PROSPECTUS DATED 5 DECEMBER 2014

(Registered with the Monetary Authority of Singapore on 5 December 2014)

Keppel DC REIT

(a real estate investment trust constituted on 17 March 2011 under the laws of the Republic of Singapore)

6.8%[(1)]
FORECAST YEAR 2015
DISTRIBUTION YIELD

OFFERING OF 261,138,000 UNITS
(subject to the Over-Allotment Option (as defined herein))

OFFERING PRICE: S$0.93 PER UNIT

This document is important. If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser.

Keppel DC REIT Management Pte. Ltd., as manager (the "**Manager**") of Keppel DC REIT, is making an offering (the "**Offering**") of 261,138,000 units representing undivided interests in Keppel DC REIT ("**Units**") for subscription at the Offering Price (as defined below) (the "**Offering Units**"). The Offering consists of (i) an international placement of 207,375,000 Units to investors, including institutional and other investors in Singapore (the "**Placement Tranche**") and (ii) an offering of 53,763,000 Units to the public in Singapore (the "**Public Offer**").

The issue price of each Unit under the Offering (the "**Offering Price**") is S$0.93 per Unit. The joint financial advisers and the joint issue managers for the Offering are DBS Bank Ltd. and Standard Chartered Securities (Singapore) Pte. Limited (collectively, the "**Joint Financial Advisers and Issue Managers**" or "**Joint Financial Advisers**"). Credit Suisse (Singapore) Limited, together with the Joint Financial Advisers are the joint global coordinators (collectively, the "**Joint Global Coordinators**"). The Offering is fully underwritten at the Offering Price by DBS Bank Ltd., Standard Chartered Securities (Singapore) Pte. Limited, Credit Suisse (Singapore) Limited, Deutsche Bank AG, Singapore Branch and Goldman Sachs (Singapore) Pte. (collectively, the "**Joint Bookrunners and Underwriters**" or the "**Joint Bookrunners**") on the terms and subject to the conditions of the Underwriting Agreement (as defined herein).

Immediately prior to the date of this Prospectus, Securus Data Property Fund Pte. Ltd. ("**Securus Fund**") held 165,000,000 Units.

As soon as practicable after the registration of this Prospectus, the 165,000,000 Units held by Securus Fund will be sub-divided (the "**Sub-division**") so that the total number of Units in issue and held by Securus Fund prior to the Redemption (as defined herein) and the Offering is 366,682,367 Units (the "**Private Trust Units**"). After completion of the Sub-division and the Offering, the Private Trust Units held by Securus Fund will be fully redeemed by the Manager at the Offering Price (the "**Redemption**"). The total number of outstanding Units immediately after completion of the Sub-division and the Offering and prior to the Redemption is 1,249,612,367 Units.

Concurrently with, but separate from the Offering, Keppel DC Investment Holdings Pte. Ltd., a wholly-owned subsidiary of Keppel Telecommunications & Transportation Ltd (the "**Sponsor**") will, pursuant to a subscription agreement dated 26 November 2014 (the "**Sponsor Subscription Agreement**"), subscribe for an aggregate of 283,421,148 Units (the "**Sponsor Units**") at the Offering Price conditional upon the Underwriting Agreement having been entered into, and not having been terminated, pursuant to its terms on or prior to the Settlement Date (as defined herein).

Concurrently with, but separate from the Offering, DC REIT Holdings Pte. Ltd., a wholly-owned subsidiary of Keppel Land Limited, a related corporation of the Sponsor, will, pursuant to a subscription agreement dated 26 November 2014 (the "**KLL Subscription Agreement**"), subscribe for an aggregate of 43,264,000 Units (the "**KLL Units**") at the Offering Price conditional upon the Underwriting Agreement having been entered into, and not having been terminated, pursuant to its terms on or prior to the Settlement Date.

In addition, concurrently with, but separate from the Offering, each of the Cornerstone Investors (as defined herein) has entered into a subscription agreement to subscribe for an aggregate of 290,316,000 Units (the "**Cornerstone Units**") at the Offering Price conditional upon the Underwriting Agreement having been entered into, and not having been terminated, pursuant to its terms on or prior to the Settlement Date.

Separate from the Offering, E-Basis Bay Sdn Bhd (the "**Basis Bay Vendor**") (or its nominee) will receive 4,790,852 Units (the "**Basis Bay Consideration Units**") at the Offering Price on the Listing Date (as defined herein) as full satisfaction of the purchase consideration for the acquisition of 19% of the issued share capital of Basis Bay Capital Management Sdn Bhd which holds Basis Bay Data Centre ("**Basis Bay Minority Interest**"), which will form part of the IPO Portfolio (as defined herein). The total number of outstanding Units immediately after completion of the Offering and the Redemption will be 882,930,000 Units.

Prior to the Offering, there has been no market for the Units. The offer of Units under this Prospectus will be by way of an initial public offering in Singapore ("**IPO**"). Application has been made to Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for permission to list on the Main Board of the SGX-ST (i) all Units comprised in the Offering, (ii) the Private Trust Units, (iii) the Sponsor Units, (iv) the KLL Units, (v) the Cornerstone Units, (vi) the Basis Bay Consideration Units and (vii) all the Units which will be issued to the Manager from time to time in full or part payment of the Manager's fees. Such permission will be granted when Keppel DC REIT has been admitted to the Official List of the SGX-ST (the "**Listing Date**"). Acceptance of applications for Units will be conditional upon issue of the Units and upon permission being granted to list the Units. In the event that such permission is not granted or if the Offering is not completed for any other reason, application monies will be returned in full, at each investor's own risk, without interest or any share of revenue or other benefit arising therefrom, and without any right or claim against any of Keppel DC REIT, the Manager, The Trust Company (Asia) Limited, as trustee of Keppel DC REIT (the "**Trustee**"), the Sponsor, the Joint Financial Advisers, the Joint Global Coordinators or the Joint Bookrunners.

Keppel DC REIT has received a letter of eligibility from the SGX-ST for the listing and quotation of (i) all Units comprised in the Offering, (ii) the Private Trust Units, (iii) the Sponsor Units, (iv) the KLL Units, (v) the Cornerstone Units, (vi) the Basis Bay Consideration Units and (vii) all the Units which will be issued to the Manager from time to time in full or part payment of the Manager's fees on the Main Board of the SGX-ST. Keppel DC REIT's eligibility to list on the Main Board of the SGX-ST does not indicate the merits of the Offering, Keppel DC REIT, the Manager, the Trustee, the Sponsor, the Joint Bookrunners or the Units. The SGX-ST assumes no responsibility for the correctness of any statements or opinions made or reports contained in this Prospectus. Admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Offering, Keppel DC REIT, the Manager or the Units.

Keppel DC REIT is an authorised scheme under the Securities and Futures Act, Chapter 289 of Singapore (the "Securities and Futures Act" or "SFA"). A copy of this Prospectus has been lodged on 26 November 2014 with and registered on 5 December 2014 by the Monetary Authority of Singapore (the "MAS"). The MAS assumes no responsibility for the contents of the Prospectus. Registration of the Prospectus by the MAS does not imply that the Securities and Futures Act or any other legal or regulatory requirements have been complied with. The MAS has not, in any way, considered the investment merits of the collective investment scheme. This Prospectus will expire on 4 December 2015 (12 months after the date of the registration of this Prospectus).

See "Risk Factors" commencing on page 58 of this Prospectus for a discussion of certain factors to be considered in connection with an investment in the Units. None of the Manager, the Trustee, the Sponsor, the Joint Financial Advisers, the Joint Global Coordinators or the Joint Bookrunners guarantees the performance of Keppel DC REIT, the repayment of capital or the payment of a particular return on the Units.

Investors who are members of the Central Provident Fund ("**CPF**") in Singapore may use their CPF Ordinary Account savings to purchase Units as an investment included under the CPF Investment Scheme – Ordinary Account. CPF members are allowed to invest up to 35.0% of the Investible Savings (as defined herein) in their CPF Ordinary Accounts to purchase Units. Investors applying for Units by way of Application Forms (as defined herein) or Electronic Applications (both as referred to in Appendix G, "Terms, Conditions and Procedures for Application for and Acceptance of the Units in Singapore") in the Public Offer will have to pay the Offering Price on application, subject to a refund of the full amount or, as the case may be, the balance of the application monies (in each case without interest or any share of revenue or other benefit arising therefrom), where (i) an application is rejected or accepted in part only, or (ii) if the Offering does not proceed for any reason.

In connection with the Offering, the Joint Bookrunners have been granted an over-allotment option (the "**Over-Allotment Option**") by Keppel DC Investment Holdings Pte. Ltd. (the "**Unit Lender**"), a company incorporated in Singapore that is a wholly-owned subsidiary of the Sponsor, exercisable by Credit Suisse (Singapore) Limited (the "**Stabilising Manager**") (or any of its affiliates), in consultation with the other Joint Bookrunners, in full or in part, on one or more occasions, only from the Listing Date but no later than the earlier of (i) the date falling 30 days from the Listing Date; or (ii) the date when the Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager) has bought, on the SGX-ST, an aggregate of 17,659,000 Units, representing 6.8% of the total number of Units in the Offering, to undertake stabilising actions to purchase up to an aggregate of 17,659,000 Units (representing 6.8% of the total number of Units in the Offering), at the Offering Price. The exercise of the Over-Allotment Option will not increase the total number of Units outstanding. In connection with the Offering, the Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager) may, in consultation with the other Joint Bookrunners and at its discretion, over-allot or effect transactions which stabilise or maintain the market price of the Units at levels that might not otherwise prevail in the open market. However, there is no assurance that the Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager) will undertake stabilising action. Such transactions may be effected on the SGX-ST and in other jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulations.

Nothing in this Prospectus constitutes an offer for securities for sale in the United States of America ("**United States**" or "**U.S.**") or any other jurisdiction where it is unlawful to do so. The Units have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the securities law of any state of the United States and accordingly, may not be offered or sold within the United States except in certain transactions exempt from or not subject to the registration requirements of the Securities Act. The Units are being offered and sold in offshore transactions as defined in and in reliance on Regulation S under the Securities Act ("**Regulation S**"). The Units are not transferable except in accordance with the restrictions described under "Plan of Distribution – Transfer Restrictions".

(1) Based on the Offering Price and the accompanying assumptions in the Prospectus. Such yield will vary accordingly for investors who purchase Units in the secondary market at a market price different from the Offering Price.

SPONSOR — Keppel T&T

JOINT FINANCIAL ADVISERS AND ISSUE MANAGERS — DBS, Standard Chartered

JOINT GLOBAL COORDINATORS — DBS, Standard Chartered, Credit Suisse

JOINT BOOKRUNNERS AND UNDERWRITERS — DBS, Standard Chartered, Credit Suisse, Deutsche Bank, Goldman Sachs

FIRST DATA CENTRE REIT TO BE LISTED IN ASIA

ABOUT KEPPEL DC REIT

Keppel DC REIT is the first data centre real estate investment trust to be listed in Asia and on the SGX-ST.

Keppel DC REIT is established with the investment strategy of principally investing, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centre purposes, as well as real estate-related assets, with an initial focus on Asia-Pacific and Europe.

The IPO Portfolio comprises eight high-quality data centre properties strategically located in key data centre hubs across seven cities in Asia-Pacific and Europe.

DATA CENTRES ARE A UNIQUE ASSET CLASS

Data centres provide a highly reliable and secure environment with redundant mechanical cooling systems, electrical power systems and network communication connections

INTERNET CONNECTIVITY

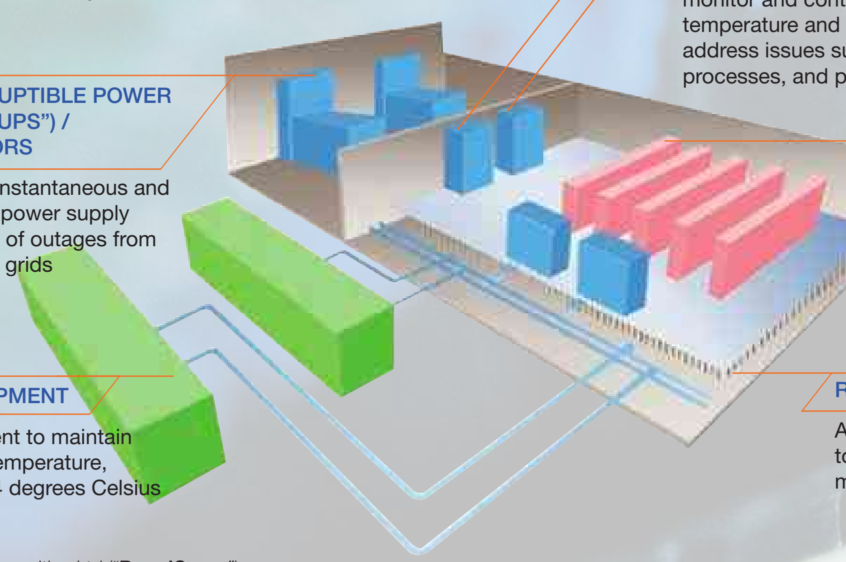
Physical telecommunication cables brought into the data centre to allow direct connectivity

FIRE SUPPRESSION

Systems to detect, contain and respond immediately to any fire outbreaks

BUILDING AND ENVIRONMENTAL MONITORING SYSTEMS

Hardware and associated software to monitor and control elements such as the temperature and humidity of the data centre, address issues such as security and operational processes, and provide regular reports



UNINTERRUPTIBLE POWER SYSTEM (“UPS”) / GENERATORS

To provide instantaneous and continuous power supply in the event of outages from local power grids

SERVER CAGES

Enclosures to house the computer servers and connect to power and cooling sources

COOLING EQUIPMENT

Cooling equipment to maintain a data centre’s temperature, typically at 18-24 degrees Celsius

RAISED FLOORING

An elevated structural floor to allow the passage of mechanical and electrical services

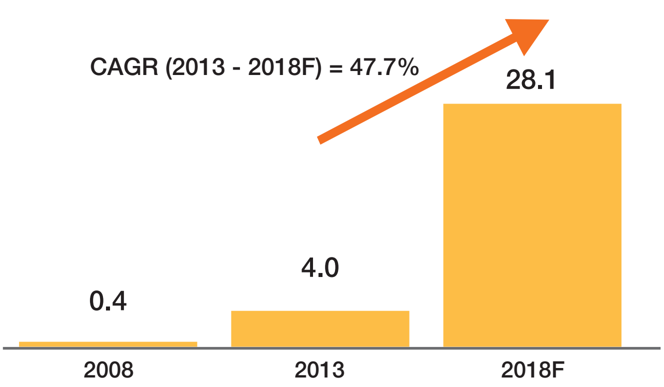
Source: BroadMedia Consulting Ltd (“**BroadGroup**”)

HIGH GROWTH DATA CENTRE INDUSTRY

GROWTH IN DATA CREATION

Proliferation of internet enabled devices and increase in number of global internet users, growth in video streaming and file sharing, and increased popularity of e-commerce and social networking are driving growth in data creation

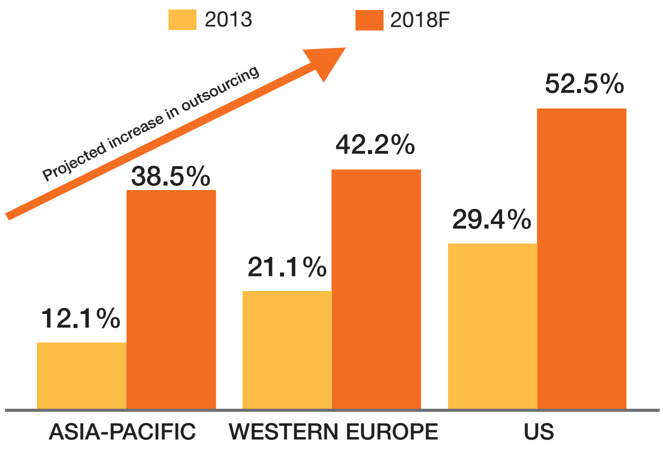
Total Global Data Created (in zettabytes[1])



GREATER OUTSOURCING OPPORTUNITY

Organisations face increasing complexity of running in-house data centres and can better manage costs and focus on their core competencies with third-party and experienced data centre providers

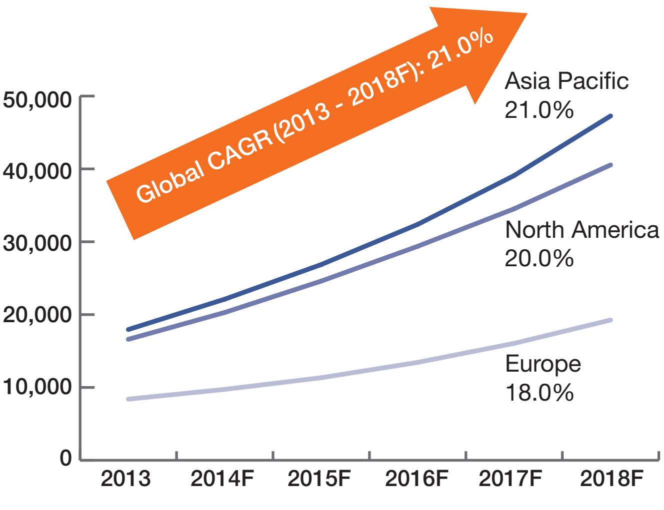
Proportion of Outsourced Data Centre Space by Region



GROWTH IN GLOBAL IP TRAFFIC

Growth in data creation and sharing are driving a significant increase in data transmission

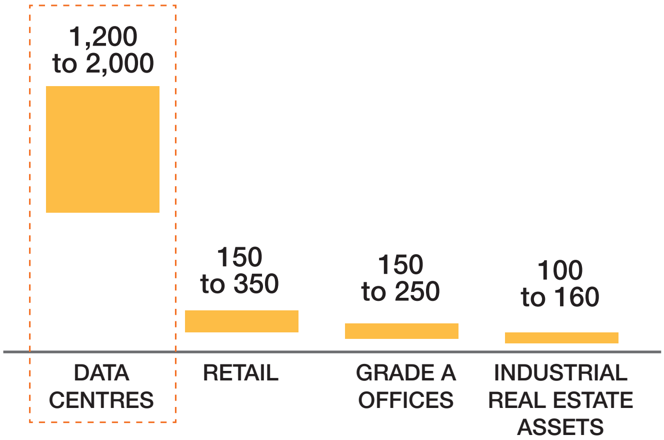
Growth in Global IP Traffic (in petabytes[2] per month)



HIGH BARRIERS TO ENTRY

Substantial upfront costs and significant technical knowledge and expertise are required, with customers preferring data centre providers with proven track record

Comparable Mechanical and Electrical Fit Out Costs (excluding land and building (US$ per sq ft)) of Data Centres, Retail, Grade A Offices and Industrial Real Estate Assets



Source: BroadGroup

(1) A zettabyte is equal to 10^{21} bytes.

(2) A petabyte is equal to 10^{15} bytes.

HIGH QUALITY DATA CENTRES WITH MODERN SPECIFICATIONS

SINGAPORE

S25

Appraised Value (S$m)[1]	262.8
Lettable Area (sq ft)	109,574
Occupancy Rate (%)[2]	86.0
WALE (years)[3]	3.5
Land Lease Title	Leasehold expiring 2025

SINGAPORE

T25

Appraised Value (S$m)[1]	162.0
Lettable Area (sq ft)	36,888
Occupancy Rate (%)[2]	100.0
WALE (years)[3]	2.0
Land Lease Title	Leasehold expiring 2021

SYDNEY, AUSTRALIA

GORE HILL DATA CENTRE

Appraised Value (S$m)[1]	210.9
Lettable Area (sq ft)	90,955
Occupancy Rate (%)[2]	100.0
WALE (years)[3]	10.3
Land Lease Title	Freehold

BRISBANE, AUSTRALIA

iSEEK DATA CENTRE

Appraised Value (S$m)[1]	31.5
Lettable Area (sq ft)	12,389
Occupancy Rate (%)[2]	100.0
WALE (years)[3]	11.9
Land Lease Title	Leasehold expiring 2040

CYBERJAYA, MALAYSIA

BASIS BAY DATA CENTRE

Appraised Value (S$m)[1]	43.3
Lettable Area (sq ft)	48,680
Occupancy Rate (%)[2]	100.0
WALE (years)[3]	2.7
Land Lease Title	Freehold

LONDON, UNITED KINGDOM

GV7 DATA CENTRE

Appraised Value (S$m)[1]	77.0
Lettable Area (sq ft)	24,972
Occupancy Rate (%)[2]	100.0
WALE (years)[3]	12.5
Land Lease Title	Leasehold expiring 2183

AMSTERDAM, THE NETHERLANDS

ALMERE DATA CENTRE

Appraised Value (S$m)[1]	131.6
Lettable Area (sq ft)	118,403
Occupancy Rate (%)[2]	100.0
WALE (years)[3]	14.1
Land Lease Title	Freehold

DUBLIN, IRELAND

CITADEL 100 DATA CENTRE

Appraised Value (S$m)[1]	102.8
Lettable Area (sq ft)	68,052
Occupancy Rate (%)[2]	73.7
WALE (years)[3]	2.3
Land Lease Title	Leasehold expiring 2041

WEIGHTED AVERAGE LEASE EXPIRY

7.8 YEARS[3]

OCCUPANCY RATE[2]

93.5%

(1) Appraised Value refers to the average of the two independent valuations conducted by the respective Independent Valuers for each Property as at 30 September 2014, and translated to Singapore dollars based on exchange rates of S$1.00 = A$0.90, S$1.00 = £0.49, S$1.00 = RM2.62 and S$1.00 = €0.61 as at 2 December 2014.

(2) As at 30 September 2014.

(3) By leased Lettable Area as at 30 September 2014 (see "Business and Properties – Competitive Strengths – 3(b) Favourable lease and co-location profile" for further details on the WALE of the Properties).

WHY INVEST IN KEPPEL DC REIT?

1. UNIQUE EXPOSURE TO HIGH GROWTH DATA CENTRE INDUSTRY

- Strong growth in data creation and storage needs which are expected to continue with increasing digitisation of the global economy
- Growth in cloud computing, e-commerce and online shopping, increasing compliance and regulatory requirements on data security, and increasing outsourcing of data centre requirements
- High barriers to entry for the data centre industry due to substantial upfront costs, customers' preference for data centre providers with proven track record and lack of suitable sites for data centres
- Favourable supply and demand dynamics

2. HIGH-QUALITY PORTFOLIO OF DATA CENTRES

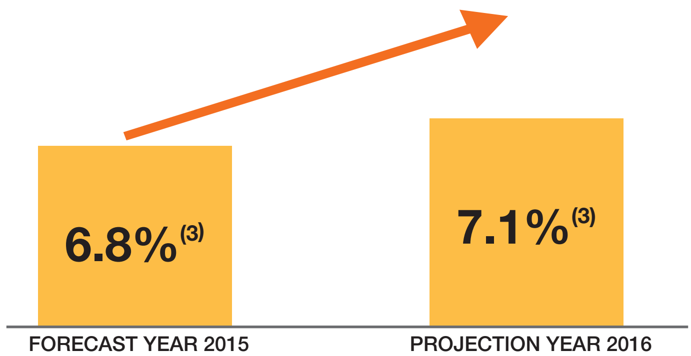
- Modern technical specifications
- Strategically located in key data centre hubs with excellent connectivity and proximity to local demand
- Recently built or refurbished assets

3. HIGH-QUALITY CUSTOMER BASE AND FAVOURABLE LEASE PROFILE

- High-quality and diversified customer base including Fortune Global 500, S&P 100 and government-related entities
- Favourable lease and co-location profile with long WALE of 7.8 years(1), offering income stability with potential upside from rental reversions
- High customer retention rate of 97.8%(2)

4. ATTRACTIVE DISTRIBUTIONS

+4.5% DPU GROWTH(3)



5. STRONG DISTRIBUTION GROWTH DELIVERED BOTH ORGANICALLY AND THROUGH FUTURE ACQUISITIONS

- Embedded organic rental revenue growth from built-in rental escalations
- Asset enhancement opportunities
- Acquisition pipeline supported by ROFRs from the Sponsor and iseek Communications

6. CONSERVATIVE CAPITAL STRUCTURE WITH AGGREGATE LEVERAGE OF 27.8%(4)

- Financial flexibility to undertake future growth opportunities

7. COMMITTED SPONSOR AND EXPERIENCED MANAGER WITH PROVEN TRACK RECORD IN THE DATA CENTRE INDUSTRY

(1) By leased Lettable Area as at 30 September 2014 (see "Business and Properties – Competitive Strengths – 3(b) Favourable lease and co-location profile" for further details on the WALE of the Properties).

