0%

- High portfolio committed occupancy of 97.9%
- Long overall portfolio WALE of 6.7 years (Singapore portfolio: 2.9 years, Australia portfolio: 12.8 years, South Korea portfolio: 2.0 years); Top 10 tenants' WALE was 11.8 years
- Completed asset enhancement initiatives at 8 Exhibition Street in Melbourne to rejuvenate the asset's lobby and other amenities

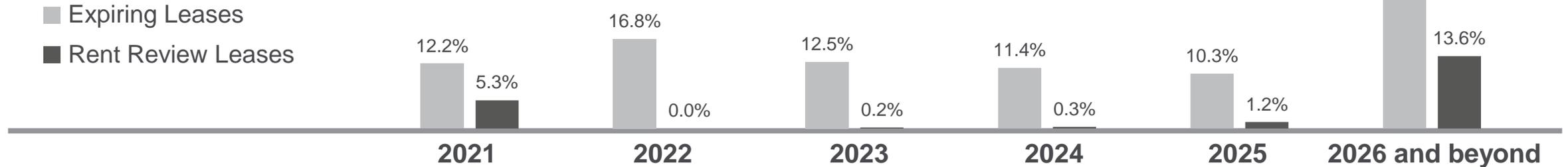


# FY 2020 Portfolio Update (Cont'd)

- Average signing rent for Singapore office leases concluded in FY 2020 was \$11.02<sup>(1)</sup> psf pm
- Average expiring rents<sup>(2)</sup> of Singapore office leases (psf pm): \$9.76 in 2021, \$10.26 in 2022 and \$11.00 in 2023

## Lease Expiries and Rent Reviews

(Based on Committed Attributable NLA)



## **Lease Expiries and Rent Reviews (Based on Committed Attributable Gross Rent)**

Expiring leases	13.0%	18.8%	13.8%	13.9%	11.9%	28.6%
Rent review leases	6.2%	-	0.2%	0.3%	1.6%	11.3%

## **Geographic Breakdown of Expiries and Rent Reviews<sup>(3)</sup>**

Singapore	13.9%	12.7%	8.8%	10.2%	8.7%	7.0%
Australia	2.2%	1.6%	2.5%	1.5%	2.6%	41.0%
South Korea	1.4%	2.5%	1.4%	-	0.2%	0.3%

(1) Based on a weighted average calculation. Simple average signing rent was \$11.61 psf pm.

(2) Weighted average based on attributable NLA of office lease expiries and reviews in Singapore.

(3) Based on committed attributable area.

# Established and Diversified Tenant Base

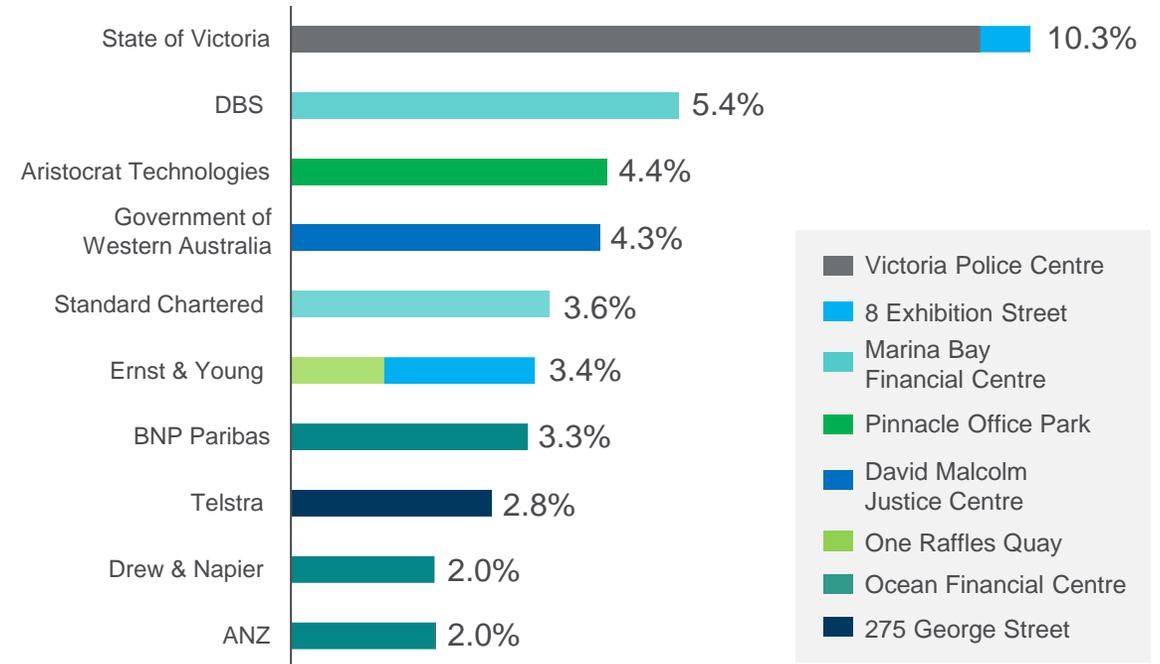
- Keppel REIT has a diversified tenant base of 353<sup>(1)</sup> tenants, many of which are established blue-chip corporations
- Top 10 tenants take up 41.5% of NLA and contribute 36.7% of gross rent



## Tenant Business Sector

Banking, insurance and financial services	32.8%
Government agency	16.0%
Technology, media and telecommunications	15.4%
Legal	7.1%
Energy, natural resources, shipping and marine	6.4%
Real estate and property services	5.3%
Accounting and consultancy services	4.7%
Services	4.6%
Manufacturing and distribution	4.2%
Retail and food & beverage	2.7%
Hospitality and leisure	0.1%
Others	0.7%
<b>Total</b>	<b>100%</b>

## Top 10 Tenants



# Portfolio Valuation

- Singapore portfolio valuation was 1.5% lower year-on-year due mainly to potential occupancy changes and lower rents in view of the COVID-19 pandemic and economic recession

Valuation based on attributable interest	31 Dec 2019	31 Dec 2020	Variance		31 Dec 2020	Cap Rate
			S\$	%		
<b>Ocean Financial Centre</b> (79.9% interest)	S\$2,099.8m	S\$2,066.2m	(S\$33.6m)	(1.6)	S\$2,950 psf	3.50%
<b>Marina Bay Financial Centre</b> (33.3% interest)	<b>Towers 1 &amp; 2, and MBLM<sup>(1)</sup>:</b> S\$1,695.3m	S\$1,665.0m	(S\$30.3m)	(1.8)	S\$2,878 psf	3.45% <sup>(2)</sup>
	<b>Tower 3:</b> S\$1,297.0m	S\$1,277.3m	(S\$19.7m)	(1.5)	S\$2,867 psf	3.63%
<b>One Raffles Quay</b> (33.3% interest)	S\$1,254.3m	S\$1,240.0m	(S\$14.3m)	(1.1)	S\$2,809 psf	3.45%
<b>Singapore Portfolio</b>	<b>S\$6,346.4m</b>	<b>S\$6,248.5m</b>	<b>(S\$97.9m)</b>	<b>(1.5)</b>		



# Portfolio Valuation (Cont'd)

- Australian building valuations, excluding David Malcolm Justice Centre, Victoria Police Centre and Pinnacle Office Park, declined by 2.0-2.3% due to potential occupancy changes at 8 Chifley Square, as well as cap rate expansion at 8 Exhibition Street and 275 George Street
- Valuation of T Tower in Seoul increased 0.5% due to cap rate compression

Valuation based on Keppel REIT's interest	Local currency				S\$			31 Dec 2020	Cap Rate
	31 Dec 2019	31 Dec 2020	Variance		31 Dec 2019	31 Dec 2020	Variance S\$		
			A\$	%					
<b>8 Chifley Square<sup>(1)</sup></b> (50% interest)	A\$240.0m	A\$234.5m	(A\$5.5m)	(2.3)	S\$222.2m	S\$231.5m	S\$9.3m	A\$24,258 psm	4.63%
<b>Pinnacle Office Park<sup>(1)</sup></b> (100% interest)	-	A\$306.1m	A\$306.1m	n.a.	-	S\$302.1m	S\$302.1m	A\$8,711 psm	5.25%
<b>8 Exhibition Street<sup>(1,2)</sup></b> (50% interest)	A\$265.3m	A\$259.5m	(A\$5.8m)	(2.2)	S\$245.6m	S\$256.2m	S\$10.6m	A\$11,366 psm	5.13% <sup>(3)</sup>
<b>Victoria Police Centre<sup>(1)</sup></b> (50% interest)	A\$349.5m <sup>(4)</sup>	A\$385.0m	A\$35.5m	+10.2	S\$323.5m <sup>(4)</sup>	S\$380.0m	S\$56.5m	A\$11,379 psm	4.50%
<b>275 George Street<sup>(1)</sup></b> (50% interest)	A\$250.0m	A\$245.0m	(A\$5.0m)	(2.0)	S\$231.4m	S\$241.8m	S\$10.4m	A\$11,745 psm	5.25%
<b>David Malcolm Justice Centre<sup>(1)</sup></b> (50% interest)	A\$232.5m	A\$232.5m	-	-	S\$215.2m	S\$229.5m	S\$14.3m	A\$14,916 psm	5.38%
<b>Australia Portfolio</b>	<b>A\$1,337.3m</b>	<b>A\$1,662.6m</b>	<b>A\$325.3m</b>	<b>+24.3</b>	<b>S\$1,237.9m</b>	<b>S\$1,641.1m</b>	<b>S\$403.2m</b>		
<b>T Tower<sup>(5)</sup></b> (99.4% interest)	KRW 259.0b	KRW 260.2b	KRW 1.2b	+0.5	S\$299.9m	S\$314.3m	S\$14.4m	KRW 20.8m/py	4.25%
<b>Total Portfolio</b>					<b>S\$7,884.2m</b>	<b>S\$8,203.9m</b>	<b>S\$319.7m</b>		

(1) Based on the exchange rates of A\$1=S\$0.9257 as at 31 Dec 2019 and A\$1=S\$0.9871 as at 31 Dec 2020.

(2) Includes 100% interest in the three adjacent retail units.

(3) Refers to Keppel REIT's 50% interest in the office building.

(4) Valuation was on a "as-is" basis.

(5) Based on the exchange rate of KRW 1,000 = \$1.158 as at 31 Dec 2019 and KRW 1,000 = S\$1.208 as at 31 Dec 2020.



# Commitment to ESG Excellence

- Retained Prime status in ISS-oekom's ESG corporate rating and the Green Star Status at the Global Real Estate Sustainability Benchmark (GRESB) 2020
- Part of two key iEdge SG ESG Indices – the iEdge SG ESG Transparency Index and the iEdge SG ESG Leaders Index
- All of Keppel REIT's Singapore assets have maintained the Platinum status under the Building and Construction Authority Green Mark Scheme. In Australia, most of Keppel REIT's buildings have achieved the 5 Stars National Australian Built Environment Energy rating
- Committed to engaging with and uplifting local communities:



# Market Review

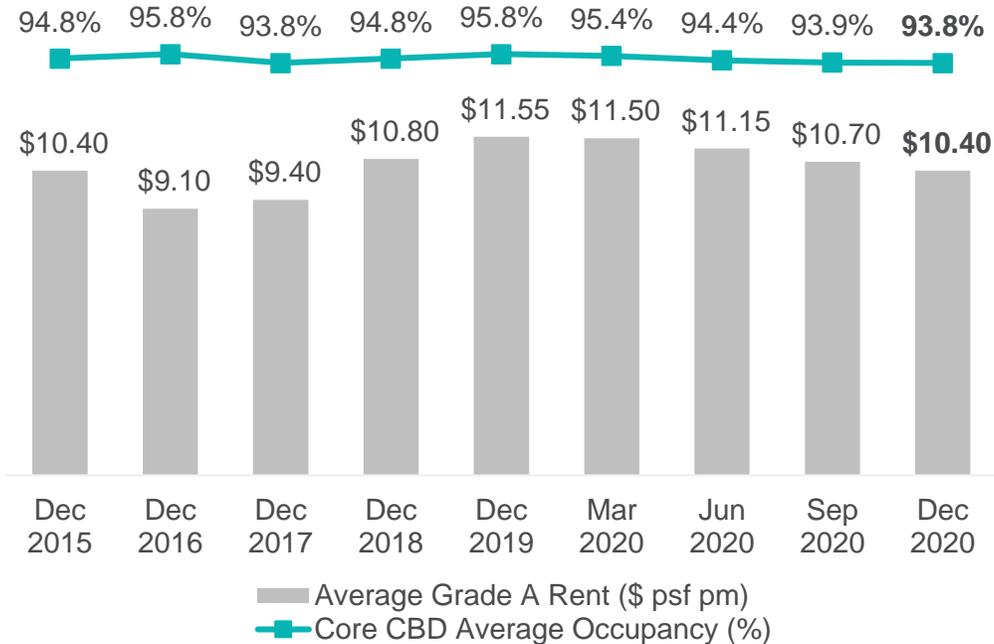
8 Chifley Square,  
Sydney



# Singapore Office Market

- Average Grade A office rents registered a decrease to \$10.40 psf pm in 4Q 2020 while average occupancy in core CBD decreased slightly to 93.8%

## Grade A Rent and Core CBD Occupancy



Source: CBRE, 4Q 2020.