(2) For the nine-month period ended 30 September 2014.

(3) The forecast and projected distribution yields are calculated based on the Offering Price and the accompanying assumptions found in the Prospectus. The distribution growth reflects the growth in distribution per Unit for Projection Year 2016 over the distribution per Unit for Forecast Year 2015. Such yields and yield growth will vary accordingly for investors who purchase Units in the secondary market at a market price different from the Offering Price.

(4) Without taking into consideration the finance lease liabilities pertaining to the land rent commitments for iseek Data Centre and Citadel 100 Data Centre. If these finance lease liabilities were included, the Aggregate Leverage would be 30.0%.

ABOUT THE SPONSOR

Keppel Telecommunications & Transportation Ltd is listed and headquartered in Singapore with operations in Asia-Pacific and Europe. It offers integrated services and solutions in two core businesses: logistics and data centres. The logistics division offers one-stop, integrated logistics solutions to assist clients in supply chain management while the data centre division owns, acquires, develops and manages high-availability data centre facilities.

ABOUT THE MANAGER

The Manager is Keppel DC REIT Management Pte. Ltd., a wholly-owned subsidiary of the Sponsor.

The Manager's key objectives are to provide unitholders of Keppel DC REIT with regular and stable distributions and to achieve long-term growth in distribution per Unit and net asset value per Unit, while maintaining an appropriate capital structure.

HOW TO APPLY

Applications for the Public Offer may be made through:

- ATMs and internet banking websites of DBS Bank Ltd. (including POSB), Oversea-Chinese Banking Corporation Limited (OCBC) and United Overseas Bank Limited (and its subsidiary Far Eastern Bank Limited) (UOB Group)
- Mobile banking platform of DBS Bank Ltd.
- Printed WHITE application forms which form part of the Prospectus

IMPORTANT DATES

Date and Time	Event
5 December 2014, 9:00 PM	Opening date and time for the Public Offer
10 December 2014, 12:00 PM	Closing date and time for the Public Offer
12 December 2014, 2:00 PM	Commencement of trading on a "ready" basis

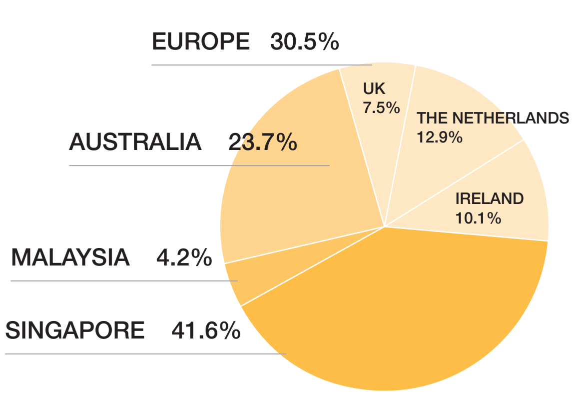
8 HIGH-QUALITY DATA CENTRES STRATEGICALLY LOCATED IN

7 KEY DATA CENTRE HUBS ACROSS ASIA-PACIFIC AND EUROPE

APPRAISED VALUE OF APPROXIMATELY
S$1 BILLION(1), (2)

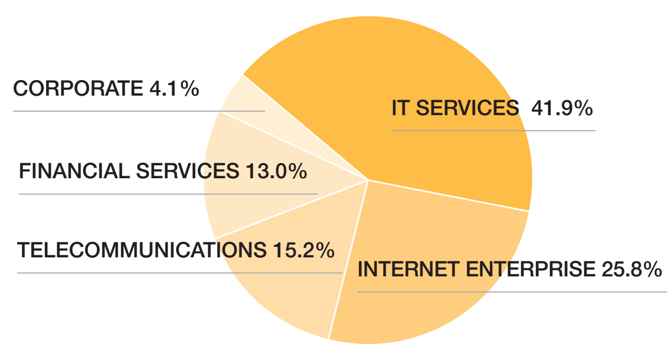
WEIGHTED AVERAGE AGE OF ASSETS
5.4 YEARS(3)

BREAKDOWN OF APPRAISED VALUE(1), (2)



Total Approximate Appraised Value:
S$1.0 billion

BREAKDOWN OF RENTAL INCOME BY TRADE SECTOR(1), (4)



Keppel DC REIT's top 10 customers includes, among others, 3 Fortune Global 500 and S&P 100 companies listed on NASDAQ or NYSE, 3 companies listed on other regional stock exchanges, 1 S&P 500 company listed on NYSE and 1 government-related entity

(1) Includes the 1.0% interest in Basis Bay Data Centre which will be held by the Basis Bay Vendor on the Listing Date.
(2) Appraised Value refers to the average of the two independent valuations conducted by the respective Independent Valuers for each Property as at 30 September 2014, and translated to Singapore dollars based on exchange rates of S$1.00 = A$0.90, S$1.00 = £0.49, S$1.00 = RM2.62 and S$1.00 = €0.61 as at 2 December 2014.
(3) Weighted by Appraised Value and calculated using age since TOP or last refurbishment, whichever is later.
(4) For the month of September 2014.

STRONG DISTRIBUTION GROWTH DELIVERED BOTH ORGANICALLY AND THROUGH FUTURE ACQUISITIONS

- Many of the existing leases and co-location arrangements have built in rental reversion escalations that range between 2.0% and 4.0% per annum on average
- Asset enhancement opportunities by expanding or converting unused space in T25, Basis Bay Data Centre and Citadel 100 Data Centre
- Acquisition pipeline provided by right of first refusals from the Sponsor and iseek Communications

ROFR ASSET	DESCRIPTION	LOCATION
T27(1)	A data centre with GFA of 134,000 sq ft and approximately 47,000 sq ft of Lettable Area, located adjacent to T25. The development was completed in the third quarter of 2014	Singapore
Almere Data Centre 2(1), (2)	Purpose-built shell and core data centre building which will be fitted out into a high specification data centre facility with approximately 53,800 sq ft of Lettable Area, located adjacent to Almere Data Centre	Amsterdam, The Netherlands
Proposed data centre to be developed by iseek Communications	A data centre that is proposed to be developed on a plot of vacant land adjacent to iseek Data Centre	Brisbane, Australia

(1) Wholly-owned by Keppel Data Centres Holding Pte. Ltd. ("**KDCH**"), a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion 70% and 30% respectively.
(2) The Sponsor has, through KDCH, entered into a sale and purchase agreement for Almere Data Centre 2 dated 20 November 2014. The acquisition of Almere Data Centre 2 is subject to completion of the sale and purchase agreement.

INVESTMENT STRATEGIES

- Proactively manage and enhance Keppel DC REIT's portfolio to achieve growth in revenue and Net Property Income and maintain optimal occupancy levels
- Acquire quality income-producing data centre properties that fit within Keppel DC REIT's investment strategy to enhance total return to Unitholders and increase potential opportunities for future income and capital growth
- Employ an appropriate mix of debt and equity in financing acquisitions, and utilise hedging strategies where appropriate to manage interest rate volatilities and foreign exchange exposures for Keppel DC REIT

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NOTICE TO INVESTORS

No person is authorised to give any information or to make any representation not contained in this Prospectus and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of Keppel DC REIT, the Manager, the Trustee, the Joint Financial Advisers, the Joint Global Coordinators, the Joint Bookrunners or the Sponsor. If anyone provides you with different or inconsistent information, you should not rely upon it. Neither the delivery of this Prospectus nor any offer, subscription, sale or transfer made hereunder shall under any circumstances imply that the information herein is correct as of any date subsequent to the date hereof or constitute a representation that there has been no change or development reasonably likely to involve a material adverse change in the business affairs, conditions and prospects of Keppel DC REIT, the Manager, the Units or the Sponsor since the date on the front cover of this Prospectus. Where such changes occur and are material or required to be disclosed by law, the SGX-ST and/or any other regulatory or supervisory body or agency, the Manager will make an announcement of the same to the SGX-ST and, if required, lodge and issue a supplementary document or replacement document pursuant to Section 298 of the Securities and Futures Act and take immediate steps to comply with the said Section 298. Investors should take notice of such announcements and documents and upon release of such announcements and documents shall be deemed to have notice of such changes.

None of Keppel DC REIT, the Manager, the Trustee, the Joint Financial Advisers, the Joint Global Coordinators, the Joint Bookrunners and the Sponsor or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers is making any representation or undertaking to any purchaser or subscriber of Units regarding the legality of an investment by such purchaser or subscriber under appropriate legal, investment or similar laws. In addition, investors in the Units should not construe the contents of this Prospectus as legal, business, financial or tax advice. Investors should be aware that they may be required to bear the financial risks of an investment in the Units for an indefinite period of time. Investors should consult their own professional advisers as to the legal, tax, business, financial and related aspects of an investment in the Units.

Copies of this Prospectus and the Application Forms may be obtained on request, subject to availability, during office hours, from:

DBS Bank Ltd.	**Standard Chartered Securities (Singapore) Pte. Limited**	**Credit Suisse (Singapore) Limited**	**Deutsche Bank AG, Singapore Branch**	**Goldman Sachs (Singapore) Pte.**
12 Marina Boulevard Level 46 DBS Asia Central@ Marina Bay Financial Centre Tower 3 Singapore 018982	8 Marina Boulevard #19-01 Marina Bay Financial Centre Tower 1 Singapore 018981	1 Raffles Link #03/#04-01 South Lobby Singapore 039343	One Raffles Quay #17-00 South Tower Singapore 048583	1 Raffles Link #07-01 South Lobby Singapore 039393

and, where applicable, from members of the Association of Banks in Singapore, members of the SGX-ST and merchant banks in Singapore. A copy of this Prospectus is also available on the SGX-ST website: http://www.sgx.com.

The distribution of this Prospectus and the offering, subscription, purchase, sale or transfer of the Units in certain jurisdictions may be restricted by law. Keppel DC REIT, the Manager, the Trustee, the Joint Financial Advisers, the Joint Global Coordinators, the Joint Bookrunners and the Sponsor require persons into whose possession this Prospectus comes to inform themselves about and to observe any such restrictions at their own expense and without liability to Keppel DC REIT, the Manager, the Trustee, the Joint Financial Advisers, the Joint Global Coordinators, the Joint Bookrunners and the Sponsor. This Prospectus does not constitute, and the Manager, the Trustee, the Joint Financial Advisers, the Joint Global Coordinators, the Joint Bookrunners and the Sponsor are not making, an offer of, or an invitation to subscribe for or purchase, any of the Units in any jurisdiction in which such offer or invitation would be unlawful. Persons to whom a copy of this Prospectus has been issued shall not circulate to any other person, reproduce or otherwise distribute this Prospectus or any information herein for any purpose whatsoever nor permit or cause the same to occur.

In connection with the Offering, the Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager) may, in consultation with the other Joint Bookrunners and at its discretion, over-allot or effect transactions which stabilise or maintain the market price of the Units at levels that might not otherwise prevail in the open market. However, there is no assurance that the Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager) will undertake stabilising action. Such transactions may be effected on the SGX-ST and in other jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulations (including the SFA and any regulations thereunder). Such transactions may commence on or after the Listing Date, and, if commenced, may be discontinued at any time and shall not be effected after the earlier of (i) the date falling 30 days from the Listing Date or (ii) the date when the Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager) has bought, on the SGX-ST, an aggregate of 17,659,000 Units, representing 6.8% of the total number of Units in the Offering, to undertake stabilising actions to purchase up to an aggregate of 17,659,000 Units (representing 6.8% of the total number of Units in the Offering), at the Offering Price. The exercise of the Over-Allotment Option will not increase the total number of Units outstanding.

FORWARD-LOOKING STATEMENTS

Certain statements in this Prospectus constitute "forward-looking statements". This Prospectus also contains forward-looking financial information in "Profit Forecast and Profit Projection". Such forward-looking statements and financial information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Keppel DC REIT, the Manager, the Sponsor, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements and financial information. Such forward-looking statements and financial information are based on numerous assumptions regarding the Manager's present and future business strategies and the environment in which Keppel DC REIT, the Manager or the Sponsor will operate in the future. Because these statements and financial information reflect the current views of the Manager and the Sponsor concerning future events, these statements and financial information necessarily involve risks, uncertainties and assumptions. Actual future performance could differ materially from these forward-looking statements and financial information. You should not place any undue reliance on these forward-looking statements.

Among the important factors that could cause the actual results, performance or achievements of Keppel DC REIT, the Manager or the Sponsor to differ materially from those in the forward-looking statements and financial information are the conditions of, and changes in, the domestic, regional and global economies, including, but not limited to, factors such as political, economic and social conditions in Singapore, Australia, Malaysia, the United Kingdom (the "**UK**"), the Netherlands and the Republic of Ireland ("**Ireland**"), changes in government laws and regulations affecting Keppel DC REIT, competition in the property market of jurisdictions in which Keppel DC REIT may invest, industry, foreign exchange rates, interest rates, inflation, relations with service providers, relations with lenders, hostilities (including future terrorist attacks), the performance and reputation of Keppel DC REIT's properties and/or acquisitions, difficulties in identifying future acquisitions, difficulty in completing and integrating acquisitions, changes in the Manager's directors and executive officers, risks related to natural disasters, general volatility of the capital markets, general risks relating to the property market in which Keppel DC REIT may invest and the market price of the Units as well as other matters not yet known to the Manager or not currently considered material by the Manager. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "Risk Factors", "Profit Forecast and Profit Projection", and "Business and Properties". These forward-looking statements and financial information speak only as at the date of this Prospectus. The Manager expressly disclaims any obligation or undertaking to release publicly any updates of or revisions to any forward-looking statement or financial information contained herein to reflect any change in the expectations of the Manager or the Sponsor with regard thereto or any change in events, conditions or circumstances on which any such statement or information is based, subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any other relevant regulatory or supervisory body or agency.

CERTAIN DEFINED TERMS AND CONVENTIONS

In this Prospectus, references to "S$" or "SGD" or "Singapore dollars" and "cents" are to the lawful currency of the Republic of Singapore, "A$" or "AUD" or "Australian dollars" are to the lawful currency of Australia, "RM" or "Malaysian ringgit" are to the lawful currency of Malaysia, "£" or "GBP" or "Pound sterling" are to the lawful currency of the UK, "€" or "EUR" or "Euros" are to the single currency introduced on 1 January 1999 at the start of the third stage of the European Economic and Monetary Union, pursuant to the treaty establishing the European Communities, as amended by the Treaty on European Union and the Treaty of Amsterdam and "US$" or "U.S. dollars" are to the lawful currency of the United States.

For the reader's convenience, except where the exchange rate is expressly stated otherwise:

- Australian dollar amounts in this Prospectus have been translated into Singapore dollars based on the fixed exchange rate of S$1.00 = A$0.88 as at 18 November 2014 (the "**Latest Practicable Date**");

- Malaysian ringgit amounts in this Prospectus have been translated into Singapore dollars based on the fixed exchange rate of S$1.00 = RM2.59 as at the Latest Practicable Date;

- Pound sterling amounts in this Prospectus have been translated into Singapore dollars based on the fixed exchange rate of S$1.00 = £0.49 as at the Latest Practicable Date;

- Euro amounts in this Prospectus have been translated into Singapore dollars based on the fixed exchange rate of S$1.00 = €0.61 as at the Latest Practicable Date.

However, such translations should not be construed as representations that Australian dollar amounts, Malaysian ringgit amounts, Pound sterling amounts and Euro amounts have been, could have been or could be converted into Singapore dollars at that or any other rate (see "Exchange Rate Information").

Customers

In this Prospectus and for purposes of convenience only, unless otherwise specified, references to "customers", "customers of Keppel DC REIT" and variations thereof in relation to Keppel DC REIT, refer to, as the context requires, the following contractual relationships arising out of the lease arrangements with tenants and co-location arrangements with end-users of the Properties:

- the lease arrangements which will be entered into by Keppel DC REIT with Keppel Digihub Ltd. ("**Digihub**" or the "**S25 Lessee**") and Keppel Datahub Pte. Ltd. ("**Datahub**" or the "**T25 Lessee**") in relation to S25 and T25, respectively;

- the lease arrangement entered into by Securus Australia No. 2 Pty Limited, in its capacity as trustee of Securus Australia Trust No. 2 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date), with one tenant of Gore Hill Data Centre in relation to a portion of the premises at Gore Hill Data Centre ("**Gore Hill Lease**");

- the master lease arrangement entered into by Basis Bay Capital Management Sdn Bhd (which is a subsidiary of Keppel DC REIT) with Basis Bay Services MSC Sdn Bhd ("**Basis Bay Services**") in relation to Basis Bay Data Centre as amended by the supplemental master lease agreement which will be entered into in connection with the 2014 Basis Bay Share Sale Agreement (as defined herein) ("**Basis Bay Lease**");

- the lease arrangement entered into by Greenwich View Place Limited (which is a wholly-owned subsidiary of Keppel DC REIT) with the lessee in relation to GV7 Data Centre ("**GV7 Lease**");

- the Ground Lease (as defined herein) entered into by Securus Almere B.V. (which is a wholly-owned subsidiary of Keppel DC REIT) with Borchveste Almere B.V. ("**Borchveste**") in relation to Almere Data Centre;

- the co-location arrangement entered into by Securus Australia No. 1 Pty Limited, in its capacity as trustee of Securus Australia Trust No. 1 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date), with iseek Communications Pty Limited ("**iseek Communications**") in relation to iseek Data Centre ("**iseek Lease**")[1]; and

- the co-location arrangements entered into by Citadel 100 Datacenters Limited ("**Citadel 100**") (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date) and Securus Australia No. 2 Pty Limited, in its capacity as trustee of Securus Australia Trust No. 2 with various end-users with regards to the use of co-location space in Citadel 100 Data Centre and the remaining portion of the premises at Gore Hill Data Centre respectively.

For S25, T25 and Almere Data Centre, unless otherwise stated, such references to "**customers**" will also refer to the underlying end-users and underlying tenants which have entered into co-location arrangements and leases with the S25 Lessee, T25 Lessee or (as the case may be) Borchveste under the pass-through arrangements of the respective leases for these Properties (as described below).

Tenants

In this Prospectus and for purposes of convenience only, unless otherwise specified, references to "tenants", "lessees" and variations thereof in relation to Keppel DC REIT, refer to the tenants and lessees which Keppel DC REIT and/or any of its subsidiaries have a direct contractual relationship with which arises from lease arrangements over the Properties, in particular for Gore Hill Data Centre (in relation to the Gore Hill Lease), Basis Bay Data Centre (in relation to the Basis Bay Lease) and GV7 Data Centre (in relation to the GV7 Lease), other than for iseek Data Centre (in relation to the iseek Lease[1] which for the purposes of this Prospectus is treated as a double-net lease despite being a co-location arrangement). With the sole exception of iseek Communications (in relation to the iseek Lease which for the purposes of this Prospectus is treated as a double-net lease despite being a co-location arrangement which is a contractual arrangement), references to "tenants", "lessees" and variations thereof expressly excludes any references to end-users of Keppel DC REIT and/or its subsidiaries. For the avoidance of doubt, nothing herein shall be construed as creating a landlord-tenant relationship between Keppel DC REIT and/or its subsidiaries and end-users in respect of any co-location arrangements.

For S25, T25 and Almere Data Centre, the respective tenants of these Properties have entered into underlying co-location arrangements and lease arrangements with third-party tenants and end-users. Keppel DC REIT and/or any of its subsidiaries do not have a direct contractual relationship with these underlying third-party tenants and end-users. While references to

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1 Keppel DC REIT, through Securus Australia Trust No. 1 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date), has entered into the iseek Lease with iseek Communications. The iseek Lease is a co-location arrangement which is a contractual arrangement and does not give iseek Communications any proprietary interest in iseek Data Centre. However, the terms of the iseek Lease, when read together with the facilities management arrangement (as amended) entered into by Securus Australia Trust No. 1 and iseek Communications are intended to operate to give the same economic effects of a double-net lease and to impose on iseek Communications the same responsibilities which it would bear if it were a lessee under a double-net lease. Accordingly, for purposes of this Prospectus, the iseek Lease is treated as a double-net lease and not a co-location arrangement. (See "Business and Properties – iseek Data Centre" for further details.)

"tenants", "lessees" and variations thereof refer to the S25 Lessee, the T25 Lessee (collectively, the "**Keppel Lessees**") and Borchveste, however, due to the pass-through nature of the Keppel Leases (as defined below) and the Ground Lease (as elaborated below), Keppel DC REIT will substantially enjoy the benefits and assume the liabilities of the underlying co-location arrangements and leases entered into by the Keppel Lessees and Borchveste.

(See "Overview – Overview of Keppel DC REIT – Leases and Co-location Arrangements" and "Business and Properties – Competitive Strengths – High quality data centres designed with high specifications, with attractive asset specifications, minimal capital expenditure requirements and long land tenure" for further details of the lease and co-location arrangements for each of the Properties.)

End-users

In this Prospectus and for purposes of convenience only, unless otherwise specified, references to "end-users" and variations thereof in relation to Keppel DC REIT, refer to the customers which Keppel DC REIT and/or any of its subsidiaries have entered into co-location arrangements with. This is with regard to the co-location space in Citadel 100 Data Centre and the remaining portion of the premises at Gore Hill Data Centre not under the Gore Hill Lease. For the avoidance of doubt, references to "end-users" and variations thereof exclude iseek Communications (in relation to the iseek Lease[1] which for the purposes of this Prospectus is treated as a double-net lease despite being a co-location arrangement which is a contractual arrangement) and includes the underlying end-users of S25 and T25 due to the pass-through nature of the Keppel Leases.

Under co-location arrangements, Keppel DC REIT (or through its subsidiaries, as the case may be), enjoys a direct contractual relationship with the end-users of Gore Hill Data Centre, iseek Data Centre (in relation to the iseek Lease[1] which for the purposes of this Prospectus is treated as a double-net lease despite being a co-location arrangement) and Citadel 100 Data Centre. However, the usage of co-location space pursuant to a co-location arrangement gives rise only to a contractual relationship and does not indicate the relationship of landlord and tenant subsisting at law between Keppel DC REIT and/or its subsidiaries and the end-users of such co-location space.

For the avoidance of doubt, income earned by Keppel DC REIT from the provision of co-location space to end-users pursuant to co-location arrangements shall be treated as rental payments for purposes of Paragraph 7.2 of the Property Funds Appendix (as defined herein).

S25 and T25

Pursuant to the S25 Lease Agreement (as defined herein) and the T25 Lease Agreement (as defined herein), on the Listing Date, Keppel DC REIT will grant a lease to the S25 Lessee over S25 (the "**S25 Lease**") and to the T25 Lessee over T25 (the "**T25 Lease**", collectively the "**Keppel Leases**") each for a term of 10 years, with an option to renew for a further period of five years on terms to be mutually agreed between the respective parties. The Keppel Leases are essentially pass-through arrangements whereby a significant portion of the rent payable to Keppel DC REIT by the Keppel Lessees is made up of variable rent based on the earnings before interest, taxes, depreciation and amortisation ("**EBITDA**") (after deducting the fixed rent and operating expenses)

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1 Keppel DC REIT, through Securus Australia Trust No. 1 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date), has entered into the iseek Lease with iseek Communications. The iseek Lease is a co-location arrangement which is a contractual arrangement and does not give iseek Communications any proprietary interest in iseek Data Centre. However, the terms of the iseek Lease, when read together with the facilities management arrangement (as amended) entered into by Securus Australia Trust No. 1 and iseek Communications are intended to operate to give the same economic effects of a double-net lease and to impose on iseek Communications the same responsibilities which it would bear if it were a lessee under a double-net lease. Accordingly, for purposes of this Prospectus, the iseek Lease is treated as a double-net lease and not a co-location arrangement. (See "Business and Properties – iseek Data Centre" for further details.)

derived from the underlying end-users whom the Keppel Lessees have entered into co-location arrangements with. Keppel DC REIT does not have a contractual relationship with these underlying end-users. However, due to the pass-through arrangement of the Keppel Leases, Keppel DC REIT will substantially enjoy the benefits and assume the liabilities of the co-location arrangements entered into by the Keppel Lessees with the underlying end-users.

(See "Risk Factors – Due to the pass-through nature of the Keppel Leases, Keppel DC REIT will effectively bear the obligations of the Keppel Lessees to their underlying end-users while not having a direct contractual relationship with the underlying end-users" and "Certain Agreements relating to Keppel DC REIT and the Properties – Lease Agreements" for further details.)

Almere Data Centre

Pursuant to a deed of transfer executed on 17 April 2013 ("**Almere Deed of Transfer**"), the previous owner of Almere Data Centre, Borchveste, transferred the title to Almere Data Centre to Securus Almere B.V. (which is a wholly-owned subsidiary of Keppel DC REIT) while retaining a right of leasehold, also known as a ground lease (the "**Ground Lease**"), in favour of itself as the leasehold tenant. The transfer of Almere Data Centre and the establishment of the Ground Lease is in acknowledgement that Borchveste already has an existing lease arrangement with the underlying tenant, pursuant to which Borchveste has designed and built the data centre for the purpose of leasing it to the underlying tenant. With the Ground Lease in place, the lease with the underlying tenant becomes conceptually similar to a sub-lease, with Borchveste being (i) the leasehold tenant of Securus Almere B.V. and (ii) the lessor to the underlying tenant being essentially the sub-tenant (see "Business and Properties – Almere Data Centre", "Certain Agreements relating to Keppel DC REIT and the Properties – Sale and Purchase Agreements – Almere Data Centre Sale and Purchase Agreement" and "Certain Agreements relating to Keppel DC REIT and the Properties – Sale and Purchase Agreements – Almere Deed of Transfer" for further details).

Rent

In this Prospectus and for purposes of convenience only, unless otherwise specified, references to "rent", "rental" and "rental payments" and variations thereof in relation to Keppel DC REIT, include as the context requires, the amounts chargeable to tenants under lease arrangements and also to end-users for the provision of co-location space pursuant to co-location arrangements. For the avoidance of doubt, references to "rent", "rental" and "rental payments" and variations thereof, when used in relation to the amounts charged to end-users for the provision of co-location space pursuant to co-location arrangements, shall not be construed as indicating that a relationship of landlord and tenant subsists at law between Keppel DC REIT and/or its subsidiaries and the end-users of such co-location space.

Rental Reversions

In this Prospectus and for purposes of convenience only, unless otherwise specified, references to "rental reversions" and variations thereof in relation to Keppel DC REIT, include as the context requires, changes to the amounts chargeable to tenants under lease arrangements and to end-users for the provision of co-location space pursuant to co-location arrangements, and in the case of S25, T25 and Almere Data Centre, to the underlying end-users and underlying tenant under the pass-through arrangements of the respective leases for these Properties.

Lease Expiry Profile and WALE

In this Prospectus and for convenience only, references to "lease expiry profile" and references to "weighted average lease expiry" ("**WALE**") and variations thereof in relation to Keppel DC REIT, refer to and include (in its computation) as the context requires, both lease arrangements and co-location arrangements entered into by Keppel DC REIT with the tenants and end-users of the Properties. With regard to S25, T25 and Almere Data Centre, references to "lease expiry profile" and "WALE" and variations thereof will take into account the pass-through basis of the respective lease arrangements for these Properties, and any computation thereupon will be based on the terms of the underlying leases and co-location arrangements.

Lettable Area

Similarly, in this Prospectus and for convenience only, references to "Lettable Area" and variations thereof in relation to Keppel DC REIT, refer to and include (in its computation) as the context requires, the area to be let out under lease arrangements and co-location space to be provided under co-location arrangements for which Rental Income (as defined herein) is payable.

Unless otherwise defined, capitalised terms used in this Prospectus shall have the meanings set out in the Glossary.

The forecast and projected distribution per Unit yields are calculated based on the Offering Price. Such yields and yield growth will vary accordingly for investors who purchase Units in the secondary market at a market price different from the Offering Price.

Any discrepancies in the tables, graphs and charts included in this Prospectus between the listed amounts and totals thereof are due to rounding. Where applicable, figures and percentages are rounded to one decimal place. Measurements in square metres ("**sq m**") are converted to square feet ("**sq ft**") based on the conversion rate of 1 sq m = 10.7639 sq ft. References to "Appendix" or "Appendices" are to the appendices set out in this Prospectus. All references in this Prospectus to dates and times shall mean Singapore dates and times unless otherwise specified.

Unless otherwise specified, all information relating to the Properties (as defined herein) in this Prospectus are as at 30 September 2014. See "Business and Properties" for details regarding the Properties.

MARKET AND INDUSTRY INFORMATION

This Prospectus includes market and industry data and forecasts that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such information. The Manager has commissioned BroadMedia Consulting Ltd ("**BroadGroup**" or the "**Independent Market Research Consultant**") to prepare the "Independent Property Market Research Report". (See Appendix F, "Independent Property Market Research Report" for further details.) Established in 2002, BroadGroup has achieved rapid recognition and growth through delivering quality research and insight in a number of niche and emerging areas of the telecommunications and technology sector. The data centre practice has been the main focus of the company since 2002. BroadGroup has now become the leading global research and consultancy group in this area. BroadGroup has extensive experience in assessing the impact of market developments for data centres. It has also worked on a wide variety of projects for investors, operators and governmental bodies and development agencies. This has provided BroadGroup with a detailed insight into the requirements and criteria for each group. BroadGroup is also able to leverage on its extensive range of reports and industry insight (see Appendix F, "Independent Property Market Research Report" for further details).

While the Manager has taken reasonable steps to ensure that the information is extracted accurately and in its proper context, the Manager has not independently verified any of the data from third-party sources or ascertained the underlying economic assumptions relied upon therein. Consequently, none of Keppel DC REIT, the Manager, the Trustee, the Joint Financial Advisers, the Joint Global Coordinators, the Joint Bookrunners and the Sponsor make any representation as to the accuracy or completeness of such information, and each of them shall not be held responsible in respect of any such information and shall not be obliged to provide any updates on the same.

The Trustee has appointed Colliers International Consultancy & Valuation (Singapore) Pte Ltd, Colliers International New Zealand Limited (together with Colliers International Consultancy & Valuation (Singapore) Pte Ltd, "**Colliers**") and Jones Lang LaSalle Limited ("**JLL**") (as the case may be) as the valuers for the Properties. The Manager has appointed Cushman & Wakefield VHS Pte. Ltd. ("**C&W**") and CBRE Limited ("**CBRE**", and together with Colliers, C&W and JLL, the "**Independent Valuers**") (as the case may be) as the valuers for the Properties (see Appendix E, "Independent Property Valuation Summary Reports" for further details).

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OVERVIEW

*The following section is qualified in its entirety by, and is subject to, the more detailed information contained or referred to elsewhere in this Prospectus. The meanings of terms not defined in this section can be found in the Glossary or in the trust deed constituting Keppel DC REIT (formerly known as Securus Data Property Trust ("**SDPT**")) dated 17 March 2011 (as amended) (the "**Trust Deed**"). A copy of the Trust Deed can be inspected during business hours at the principal place of business of the Manager, which is located at 18 Cross Street #10-10, China Square Central, Singapore 048423 (prior appointment would be appreciated).*

Statements contained in this section that are not historical facts may be forward-looking statements or are historical statements reconstituted on a pro forma basis. Such statements are based on certain assumptions and are subject to certain risks and uncertainties which could cause actual results of Keppel DC REIT to differ materially from those forecast or projected (see "Forward-Looking Statements" for further details). Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by Keppel DC REIT, the Manager, the Trustee, the Joint Financial Advisers, the Joint Global Coordinators, the Joint Bookrunners, the Sponsor or any other person or that these results will be achieved or are likely to be achieved. Investing in the Units involves risks. Prospective investors are advised not to rely solely on this section, but to read this Prospectus in its entirety and, in particular, the sections from which the information in this section is extracted and "Risk Factors" to better understand the Offering and Keppel DC REIT's businesses and risks.

OVERVIEW OF KEPPEL DC REIT

Keppel DC REIT is a Singapore real estate investment trust ("**REIT**") established with the investment strategy of principally investing, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centre purposes, as well as real estate-related assets, with an initial focus on Asia-Pacific and Europe.

Key Objectives

The Manager's key objectives are to provide unitholders of Keppel DC REIT ("**Unitholders**") with regular and stable distributions and to achieve long-term growth in distribution per Unit ("**DPU**") and Keppel DC REIT's net asset value ("**NAV**") per Unit, while maintaining an appropriate capital structure.

IPO Portfolio

The IPO Portfolio (as defined herein) of Keppel DC REIT comprises eight data centre properties located in Asia-Pacific and Europe, with an aggregate Lettable Area of approximately 509,913 sq ft and an aggregate Appraised Value[1] of approximately S$1.0 billion as at 30 September 2014. The IPO Portfolio consists of the following properties:

- two data centres in Singapore, being S25 and T25 (collectively, the "**Singapore Properties**");
- two data centres in Australia, being Gore Hill Data Centre in Sydney and iseek Data Centre in Brisbane;

1 "**Appraised Value**" refers to the average of the two independent valuations conducted by the respective Independent Valuers (as defined herein) for each Property.

- one data centre in Malaysia, being Basis Bay Data Centre in Selangor[1]; and
- three data centres in Europe, being GV7 Data Centre in London, the UK, Almere Data Centre in Amsterdam, the Netherlands and Citadel 100 Data Centre in Dublin, Ireland,

(collectively, the "**Properties**" or the "**IPO Portfolio**"). (See "Business and Properties" for further details.)

Leases and Co-location Arrangements

Keppel DC REIT has or will have in place on the Listing Date:

- lease arrangements with the respective tenants of S25[2], T25[2], a portion of the premises at Gore Hill Data Centre, Basis Bay Data Centre, GV7 Data Centre and Almere Data Centre[3]; and
- co-location arrangements with the respective end-users of iseek Data Centre[4], Gore Hill Data Centre and Citadel 100 Data Centre.

Lease arrangements are typically for a substantial portion of the whole data centre. The tenants operate the data centre on long-term leases. These lease arrangements are either double-net leases or triple-net leases. In the case of Keppel DC REIT, a double-net lease refers to a lease where the tenant pays for rent, is responsible for facilities management such as the provision of physical security, power and cooling, and bears at least one of the four following property-related expenses: (i) property tax, (ii) expenses for day-to-day maintenance including cleaning, security, utilities, servicing of lifts and other mechanical and electrical ("**M&E**") items, (iii) expenses for building insurance, and (iv) expenses for "end of life" replacement of the M&E equipment (the "**Property-Related Expenses**"). A triple-net lease refers to a lease where the tenant pays for rent, is responsible for facilities management, and bears all of the Property-Related Expenses.

Co-location arrangements are typically entered into by end-users who use co-location space for the installation of their servers and other mission-critical information technology ("**IT**") equipment. Most co-location arrangements do not cover the leasing of the whole or substantially the whole of the relevant Properties. The rental rates for the use of co-location space may be calculated on the

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1 Keppel DC REIT is expected to hold a 99.0% interest in Basis Bay Data Centre with the Basis Bay Vendor holding the remaining 1.0% interest on the Listing Date.

2 Keppel DC REIT will have in place the Keppel Leases in relation to S25 and T25 which are essentially pass-through arrangements whereby a significant portion of the rent payable to Keppel DC REIT by the Keppel Lessees is made up of variable rent based on the EBITDA (after deducting the fixed rent and operating expenses) derived from the underlying end-users whom the Keppel Lessees have entered into co-location arrangements with. (See "Risk Factors – Due to the pass-through nature of the Keppel Leases, Keppel DC REIT will effectively bear the obligations of the Keppel Lessees to their underlying end-users while not having a direct contractual relationship with the underlying end-users" and "Certain Agreements relating to Keppel DC REIT and the Properties – Lease Agreements" for further details.)

3 Securus Almere B.V., a wholly-owned subsidiary of Keppel DC REIT, has a Ground Lease in relation to Almere Data Centre. With the Ground Lease in place, the lease with the underlying tenant becomes conceptually similar to a sub-lease, with Borchveste being (i) the leasehold tenant of Securus Almere B.V. and (ii) the lessor to the underlying tenant being essentially the sub-tenant. (See "Business and Properties – Almere Data Centre" for further details.)

4 Keppel DC REIT, through Securus Australia Trust No. 1 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date), has entered into the iseek Lease with iseek Communications. The iseek Lease is a co-location arrangement which is a contractual arrangement and does not give iseek Communications any proprietary interest in iseek Data Centre. However, the terms of the iseek Lease, when read together with the facilities management arrangement (as amended) entered into by Securus Australia Trust No. 1 and iseek Communications are intended to operate to give the same economic effects of a double-net lease and impose on iseek Communications the same responsibilities which it would bear if it were a lessee under a double-net lease. Accordingly, for purposes of this Prospectus, the iseek Lease is treated as a double-net lease and not a co-location arrangement. (See "Business and Properties – iseek Data Centre" for further details.)

basis of floor space, number of data racks or the amount of power provided. Keppel DC REIT is usually responsible for facilities management and provides the relevant Property with power, cooling, physical security, and backup and redundancy systems. In the case of Keppel DC REIT (save in respect of the iseek Lease), end-users with co-location arrangements pay for rent and all the Property-Related Expenses are borne by Keppel DC REIT.

Co-location arrangements will typically specify service level commitments which Keppel DC REIT, as the owner of the co-location space, is responsible for. These service level commitments typically cover power downtime and the maintenance of environmental standards such as ensuring that the humidity and temperature of the data centre are at specified levels. Failure to meet the service level commitments as specified in the co-location arrangement may result in rental rebates or service credits being granted to the end-users ("**Customer Service Credits**"). An exception to the foregoing is the iseek Lease where, despite being a co-location arrangement which is a contractual arrangement, the terms of the iseek Lease, when read together with the facilities management arrangement (as amended) entered into by Securus Australia Trust No. 1 and iseek Communications, are intended to operate to give the same economic effects of a double-net lease and impose on iseek Communications the same responsibilities which it would bear if it were a lessee under a double-net lease. Accordingly, for purposes of this Prospectus, the iseek Lease is treated as a double-net lease and not a co-location arrangement.

(See "Business and Properties" for further details.)

KEY INVESTMENT HIGHLIGHTS

The Manager believes that an investment in Keppel DC REIT offers the following attractions to Unitholders:

(1) Unique exposure to high growth data centre industry

- First pure-play data centre REIT listed in Asia
- The data centre industry is backed by strong fundamental growth drivers:
  - Growth in data creation and data storage needs
  - Growth in cloud computing, e-commerce and online shopping
  - Increasing compliance and regulatory requirements on data security
  - Increasing outsourcing of data centre requirements
- High barriers to entry for the data centre industry
  - Substantial upfront costs as well as significant technical knowledge and expertise required
  - Customers' preference for data centre providers with proven track record
  - Lack of suitable sites for data centres
- Favourable demand and supply dynamics

(2) **High quality portfolio**

- High quality data centres with modern technical specifications
- Properties strategically located in key data centre hubs
- 45.3% of the IPO Portfolio comprises freehold properties or properties with long land tenure exceeding 150 years
- Recently built or refurbished assets

(3) **High quality customer base and favourable lease and co-location profile offering income stability with potential upside from rental reversions**

- High quality and diversified customer base
  - Well-known and established customers
  - Diversified customer base across various sectors including IT services, internet enterprise, telecommunications, financial services and general corporates
- Favourable lease and co-location profile
  - Long WALE of 7.8 years by leased Lettable Area [1]
  - High occupancy rate of 93.5% [2]
  - Well-balanced business model with exposure to double-net and triple-net leases and co-location arrangements
- High customer retention rate of 97.8%[3]

(4) **Attractive distributions**

(5) **Strong distribution growth delivered both organically and through future acquisitions**

- Embedded organic rental revenue growth from built-in rental escalations
- Asset enhancement opportunities
- Acquisition pipeline

1 IPO Portfolio WALE is 5.9 years by NPI on a cash-basis (excluding straight-lining impact due to FRS adjustment) for the month of September 2014, assuming that each lease and co-location arrangement of the same type (*i.e.* double-net lease, triple-net lease and co-location arrangements), within a Property has the same ratio of cash NPI to Rental Income. For Gore Hill Data Centre, the triple-net lease contributes to cash NPI of the Property by the full amount of its Rental Income and the co-location arrangements contribute to the balance cash NPI of the Property. Due to its triple-net lease agreement, a tenant in the Gore Hill Data Centre with more than 10 years of remaining lease to expiry occupies approximately 76% of the Property's leased Lettable Area but contributes approximately 14% of the Property's cash NPI.

2 As at 30 September 2014.

3 For the nine-month period ended 30 September 2014.

(6) Conservative capital structure with an Aggregate Leverage of approximately 27.8%[1] providing financial flexibility to undertake future growth opportunities

(7) Committed Sponsor and experienced Manager with proven track record

- Well-established track record of the Sponsor and the Manager in the data centre industry

- Alignment of interest between the Sponsor and Unitholders

Details of the key investment highlights are set out below.

(1) Unique exposure to high growth data centre industry

(a) First pure-play data centre REIT listed in Asia

Keppel DC REIT will be the first pure-play data centre REIT listed in Asia. It will provide investors with an opportunity to invest in the IPO Portfolio comprising eight high quality data centres strategically located across Asia-Pacific and Europe, namely in Singapore, Australia, Malaysia, the UK, the Netherlands and Ireland. Keppel DC REIT's IPO Portfolio has an aggregate Appraised Value of approximately S$1.0 billion as at 30 September 2014.

(b) The data centre industry is backed by strong fundamental growth drivers

Data centre demand is primarily driven and supported by strong growth in data creation and storage needs which is expected to continue with the increasing digitisation of the global economy. Other key demand drivers include (i) growing adoption of cloud computing, (ii) increasing compliance and regulatory requirements on data security, and (iii) increasing outsourcing of data centre requirements.

Growth in data creation and data storage needs

Data growth has been driven by several factors such as the proliferation of internet enabled devices, growth in video streaming and file sharing, increased popularity of e-commerce and social networking and more generally, the increase in the number of global internet users. From 2013 to 2018, it is estimated that the number of global internet users and internet enabled devices will increase at a compounded annual growth rate ("**CAGR**") of approximately 17.2% per annum and 26.6% per annum respectively (see Appendix F, "Independent Property Market Research Report" for further details).

The recent trend towards "Big Data" has also underscored the increasing demand for data storage. "Big Data" encompasses the collection and analysis of significant volumes of historical and real-time data, and generates vast computing and data storage requirements.

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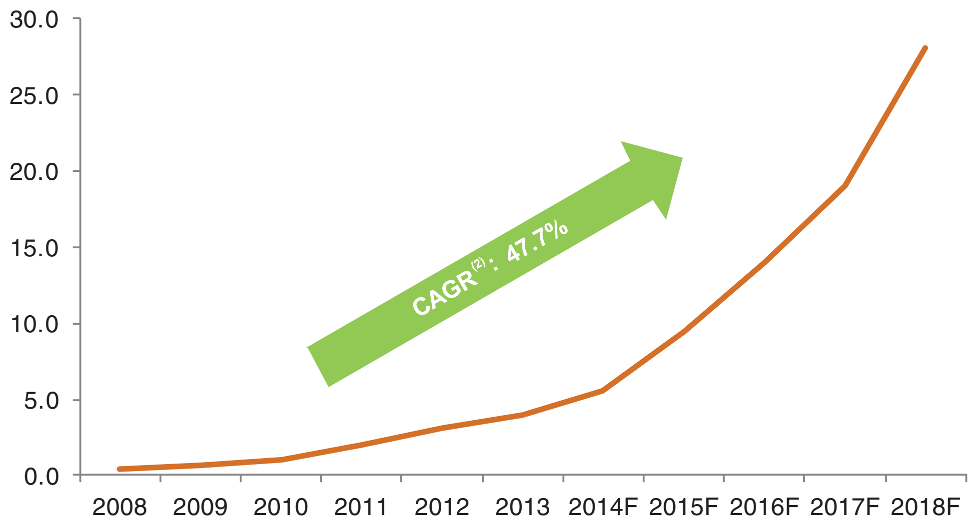
1 Without taking into consideration the finance lease liabilities pertaining to the land rent commitments for iseek Data Centre and Citadel 100 Data Centre. If these finance lease liabilities were included, the Aggregate Leverage would be 30.0%.

The amount of data created globally is expected to grow at a CAGR of 47.7% per annum from 2013 to 2018 as shown in the chart below (see Appendix F, "Independent Property Market Research Report" for further details).

Total Global Data Created Annually
(in zettabytes(1))



Source: BroadGroup

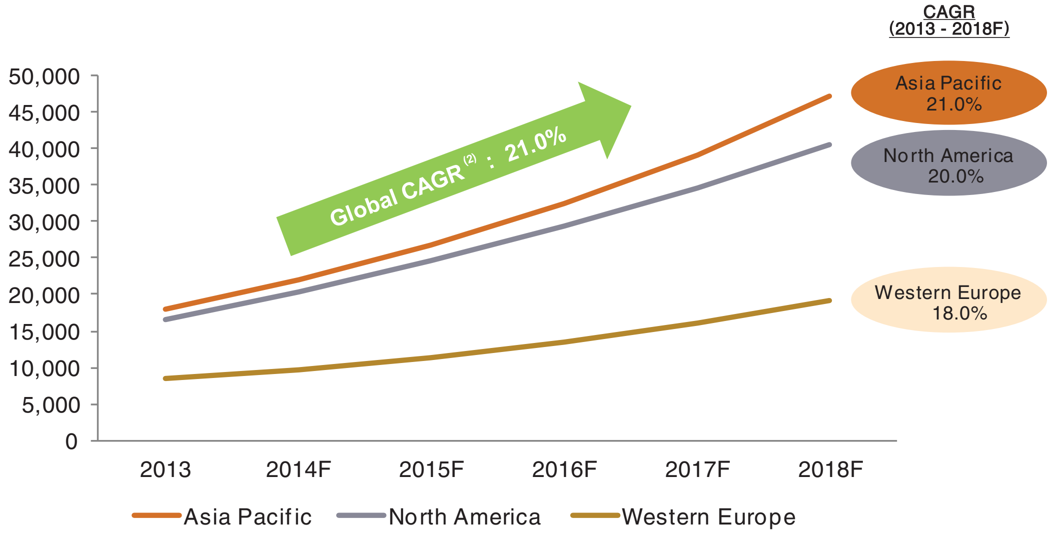
Notes:

(1) A zettabyte is equal to 10^{21} bytes.

(2) From 2013 to 2018F.

Growth in data creation and sharing are driving a significant increase in data transmission. Global monthly internet protocol ("**IP**") traffic is expected to grow at a CAGR of 21.0% per annum from 2013 to 2018. The monthly IP traffic for Asia-Pacific exceeded that of North America for the first time in 2013. Between the Asia-Pacific, North America and Western Europe markets, it is estimated that Asia-Pacific will experience the highest growth in monthly IP traffic with a CAGR of 21.0% per annum for the period from 2013 to 2018, outperforming North America and Western Europe as shown in the chart below (see Appendix F, "Independent Property Market Research Report" for further details).

Growth in Global IP Traffic
(in petabytes[1] per month)



Source: BroadGroup

Notes:

(1) A petabyte is equal to 10^{15} bytes.

(2) From 2013 to 2018F.

Growth in cloud computing, e-commerce and online shopping

Cloud computing is a model for enabling convenient, on-demand network access to a shared pool of configurable computing resources (such as networks, servers, storage, applications and services) that is highly scalable and can be rapidly provisioned and released with minimal management effort or service provider interaction. Cloud computing is gaining popularity among corporate and individual customers and is changing the way information technology is being consumed by placing significant focus on networked or shared resources. Suppliers of cloud services require data centre space with high power density and the shift towards cloud computing is a key driver of data centre demand.