## Demand and Supply



### Key Upcoming Supply in CBD<sup>(2)</sup>

Year	Project	Supply (sf)
2021	Afro-Asia i-Mark	140,000
	CapitaSpring	635,000
	Hub Synergy Point Redevelopment	131,200
2022	Guoco Midtown	650,000
2023	Central Boulevard Towers	1,258,000
2024	Keppel Towers Redevelopment	522,800
	Shaw Towers Redevelopment	406,900

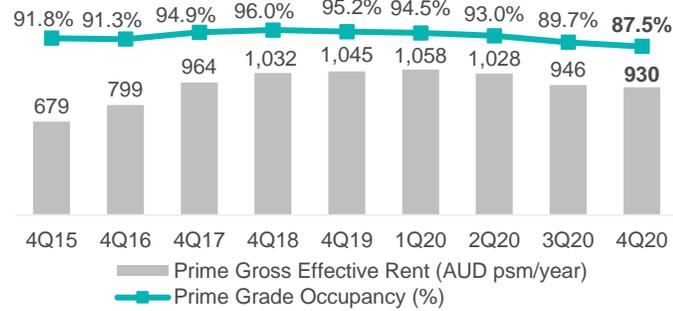
(1) Based on URA data on historical net demand and supply of office space in Downtown Core and Rest of Central Area. Supply is calculated as net change of stock over the year and may include office stock removed from market due to demolitions or change of use.

(2) Based on CBRE data on CBD Core and CBD Fringe.

# Australia Office Market

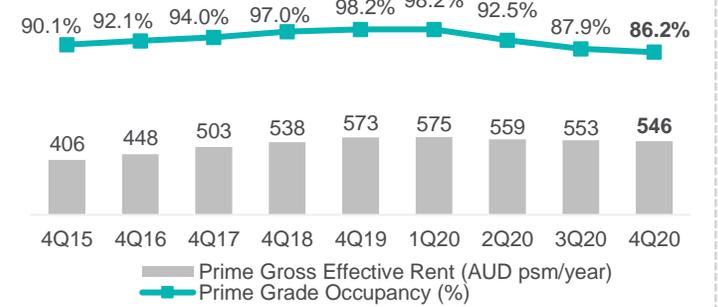
## Sydney CBD

Prime Grade occupancy was lower at 87.5%



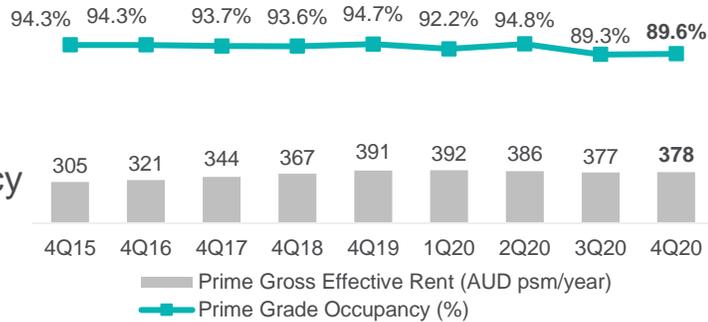
## Melbourne CBD

Prime Grade occupancy was lower at 86.2%



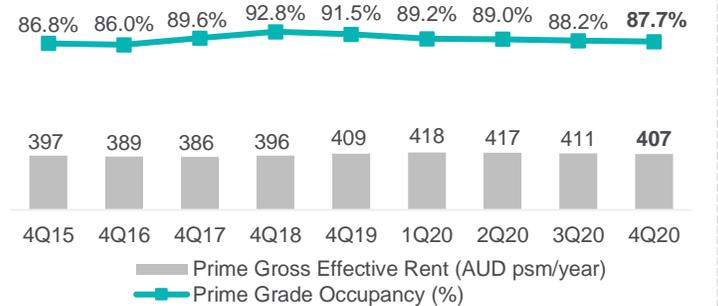
## Macquarie Park

Prime Grade occupancy was higher at 89.6%



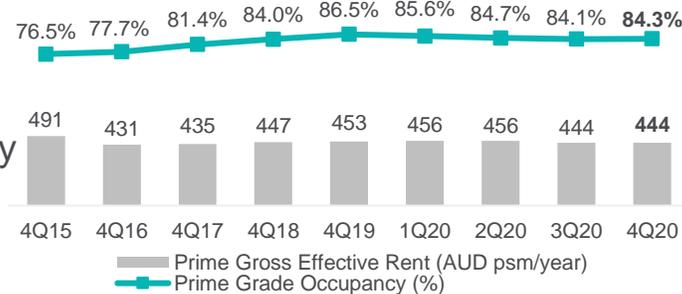
## Brisbane CBD

Prime Grade occupancy was lower at 87.7%



## Perth CBD

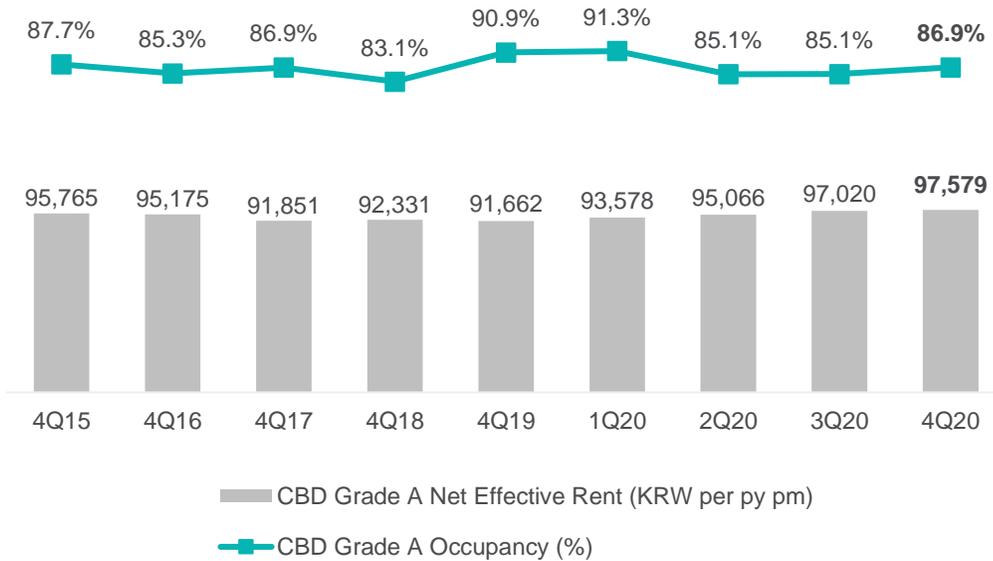
Prime Grade occupancy was higher at 84.3%



# Seoul Office Market

- CBD Grade A occupancy increased to 86.9% in 4Q 2020

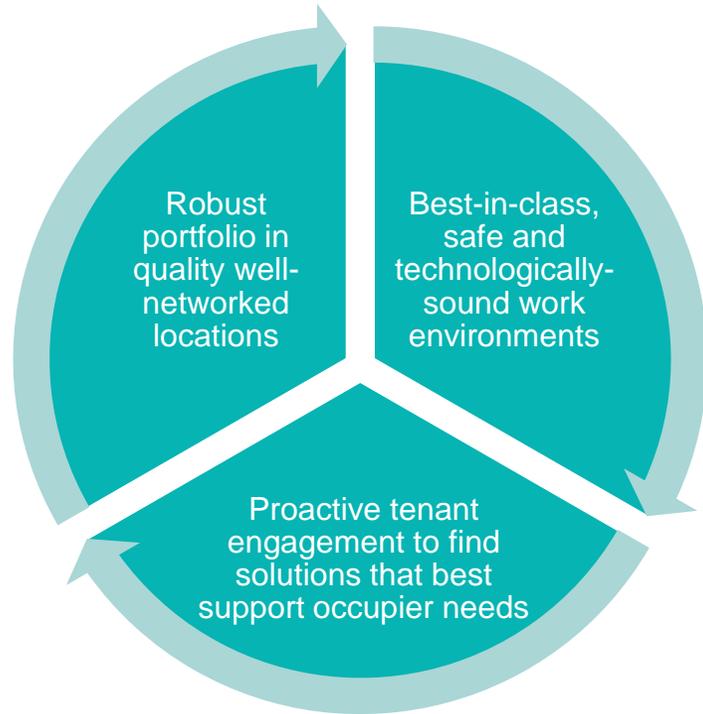
## CBD Grade A Rent and Occupancy



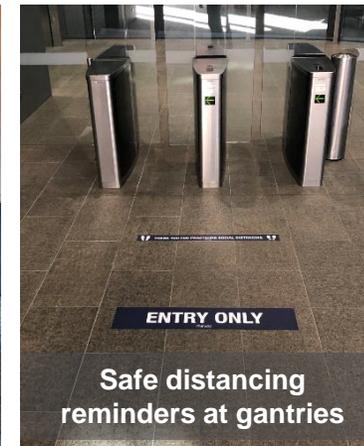
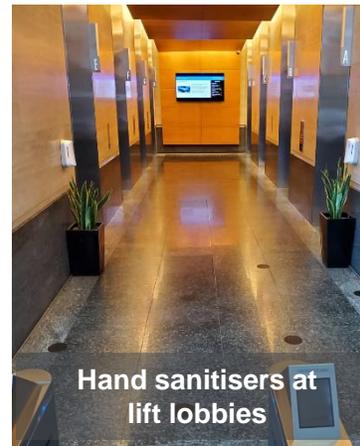
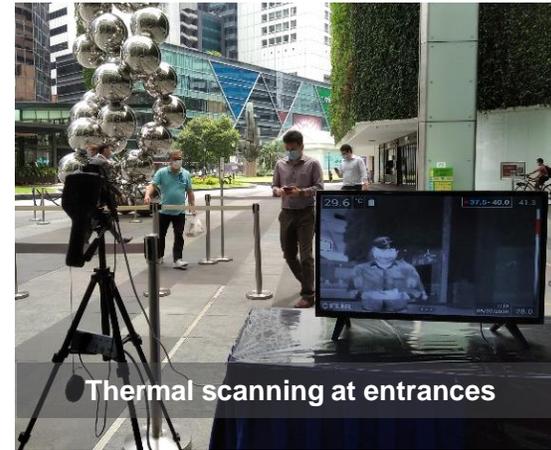
# Operating in the New Environment

- Physical offices will remain a necessity, although the form and functions of the office will evolve

Keppel REIT will continue to optimise the portfolio and calibrate its leasing strategy to meet potential shifts in occupier demand



## Safety measures to facilitate return to workplaces:



# Committed to Delivering Stable Income & Sustainable Returns

## Portfolio Optimisation

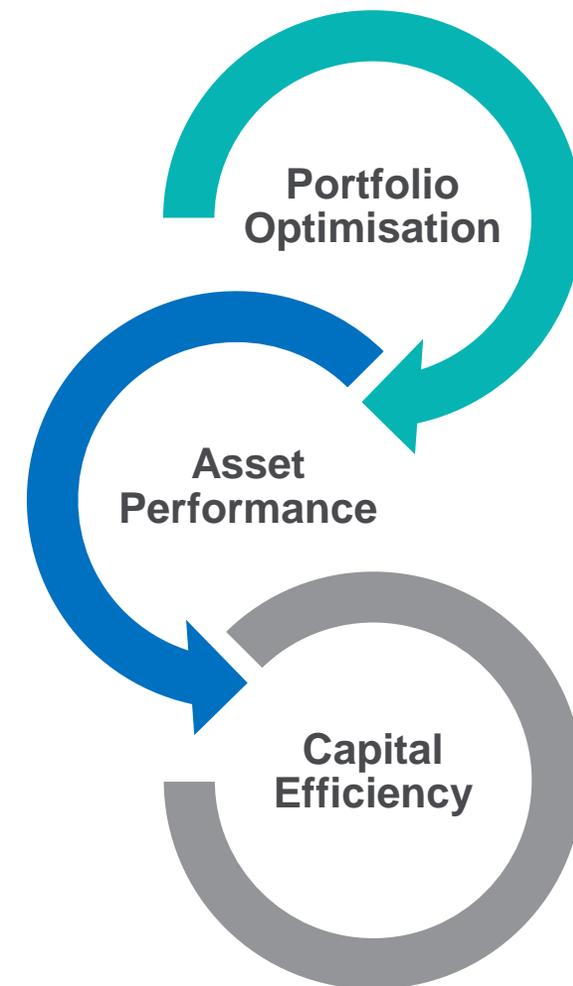
- Portfolio optimisation to improve yield, while maintaining exposure to Singapore CBD
- Hold quality assets across different markets for improved income stability and to provide more long-term growth opportunities

## Asset Performance

- Drive individual asset performance with proactive leasing and cost management strategies
- Implement initiatives to future proof assets and enhance sustainability

## Capital Efficiency

- Optimise capital structure to reduce borrowing costs and improve returns
- Manage debt maturities and hedging profiles to reduce risk



# Additional Information

One Raffles Quay,  
Singapore

# Distribution Timetable

- With effect from 2H 2020, Keppel REIT has adopted half-yearly announcement of financial statements and half-yearly distributions.
- Accordingly, the upcoming distribution to Unitholders is for the period from 1 Jul 2020 to 31 Dec 2020.