The proliferation of e-commerce and online shopping is also expected to drive demand for data centres. E-commerce, largely exemplified by online shopping, is the conduct of commercial transactions electronically over the Internet, comprising an online portal that is often data intensive, requiring the exchange of data to facilitate browsing, financing and payment aspects of transactions between businesses and/or consumers. It is estimated that global business-to-consumer e-commerce sales will reach US$1.5 trillion in 2014, representing a 20.1% increase over 2013 (see Appendix F, "Independent Property Market Research Report" for further details). Consumers from Asia-Pacific will account for over a third of these sales and the region will exceed North America in terms of sales for the first time in 2014.

Increasing compliance and regulatory requirements on data security

As a result of increasing compliance and regulatory requirements across a variety of industries including the banking, financial services and healthcare industries, data storage and archiving requirements demand increasingly secure data centre facilities with reliable long-term access and on-demand retrieval capabilities. Certain regulations require organisations to store a broader range of data for a longer duration, or impose stringent requirements on the types of security features data centres should have. Consequently, the demand for high specification data centres that are professionally managed is expected to grow.

Increasing outsourcing of data centre requirements

There has been a trend towards outsourcing of data centre requirements by organisations to third party providers for the following key reasons:

- **Cost effectiveness:** Data centres require large upfront costs to construct and it is often more cost effective and capital efficient for organisations to utilise experienced data centre providers to meet their needs for co-location and managed hosting services;

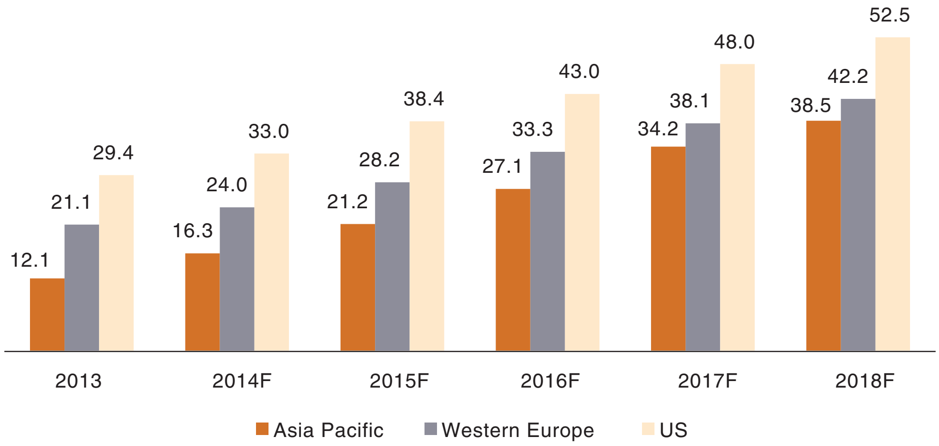
- **Increased complexity:** Organisations face increasing complexity of running in-house data centres and find difficulty in attracting and retaining qualified personnel who are competent in managing such data centres;

- **Users focusing on their core competencies:** Owning and managing data centres are not core competencies for many organisations. A growing number of organisations are realising the challenges of managing data centre infrastructure in-house as they often lack the process knowledge and skills to ensure data availability and security, among others. By outsourcing their data centre requirements, organisations can focus on their core business; and

- **Changing needs:** An organisation's needs can change and grow quickly and third party providers are able to provide flexible, on-demand and customisable solutions faster than in-house options.

For the above reasons, demand for outsourced third party data centres has been increasing. Currently, a majority of data centres are managed internally by organisations and operated as cost centres, representing a sizeable potential customer base for third party data centre providers. The proportion of outsourced data centre space in Asia-Pacific is projected to increase from 12.1% in 2013 to 38.5% in 2018. In Western Europe, this figure is projected to increase from 21.1% in 2013 to 42.2% in 2018 as shown in the chart below.

Proportion of Outsourced Data Centre Space by Region (%)



Source: BroadGroup

(c) High barriers to entry for the data centre industry

The data centre industry has high barriers to entry which include (i) substantial upfront costs and significant technical knowledge and expertise required, (ii) customers' preference for data centre providers with a proven track record and (iii) lack of suitable sites for data centres as set out below.

- **Substantial upfront costs and significant technical knowledge and expertise required:** Data centres are designed to high technical standards and require substantial upfront capital for fully-built data centres with power and cooling equipment with redundancy features built-in, which costs approximately US$1,200 to US$2,000 per sq ft of data centre net technical space (excluding cost of land and basic shell of the building). Data centres are designed to meet high technical specifications and compliance standards. They require substantial upfront capital commitment to achieve high levels of redundancies. In addition, specialised technical expertise, knowledge and an intricate understanding of industry developments and customer requirements are critical in designing, developing and operating energy-efficient data centres;

- **Customers' preference for data centre providers with a proven track record:** Given the mission critical nature of data centre operations, customers have a preference for proven reliability and track record of data centre providers. Customers are often wary of new data centre providers and of being the first mover to a new data centre site. New entrants to the data centre industry often lack the ability to sell to an existing customer base and cross-sell across different countries, and may not be able to provide customers with secondary sites for disaster recovery and support to primary sites. As such, new data centre providers face greater difficulty in attracting anchor customers; and

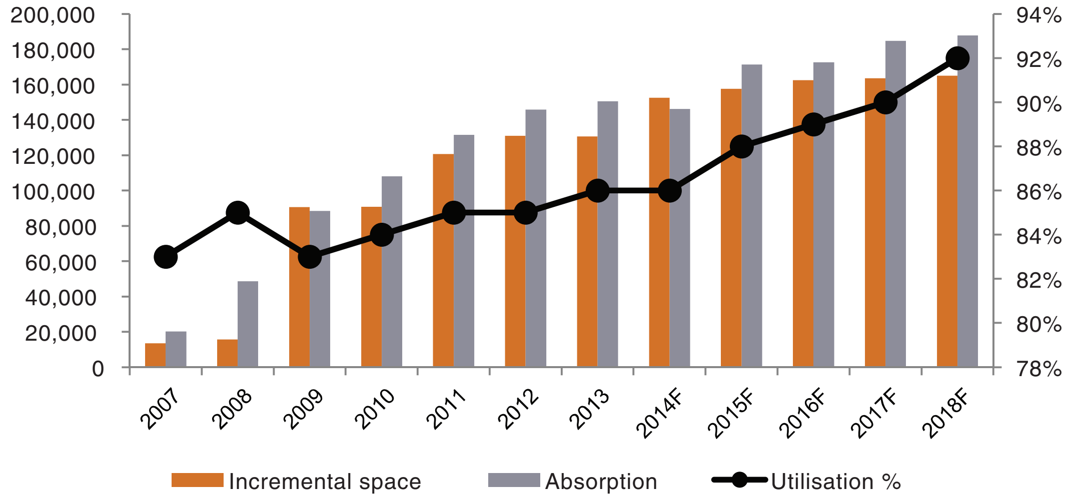
- **Lack of suitable sites for data centres:** Several factors make it difficult to identify suitable sites for data centres, including availability of land with access to sufficient power and fibre connectivity. Sites should also have minimal risk factors such as low risk of flooding or natural disasters. Locations that possess such characteristics are in high demand, require planning/zoning approvals and may not be readily available or would be expensive to procure, thus limiting availability.

(d) Favourable demand and supply dynamics

Incremental demand for data centre facilities is expected to exceed incremental supply between 2013 and 2018 in key markets where Keppel DC REIT operates (see Appendix F, "Independent Property Market Research Report" for further details). As a result, utilisation of data centre facilities in these key markets is expected to increase by the end of 2018 as shown in the charts below.

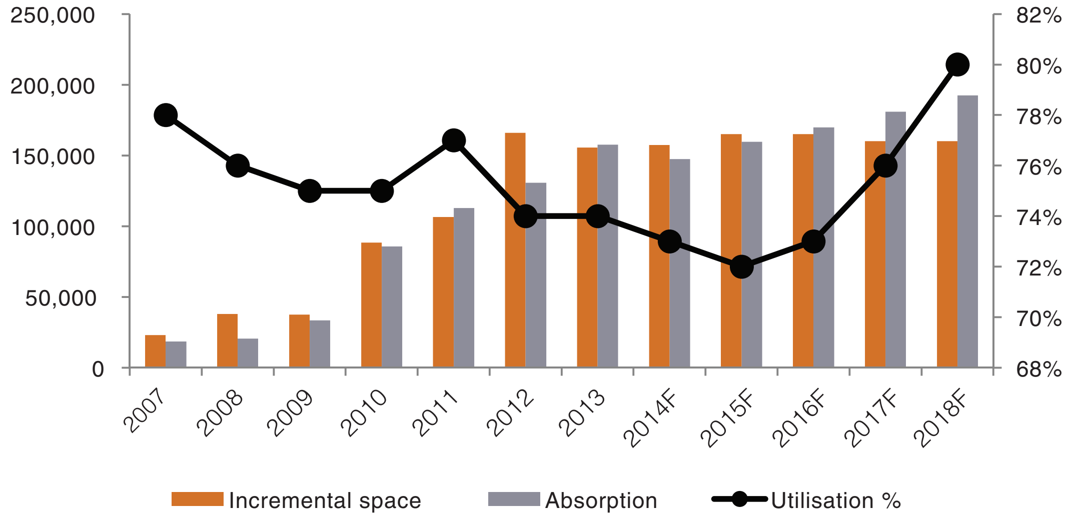
Singapore, as a key financial hub in Asia, will continue to enjoy strong data centre demand from financial institutions and Sydney will benefit from strong demand from government, systems integrators, financial institutions and corporations. By 2018, utilisation of data centre facilities in Singapore and Sydney, which are currently the two largest markets of Keppel DC REIT, are expected to reach 92.1% and 80.0% respectively. The Properties in Singapore and Sydney contribute 41.6% and 20.6% respectively to the aggregate Appraised Value of the IPO Portfolio as at 30 September 2014.

Incremental Demand and Supply, and Utilisation of Data Centre Facilities in Singapore (in sq ft)



Source: BroadGroup

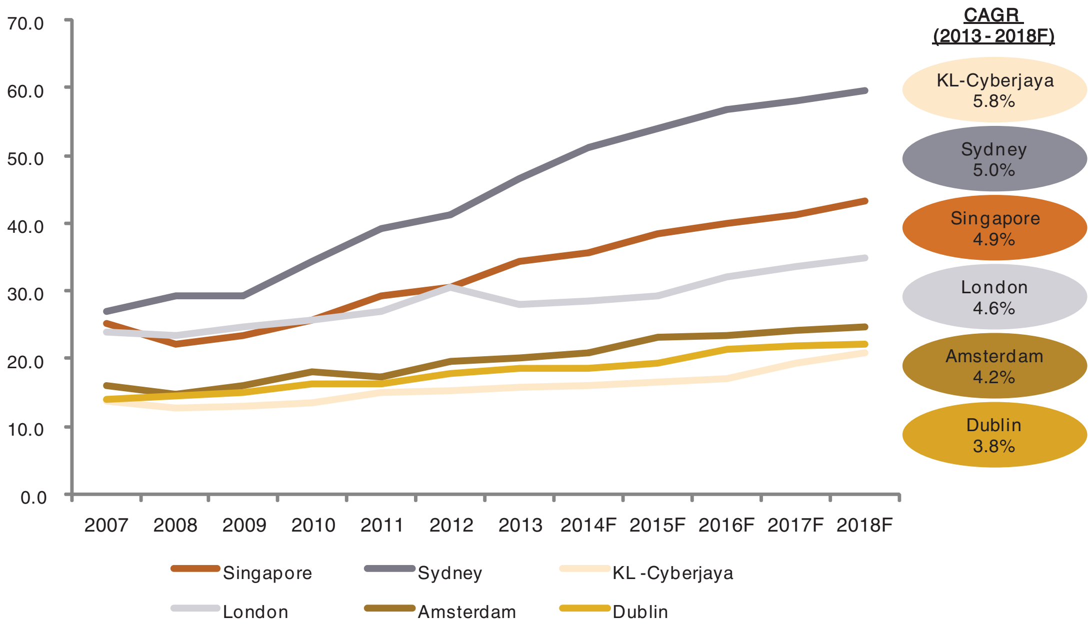
Incremental Demand and Supply, and Utilisation of Data Centre Facilities in Sydney (in sq ft)



Source: BroadGroup

Due to favourable demand and supply dynamics, rental levels for data centres are also expected to increase between 2013 and 2018 in the key markets where Keppel DC REIT operates. As a result, Keppel DC REIT is expected to benefit from positive rental reversions, as a portion of leases and co-location arrangements in S25[1], T25[1], Gore Hill Data Centre, Basis Bay Data Centre and Citadel 100 Data Centre, become due for renewal in the next few years as shown in the chart below. (See "Appendix F – Independent Property Market Research Report" for further details.)

Wholesale Co-location Pricing in Key Keppel DC REIT Markets (in US$ per sq ft)



Source: BroadGroup

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1 On a pass-through basis to the underlying end-users of S25 and T25.

(2) High quality portfolio

(a) High quality data centres with modern technical specifications

The IPO Portfolio comprises high quality data centres which have been designed and built to attract blue chip customers. Keppel DC REIT's customers include leading IT firms, telecommunications companies, financial institutions and established multinational corporations ("**MNCs**"). The data centres in the IPO Portfolio are designed to meet industry standards and technical specifications with multiple redundant power and cooling systems to provide the necessary back-up and resilience required by these customers with mission-critical operations in industries such as IT managed services and financial institutions. The Manager believes that its data centres have a unique proposition due to high barriers to entry for the data centre industry and the ability to attract a customer clientele of established organisations which require and are willing to pay a premium for the high specification requirements (see "Overview – Key Investment Highlights – Unique exposure to high growth data centre industry – High barriers to entry" for details).

(b) Properties strategically located in key data centre hubs

The IPO Portfolio is strategically located across key cities in Asia-Pacific and Europe with excellent connectivity. The Properties are also supported by (i) advanced data centre infrastructure (including fibre connectivity), (ii) secured power capacity, (iii) government support, (iv) easy access to major transportation nodes and (v) proximity to corporate customers and local demand.

(c) 45.3% of the IPO Portfolio comprises freehold properties or properties with long land tenure exceeding 150 years

As at the Listing Date, 45.3% of the IPO Portfolio by Appraised Value as at 30 September 2014 is located on either freehold land or land with tenure greater than 150 years, namely Gore Hill Data Centre, Basis Bay Data Centre, GV7 Data Centre and Almere Data Centre. The remaining 54.7% of the IPO Portfolio has a weighted average remaining land tenure by Lettable Area of 35.6 years.

(d) Recently built or refurbished assets

Keppel DC REIT's IPO Portfolio consists of recently built or refurbished assets, with a weighted average age of 5.4[1] years and is well-positioned to attract and retain customers. Recently built or refurbished assets typically require less capital expenditure in the near future.

(3) High quality customer base and favourable lease and co-location profile offering income stability with potential upside from rental reversions

(a) High quality and diversified customer base

Well-known and established customers

The IPO Portfolio has a high quality customer base that operates in high value-added sectors such as internet and IT services, telecommunications services and financial services. As at 30 September 2014, the IPO Portfolio comprises 34 customers, including Fortune 500 companies, government-related entities, MNCs and leading organisations in their respective sectors. Approximately 96.1% of Keppel DC REIT's Rental Income (including the 1.0% interest in Basis Bay Data Centre which will be held by the Basis Bay Vendor on the Listing Date) for the month of September 2014 is derived from government-related entities or MNCs.

Diversified customer base across various sectors including IT services, internet enterprise, telecommunications, financial services and general corporates

The IPO Portfolio has a diverse customer base that operates across a number of key sectors and contributes to the resilience of the IPO Portfolio as shown in the chart below.

1 Weighted by Appraised Value and calculated using age since the date of issue of temporary occupation permit ("**TOP**") or last refurbishment, whichever is later.

Top 10 Customers[1] by Rental Income[2] (for the month of September 2014)

Customer	Trade Sector	% of Rental Income
Customer A	Internet Enterprise	25.7%
Customer B	IT Services	20.9%
Customer C	Telecommunications	8.8%
Customer D	IT Services	8.7%
Customer E	Financial Services	5.4%
Customer F	IT Services	4.8%
Customer G	Telecommunications	4.6%
Customer H	IT Services	3.8%
Customer I	IT Services	3.1%
Customer J	Financial Services	2.6%

Notes:

(1) The names of the customers cannot be identified and matched to the information set out above as many of the lease arrangements and co-location arrangements contain confidentiality provisions. Furthermore, there are commercial sensitivities involved due to the critical nature of data centre operations and some customers would prefer to keep their presence in a data centre facility confidential in order to minimise the risk of physical threats and/or intrusions into the relevant data centre. The profiles of the customers are set out below and are not arranged in order of contribution to Rental Income:

- Member of the same group as a Fortune Global 500 and S&P 100 company which is listed on the NASDAQ;
- Member of the same group as a Fortune Global 500 and S&P 100 MNC which is listed on the NYSE and provides IT hardware, software and integrated solutions;
- Member of the same group as a Fortune Global 500 and S&P 100 MNC which is listed on the NYSE and provides integrated IT infrastructure and software solutions;
- Member of the same group as an S&P 500 company which is listed on the NYSE and is an international provider of enterprise cloud computing, co-location services, managed hosting, and professional cloud services;
- Member of the same group as an international information communications technology company which is listed on the Euronext;
- Business-only internet service provider which specialises in mission critical data networks, and provides business grade internet and data centre server co-location services to businesses across Australia;
- Member of the same group as an international provider of outsourcing solutions in information technology and managed data centre services across Asia-Pacific and Europe;
- Financial services company which is listed on the SGX-ST;
- Member of the same group as a financial services company which is listed on the ASX; and
- Statutory board of the Singapore Government.

(2) Includes the 1.0% interest in Basis Bay Data Centre which will be held by the Basis Bay Vendor on the Listing Date.

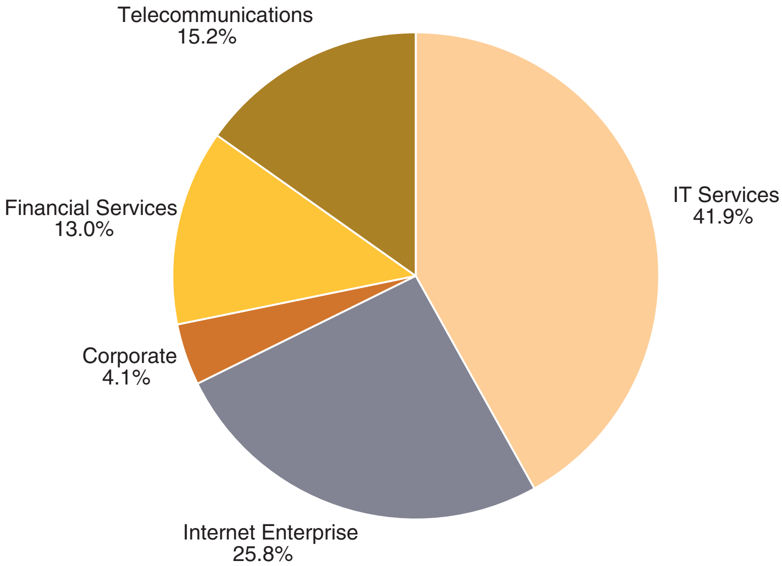
(3) "Internet Enterprise" refers to companies which use data centres to host a range of web-based services used by their customers;

"IT Services" refers to cloud and managed services providers providing end-users with services hosted in the data centre and includes system integrators who use data centres to host outsourced IT applications; and

"Telecommunications" includes telecommunication carriers and operators who use data centres as a marketplace to sell bundled services including bandwidth and co-location.

In addition, the IPO Portfolio has a diverse customer trade sector mix with no single trade sector contributing more than 41.9% of Rental Income (including the 1.0% interest in Basis Bay Data Centre which will be held by the Basis Bay Vendor on the Listing Date) for the month of September 2014 as shown in the chart below.

Breakdown of Rental Income by Trade Sector
(for the month of September 2014)



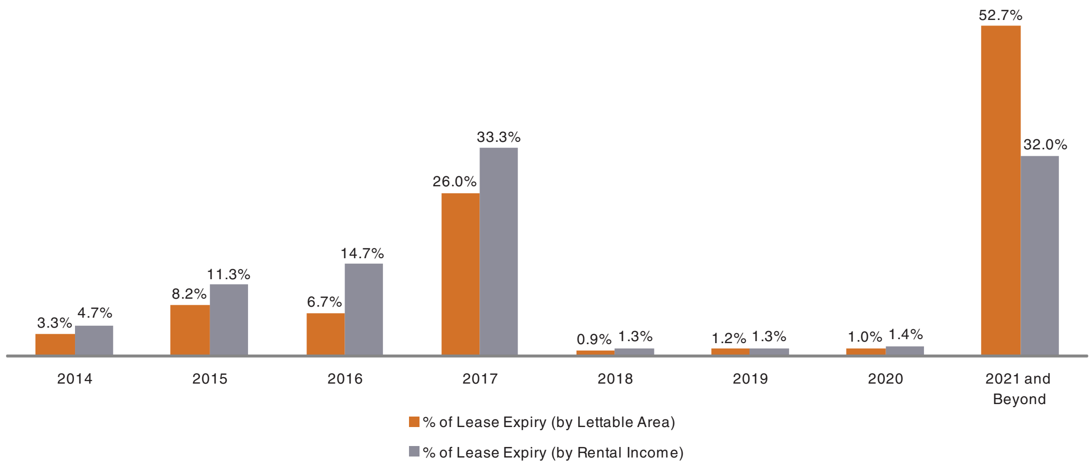
(b) *Favourable lease and co-location profile*

Long WALE of 7.8 years

The IPO Portfolio has a long WALE of 7.8 years (by leased Lettable Area as at 30 September 2014)[1] which provides stable and visible cash flows for Keppel DC REIT. The following chart illustrates the lease expiry profile of the IPO Portfolio (by Rental Income (including the 1.0% interest in Basis Bay Data Centre which will be held by the Basis Bay Vendor on the Listing Date) and leased Lettable Area).

1 IPO Portfolio WALE is 5.9 years by NPI on a cash-basis (excluding straight-lining impact due to FRS adjustment) for the month of September 2014, assuming that each lease and co-location arrangement of the same type (*i.e.* double-net lease, triple-net lease and co-location arrangements) within a Property has the same ratio of cash NPI to Rental Income. For Gore Hill Data Centre, the triple-net lease contributes to cash NPI of the Property by the full amount of its Rental Income and the co-location arrangements contribute to the balance cash NPI of the Property. Due to its triple-net lease arrangement, a tenant in Gore Hill Data Centre with more than 10 years of remaining lease to expiry occupies approximately 76% of the Property's leased Lettable Area but contributes approximately 14% of the Property's cash NPI.

Weighted Average Lease Expiry Profile of the IPO Portfolio by leased Lettable Area (as at 30 September 2014) and Rental Income (for the month of September 2014)

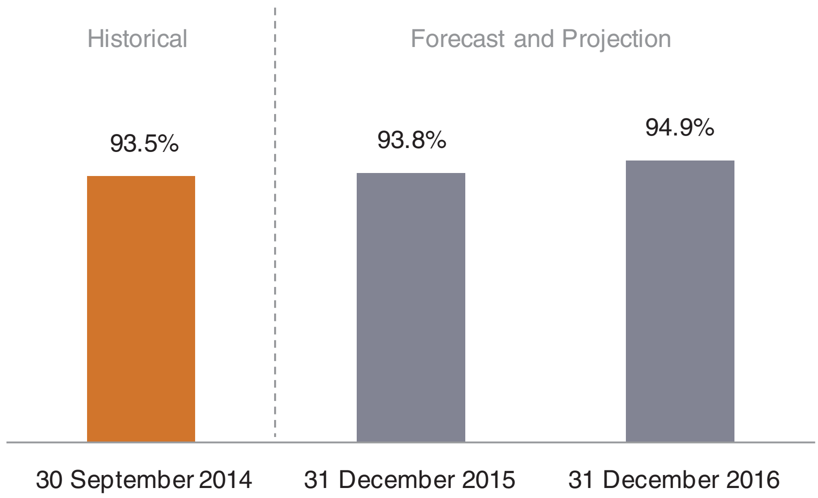


The well-spread lease expiry profile, with only 30.7% by Rental Income (including the 1.0% interest in Basis Bay Data Centre which will be held by the Basis Bay Vendor on the Listing Date) for the month of September 2014, expiring before Projection Year 2016, provides stable and visible cash flows for Keppel DC REIT, while allowing for positive rental reversions upon re-contracting.