## 2H 2020 Distribution Timetable

**Ex-Date:** Mon, 1 Feb 2021

---

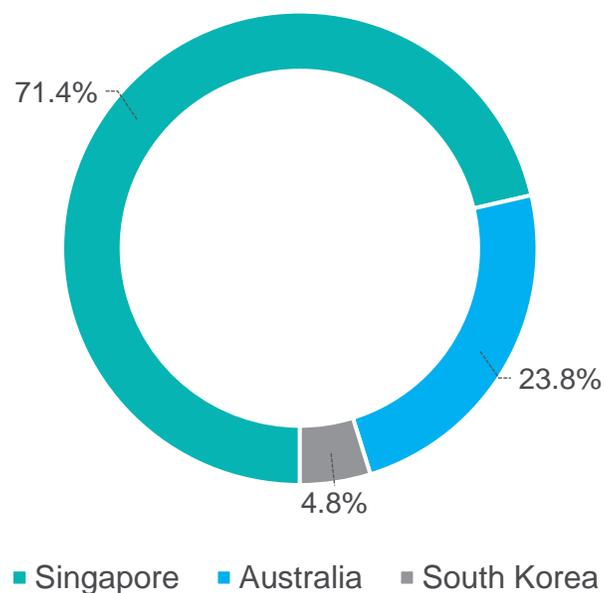
**Record Date:** Tue, 2 Feb 2021

---

**Payment Date:** Mon, 1 Mar 2021

# Attributable NPI by Property

## Breakdown of Attributable NPI by Geography (For FY 2020)

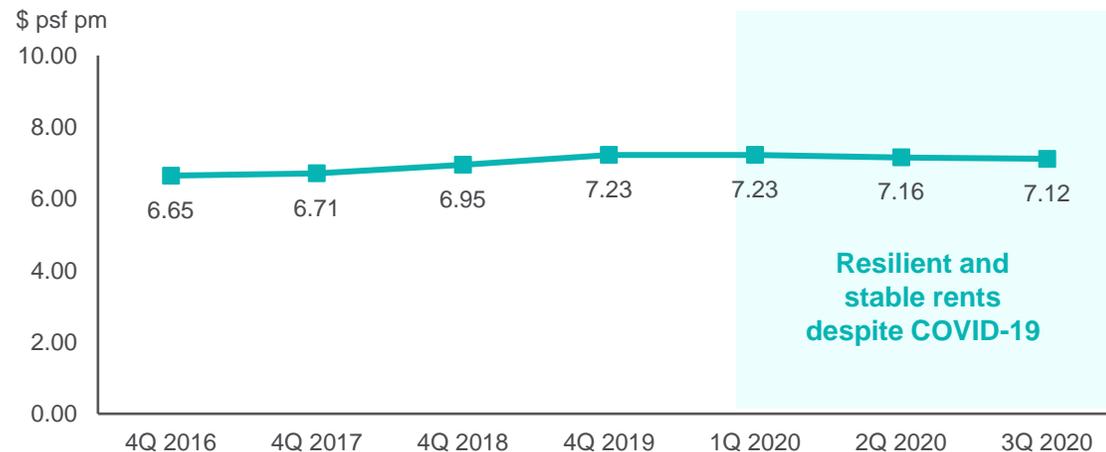


	FY 2020 \$'000	%	FY 2019 \$'000	%
<b>Ocean Financial Centre</b>	66,979	23.7	66,691	24.1
<b>Marina Bay Financial Centre</b>	95,746	33.9	101,622 <sup>(4)</sup>	35.7
<b>One Raffles Quay</b>	39,062	13.8	37,518	13.5
<b>Bugis Junction Towers<sup>(1)</sup></b>	-	-	14,371	5.2
<b>8 Chifley Square</b>	12,647	4.5	12,685	4.6
<b>8 Exhibition Street</b>	11,537	4.1	11,825	4.3
<b>Victoria Police Centre<sup>(2)</sup></b>	17,039	6.0	-	-
<b>275 George Street</b>	9,440	3.3	11,019	4.0
<b>David Malcolm Justice Centre</b>	16,720	5.9	15,875	5.7
<b>T Tower<sup>(3)</sup></b>	13,550	4.8	8,165	2.9
<b>Total</b>	<b>282,720</b>	<b>100.0</b>	<b>279,771</b>	<b>100.0</b>

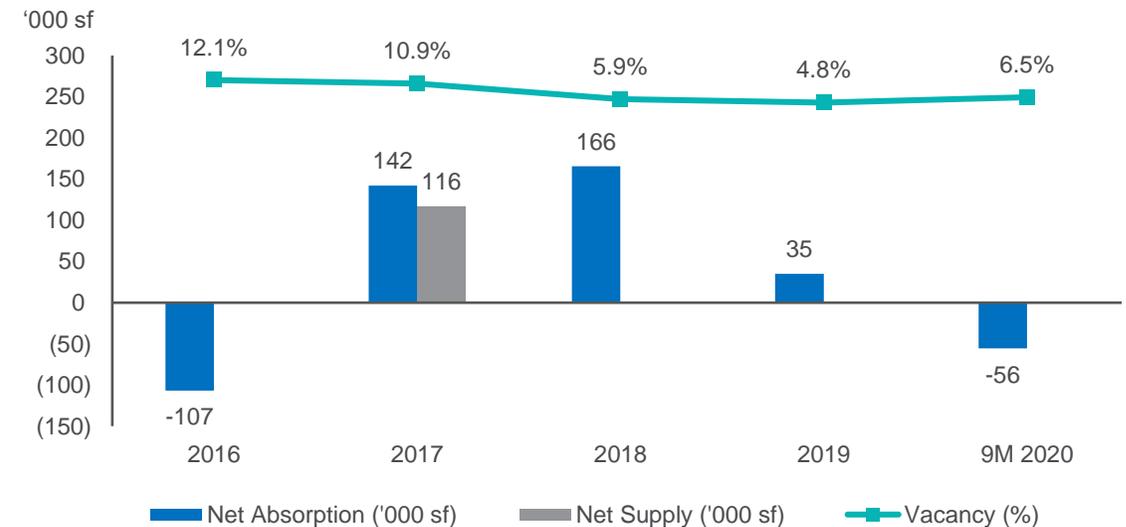
# Proposed Acquisition of Keppel Bay Tower: HarbourFront/Alexandra: A Resilient City-Fringe Submarket

- The city-fringe has **shown resilience during the current COVID-19 pandemic** with rents recording marginal decline of approximately **1.5% over 9M 2020**
- **Demand continues to be supported** by tenants who are attracted to the value proposition in this submarket
- **Limited current Grade A office stock and tight supply** are expected to **sustain the growth** of the HarbourFront/Alexandra submarket

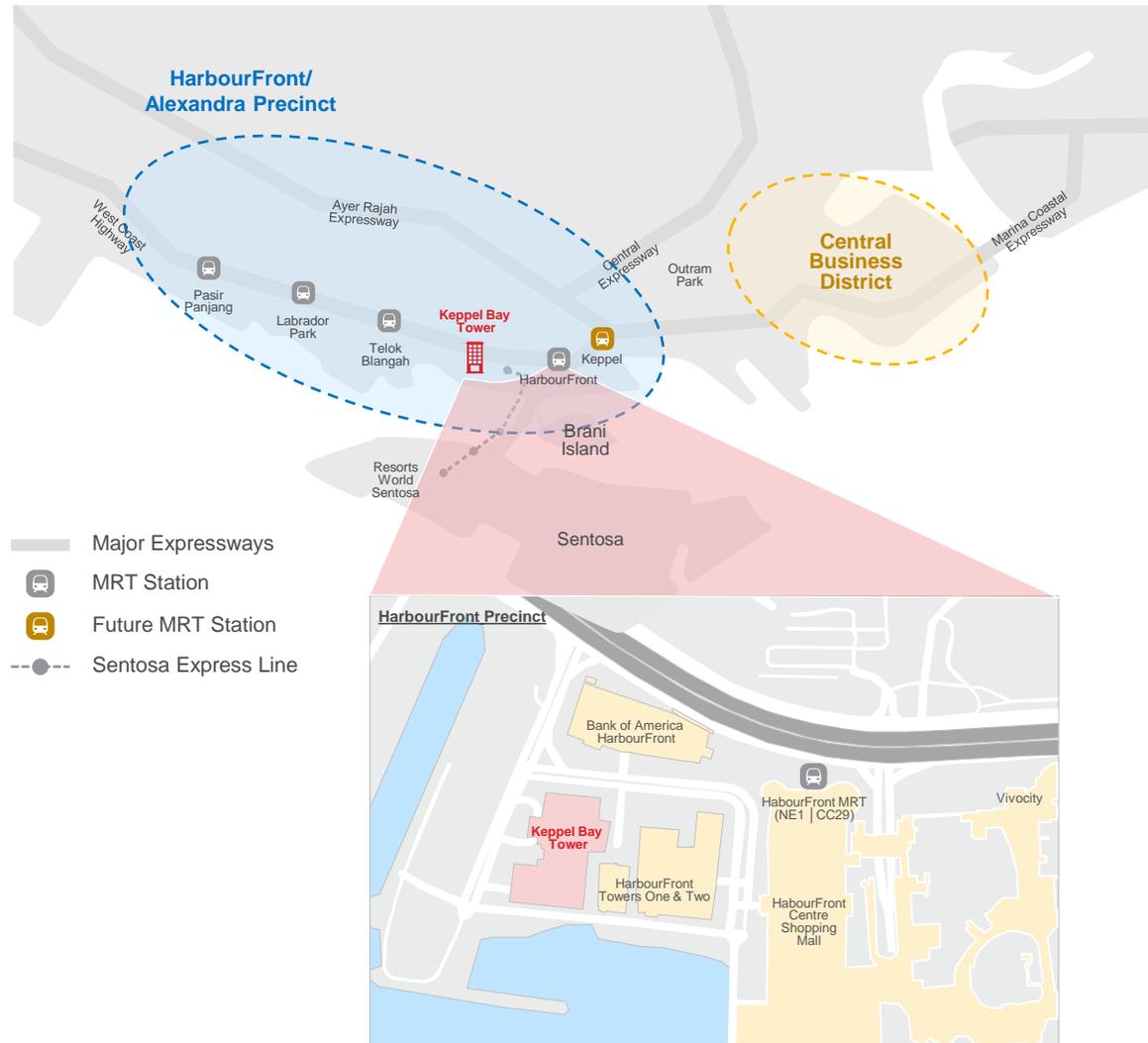
City-Fringe Gross Effective Rent<sup>(1)</sup>



HarbourFront/Alexandra Absorption, Supply & Vacancy<sup>(2)</sup>



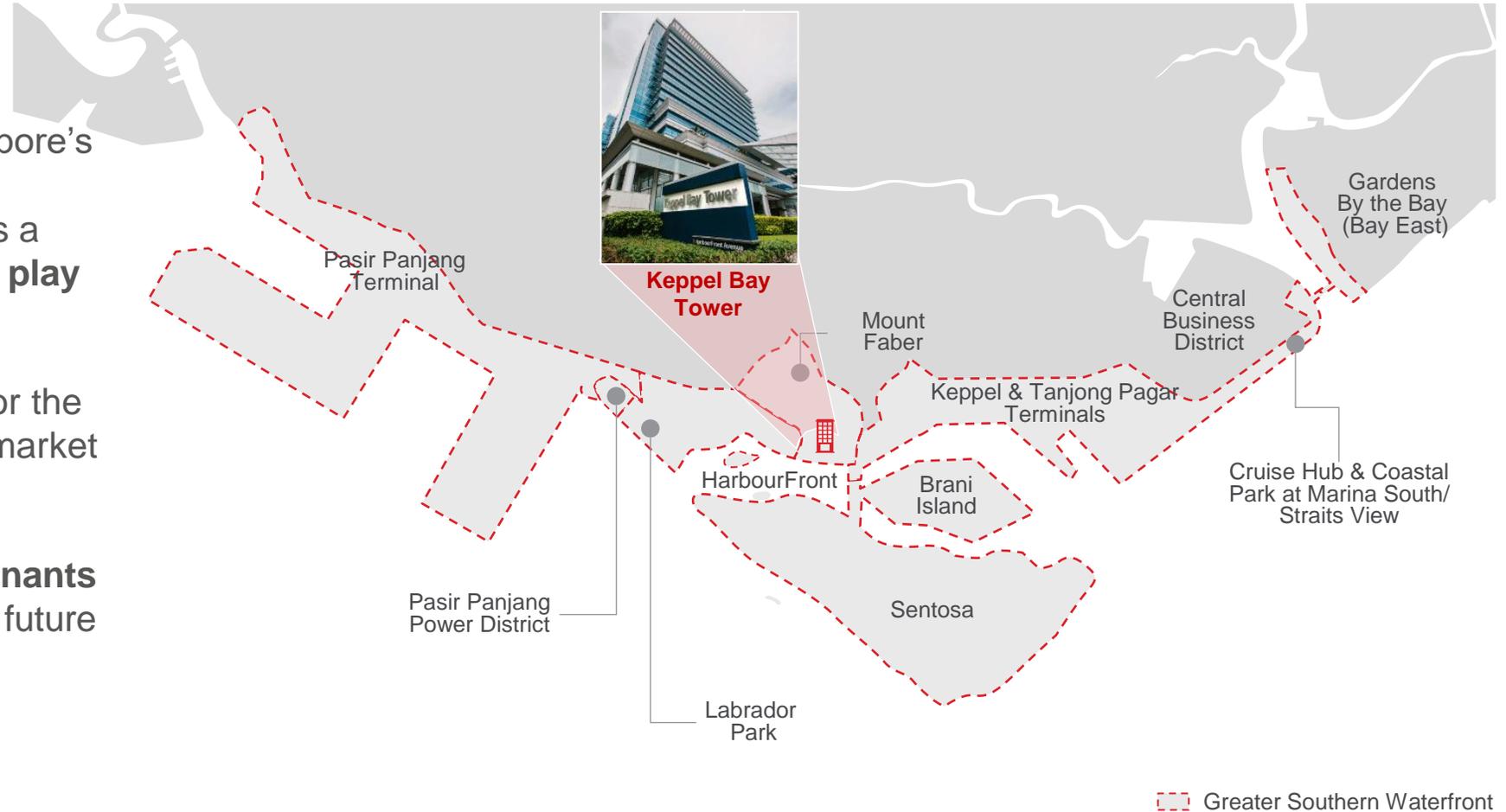
# Proposed Acquisition of Keppel Bay Tower: Grade A Waterfront Office with Excellent Connectivity to CBD and Amenities