High occupancy rate of 93.5%

The high occupancy level and customer retention rate, are testament to the positive industry outlook, premium quality of the IPO Portfolio and high level of customer loyalty. The IPO Portfolio has an occupancy rate of 93.5% as at 30 September 2014. The Manager expects the portfolio occupancy rate to increase further in Forecast Year 2015 and Projection Year 2016 as shown below, due to an increase in occupancy rates for S25.

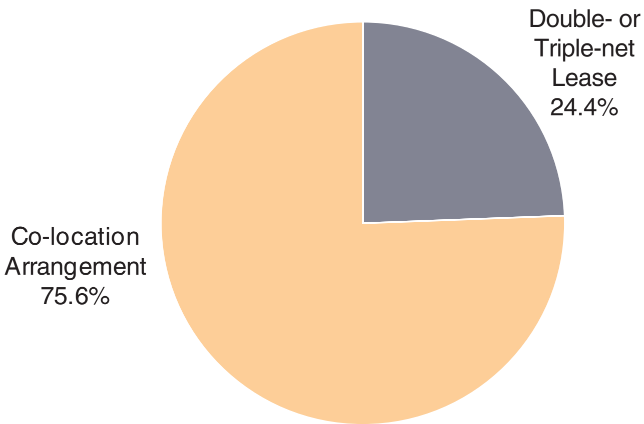
Occupancy Rate of IPO Portfolio



Well-balanced business model with exposure to double-net and triple-net leases and co-location arrangements

The IPO Portfolio benefits from combined exposure to co-location arrangements and double-net and triple-net leases. The chart below shows the breakdown of Rental Income (including the 1.0% interest in Basis Bay Data Centre which will be held by the Basis Bay Vendor on the Listing Date) by lease and co-location arrangements for the month of September 2014.

Breakdown of Rental Income by Lease[(1)] and Co-location Arrangements (for the month of September 2014)



Note:

(1) Includes the iseek Lease which for purposes of this Prospectus is treated as a double-net lease despite being a co-location arrangement which is a contractual arrangement. Such treatment is due to the fact that the terms of the iseek Lease, when read together with the facilities management arrangement (as amended) entered into by Securus Australia Trust No. 1 and iseek Communications are intended to operate to give the same economic effects of a double-net lease and impose on iseek Communications the same responsibilities which it would bear if it were a lessee under a double-net lease.

Keppel DC REIT benefits from a balanced lease profile that provides for both stability and opportunities for rental reversions. Double-net and triple-net leases typically have lower operational requirements with the majority of Property-Related Expenses borne by customers while co-location arrangements require higher levels of service level commitments to meet the specialised needs of customers and therefore command higher rental rates. These service level commitments typically cover power downtime and the maintenance of environmental standards, such as ensuring that the humidity and temperature of the data centre are at specified levels.

Double-net and triple-net leases generally have longer lease periods compared to co-location arrangements. The WALE[1] for co-location arrangements in Keppel DC REIT's IPO Portfolio is three years compared to 11.4 years for double-net[2] and triple-net leases.

(c) High customer retention rate of 97.8%

The IPO Portfolio achieved a high customer retention rate of 97.8% for the nine-month period ended 30 September 2014. The data centre industry enjoys high customer retention rate due to the following key factors:

- **Mission-critical infrastructure:** Customers operate mission-critical IT processes in data centre facilities and are therefore averse to physical relocations which will substantially increase operational risks including possible downtime and business disruption;

- **Substantial relocation costs:** Customer relocation costs are high due to the costly and delicate data centre equipment involved and the need to replicate a similar set of IT services and systems during relocation to minimise downtime;

- **Growing data centre requirements:** Customers are demanding more data centre space in line with expectations that data usage and requirements are expected to continue to grow; and

- **Significant investments made by customers:** As customers have invested heavily in the server racks and other IT equipment in a data centre, they are less likely to move out of their current location.

(See Appendix F, "Independent Property Market Research Report" for further details.)

1 By leased Lettable Area as at 30 September 2014.

2 Includes the iseek Lease which for purposes of this Prospectus is treated as a double-net lease despite being a co-location arrangement which is a contractual arrangement. Such treatment is due to the fact that the terms of the iseek Lease, when read together with the facilities management arrangement (as amended) entered into by Securus Australia Trust No. 1 and iseek Communications are intended to operate to give the same economic effects of a double-net lease and impose on iseek Communications the same responsibilities which it would bear if it were a lessee under a double-net lease.

(4) Attractive distributions

One of Keppel DC REIT's primary objectives will be to provide Unitholders with regular and stable distributions.

The table below sets out the Manager's forecast and projected distribution yields for Forecast Year 2015 and Projection Year 2016.

	Distribution Yield[1]	Growth
Forecast Year 2015	6.8%	–
Projection Year 2016	7.1%	4.5%

The Manager's forecast and projected distributions are based on the IPO Portfolio and organic growth assumptions including built-in rental escalations, renewal of expiring leases and co-location arrangements or commencement of new leases and co-location arrangements during Forecast Year 2015 and Projection Year 2016, without taking into account any asset enhancement initiatives, development works or real estate acquisitions. The Manager also intends to enter into foreign exchange hedging transactions to hedge close to 100.0% of distributable income arising from foreign currencies for Forecast Year 2015 and Projection Year 2016 (see "Profit Forecast and Profit Projection" for further details).

Keppel DC REIT's policy is to distribute, on a half-yearly basis, 100.0% of its Distributable Income (as defined herein) for the period from the Listing Date to 31 December 2016 and at least 90.0% of its Distributable Income thereafter (see "Distributions" for further details).

(5) Strong distribution growth delivered both organically and through future acquisitions

(a) Embedded organic rental revenue growth from built-in rental escalations

The majority of the existing leases and co-location arrangements for the IPO Portfolio, including the underlying co-location arrangements for the Keppel Leases in respect of S25 and T25, have built-in rental escalations that range between 2.0% and 4.0% per annum on average. The variable rent component in the Keppel Leases allows Keppel DC REIT to benefit from growth in Rental Income derived from the underlying end-users of the Keppel Lessees.

(b) Asset enhancement opportunities

Asset enhancement opportunities within the IPO Portfolio include:

- potential conversion of unused car park space in Citadel 100 Data Centre to lettable space with an area of approximately 40,000 sq ft, subject to regulatory approvals;

1 Based on the Offering Price of S$0.93. Such yields will vary accordingly for investors who purchase Units in the secondary market at a market price different from the Offering Price. The forecast and projected results for Forecast Year 2015 and Projection Year 2016 (the "**Forecast and Projection**") from which this information is extracted is based on the various assumptions set out in the section titled "Profit Forecast and Profit Projection". There can be no assurance that the Forecast and Projection will be met and the actual yields per Unit may be materially different from the forecast and projected amounts (see "Risk Factors – Risks Relating to an Investment in the Units – The actual performance of Keppel DC REIT and the Properties could differ materially from the forward-looking statements in this Prospectus" for further details).

- the unutilised gross floor area ("**GFA**") of approximately 20,000 sq ft in T25 which can cater to new demand for lettable space for both new and existing end-users, subject to regulatory approvals; and

- expansion potential of approximately 5,000 sq ft of lettable space in Basis Bay Data Centre by converting the rooftop into data centre space.

These asset enhancement opportunities provide an avenue for Keppel DC REIT to increase its revenue and distribution per Unit to Unitholders.

(c) Acquisition pipeline

Keppel DC REIT intends to grow the portfolio by undertaking acquisitions with the objective of providing long-term distribution growth to its Unitholders. Rights of First Refusal ("**ROFRs**" and each a "**ROFR**") granted by the Sponsor (the "**Sponsor ROFR**") and iseek Communications contribute to the acquisition pipeline of Keppel DC REIT (see "Certain Agreements relating to Keppel DC REIT and the Properties – Right of First Refusal" for further details).

The table below sets out the information of the properties that are subject to the ROFRs (subject to the terms thereof.)

Party Providing ROFR	ROFR Assets	Geographical Coverage/Location
Sponsor	Income-producing data centre properties globally, including:	Global
	• T27, a data centre with GFA of 134,000 sq ft and approximately 47,000 sq ft of Lettable Area which is currently in the process of obtaining the Certificate of Statutory Completion from the Building and Construction Authority and located adjacent to T25. The development was completed in the third quarter of 2014[1].	T27 is located in Singapore
	• Almere Data Centre 2, a purpose-built shell and core data centre building which will be fitted out into a high specification data centre facility with approximately 53,800 sq ft of Lettable Area. The building is located adjacent to Almere Data Centre[2].	Almere Data Centre 2 is located in Amsterdam, the Netherlands

1 T27 is wholly-owned by Keppel Data Centres Holding Pte. Ltd. ("**KDCH**"), a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion 70% and 30% respectively.

2 The Sponsor, has through KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion 70% and 30% respectively, entered into a sale and purchase agreement for Almere Data Centre 2 dated 20 November 2014. The acquisition of Almere Data Centre 2 is subject to completion of the sale and purchase agreement.

Party Providing ROFR	ROFR Assets	Geographical Coverage/Location
iseek Communications	Income-producing data centre properties which iseek Communications develops in Australia, including:	Australia
	• a data centre that is proposed to be developed on a plot of vacant land adjacent to iseek Data Centre.	The proposed data centre to be developed is located in Brisbane, Australia

The Manager believes it is well placed to capitalise on opportunities arising from the growing but still fragmented data centre market and will leverage on its acquisitions and development track record, industry network, expertise in the data centre industry, to identify suitable third party acquisition opportunities, with an initial focus on Asia-Pacific and Europe.

(6) Conservative capital structure with an Aggregate Leverage of approximately 27.8%[1] providing financial flexibility to undertake future growth opportunities

As at the Listing Date, Keppel DC REIT is expected to have an Aggregate Leverage (as defined herein) of approximately 27.8%[1] and gross borrowings of approximately S$295.0 million. The Manager believes that Keppel DC REIT's conservative capital structure provides a buffer against potential volatility in the debt financing markets, while positioning Keppel DC REIT with sufficient debt headroom to effectively execute potential future acquisitions on attractive terms. The Property Funds Appendix allows Keppel DC REIT to borrow up to 35.0% of the value of the Deposited Property without a credit rating and up to a maximum of 60.0% of the value of the Deposited Property if a credit rating from Fitch Inc., Moody's or Standard & Poor's is obtained and disclosed to the public.

Keppel DC REIT's debt facilities have staggered loan maturities of four and five year terms and a weighted average debt maturity of 4.4 years. In addition, the Manager intends to enter into interest rate hedging contracts to hedge at least 50% of the overall rate exposure under the Facilities (as defined herein). This is consistent with the Manager's strategy of diversifying and extending debt maturities and mitigating interest rate volatilities.

(7) Committed Sponsor and experienced Manager with proven track record

(a) Well-established track record of the Sponsor and Manager in the data centre industry

The Sponsor is listed and headquartered in Singapore with operations in Asia-Pacific and Europe. It offers integrated services and solutions in two core businesses: logistics and data centres. The logistics division offers one-stop, integrated logistics solutions to assist clients in supply chain management while the data centre division owns, acquires, develops and manages high-availability data centre facilities.

1 Without taking into consideration the finance lease liabilities pertaining to the land rent commitments for iseek Data Centre and Citadel 100 Data Centre. If these finance lease liabilities were included, the Aggregate Leverage would be 30.0%.

The Sponsor is also a subsidiary of Keppel Corporation Limited, a leading Singapore-listed company with core specialisations in offshore and marine, infrastructure and property.

The Sponsor has deep and specialised knowledge in terms of data centre technical expertise, real estate structuring and investments with more than 12 years of operational excellence in data centres.

Currently, the Sponsor, through KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion 70% and 30% respectively, and Securus Fund, owns and manages a combined portfolio of nine data centres with an aggregate Lettable Area of 556,913 sq ft[1] of data centre space. The Sponsor, through KDCH, has successfully embarked on various asset enhancement initiatives to reposition S25 and T25 in Singapore into high specification data centres over the years.

The S25 building was originally constructed as a light industrial building and subsequently converted into a part office and part data centre, with two floors serving as the data centre suites while the remaining floors were marketed as office space. In January 2011, the Sponsor commenced extensive refurbishments to convert the building to be solely used as a data centre. The Sponsor constructed an annexe to support the data centre equipment housed in the main building in late 2011. The remaining four floors were retrofitted in several phases from 2011 to 2013, adopting high specifications and attracting a portfolio of blue chip end-users. The two initial data centre floors built in 2001 and 2007 were also upgraded through extensive refreshments in 2012 to enhance and ensure high levels of resiliency required by end-users.

Similarly, T25 was built as a light industrial building and subsequently retrofitted into a data centre in 2009, with operations commencing in January 2010. To support the data centre operations, an annexe was erected to support the data centre equipment housed in the main building, similar to S25. The Sponsor undertook a modular fit-out approach, retrofitting the building levels in stages from 2010 to 2013 upon securing tenant commitments, thus achieving an efficient use of capital and allowing the Sponsor to customise the data centre space to meet the sophisticated requirements of end-users. Over a short span of three years, the Sponsor retrofitted four levels of data centre and one level of IT work space, securing 100% occupancy within that period.

In the third quarter of 2014, the Sponsor, through KDCH, completed the construction of T27, its third data centre in Singapore. T27 is strategically located next to T25 and the two data centres are integrated into a large-scale data centre complex to address the growing demand for high quality data centre co-location services in Singapore. T27 has been awarded the highest Green Mark Platinum Award from the Building and Construction Authority of Singapore in 2014. The Sponsor has provided Keppel DC REIT with the Sponsor ROFR over T27 subject to the terms thereof.

As joint investment manager of Securus Fund (as defined herein) which, as at the date of this Prospectus, wholly-owns Keppel DC REIT, the Manager has successfully built up the Private Trust Portfolio (as defined herein) by acquiring interests in six properties located in Australia, Malaysia, the UK, the Netherlands and Ireland from third parties since 2011 and has been actively managing the portfolio ever since. Keppel DC REIT

1 This excludes Almere Data Centre 2 which comprises approximately 53,800 sq ft of Lettable Area.

has demonstrated a strong track record and end-to-end capabilities in acquisition, design, development, customised customer solutions, facilities management, marketing, leasing, financing and risk management.

After Keppel DC REIT acquired Gore Hill Data Centre in Sydney, Australia, it converted half of the facility from a bare core and shell building into a fully fitted co-location data centre and subsequently let out the entire space, which provided a significant rental uplift. Following the acquisition of Citadel 100 Data Centre in Dublin, Ireland, various technical initiatives were implemented to expand the data centre's cooling capacity and achieve greater energy efficiency, thus enhancing the attractiveness of the facility to end-users.

The Sponsor has also been recognised in the data centre industry over the years, having been awarded various accolades including:

Awards/Certifications	Year	Awarding Organisation
Tier 3 Telecommunications Infrastructure Standard – S25 – T25	 2013 to current 2010 to current	Telecommunications Industry Association
Green Mark Award – T25 (Gold) – T27 (Platinum)	 2011 to current 2014	Building and Construction Authority of Singapore
National Green Data Centre Management System for T25	2011 to current	Infocomm Development Authority of Singapore
International standard for information and communications technology disaster recovery (ISO/IEC 247621CT) – S25 – T25	 2013 to current 2011 to current	International Organisation for Standardisation
Singapore standard for information and communications technology disaster recovery services (SS 507:2008) – S25 – T25	 2009 to current 2009 to current	SPRING Singapore

(b) *Alignment of interest between the Sponsor and Unitholders*

The Sponsor is committed to support and grow Keppel DC REIT over the long-term and intends to position Keppel DC REIT as its primary platform for investing in income-producing data centre assets. The Sponsor will, immediately following the completion of the Offering and the Redemption, be the single largest Unitholder, indirectly holding an aggregate of approximately 32.1% of the total number of Units expected to be in issue (assuming the Over-Allotment Option is not exercised) or approximately 30.1% of the total number of Units expected to be in issue (assuming the Over-Allotment Option is exercised in full), demonstrating the alignment of its interest with the Unitholders.

The Sponsor, Keppel DC Investment Holdings Pte. Ltd., Keppel Land Limited and DBS Bank Ltd., have each agreed to a lock-up arrangement during the Lock-up Period (as defined herein) in respect of their direct and indirect effective interest in the Lock-up Units. In addition, to demonstrate its support towards the growth of Keppel DC REIT, the Sponsor has granted the Sponsor ROFR to Keppel DC REIT which, subject to certain conditions, provides Keppel DC REIT access to future acquisition opportunities of completed data centres.

KEY STRATEGIES

The Manager plans to achieve its objective through the following key strategies:

- **Proactive asset management and asset enhancement strategy** – The Manager will actively manage Keppel DC REIT's property portfolio to achieve growth in revenue and Net Property Income and maintain optimal occupancy levels. The Manager will look to drive organic growth, build strong relationships with the customers of the Properties and seek enhancement and growth opportunities within the existing Properties.

- **Investments and acquisition growth strategy** – The Manager will achieve portfolio growth through the acquisition of quality income-producing data centre properties that fit within Keppel DC REIT's investment strategy to enhance total return to Unitholders and increase potential opportunities for future income and capital growth. In executing this strategy, Keppel DC REIT will endeavour to acquire data centre properties situated in high-growth emerging markets for data centres to cater to population and infrastructure growth.

- **Capital and risk management strategy** – The Manager will endeavour to employ an appropriate mix of debt and equity in financing acquisitions, and utilise hedging strategies where appropriate to manage interest rate volatilities and foreign exchange exposures for Keppel DC REIT.

CERTAIN INFORMATION ON THE PROPERTIES

The table below sets out certain information on the Properties as at 30 September 2014.

	S25	T25	Gore Hill Data Centre	iseek Data Centre	Basis Bay Data Centre(1)	GV7 Data Centre	Almere Data Centre	Citadel 100 Data Centre	PORTFOLIO TOTAL/ AVERAGE
Address	25 Serangoon North Avenue 5, Singapore 554914	25 Tampines Street 92, Singapore 528877	5 Broadcast Way (South Gate) Artarmon, NSW 2064, Australia	2 Cycas Lane, Brisbane Airport, Queensland 4009, Australia	No. 4710, Jalan Cyber Point 5, Zone Flagship Cyberjaya 63000 Cyberjaya, Selangor Darul Ehsan, Malaysia	7 Greenwich View Place, Millharbour Road, London E14 9NN, United Kingdom	Rondebeltweg 62 'Sallandsekant' Business Park, Almere, the Netherlands	Citadel 100 – Unit 4031 – 4033 Citywest Business Park Co Dublin	**–**
Land Area (sq ft)	78,928	53,820	72,032	41,559	64,809	N.A.(2)	85,358	218,236	**614,742**
GFA (sq ft)	225,945	106,726	127,283	28,955	88,600	34,848	138,219	125,044	**875,620**
Lettable Area (sq ft)	109,574	36,888	90,955	12,389	48,680	24,972	118,403	68,052	**509,913**
Number of Customers(3)	18(4)	4(5)	3(6)	1	1	1	1(7)	5	**34**
Tenant/ End-user(8)	Digihub(4)	Datahub(5)	One tenant and two end-users(6)	iseek Communications	Basis Bay Services	One tenant(9)	Borchveste(7)	Five end-users	**–**
Facility Manager	Digihub(10)	Datahub(11)	iseek-KDC(12)	iseek Communications	Basis Bay Services	–	–	Citadel 100(13)	**–**
Occupancy Rate (as at 30 September 2014)	86.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	73.7%	**93.5%**
Independent Valuations (S$m) (as at 30 September 2014)	Colliers: 262.6(14) C&W: 263.0(14)	Colliers: 160.0(14) C&W: 164.0(14)	Colliers: 206.1(15) C&W: 215.6(15)	Colliers: 30.5(15) C&W: 32.5(15)	Colliers: 42.7(15) C&W: 43.8(15)	CBRE: 76.0(15) JLL: 78.0(15)	CBRE: 131.0(15) Colliers: 132.3(15)	CBRE: 102.8(15) Colliers: 102.9(15)	**–**

	S25	T25	Gore Hill Data Centre	iseek Data Centre	Basis Bay Data Centre(1)	GV7 Data Centre	Almere Data Centre	Citadel 100 Data Centre	PORTFOLIO TOTAL/ AVERAGE
Appraised Value(16)(as at 30 September 2014) (S$m)(15)	262.8	162.0	210.9	31.5	43.3	77.0	131.6	102.8	**1,021.9**
Rental Income (for the month of September 2014) (S$m)(17)	2.7	1.5	1.9	0.4	0.4	0.4	0.8	1.1	**9.2**
Percentage of Rental Income (for the month of September 2014)	29.2%	16.2%	20.4%	4.6%	3.8%	4.8%	8.8%	12.2%	**100.0%**
FY2015 Net Property Income (S$m)(18)	21.8	14.6	15.5	6.5	3.9	6.0	10.0	6.8	**85.1**
WALE by leased Lettable Area (years)	3.5(4)	2.0(5)	10.3	11.9	2.7	12.5	14.1	2.3	**7.8(19)**
Land Lease Title	Leasehold (Expiring 30 September 2025, with an option to extend for 30 years)	Leasehold (Expiring 31 July 2021, with an option to extend for 30 years)	Freehold	Leasehold (Expiring 29 June 2040, with an option to extend for 7 years)	Freehold	Leasehold (Expiring 28 September 2183)	Freehold	Leasehold (Expiring 11 April 2041)	**–**
Age of Building (years)(20)	1.0	4.0	4.0	5.0	6.0	12.0	7.0	15.0	**5.4(21)**
Vendor	Digihub	Datahub	Keppel Data Centres(22)(23)	iseek Vendor(22)	Basis Bay Vendor(22)	–	–	Keppel Data Centres(22)(23)	**–**

Notes:

(1) Property-related calculations (e.g. Rental Income, Net Property Income, WALE, Independent Valuations, Appraised Value) include the 1.0% interest in Basis Bay Data Centre which will be held by the Basis Bay Vendor on the Listing Date. Keppel DC REIT is expected to hold a 99.0% interest in Basis Bay Data Centre with the Basis Bay Vendor holding the remaining 1.0% interest on the Listing Date.

(2) For GV7 Data Centre, neither the lease nor the registered title of the Property refers, nor are they required to refer, to the land area of the Property.

(3) The term "customers" includes both tenants and end-users of Keppel DC REIT, and for S25 and T25 (in this context), is on a pass-through basis (see "Certain Defined Terms and Conventions – Customers" for further details). Certain customers have signed more than one co-location arrangement using multiple entities.

(4) Based on the number of underlying end-users which have entered into co-location arrangements with Digihub, the S25 Lessee, treating the S25 Lease on a pass-through basis to the underlying end-users. Keppel DC REIT will have in place the S25 Lease with the S25 Lessee pursuant to which Keppel DC REIT will grant a lease for a term of 10 years to the S25 Lessee, with an option to renew for a further term of five years subject to JTC's consent and on terms to be agreed between Keppel DC REIT and the S25 Lessee (see "Certain Agreements Relating to Keppel DC REIT – Lease Agreements – S25 Lease Agreement" for further details). Digihub is a wholly-owned subsidiary of KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion of 70% and 30% respectively.