- Well-connected by major expressways and public transportation nodes:
  - 10 min drive to CBD
  - 5 min walk to HarbourFront MRT and bus interchange, accessible via a sheltered walkway
- Further connectivity with CBD in 2025 with the expected completion of Keppel MRT, Prince Edward MRT and Cantonment MRT stations completing the Circle Line
- Surrounded by wide variety of food, retail and entertainment amenities ranging from F&B outlets on the ground floor, to nearby VivoCity, HarbourFront Centre, Keppel Island and Sentosa Island
- Coveted waterfront locale with unobstructed views of Keppel Bay and Sentosa Island

# Proposed Acquisition of Keppel Bay Tower: Participating in the Growth of the Greater Southern Waterfront

- Strategically located in Singapore's Greater Southern Waterfront (GSW), which is positioned as a destination for **work, live and play**
- GSW is expected to **drive potential redevelopments** for the HarbourFront/Alexandra submarket
- **Potentially attractive to technology or knowledge tenants** who are expected to be a key future driver of office space demand



# Portfolio Information: Singapore

<u>As at 31 Dec 2020</u>	Ocean Financial Centre	Marina Bay Financial Centre <sup>(4)</sup>	One Raffles Quay
Attributable NLA	700,504 sf	1,024,065 sf	441,475 sf
Ownership	79.9%	33.3%	33.3%
Principal tenants <sup>(1)</sup>	BNP Paribas, ANZ, Drew & Napier	DBS Bank, Standard Chartered Bank, Barclays	Deutsche Bank, Ernst & Young, Capital International
Tenure	99 years expiring 13 Dec 2110	99 years expiring 10 Oct 2104 <sup>(5)</sup> and 7 Mar 2106 <sup>(6)</sup>	99 years expiring 12 Jun 2100
Purchase Price (on acquisition)	S\$1,838.6m <sup>(3)</sup>	S\$1,426.8m <sup>(5)</sup> S\$1,248.0m <sup>(6)</sup>	S\$941.5m
Valuation <sup>(2)</sup>	S\$2,066.2m	S\$1,665.0m <sup>(5)</sup> S\$1,277.3m <sup>(6)</sup>	S\$1,240.0m
Capitalisation rates	3.50%	3.45% <sup>(7)</sup> ; 4.25% <sup>(8)</sup> ; 3.63% <sup>(6)</sup>	3.45%

1) On committed gross rent basis.

2) Valuation as at 31 Dec 2020 based on Keppel REIT's interest in the respective properties.

3) Based on Keppel REIT's 79.9% of the historical purchase price.

4) Comprises Marina Bay Financial Centre (MBFC) Towers 1, 2 and 3 and Marina Bay Link Mall (MBLM).

5) Refers to MBFC Towers 1 and 2 and MBLM.

6) Refers to MBFC Tower 3.

7) Refers to MBFC Towers 1 and 2.

8) Refers to MBLM.

# Portfolio Information: Australia & South Korea

<u>As at 31 Dec 2020</u>	8 Chifley Square, Sydney	8 Exhibition Street <sup>(3)</sup> , Melbourne	Victoria Police Centre, Melbourne	275 George Street, Brisbane	David Malcolm Justice Centre, Perth	Pinnacle Office Park, Sydney	T Tower, Seoul
Attributable NLA	104,055 sf	244,659 sf	364,180 sf	224,537 sf	167,784 sf	378,164 sf	226,949 sf
Ownership	50.0%	50.0%	50.0%	50.0%	50.0%	100.0%	99.4%
Principal tenants <sup>(1)</sup>	Corrs Chambers Westgarth, Quantium, QBE Insurance	Ernst & Young, Amazon, Minister for Finance - State of Victoria	Minister for Finance - State of Victoria	Telstra, Queensland Gas Company, The State of Queensland <sup>(7)</sup>	Minister for Works - Government of Western Australia	Aristocrat Technologies, Konica Minolta, Coles Supermarkets	Hankook Corporation, SK Communications, Philips Korea
Tenure	99 years expiring 5 Apr 2105	Freehold	Freehold	Freehold	99 years expiring 30 Aug 2114	Freehold	Freehold
Purchase Price (on acquisition)	A\$165.0m S\$197.8m	A\$168.8m S\$201.3m <sup>(3)</sup>	A\$347.8m S\$362.4m <sup>(6)</sup>	A\$166.0m S\$209.4m	A\$165.0m S\$208.1m	A\$306.0m S\$303.3m <sup>(8)</sup>	KRW252.6b S\$292.0m <sup>(9)</sup>
Valuation <sup>(2)</sup>	A\$234.5m S\$231.5m	A\$259.5m S\$256.2m <sup>(3)</sup>	A\$385.0m S\$380.0m	A\$245.0m S\$241.8m	A\$232.5m S\$229.5m	A\$306.1m S\$302.1m	KRW260.1b S\$314.3m
Capitalisation rates	4.63%	5.13% <sup>(4)</sup> ; 4.50% <sup>(5)</sup>	4.50%	5.25%	5.38%	5.25%	4.25%

1) On committed gross rent basis.

2) Valuation as at 31 Dec 2020 based on Keppel REIT's interest in the respective properties and on the exchange rates of A\$1 = S\$0.9871 and KRW 1,000 = S\$1.208.

3) Keppel REIT owns a 50% interest in the 8 Exhibition Street office building and a 100% interest in the three adjacent retail units.

4) Refers to Keppel REIT's 50% interest in the office building.

5) Refers to Keppel REIT's 100% interest in the three adjacent retail units.