(5) Based on the number of underlying end-users which have entered into co-location arrangements with Datahub, the T25 Lessee, treating the T25 Lease on a pass-through basis to the underlying end-users. Keppel DC REIT will have in place the T25 Lease with the T25 Lessee pursuant to which Keppel DC REIT will grant a lease for a term of 10 years to the T25 Lessee, with an option to renew for a further term of five years subject to HDB's consent and on terms to be agreed between Keppel DC REIT and the T25 Lessee (see "Certain Agreements Relating to Keppel DC REIT – Lease Agreements – T25 Lease Agreement" for further details). Datahub is a wholly-owned subsidiary of KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion of 70% and 30% respectively.

(6) Securus Australia No. 2 Pty Limited, in its capacity as trustee of Securus Australia Trust No. 2 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date) has entered into the Gore Hill Lease with one tenant of Gore Hill Data Centre in relation to a portion of the premises at Gore Hill Data Centre and separately, has also entered into co-location arrangements with two end-users with regard to the use of co-location space in the remaining portion of the premises at Gore Hill Data Centre.

(7) Keppel DC REIT, through Securus Almere B.V. (which is a wholly-owned subsidiary) has entered into the Ground Lease with Borchveste. With the Ground Lease in place, the lease with the underlying tenant becomes conceptually similar to a sub-lease, with Borchveste being (i) the leasehold tenant of Securus Almere B.V. and (ii) the lessor to the underlying tenant being essentially the sub-tenant (see "Business and Properties – Almere Data Centre" for further details).

(8) The terms "tenant" and "end-user" in relation to Keppel DC REIT refer to the tenants or end-users, as the case may be, which Keppel DC REIT and/or any of its subsidiaries have a direct contractual relationship with which arises from lease and co-location arrangements over the Properties and for the avoidance of doubt, in this context, does not refer to the underlying end-users and tenant of S25, T25 and Almere Data Centre (see "Certain Defined Terms and Conventions – Tenants" for further details).

(9) The GV7 Data Centre has been leased to a single tenant pursuant to the terms of the GV7 Lease entered into by Keppel DC REIT through its wholly-owned subsidiary, Greenwich View Place Limited, and the tenant.

(10) Pursuant to the S25 Facility Management Agreement (as defined herein), Keppel DC REIT will outsource facilities management of S25 to Digihub (see also note (4) above for the S25 Lease). Digihub is a wholly-owned subsidiary of KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion of 70% and 30% respectively (see "Certain Agreements Relating to Keppel DC REIT and the Properties – S25 Facility Management Agreement" for further details).

(11) Pursuant to the T25 Facility Management Agreement (as defined herein), Keppel DC REIT will outsource facilities management of T25 to Datahub (see also note (5) above for the T25 Lease). Datahub is a wholly-owned subsidiary of KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion of 70% and 30% respectively (see "Certain Agreements Relating to Keppel DC REIT and the Properties – T25 Facility Management Agreement" for further details).

(12) Keppel DC REIT has outsourced facilities management to iseek-KDC (as defined herein) in respect of the co-location space in the remaining portion of the premises at Gore Hill Data Centre which is used by the 2 end-users (see note (6) above). iseek-KDC (as defined herein) is 60% owned by the Sponsor.

(13) Citadel 100 is responsible for the management and maintenance of Citadel 100 Data Centre. In addition, Citadel 100 has sub-contracted certain development, construction and operation/facility management services in respect of Citadel 100 Data Centre, including 24-hour maintenance, floor space management and project management, to MCC (see "Business and Properties – Citadel 100 Data Centre" for further details).

(14) Excludes upfront land premium payable.

(15) Based on an exchange rate of S$1.00 = A$0.90, S$1.00 = £0.49, S$1.00 = RM2.62, S$1.00 = €0.61 as at 2 December 2014.

(16) "**Appraised Value**" refers to the average of the two independent valuations conducted by the respective Independent Valuers for each Property.

(17) Based on an exchange rate of S$1.00 = A$0.88, S$1.00 = £0.49, S$1.00 = RM2.59, S$1.00 = €0.61 as at the Latest Practicable Date.

(18) See "Profit Forecast and Profit Projection" for further details on the foreign exchange rates assumed.

(19) IPO Portfolio WALE is 5.9 years by NPI on a cash-basis (excluding straight-lining impact due to FRS adjustment) for the month of September 2014, assuming that each lease and co-location arrangement of the same type (*i.e.* double-net lease, triple-net lease and co-location arrangements), within a Property has the same ratio of cash NPI to Rental Income. For Gore Hill Data Centre, the triple-net lease contributes to cash NPI of the Property by the full amount of its Rental Income and the co-location arrangements contribute to the balance cash NPI of the Property. Due to its triple-net lease agreement, a tenant in the Gore Hill Data Centre with more than 10 years of remaining lease to expiry occupies approximately 76% of the Property's leased Lettable Area but contributes approximately 14% of the Property's cash NPI.

(20) Calculated using age since TOP or last refurbishment, whichever is later.

(21) Weighted by Appraised Value.

(22) Vendors of their respective interests in the IPO Portfolio Minority Interests.

(23) Keppel Data Centres is a wholly-owned subsidiary of the Sponsor.

STRUCTURE OF KEPPEL DC REIT

Keppel DC REIT Management Pte. Ltd. is the manager of Keppel DC REIT. The Manager has general powers of management over the assets of Keppel DC REIT. The Manager's main responsibility is to manage Keppel DC REIT's assets and liabilities for the benefit of Unitholders. The Manager will set the strategic direction of Keppel DC REIT and give recommendations to the Trustee on the acquisition, divestment, development and/or enhancement of assets of Keppel DC REIT in accordance with its stated investment strategy. The Manager is a wholly-owned subsidiary of the Sponsor.

Keppel T&T is the sponsor of Keppel DC REIT (see "The Sponsor" for further details).

Background of Keppel DC REIT

Keppel DC REIT, formerly known as Securus Data Property Trust, was constituted as a private trust pursuant to a deed of trust dated 17 March 2011 (as amended by a first supplemental deed of trust dated 24 October 2014) (the "**SDPT Trust Deed**") entered into between AEP Investment Management Pte. Ltd. ("**AEPim**") and Keppel DC REIT Management Pte. Ltd. (formerly known as Keppel Data Centre Investment Management Pte. Ltd.), being the trustee-managers of the private trust (together, the "**SDPT Trustee-Managers**").

On 24 October 2014, pursuant to the Deed of Appointment and Retirement (as defined herein), The Trust Company (Asia) Limited replaced the SDPT Trustee-Managers as trustee of the private trust. The SDPT Trust Deed was amended by a supplemental deed of appointment of trustee and manager and retirement of trustee-managers dated 24 October 2014 ("**Deed of Appointment and Retirement**"), an amending and restating deed dated 24 October 2014 (the "**First Amending and Restating Deed**") to, among others, change the name of SDPT to "Keppel DC REIT" and comply with the requirements of the MAS and the SGX-ST for a listed REIT, and a second supplemental deed of trust dated 18 November 2014 (the "**Second Supplemental Deed**").

As at the date of this Prospectus, Keppel DC REIT is wholly-owned by Securus Fund, whose existing shareholders are the Sponsor (whose interests are held through its wholly-owned subsidiary), AEP Capital Limited ("**AEP**"), Perbadanan Tabung Amanah Islam Brunei (and its subsidiaries, Darussalam Holdings Sdn Bhd and Insurans Islam TAIB Sdn Bhd) and Yayasan Sultan Haji Hassanal Bolkiah (collectively, the "**Existing Private Fund Investors**"). Securus Fund is the world's first Shariah-compliant data centre fund.

Keppel DC REIT indirectly owns the following interests in the IPO Portfolio as at the date of this Prospectus:

(i) 70% of Gore Hill Data Centre and iseek Data Centre;

(ii) 80% of Basis Bay Data Centre;

(iii) 100% of GV7 Data Centre and Almere Data Centre; and

(iv) 50% of Citadel 100 Data Centre,

(collectively, the "**Private Trust Portfolio**").

Keppel DC REIT will acquire directly or indirectly the following interests in the IPO Portfolio on the Listing Date:

(i) 100% of S25 and T25 from Digihub and Datahub, respectively, which are both wholly-owned by KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion of 70% and 30% respectively; and

(ii) other minority stakes that are not included in the Private Trust Portfolio as at the date of this Prospectus, namely:

(a) 30% of Gore Hill Data Centre through the acquisition of Boxtel Investments Limited from Keppel Data Centres Pte. Ltd. ("**Keppel Data Centres**"), a wholly-owned subsidiary of the Sponsor;

(b) 30% of iseek Data Centre through the acquisition of 30% of the issued share capital of Securus Australia No. 1 Pty Limited and 30% of the issued units of Securus Australia Trust No. 1 from JPOB Investments Pty Ltd (the "**iseek Vendor**");

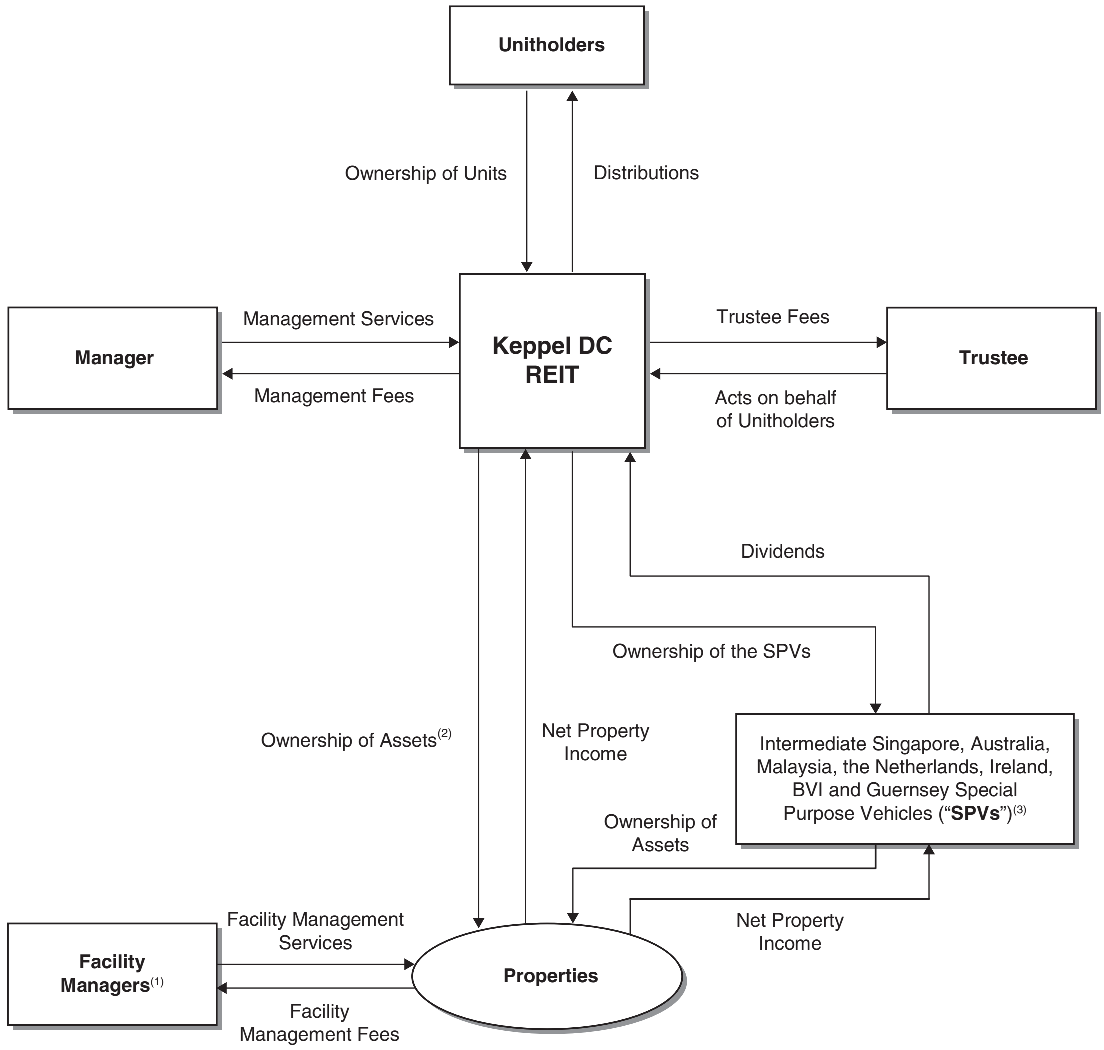
(c) 19% of Basis Bay Data Centre through the acquisition of the Basis Bay Minority Interest from the Basis Bay Vendor[1]; and

(d) 50% of Citadel 100 Data Centre through the acquisition of 50% of the issued share capital of Citadel 100 from Keppel Data Centres,

(collectively, the "**IPO Portfolio Minority Interests**").

1 Keppel DC REIT is expected to hold a 99.0% interest in Basis Bay Data Centre with the Basis Bay Vendor holding the remaining 1.0% interest on the Listing Date.

The following diagram sets out the structure of Keppel DC REIT as at the Listing Date:



Notes:

(1) The Facility Managers are appointed pursuant to the respective facility management agreements entered into in respect of certain of the Properties (see "Business and Properties" for further details).

(2) Of the Properties, S25 and T25 will be held directly by Keppel DC REIT.

(3) There are multiple layers of intermediate Singapore, Australia, Malaysia, the Netherlands, Ireland, BVI and Guernsey SPVs (see "Business and Properties – Overview of the Holding Structure of the Properties").

CERTAIN FEES AND CHARGES

The following is a summary of the amount of certain fees and charges payable by the Unitholders in connection with the subscription for or trading of the Units (so long as the Units are listed):

	Payable by the Unitholders directly	Amount payable
(a)	Subscription fee or preliminary charge	N.A.[1]
(b)	Realisation fee	N.A.[1]
(c)	Switching fee	N.A.[1]
(d)	Any other fee	Investors in the Placement Tranche may be required to pay brokerage of up to 1.0% of the Offering Price. For trading of the Units, investors will pay prevailing brokerage commissions (if applicable) and clearing fee for trading of Units on the SGX-ST at the rate of 0.0325% of the transaction value, subject to Goods and Services Tax ("**GST**") chargeable thereon. An administration fee is payable for each application made through automated teller machines ("**ATM**") and the internet banking websites of the Participating Banks (as defined herein).

Note:

(1) Save for the Redemption which is expected to be completed on the Listing Date following the listing of the Units on the SGX-ST, Unitholders will have no right to request the Manager to redeem their Units while the Units are listed, no subscription fee, preliminary charge, realisation fee or switching fee is payable in respect of the Units.

The following is a summary of certain fees and charges payable by Keppel DC REIT in connection with the establishment and on-going management and operation of Keppel DC REIT:

	Payable by Keppel DC REIT	Amount payable
(a)	Management Fee (payable to the Manager or its nominee with effect from the Listing Date)	**Base Fee** 0.5% per annum of the value of Keppel DC REIT's Deposited Property (as defined herein). For the purposes of calculating the Base Fee only, where Keppel DC REIT holds its investments through one or more SPVs, the Deposited Property shall include all the assets of the relevant SPV, pro-rated, if applicable, to the proportion of Keppel DC REIT's interest in the relevant SPV. **Performance Fee** 3.5% per annum of Keppel DC REIT's Net Property Income (as defined in the Trust Deed) in the relevant financial year (calculated before accounting for the Performance Fee in that financial year). The Manager may elect to receive the Base Fee and Performance Fee in cash and/or Units.
(b)	Trustee's fee	The Trustee's fee is presently charged on a scaled basis of up to 0.015% per annum of the Deposited Property, subject to a minimum amount of S$15,000 per month, excluding out-of-pocket expenses and GST. The actual fee payable will be determined between the Manager and the Trustee from time to time.
(c)	Any other substantial fee or charge (*i.e.* 0.1% or more of Keppel DC REIT's asset value)	
	Payable to the Manager or its nominee with effect from the Listing Date	

	Payable by Keppel DC REIT	Amount payable
	(i) Acquisition fee	1.0% of each of the following as is applicable (subject to there being no double-counting): • the acquisition price of any real estate purchased, whether directly or indirectly through one or more SPVs, by Keppel DC REIT, plus any other payments[1] in addition to the acquisition price made by Keppel DC REIT or its SPVs to the vendor in connection with the purchase of the real estate (pro-rated if applicable to the proportion of Keppel DC REIT's interest); • the underlying value of any real estate which is taken into account when computing the acquisition price payable for the equity interests of any vehicle holding directly or indirectly the real estate purchased, whether directly or indirectly through one or more SPVs, by Keppel DC REIT, plus any other payments[1] made by Keppel DC REIT or its SPVs to the vendor in connection with the purchase of such equity interests (pro-rated if applicable to the proportion of Keppel DC REIT's interest); or • the acquisition price of any investment by Keppel DC REIT, whether directly or indirectly through one or more SPVs, in any debt securities of any property corporation or other SPV owning or acquiring real estate or any debt securities which are secured whether directly or indirectly by the rental income from real estate.

1 "**Other payments**" refer to additional payments to the vendor of the asset or the equity interests in the SPV (as the case may be), for example, where the vendor has already made certain payments for enhancements to the asset or the underlying asset (as the case may be), and the value of the asset enhancements is not reflected in the acquisition price as the asset enhancements are not completed, but "other payments" do not include stamp duty or other payments to third-party agents and brokers.

	Payable by Keppel DC REIT	Amount payable
		For the avoidance of doubt, the acquisition price, or as the case may be, the acquisition value, shall take into account any completion or other price or value adjustment to be made post-completion. For the purpose of the acquisition fee, equity interests include all classes and types of equity securities relating to real estate which shall, for the avoidance of doubt, exclude any investment in debt securities of any property corporation or other SPV owning or acquiring real estate. The acquisition fee is payable to the Manager in the form of cash and/or Units (as the Manager may elect). Under the Property Funds Appendix, in respect of any acquisition of real estate assets from interested parties, such a fee should be in the form of Units issued by Keppel DC REIT at prevailing market price(s). Such Units should not be sold within one year from the date of their issuance. No acquisition fee is payable for the acquisition of the Singapore Properties and IPO Portfolio Minority Interests. Any payment to third party agents or brokers[1] in connection with the acquisition of any assets of Keppel DC REIT shall be paid by the Manager to such persons out of the Deposited Property of Keppel DC REIT or the assets of the relevant SPV, and not out of the acquisition fee received or to be received by the Manager.

1 These third party agents or brokers include property agents who are engaged for the purpose of acquiring assets or auctioneers (where assets are to be acquired through auction sales).

	Payable by Keppel DC REIT	Amount payable
	(ii) Divestment fee	0.5% of each of the following as is applicable (subject to there being no double-counting): • the sale price of any real estate sold or divested, whether directly or indirectly through one or more SPVs, by Keppel DC REIT (plus any other payments[1] in addition to the sale price received by Keppel DC REIT or its SPVs from the purchaser in connection with the sale or divestment of the property) (pro-rated if applicable to the proportion of Keppel DC REIT's interest); • the underlying value of any real estate which is taken into account when computing the sale price for the equity interests in any vehicle holding directly or indirectly the real estate, sold or divested, whether directly or indirectly through one or more SPVs, by Keppel DC REIT, plus any other payments[1] received by Keppel DC REIT or its SPVs from the purchaser in connection with the sale or divestment of such equity interests (pro-rated if applicable to the proportion of Keppel DC REIT's interest); or • the sale price of any investment by Keppel DC REIT, whether directly or indirectly through one or more SPVs, in any debt securities of any property corporation or other SPVs owning or acquiring real estate or any debt securities which are secured whether directly or indirectly by the rental income from real estate.

1 "**Other payments**" refer to additional payments to Keppel DC REIT or its SPVs for the sale of the asset or the equity interests in the SPV holding the asset (as the case may be), for example, where Keppel DC REIT or its SPVs have already made certain payments for enhancements to the asset or underlying asset (as the case may be), and the value of the asset enhancements is not reflected in the sale price as the asset enhancements are not completed, but "other payments" do not include stamp duty or other payments to third-party agents and brokers.

	Payable by Keppel DC REIT	Amount payable
		For the avoidance of doubt, the sale price, or as the case may be, the sale value, shall take into account any completion or other price or value adjustment to be made post-completion. For the purpose of the divestment fee, equity interests include all classes and types of equity securities relating to real estate which shall, for the avoidance of doubt, exclude any investment in debt securities of any property corporation or other SPV owning or acquiring real estate. The divestment fee is payable to the Manager in the form of cash and/or Units (as the Manager may elect). Under the Property Funds Appendix, in respect of any sale or divestment of real estate assets to interested parties, such a fee should be in the form of Units issued by Keppel DC REIT at prevailing market price(s). Such Units should not be sold within one year from the date of their issuance. Any payment to third party agents or brokers[1] in connection with the disposal of any assets of Keppel DC REIT shall be paid by the Manager to such persons out of the Deposited Property of Keppel DC REIT or the assets of the relevant SPV, and not out of the divestment fee received or to be received by the Manager.
	(iii) Development Management Fee	The Manager is entitled to receive a development management fee equivalent to 3.0% of the Total Project Costs (as defined herein) incurred in a Development Project (as defined herein) undertaken by the Manager on behalf of Keppel DC REIT. Keppel DC REIT will only undertake development activities within the limits of the Property Funds Appendix (which currently allows a REIT to commit no more than 10.0% of its deposited property to development and investment in uncompleted property developments).

1 These third party agents or brokers include property agents who are engaged for the purpose of acquiring assets or auctioneers (where assets are to be acquired through auction sales).

	Payable by Keppel DC REIT	Amount payable
		"**Total Project Costs**" means the sum of the following: • construction cost based on the project final account prepared by the project quantity surveyor or issued by the appointed contractor; • principal consultants' fees, including payments to the project's architect, civil and structural engineer, mechanical and electrical engineer, quantity surveyor and project manager; • the cost of obtaining all approvals for the project; • site staff costs; • interest costs on borrowings used to finance project cash flows that are capitalised to the project in line with generally accepted accounting practices in Singapore; and • any other costs including contingency expenses which meet the definition of Total Project Costs and can be capitalised to the project in accordance with generally accepted accounting practices in Singapore but for the avoidance of doubt, shall not include land costs (including but not limited to the acquisition price or underlying value of such land). "**Development Project**" means a project involving the development of land, or buildings, or part(s) thereof on land which is acquired, held or leased by Keppel DC REIT, provided always that the Property Funds Appendix shall be complied with for the purposes of such development, but does not include refurbishment, retrofitting and renovations.

	Payable by Keppel DC REIT	Amount payable
		When the estimated Total Project Costs are greater than S$100.0 million, the Trustee and the Manager's independent directors will first review and approve the quantum of the development management fee, whereupon the Manager may be directed by its independent directors to reduce the development management fee. Further, in cases where the market pricing for comparable services is, in the Manager's view, materially lower than the development management fee, the independent directors of the Manager shall have the right to direct a reduction of the development management fee to less than 3.0% of the Total Project Costs.
	Payable to the facility managers	
	(iv) Facility management fee	
	S25	The facility manager of S25 will be Digihub. Digihub will be entitled to a facility management fee of an amount equivalent to 4% of EBITDA derived from the underlying end-users of S25 (after deducting the fixed rent payable to the S25 Lessor and operating expenses incurred for S25) in respect of each financial year. Keppel DC REIT will also be required to pay for capital expenditure in respect of S25.
	T25	The facility manager of T25 will be Datahub. Datahub will be entitled to a facility management fee of an amount equivalent to 4% of EBITDA derived from the underlying end-users of T25 (after deducting the fixed rent payable to the T25 Lessor and operating expenses incurred for T25) in respect of each financial year. Keppel DC REIT will also be required to pay for capital expenditure in respect of T25.

	Payable by Keppel DC REIT	Amount payable
	iseek Data Centre	The facility manager of iseek Data Centre is iseek Communications. Once netted off against the amounts payable by iseek Communications under the iseek Lease, no amount is payable by Keppel DC REIT for any of the routine services performed by iseek Communications[1]. Keppel DC REIT is required to pay a contract price plus certain expenses incurred by iseek Communications (including expenses for materials) for any additional ordered services (being services that are not routine services) at hourly rates which iseek Communication may perform from time to time. "**ordered services**" will be the subject of a purchase order (mutually agreed between the parties). If the facility manager is disrupted or delayed in the performance of the scheduled services, and to the extent they were caused by Keppel DC REIT, Keppel DC REIT may be liable for additional fees for the extra time and expenses incurred by the facility manager. (See "Business and Properties – iseek Data Centre – Lease and Facility Management Arrangement" for a summary of the terms of the facilities management agreement for iseek Data Centre.)
	Gore Hill Data Centre	The facility manager of Gore Hill Data Centre is iseek-KDC Services Pty Limited ("**iseek-KDC**") and is entitled to a base fee of A$2,100,000 (S$2,376,990) plus GST per annum which is subject to an increase of 4% on each anniversary of 10 March 2012, being the commencement date of the facility management agreement.

1 Keppel DC REIT, through Securus Australia Trust No. 1 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date), has entered into the iseek Lease with iseek Communications. The iseek Lease is a co-location arrangement which is a contractual arrangement and does not give iseek Communications any proprietary interest in iseek Data Centre. However, the terms of the iseek Lease, when read together with the facilities management arrangement (as amended) entered into by Securus Australia Trust No. 1 and iseek Communications are intended to operate to give the same economic effects of a double-net lease and impose on iseek Communications the same responsibilities which it would bear if it were a lessee under a double-net lease. Accordingly, for purposes of this Prospectus, the iseek Lease is treated as a double-net lease and not a co-location arrangement. (See "Business and Properties – iseek Data Centre" for further details.)

	Payable by Keppel DC REIT	Amount payable
		Keppel DC REIT is also required to pay for capital improvements or replacements to Gore Hill Data Centre, including equipment and contractor fees and other associated fees, certain expenses incurred by the facility manager (including expenses for materials) and any additional ordered services at hourly rates which the facility manager may perform from time to time. "**ordered services**" are services that are not routine services and may include services such as ad-hoc fit-out programs, property management services and carrying out capital improvements or replacements to Gore Hill Data Centre. (See "Business and Properties – Gore Hill Data Centre – Lease and Facility Management Arrangement" for a summary of the terms of the facility management agreement for Gore Hill Data Centre.)
	Basis Bay Data Centre	The facility manager of Basis Bay Data Centre is Basis Bay Services. No fees are payable for routine services performed as these are provided in consideration of the Basis Bay Lease. However, fees shall be payable for ordered services performed and shall be chargeable based on the quotation of fees provided by the facility manager to Keppel DC REIT. (See "Business and Properties – Basis Bay Data Centre – Lease and Facility Management Arrangement" for a summary of the terms of the facilities management agreement for Basis Bay Data Centre.)

	Payable by Keppel DC REIT	Amount payable
	Citadel 100 Data Centre	Citadel 100 is responsible for the management and maintenance of Citadel 100 Data Centre. Citadel 100 employs six personnel to undertake the day-to-day operation of Citadel 100 Data Centre. The total cost of employing such personnel borne by Keppel DC REIT will be approximately S$1.56 million and S$1.64 million for Forecast Year 2015 and Projection Year 2016 respectively. Pursuant to a services agreement between Citadel 100 and Mercury Cloud Cover ("**MCC**") dated 1 September 2013 (the "**MCC Services Agreement**"), Citadel 100 has also sub-contracted certain development, construction and operation/facility management services in respect of Citadel 100 Data Centre, including 24-hour maintenance, floor space management and project management, to MCC, which is entitled to the following annual charges: €210,809 (S$343,007) in 2013; €798,792 (S$1,299,714) in 2014; and the sum equivalent to €798,792 (S$1,299,714) + €64,774.69 (S$105,395) in 2015. The MCC Services Agreement is for a term of three years from 1 September 2013. MCC is also entitled to be paid at the rate of the net cost plus 12.5% on purchase orders for the procurement of materials, supplies and equipment. (See "Business and Properties – Citadel 100 Data Centre – Lease and Facility Management Arrangement" for further details.)

	Payable by Keppel DC REIT	Amount payable
	(v) Project management fee	In respect of the project management services to be provided by each of the facility managers of S25 and T25 respectively (if not prohibited by the Property Funds Appendix or if otherwise permitted by the MAS), the respective facility manager is entitled to the following fees in relation to the refurbishment, retrofitting, addition and alteration or renovation works on S25 or (as the case may be) T25: • where the construction costs[1] are S$2.0 million or less, a fee of 3.0% of the construction costs; • where the construction costs exceed S$2.0 million but do not exceed S$20.0 million, a fee of 2.0% of the construction costs or S$60,000, whichever is the higher; • where the construction costs exceed S$20.0 million but do not exceed S$50.0 million, a fee of 1.5% of the construction costs or S$400,000, whichever is the higher; and • where the construction costs exceed S$50.0 million, a fee of not more than 1.5% of the construction costs, (collectively, the "**Project Management Fee Schedule**"). The project management fee is payable to the respective facility manager in the form of cash. In addition to its fees, the respective facility manager will be fully reimbursed for certain costs.

1 "**Construction costs**" for the purpose of calculating the project management fee payable to the respective facility manager means all construction costs and expenditure valued by the quantity surveyor engaged by the Trustee for the project, excluding development charges, differential premiums, statutory payments, consultants' professional fees and GST.

THE OFFERING

Keppel DC REIT	A REIT established in Singapore and constituted by the Trust Deed.
The Manager	Keppel DC REIT Management Pte. Ltd., in its capacity as manager of Keppel DC REIT.
The Sponsor	Keppel Telecommunications & Transportation Ltd.
The Trustee	The Trust Company (Asia) Limited, in its capacity as trustee of Keppel DC REIT.
The Offering	261,138,000 Units offered under the Placement Tranche and the Public Offer, subject to the Over-Allotment Option.
The Placement Tranche	207,375,000 Units offered by way of an international placement to investors, including institutional and other investors in Singapore other than the Sponsor and the Cornerstone Investors, pursuant to the Offering. The Units have not been and will not be registered under the Securities Act and, accordingly, may not be offered or sold within the United States except in certain transactions exempt from or not subject to the registration requirements of the Securities Act. The Units are being offered and sold in offshore transactions as defined in and in reliance on Regulation S.
The Public Offer	The Public Offer Units offered by way of a public offer in Singapore. 53,763,000 Units will be offered under the Public Offer.
Clawback and Re-allocation	The Units may be re-allocated between the Placement Tranche and the Public Offer at the discretion of the Joint Bookrunners (in consultation with the Manager, subject to the minimum holding and distribution requirements of the SGX-ST), in the event of an excess of applications in one and a deficit in the other.
Subscription by the Sponsor	Concurrently with, but separate from the Offering, Keppel DC Investment Holdings Pte. Ltd., a wholly-owned subsidiary of the Sponsor, will, pursuant to the Sponsor Subscription Agreement, subscribe for an aggregate of 283,421,148 Units, conditional upon the Underwriting Agreement having been entered into, and not having been terminated, pursuant to its terms on or prior to the Settlement Date.

Subscription by Keppel Land Limited	Concurrently with, but separate from the Offering, DC REIT Holdings Pte. Ltd., a wholly-owned subsidiary of Keppel Land Limited, a related corporation of the Sponsor, will, pursuant to the KLL Subscription Agreement, subscribe for an aggregate of 43,264,000 Units, conditional upon the Underwriting Agreement having been entered into, and not having been terminated, pursuant to its terms on or prior to the Settlement Date.
Subscription by the Cornerstone Investors	Concurrently with, but separate from the Offering, each of the Cornerstone Investors has entered into a subscription agreement to subscribe for an aggregate of 290,316,000 Units at the Offering Price, conditional upon the Underwriting Agreement having been entered into, and not having been terminated, pursuant to its terms on or prior to the Settlement Date. (See "Ownership of the Units – Information on the Cornerstone Investors" for further details.)
Basis Bay Consideration Units	Separate from the Offering, the Basis Bay Vendor will receive 4,790,852 Units at the Offering Price on the Listing Date in full satisfaction of the purchase price for the acquisition of the Basis Bay Minority Interest.
Offering Price	S$0.93 per Unit.
Subscription for Units in the Public Offer	Investors applying for Units by way of Application Forms or Electronic Applications (both as referred to in Appendix G, "Terms, Conditions and Procedures for Application for and Acceptance of the Units in Singapore") in the Public Offer will pay the Offering Price on application, subject to a refund of the full amount or, as the case may be, the balance of the application monies (in each case, without interest or any share of revenue or other benefit arising therefrom) where: (i) an application is rejected or accepted in part only; or (ii) the Offering does not proceed for any reason. For the purpose of illustration, an investor who applies for 1,000 Units by way of an Application Form or an Electronic Application under the Public Offer will have to pay S$930.00, which is subject to a refund of the full amount or the balance thereof (without interest or any share of revenue or other benefit arising therefrom), as the case may be, upon the occurrence of any of the foregoing events. The minimum initial subscription is for 1,000 Units. An applicant may subscribe for a larger number of Units in integral multiples of 1,000.

	Investors in Singapore must follow the application procedures set out in Appendix G, "Terms, Conditions and Procedures for Application for and Acceptance of the Units in Singapore". Subscriptions under the Public Offer must be paid for in Singapore dollars. No fee is payable by applicants for the Units, save for an administration fee for each application made through ATM and the internet banking websites of the Participating Banks, and the mobile banking interface of DBS Bank Ltd.
Unit Lender	Keppel DC Investment Holdings Pte. Ltd.
Over-Allotment Option	In connection with the Offering, the Joint Bookrunners have been granted the Over-Allotment Option by the Unit Lender. The Over-Allotment Option is exercisable by the Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager), in consultation with the other Joint Bookrunners, in full or in part, on one or more occasions, only from the Listing Date but no later than the earlier of (i) the date falling 30 days from the Listing Date; or (ii) the date when the Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager) has bought, on the SGX-ST, an aggregate of 17,659,000 Units, representing 6.8% of the total number of Units in the Offering, to undertake stabilising actions to purchase up to an aggregate of 17,659,000 Units (representing 6.8% of the total number of Units in the Offering), at the Offering Price. Unless indicated otherwise, all information in this document assumes that the Over-Allotment Option is not exercised. (See "Plan of Distribution" for further details.) The total number of Units in issue immediately after completion of the Sub-division and the Offering and prior to the Redemption is 1,249,612,367 Units. The total number of Units in issue immediately after completion of the Offering and Redemption will be 882,930,000 Units. The exercise of the Over-Allotment Option will not increase this total number of Units in issue.
Lock-ups	The Sponsor, its wholly-owned subsidiary, Keppel DC Investment Holdings Pte. Ltd., Keppel Land Limited and DBS Bank Ltd., have each agreed to a lock-up arrangement during the period commencing from the date of issuance of the Units until the date falling 180 days after the Listing Date (both dates inclusive) (the "**Lock-up Period**") in respect of its direct and indirect effective interest in the Lock-up Units, subject to certain exceptions.

Save for DBS Bank Ltd., the Cornerstone Investors are not subject to any lock-up restrictions in respect of their Unitholdings.

The Manager will also undertake not to offer, issue or contract to issue any Units, and the making of any announcements in connection with any of the foregoing transactions, during the Lock-up Period, subject to certain exceptions.

(See "Plan of Distribution – Lock-up Arrangements" for further details.)

Capitalisation

S$1,116.1 million (see "Capitalisation and Indebtedness" for further details).

Use of Proceeds

See "Use of Proceeds" and "Certain Agreements Relating to Keppel DC REIT and the Properties" for further details.

Listing and Trading

Prior to the Offering, there was no market for the Units. Application has been made to the SGX-ST for permission to list on the Main Board of the SGX-ST:

- all the Units comprised in the Offering;
- all the Private Trust Units;
- all the Sponsor Units;
- all the KLL Units;
- all the Cornerstone Units;
- all the Basis Bay Consideration Units; and
- all the Units which may be issued to the Manager from time to time in full or part payment of the Manager's fees (including Units issued to the Manager for the acquisition fees, divestment fees and development management fee) (see "The Manager and Corporate Governance – Management Fee" for further details).

Such permission will be granted when Keppel DC REIT is admitted to the Official List of the SGX-ST.

The Units will, upon their issue, be listed and quoted on the SGX-ST and will be traded in Singapore dollars under the book-entry (scripless) settlement system of The Central Depository (Pte) Limited ("**CDP**"). The Units will be traded in board lot sizes of 1,000 Units.

Stabilisation	In connection with the Offering, the Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager) may, in consultation with the other Joint Bookrunners and at its discretion, over-allot or effect transactions which stabilise or maintain the market price of the Units at levels which might not otherwise prevail in the open market. However, there is no assurance that the Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager) will undertake stabilising action. Such transactions may be effected on the SGX-ST and in other jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulations (including the SFA and any regulations thereunder). Such transactions may commence on or after the date of commencement of trading in the Units on the SGX-ST and, if commenced, may be discontinued at any time and shall not be effected after the earlier of (i) the date falling 30 days from the commencement of trading in the Units on the SGX-ST or (ii) the date when the Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager) has bought on the SGX-ST an aggregate of 17,659,000 Units representing not more than 6.8% of the total number of Units in the Offering, to undertake stabilising actions. (See "Plan of Distribution – Over-Allotment and Stabilisation" for further details.)
No Redemption by Unitholders	Save for the Redemption which is expected to be completed on the Listing Date following the listing of the Units on the SGX-ST, Unitholders have no right to request the Manager to redeem their Units while the Units are listed. Unitholders may only deal in their listed Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. (See "Ownership of the Units" for further details on the Redemption.)
Distribution Policy	Distributions from Keppel DC REIT to Unitholders will be computed based on 100.0% of Keppel DC REIT's Distributable Income for the period from the Listing Date to 31 December 2016. Thereafter, Keppel DC REIT will distribute at least 90.0% of its Distributable Income on a half-yearly basis. The first distribution, which will be in respect of the period from the Listing Date to 30 June 2015, will be paid by the Manager on or before 28 September 2015. (See "Distributions" for further details.)

Tax Considerations	For the Singapore Properties, Keppel DC REIT has obtained a tax ruling (the "**Tax Transparency Ruling**") from the Inland Revenue Authority of Singapore ("**IRAS**") on the Singapore taxation of certain income from such Properties (the "**Specified Taxable Income**"). Subject to the terms and conditions of the Tax Transparency Ruling, the Trustee will not be taxed on Specified Taxable Income distributed to the Unitholders. Instead, the Unitholders will be subject to tax on the distributions made out of such Specified Taxable Income, either directly, by way of tax deduction at source, or exempt from tax, depending on their own individual tax status. One of the key conditions of the Tax Transparency Ruling is that Keppel DC REIT distributes at least 90.0% of its Specified Taxable Income in the year in which such income is derived. For the Properties located outside Singapore, Keppel DC REIT has obtained a tax ruling ("**Foreign-Sourced Income Tax Exemption Ruling**") from the Ministry of Finance ("**MOF**") on the Singapore taxation of certain income derived from overseas entities in Australia, Malaysia, the UK, the Netherlands, Ireland, BVI and Guernsey arising from the underlying Properties overseas. Subject to the terms and conditions of the Foreign-Sourced Income Tax Exemption Ruling, certain income arising from the underlying Properties in Australia, Malaysia, the UK, the Netherlands and Ireland, and received by Keppel DC REIT and/or its Singapore subsidiaries (*i.e.* Securus GVP Pte. Ltd., Securus Netherlands 1 Pte. Ltd., Securus Netherlands 2 Pte. Ltd. and Securus C100 Pte. Ltd., (collectively, the "**Singapore Subsidiaries**")) will be tax exempt in Singapore. Distribution made out of such income to Unitholders will not be subject to any further tax in Singapore. (See "Taxation" and Appendix D, "Independent Taxation Report" for further information on the Singapore income tax consequences of the purchase, ownership and disposition of the Units.)
Termination of Keppel DC REIT	Keppel DC REIT can be terminated by either an Extraordinary Resolution (as defined herein) at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed or by the Manager or the Trustee under certain circumstances specified in the Trust Deed, for example, if Keppel DC REIT is delisted permanently from the SGX-ST. (See "The Formation and Structure of Keppel DC REIT – Termination of Keppel DC REIT" for further details.)
Governing Law	The Trust Deed is governed by Singapore law.

Commission Payable by Keppel DC REIT to the Joint Bookrunners	The aggregate of the Underwriting, Selling and Management Commission and the incentive fee (which is payable at the sole discretion of the Manager) amounts to a maximum of 2% of the total proceeds of the Offering and the proceeds raised from the issuance of the Cornerstone Units (subject to the Over-Allotment Option) (see "Plan of Distribution – Issue Expenses" for further details).
Risk Factors	**Prospective investors should carefully consider certain risks connected with an investment in the Units, as discussed under "Risk Factors".**

INDICATIVE TIMETABLE

An indicative timetable for the Offering is set out below for the reference of applicants for the Units:

Date and time		Event
5 December 2014, 9.00 p.m.	:	Opening date and time for the Public Offer.
10 December 2014, 12.00 p.m.	:	Closing date and time for the Public Offer.
11 December 2014	:	Balloting of applications under the Public Offer, if necessary. Commence returning or refunding of application monies to unsuccessful or partially successful applicants and commence returning or refunding of application monies to successful applicants for the amount paid in excess of the Offering Price, if necessary.
12 December 2014, at or before 2.00 p.m.	:	Completion of the acquisition of the Singapore Properties and the IPO Portfolio Minority Interests.
12 December 2014, 2.00 p.m.	:	Commence trading on a "ready" basis.
17 December 2014	:	Settlement date for all trades done on a "ready" basis on 12 December 2014.

The above timetable is indicative only and is subject to change. It assumes:

- that the closing of the application list relating to the Public Offer (the "**Application List**") is 10 December 2014, 12.00 p.m.;
- that the Listing Date is 12 December 2014;
- compliance with the SGX-ST's unitholding spread requirement; and
- that the Units will be issued and fully paid up prior to 2.00 p.m. on 12 December 2014.

All dates and times referred to above are Singapore dates and times.

Trading in the Units through the SGX-ST on a "ready" basis will commence at 2.00 p.m. on 12 December 2014 (subject to the SGX-ST being satisfied that all conditions necessary for the commencement of trading in the Units through the SGX-ST on a "ready" basis have been fulfilled). The completion of the acquisition of the Singapore Properties and IPO Portfolio Minority Interests is expected to take place at or before 2.00 p.m. on 12 December 2014 (see "Certain Agreements Relating to Keppel DC REIT and the Properties" for further details).

If Keppel DC REIT is terminated by the Manager or the Trustee under the circumstances specified in the Trust Deed prior to, or the acquisition of the Singapore Properties and IPO Portfolio Minority Interests is not completed by, 2.00 p.m. on 12 December 2014 (being the time and date of commencement of trading in the Units through the SGX-ST), the Offering will not proceed and the application monies will be returned in full (without interest or any share of revenue or other benefit arising therefrom and at each applicant's own risk and without any right or claim against Keppel DC REIT, the Manager, the Trustee, the Joint Financial Advisers, the Joint Global Coordinators, the Joint Bookrunners or the Sponsor).

In the event of any early or extended closure of the Application List or the shortening or extension of the time period during which the Offering is open, the Manager will publicly announce the same:

- via SGXNET, with the announcement to be posted on the internet at the SGX-ST website: http://www.sgx.com; and

- in one or more major Singapore newspapers, such as *The Straits Times* and *The Business Times*.

For the date on which trading on a "ready" basis will commence, investors should monitor SGXNET, the major Singapore newspapers, or check with their brokers.

The Manager will provide details and results of the Public Offer through SGXNET and in one or more major Singapore newspapers, such as *The Straits Times* and *The Business Times*.

The Manager reserves the right to accept or reject, in whole or in part, or to scale down or ballot any application for Units, without assigning any reason, and no enquiry and/or correspondence on the decision of the Manager will be entertained. In deciding the basis of allotment, due consideration will be given to the desirability of allotting the Units to a reasonable number of applicants with a view to establishing an adequate market for the Units.

Where an application is accepted or rejected in part only or if the Offering does not proceed for any reason, the full amount or the balance of the application monies, as the case may be, will be refunded (without interest or any share of revenue or other benefit arising therefrom) to the applicant, at his own risk, and without any right or claim against Keppel DC REIT, the Manager, the Trustee, the Joint Financial Advisers, the Joint Global Coordinators, the Joint Bookrunners or the Sponsor.

Where an application is not successful, the refund of the full amount of the application monies (without interest or any share of revenue or other benefit arising therefrom) to the applicant, is expected to be completed, at his own risk within 24 hours after balloting (provided that such refunds in relation to applications in Singapore are made in accordance with the procedures set out in Appendix G, "Terms, Conditions and Procedures for Application for and Acceptance of the Units in Singapore").

Where an application is accepted in full or in part only, any balance of the application monies will be refunded (without interest or any share of revenue or other benefit arising therefrom) to the applicant, at his own risk, within 14 Market Days (as defined herein) after the close of the Offering (provided that such refunds in relation to applications in Singapore are made in accordance with the procedures set out in Appendix G, "Terms, Conditions and Procedures for Application for and Acceptance of the Units in Singapore").

Where the Offering does not proceed for any reason, the full amount of application monies (without interest or any share of revenue or other benefit arising therefrom) will, within three Market Days after the Offering is discontinued, be returned to the applicants at their own risk (provided that such refunds in relation to applications in Singapore are made in accordance with the procedures set out in Appendix G, "Terms, Conditions and Procedures for Application for and Acceptance of the Units in Singapore").

UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following table is only an extract from, and should be read together with, "Unaudited Pro Forma Financial Information", the report set out in Appendix B, "Reporting Auditors' Report on the Unaudited Pro Forma Financial Information".

UNAUDITED PRO FORMA STATEMENTS OF TOTAL RETURN

	Year Ended 31 December 2012 (S$'000)	Year Ended 31 December 2013 (S$'000)	Nine-Month Period Ended 30 September 2013 (S$'000)	Nine-Month Period Ended 30 September 2014 (S$'000)
Gross Revenue(1)	81,193	101,163	72,144	79,952
Property operating expenses	(9,807)	(12,324)	(9,658)	(10,373)
Net property income	**71,386**	**88,839**	**62,486**	**69,579**
Finance costs(2)	(15,138)	(13,461)	(10,085)	(10,246)
Manager's Base Fee	(5,110)	(5,110)	(3,832)	(3,832)
Manager's Performance Fee	(1,997)	(2,473)	(1,831)	(2,231)
Trustee's fees	(180)	(180)	(135)	(135)
Other trust expenses	(3,379)	(3,303)	(2,285)	(2,385)
Total return for the year/period before tax	**45,582**	**64,312**	**44,318**	**50,750**
Tax expenses	(2,020)	(1,687)	(1,367)	(3,354)
Total return for the year/period after tax	**43,562**	**62,625**	**42,951**	**47,396**
Total return attributable to:				
Unitholders	43,523	62,584	42,921	47,367
Non-controlling interests	39	41	30	29
Total return for the year/period after tax	**43,562**	**62,625**	**42,951**	**47,396**

Notes:

(1) On a straight-line basis due to FRS adjustment.

(2) Finance costs comprise net interest, finance lease charges and amortisation of upfront debt financing costs.

UNAUDITED PRO FORMA STATEMENTS OF FINANCIAL POSITION

	As at 30 September 2014 (S$'000)	Listing Date (S$'000)
Non-current assets		
Investment properties	1,061,009	1,061,059
Deferred tax assets	842	821
	1,061,851	1,061,880
Current assets		
Trade and other receivables	27,763	26,489
Cash and cash equivalents	7,158	7,158
	34,921	33,647
Total assets	1,096,772	1,095,527
Non-current liabilities		
Deferred tax	1,572	1,577
Loans and borrowings	322,728	322,778
	324,300	324,355
Current liabilities		
Loans and borrowings	3,757	3,757
Trade and other payables	2,286	2,503
	6,043	6,260
Total liabilities	**330,343**	**330,615**
Net assets	**766,429**	**764,912**
Represented by:		
Unitholders' funds	765,994	764,477
Non-controlling interests	435	435
	766,429	**764,912**

Note:

(1) The unaudited Pro Forma Statements of Financial Position as at 30 September 2014 and the Listing Date have been prepared assuming the completion of the Redemption of the Private Trust Units at the Offering Price of S$0.93 per Unit such that the total number of Units remaining in issue is 882,930,000.