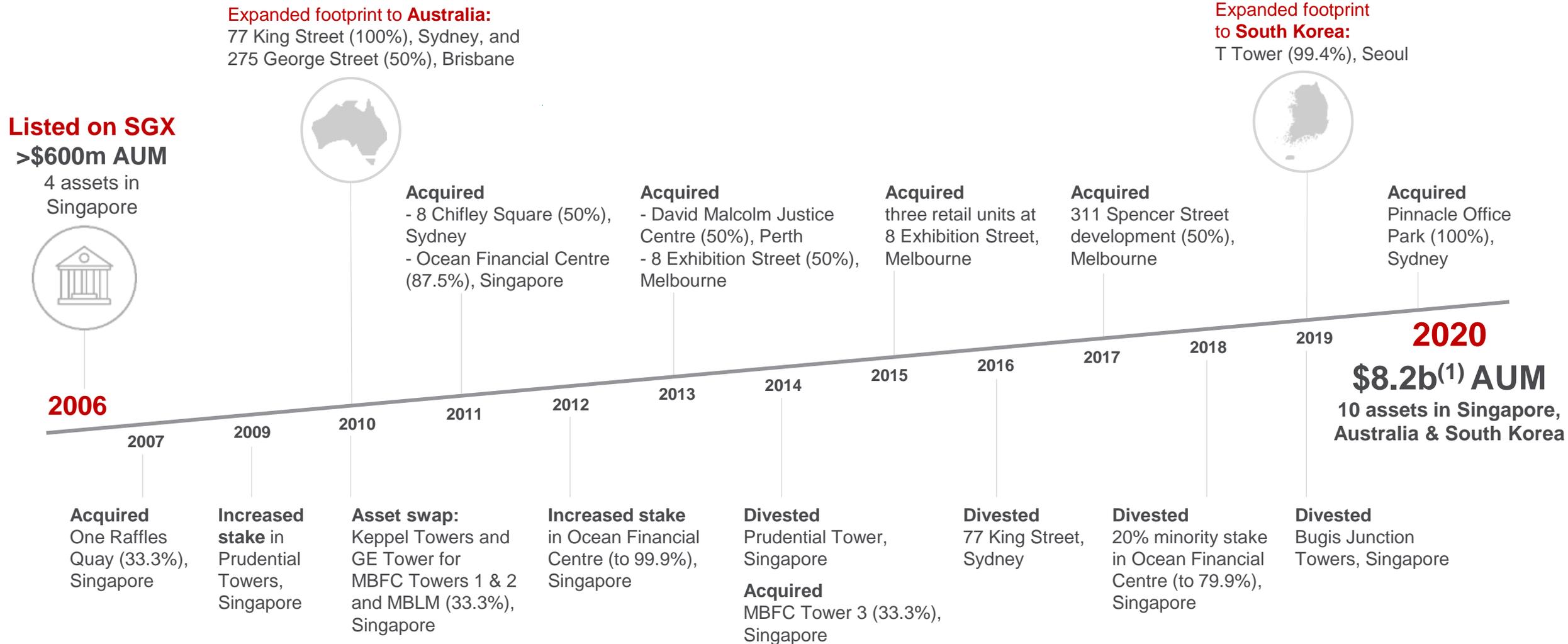
6) Based on the aggregate consideration paid-to-date and to be paid, including development costs of the building, at the exchange rate of A\$1=S\$1.042 as disclosed in the announcement dated 29 Jun 2017.

7) Refers to the Department of Housing and Public Works – The State of Queensland.

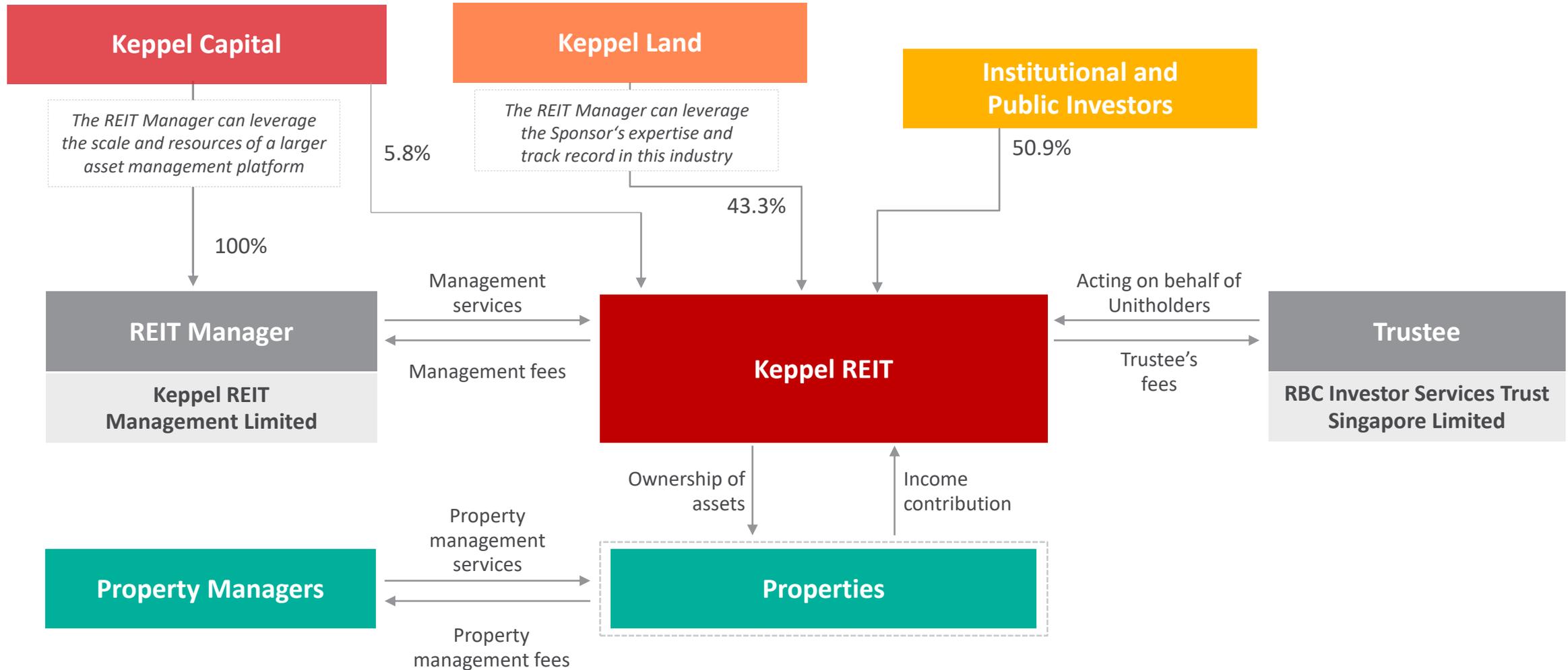
8) Based on an exchange rate of A\$1 = S\$0.9912 as at 9 Sep 2020.

9) Based on Keppel REIT's interest in T Tower and an exchange rate of KRW 1,000 = S\$1.156 used for payment.

# Growth Since Listing in 2006



# Keppel REIT Structure



# Thank You

For more information, please visit:  
[www.keppelreit.com](http://www.keppelreit.com)

Connect with us on: 

T Tower,  
Seoul