UNAUDITED PRO FORMA STATEMENTS OF CASH FLOWS

	Year Ended 31 December 2013 (S$'000)	Nine-Month Period Ended 30 September 2014 (S$'000)
Cash flows from operating activities		
Total return for the year/period	61,134	47,396
Adjustments for:		
Finance costs	12,165	7,925
Unrealised foreign exchange (gain)/loss	(543)	1,371
Impairment of associate	193	–
Loss on disposal of fixed assets	3	–
Income tax expense	553	383
Operating income before working capital changes	73,505	57,075
Changes in working capital:		
Trade and other receivables	(4,508)	(5,386)
Trade and other payables	(16,289)	(9,436)
Net cash from operating activities	**52,708**	**42,253**
Cash flows from investment activities		
Acquisition of investment properties	(686,505)	–
Capital expenditure on investment properties	(22,435)	(11)
Net cash used in investing activities	**(708,940)**	**(11)**
Cash flows from financing activities		
Distributions paid	(39,368)	(55,284)
Finance costs paid	(10,606)	(6,718)
Repayment of loan from a related party	(2,493)	–
Proceeds/(repayment) of financing facilities	163,342	(1,631)
Redemption of unitholders	(325,324)	–
Payment of transaction costs related to financing	(20,903)	–
Proceeds from issue of units	908,494	–
Net cash from/(used in) financing activities	**673,142**	**(63,633)**
Net increase/(decrease) in cash and cash equivalents	**16,910**	**(21,391)**
Cash and cash equivalents at beginning of the year/period	15,103	31,887
Effect of exchange rate fluctuations on cash held	(126)	(272)
Cash and cash equivalents at end of the year/period	**31,887**	**10,224**

PROFIT FORECAST AND PROFIT PROJECTION

The following is an extract from "Profit Forecast and Profit Projection". Statements contained in the Profit Forecast and Profit Projection section that are not historical facts may be forward-looking statements. Such statements are based on the assumptions set forth in "Profit Forecast and Profit Projection" and are subject to certain risks and uncertainties which could cause actual results to differ materially from those forecast and projected. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by any of Keppel DC REIT, the Manager, the Trustee, the Joint Global Coordinators, the Sponsor or any other person, or that these results will be achieved or are likely to be achieved. (See "Forward-looking Statements" and "Risk Factors" for further details.) Investors in the Units are cautioned not to place undue reliance on these forward-looking statements.

None of Keppel DC REIT, the Manager, the Trustee, the Joint Global Coordinators or the Sponsor guarantees the performance of Keppel DC REIT, the repayment of capital or the payment of any distributions, or any particular return on the Units. The forecast and projected yields stated in the following table are calculated based on:

- ***the Offering Price; and***

- ***the assumption that the Listing Date is 1 January 2015.***

Such yields will vary accordingly if the Listing Date is not on 1 January 2015, or for investors who purchase Units in the secondary market at a market price that differs from the Offering Price.

The following table shows Keppel DC REIT's forecast and projected statements of total return for Forecast Year 2015 and Projection Year 2016. The financial year end of Keppel DC REIT is 31 December. The forecast and projected results for Forecast Year 2015 and Projection Year 2016 (the "**Profit Forecast and Profit Projection**") may be different to the extent that the actual date of issuance of Units is other than 1 January 2015, being the assumed date of the issuance of Units for the Offering. The Profit Forecast and Profit Projection are based on the assumptions set out in "Profit Forecast and Profit Projection" and have been examined by the Reporting Auditors, being KPMG LLP, and should be read together with the report set out in Appendix A, "Reporting Auditors' Report on the Profit Forecast and Profit Projection", as well as the assumptions and the sensitivity analysis set out in "Profit Forecast and Profit Projection".

Forecast and Projected Statements of Total Return

The forecast and projected statements of total return and distribution for Keppel DC REIT are as follows:

	Forecast Year 2015 (1 Jan 2015 – 31 Dec 2015)	Projection Year 2016 (1 Jan 2016 – 31 Dec 2016)
	(S$'000)	**(S$'000)**
Gross Rental Income[1]	100,276	102,430
Other income	78	80
Gross Revenue	**100,354**	**102,510**
Property operating expenses	(15,285)	(15,506)
Net Property Income	**85,069**	**87,004**
Finance income	69	76
Finance costs[2]	(13,147)	(13,253)
Manager's Base Fee	(5,259)	(5,252)
Manager's Performance Fee	(2,797)	(2,893)
Trustee's fees	(180)	(180)
Other trust expenses	(2,722)	(2,782)
Total return for the year before tax	**61,033**	**62,720**
Tax expenses	(4,002)	(4,191)
Total return for the year after tax	**57,031**	**58,529**
(Less)/Add: Distribution adjustments[3]	(791)	220
Total return available for distribution	**56,240**	**58,749**
Total return available for distribution attributable to:		
Unitholders	56,201	58,710
Non-controlling interests	39	39
Total return available for distribution	**56,240**	**58,749**
Weighted average number of Units outstanding at end of year ('000)	882,930	882,930
Distribution per Unit (cents)	6.36	6.65
Distribution payout ratio (%)	100.0	100.0
Offering Price (S$/Unit)	0.93	0.93
Distribution yield (%)	**6.8**	**7.1**

Notes:

(1) Refers to the net rental income under the respective leases and co-location arrangements, recognised on a straight-line basis over the committed term of the lease and co-location arrangement.

(2) Finance costs comprise interest expenses, amortisation of upfront debt financing costs and finance lease expenses.

(3) Distribution adjustments comprise the Trustee's fees, amortisation of debt-related transaction costs and straight-lining adjustments of Gross Rental Income.

RISK FACTORS

Prospective investors should consider carefully, together with all other information contained in this Prospectus, the factors described below before deciding to invest in the Units.

This Prospectus also contains forward-looking statements (including the profit forecast and profit projection) that involve risks, uncertainties and assumptions. The actual results of Keppel DC REIT could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by Keppel DC REIT as described below and elsewhere in this Prospectus.

As an investment in a REIT is meant to produce returns over the long-term, investors should not expect to obtain short-term gains.

Investors should be aware that the price of Units, and the income from them, may fall or rise. Investors should note that they may not get back their original investment.

Before deciding to invest in the Units, prospective investors should seek professional advice from their relevant advisers about their particular circumstances.

RISKS RELATING TO THE PROPERTIES

The Properties and future properties to be acquired by Keppel DC REIT may require significant capital expenditure periodically and Keppel DC REIT may not be able to secure funding.

The Properties and future properties to be acquired by Keppel DC REIT may require periodic capital expenditure, refurbishment, renovation for improvements and development in order to remain competitive or be income-producing. Keppel DC REIT may not be able to fund capital expenditure solely from cash provided from its operating activities and Keppel DC REIT may not be able to obtain additional equity or debt financing on favourable terms or at all. If Keppel DC REIT is not able to obtain such financing, the marketability of such Property may be affected and this may adversely affect the business, financial condition and results of operations of Keppel DC REIT.

Keppel DC REIT's assets might be adversely affected if the Manager and the facility managers of Keppel DC REIT's properties do not provide adequate management and maintenance.

As the customers rely on the proper functioning of the facilities and infrastructure of Keppel DC REIT's properties for their business operations, should the Manager and the facility managers of Keppel DC REIT's properties fail to provide adequate management and maintenance, the attractiveness of Keppel DC REIT's portfolio of properties to such customers might be adversely affected and this may result in a loss of customers, which will adversely affect distributions to Unitholders.

Keppel DC REIT may suffer material losses in excess of insurance proceeds or Keppel DC REIT may not put in place or maintain adequate insurance in relation to the Properties and its potential liabilities to third parties.

The Properties face the risk of suffering physical damage caused by fire, terrorism, acts of God such as natural disasters or other causes, as well as potential public liability claims, including claims arising from the operations of the Properties.

In addition, certain types of risks (such as war risk, terrorism and losses caused by contamination or other environmental breaches) may be uninsurable or the cost of insurance may be prohibitive when compared to the risk. Any insurance coverage taken out by Keppel DC REIT or its subsidiaries may also be subject to limits and any damage or loss suffered by Keppel DC REIT may exceed such insured limits.

Should an uninsured loss or a loss in excess of insured limits occur, including loss caused by vandalism or resulting from breaches of security at one of the Properties, Keppel DC REIT could be required to pay compensation and/or suffer loss of capital invested in the affected property as well as anticipated future revenue from that property as it may not be able to rent out or sell the affected property. Keppel DC REIT may also be liable for any debt or other financial obligation[1] related to that property. No assurance can be given that material losses in excess of insurance proceeds will not occur.

Renovation or redevelopment works or physical damage to the Properties may disrupt the operations of the Properties and collection of rental income or otherwise result in adverse impact on the financial condition of Keppel DC REIT.

The quality and design of the Properties have a direct influence over the demand for space in, and the rental rates of, the Properties. The Properties may need to undergo renovation or redevelopment works from time to time to retain their competitiveness and may also require unforeseen *ad hoc* maintenance or repairs in respect of faults or problems that may develop or because of new planning laws or regulations. The costs of maintaining data centre properties and the risk of unforeseen maintenance or repair requirements tend to increase over time as the building ages. The business and operations of the Properties may suffer from some disruption and it may not be possible to collect the full or any rental income on space affected by such renovation or redevelopment works.

In addition, physical damage to the Properties resulting from fire or other causes may lead to a significant disruption to the business and operation of the Properties and, together with the foregoing, may impose unbudgeted costs on Keppel DC REIT and result in an adverse impact on the financial condition and results of operations of Keppel DC REIT and its ability to make distributions to Unitholders.

Keppel DC REIT could incur significant costs or liability related to environmental matters.

Keppel DC REIT's operations are subject to various environmental laws, including those relating to air pollution control, water pollution control, waste disposal, noise pollution control and the storage of dangerous goods. Under these laws, an owner or operator of real property may be subject to liability, including a fine or imprisonment, for air pollution, noise pollution or the presence or discharge of hazardous or toxic chemicals at that property. In addition, Keppel DC REIT may be required to make capital expenditures to comply with these environmental laws. For example, the site on which GV7 Data Centre is located sustained a high level of bombing during the Second World War, and the existence of munitions or an unexploded bomb cannot be excluded entirely. The presence of contamination, air pollution, noise pollution or dangerous goods without a valid licence or the failure to remediate issues relating to contamination, air pollution, noise pollution or dangerous goods may expose Keppel DC REIT to liability or materially adversely affect its ability to sell or let out the real property or to borrow using the real property as collateral. Accordingly, if the Properties are affected by contamination or other environmental effects not previously identified and/or rectified, Keppel DC REIT risks prosecution by

1 Such "debt or other financial obligation" refers to those which will be taken up at the IPO and which will be unsecured. Such debts or financial obligations may change over time as Keppel DC REIT discharges or reduces its indebtedness or seeks refinancing.

environmental authorities and may be required to incur unbudgeted capital expenditures to remedy such issue and the financial position of Keppel DC REIT's customers may be adversely impacted, affecting their ability to trade and to meet their tenancy and co-location obligations.

The due diligence exercise on the Properties, tenancies, buildings and equipment may not have identified all material defects, breaches of laws and regulations and other deficiencies and any losses or liabilities from latent property or equipment defects may adversely affect earnings and cash flows.

The Manager believes that reasonable due diligence investigations with respect to the Properties have been conducted prior to their acquisitions. The Manager is of the view that all material adverse findings from the due diligence investigations have been sufficiently addressed in the risk factors in this Prospectus. However, there is no assurance that the Properties will not have defects or deficiencies requiring repair or maintenance (including design, construction or other latent property or equipment defects in the Properties which may require additional capital expenditure, special repair or maintenance expenses) or be affected by breaches of laws and regulations. Such defects or deficiencies may require significant capital expenditure or obligations to third parties and involve significant and unpredictable patterns and levels of expenditure which may have a material adverse effect on Keppel DC REIT's earnings and cash flows.

Statutory or contractual representations, warranties and indemnities given by any seller of data centre properties are unlikely to afford satisfactory protection from costs or liabilities arising from such property or equipment defects.

Keppel DC REIT may be subject to unknown or contingent liabilities related to properties or businesses that it has acquired or may acquire, which may result in damages and investment losses.

Assets and entities that Keppel DC REIT has acquired or may acquire in the future may be subject to unknown or contingent liabilities for which Keppel DC REIT may have limited or no recourse against the sellers. Unknown or contingent liabilities might include liabilities for clean-up or remediation of environmental conditions, claims of customers, vendors or other persons dealing with the acquired entities, tax liabilities and other liabilities whether incurred in the ordinary course of business or otherwise. In the future Keppel DC REIT may enter into transactions with limited representations and warranties or with representations and warranties that do not survive the closing of the transactions, in which event Keppel DC REIT would have no or limited recourse against the sellers of such properties. While Keppel DC REIT typically requires the sellers to indemnify it with respect to breaches of representations and warranties that survive the closing of the transactions, such indemnification is often limited and subject to various materiality thresholds, a significant deductible or an aggregate cap on losses. As a result, there is no guarantee that Keppel DC REIT will recover any amounts with respect to losses due to breaches by the sellers of their representations and warranties. In addition, the total amount of costs and expenses that Keppel DC REIT may incur with respect to liabilities associated with properties and entities acquired may exceed Keppel DC REIT's expectations. Exposure to such liabilities could have a material adverse effect on Keppel DC REIT.

The Properties may face increased competition from other properties.

The Properties are located in areas where other competing properties are present and new properties may be developed which may compete with the Properties. Furthermore, notwithstanding that certain Properties have been granted exclusivity by the head lessor as the only permitted data centre facility within a geographical area, such exclusivity is only for a specified period of time. For example, the BAC Lease (as defined herein) permits iseek Data Centre to be used as a data centre and this permitted use is exclusive to Keppel DC REIT within the Export Park Precinct of Brisbane Airport but only for a period of five years from the commencement date of the initial term of the BAC Lease until 29 June 2015. Thereafter, Brisbane Airport Corporation Pty Limited ("**BAC**") may enter into lease agreements with other data centre providers to set up data centre facilities within the Export Park Precinct of Brisbane Airport which may compete with iseek Data Centre.

The income from and the market value of the Properties will be dependent on the ability of the Properties to compete against other data centre properties for customers. If, after the Offering, competing properties are more successful in attracting and retaining customers, the income from the Properties could be reduced thereby adversely affecting Keppel DC REIT's cash flows and the amount of funds available for distribution to Unitholders. (See "Business and Properties – Competition" for further details.)

The appraisals of the Properties are based on various assumptions and the price at which Keppel DC REIT is able to sell a Property in the future may be different from the initial acquisition value of the Property.

There can be no assurance that the assumptions relied on are accurate measures of the market, and the values of the Properties may be evaluated inaccurately. The Independent Valuers may have included a subjective determination of certain factors relating to the Properties such as their relative market positions, financial and competitive strengths, and physical condition and, accordingly, the valuation of the Properties (which affect the NAV per Unit) may be subjective.

The valuation of any of the Properties does not guarantee a sale price at that value at present or in the future. Hence, the price at which Keppel DC REIT may sell a property may be lower than its purchase price.

Keppel DC REIT may face significant expenditures if a customer fails to remove its equipment and restore its space to the original state.

Many of Keppel DC REIT's customers have invested significant amounts installing customer specific infrastructure within their data centre space. If a customer fails to restore its space to the original condition at the end of its lease or co-location term or if it becomes insolvent during its lease or co-location term and Keppel DC REIT is unable to recoup the costs of restoring the space to a pre-let condition, Keppel DC REIT may incur significant costs to make the space reusable for new customers and lose out on the revenues from the space if it does not re-let it.

The Properties owned by Keppel DC REIT or a part of them may be acquired compulsorily by the respective governments in the countries in which such Properties are located.

Keppel DC REIT's IPO Portfolio will comprise properties which are located in Singapore, Australia, Malaysia, the UK, the Netherlands and Ireland. Under the laws and regulations of each country, there are various circumstances under which the respective governments of each country are empowered to acquire some of the Properties.

For properties located in Singapore, the Land Acquisition Act, Chapter 152 of Singapore gives the Singapore Government the power to acquire any land in Singapore (i) for any public purpose, (ii) where the acquisition is of public benefit or of public utility or in the public interest, or (iii) for any residential, commercial or industrial purposes. In the event that any of the Singapore Properties (or any part thereof) is acquired compulsorily, the relevant authority will take into consideration, among others, (a) the market value of the property as at the date of the publication in the Government Gazette of the notification of the likely acquisition of the land, provided that within six months from the date of such publication, a declaration of intention to acquire is subsequently made by publication in the Government Gazette, or (b) the market value of a property as at the date of publication in the Government Gazette of the declaration of intention to acquire, in any other case. For further details regarding the power of the respective governments of Australia, Malaysia, the UK, the Netherlands and Ireland to compulsorily acquire the Properties in their respective jurisdictions, see "Overview of Relevant Laws and Regulations in Australia, Malaysia, the UK, the Netherlands and Ireland".

In the event that the compensation paid for the compulsory acquisition of a property of Keppel DC REIT is less than the market value of the property, such compulsory acquisitions would have an adverse effect on the revenue of Keppel DC REIT and the value of its asset portfolio.

The Singapore Land Authority, on behalf of the President of the Republic of Singapore, may as lessor re-enter the Singapore Properties upon breach of terms and conditions of the State lease.

The Singapore Properties are each held under a registered State lease issued by the President of the Republic of Singapore as lessor. Each State lease contains terms and conditions commonly found in State leases in Singapore, including the President of the Republic of Singapore's right as lessor to re-enter the Singapore Properties and terminate the lease (without compensation) in the event the lessee fails to observe or perform the terms and conditions of the relevant State lease.

The head leases of the Singapore Properties contain certain provisions that may have an adverse effect on the financial condition and results of operations of Keppel DC REIT.

S25 is held under a head lease from JTC Corporation ("**JTC**") and T25 is held under a head lease from the Housing Development Board of Singapore ("**HDB**"), which are in turn the lessees of S25 and T25 under the relevant State leases. These leases are subject to terms and conditions ordinarily found in leases granted by HDB and JTC respectively, or as the case may be the President of the Republic of Singapore, including provisions that require the Trustee to surrender free of cost to the lessor portions of the Singapore Properties that may be required in the future for certain public uses, such as roads, drainage, railways, rapid transit systems and other public improvements.

There have been previous instances in which lessees of land from HDB and JTC have been required to surrender portions of their land for roads, without compensation, pursuant to similar provisions in the relevant land leases. If Keppel DC REIT is required to surrender a portion of the Singapore Properties, there may be an adverse impact on the Gross Revenue and the value of the IPO Portfolio.

The head leases of the Singapore Properties also contain terms and conditions ordinarily found in building agreements or agreements for lease entered into or leases granted by JTC and HDB such as provisions prohibiting the property to be used otherwise than for such purposes as approved by JTC or (as the case may be) HDB, and restricting the demise, assignment, mortgage, letting, subletting or underletting or granting a licence or parting with or sharing the possession or occupation of the whole or part of the property without first obtaining JTC's or (as the case may be) HDB's prior written consent and provisions that give the right of the head lessors to re-enter the Singapore Properties and terminate the lease (without compensation) in the event the lessee fails to observe or perform the terms and conditions of the relevant lease.

Compliance with the terms of its head leases may restrict Keppel DC REIT's flexibility to respond to changing real estate market conditions, re-let a property to different customers or perform valuable asset enhancements. In addition, any current or future breaches of its head leases may require rectification. These restrictions may have an adverse effect on Keppel DC REIT's financial condition and results of operations.

In addition, all subletting of JTC properties requires the approval of JTC and if the subletting to Digihub (in relation to S25) is terminated during the compulsory leaseback period stipulated by JTC, Keppel DC REIT will need to obtain JTC's approval for any replacement subletting. This is a standard requirement and while JTC will typically grant its consent if their prevailing subletting policies and procedures are complied with, there can be no assurance that such consent will be forthcoming. In the event the subletting by Keppel DC REIT to the Keppel Lessee is terminated early and JTC does not permit any replacement subletting, the S25 property may not generate any rental income and this will have a material adverse effect on the financial condition and results of operation of Keppel DC REIT.

JTC and HDB may, as lessor, re-enter S25 and T25, respectively, upon the breach of terms and conditions of the respective JTC and HDB head leases.

On completion of the sale of the Singapore Properties, Keppel DC REIT will hold each of S25 and T25 as lessee under a head lease granted by JTC and HDB as lessor respectively. The JTC and HDB head leases contain the right of the lessor to re-enter S25 and T25 respectively, and terminate the respective JTC and HDB head lease (without compensation) in the event the lessee fails to observe or perform the terms and conditions set out in the respective head leases, or any seizure or sale is made in respect of the Singapore Properties.

JTC has announced that all new leases from JTC as well as transfers of JTC properties by owners should give JTC the right to buy the relevant property should the owner decide to sell the property in the future.

In order to facilitate overall land use planning and development needs in Singapore, JTC has recently announced that all new leases from JTC as well as transfers of JTC properties by owners should give JTC the right to buy the relevant property should the owner decide to sell the property in the future (excluding sale and lease-back transactions and mortgagee sales). JTC has imposed such right to buy on the Trustee as a condition for the transfer of S25 to the Trustee.

According to the announcement, the reason behind this policy is that land in Singapore is scarce and the constant rejuvenation of land use is essential to optimise land use in Singapore. As this policy from JTC is relatively new, there is currently no certainty or clarity as to how JTC will implement it, which may have an impact on Keppel DC REIT's ability to acquire or dispose of Singapore properties which are subject to JTC leases.

JTC's assignment of lease policy has been revised with effect from 15 November 2013 to require industrialists and third-party facility providers to hold JTC properties for a longer period before they may sell them.

In order to ensure that industrialists who have leased industrial land remain committed to their proposed business plans for a reasonable period of time, while allowing lessees to exit on grounds of real business needs, JTC has announced that for third-party facility providers who have purchased JTC facilities from the secondary market, with effect from 15 November 2013, the sale prohibition period is five years from the date of assignment in the case of JTC properties with up to 30 years remaining in their lease term, and 10 years from the date of assignment for JTC properties that have more than 30 years remaining in their lease term. In addition, the minimum occupation period for anchor tenants of third-party facility providers has been lengthened to five years from the date of assignment in the case of properties with up to 30 years remaining in their lease term, and to 10 years from the date of assignment for properties with more than 30 years remaining in their lease term.

This may have an adverse impact on Keppel DC REIT's ability to dispose of Singapore properties which are subject to JTC leases as Keppel DC REIT will have to look for anchor tenants who are prepared and able to commit to a longer occupation period.

There is no assurance that Keppel DC REIT will be able to renew the JTC and HDB head lease for an additional term.

S25 is held under a head lease from JTC and T25 is held under a head lease from HDB, both of which contain a covenant by JTC and HDB respectively to grant a renewal term following the expiration of the current lease term subject to compliance with the terms of the respective head leases (including there being no breaches or non-observances of covenants and conditions by the lessee).

There is no assurance that Keppel DC REIT will be able to renew the relevant head leases for a further term because prior to expiry of the current term, there may be a breach of the respective head lease, which would allow JTC or HDB to revoke the renewal option. If Keppel DC REIT is not able to extend the head lease terms of S25 or T25 with a renewal option, Keppel DC REIT will have to surrender the property to JTC or HDB respectively upon expiration of the original head lease term. The value of the Deposited Property, and consequently the underlying asset value of the Units, may be substantially reduced upon such surrender. Any potential income expected during the renewal term will not be realised. In addition, in compliance with the terms of the head lease, Keppel DC REIT may incur substantial expenses to reinstate S25 and T25 to a state and condition acceptable to the JTC or HDB respectively. This may have an adverse effect on the net income of Keppel DC REIT.

Keppel DC REIT will need to pay an additional sale levy if it intends to sell T25 within five years of the commencement of the further 30 year term under the T25 HDB Lease.

The T25 HDB Lease provides that any demise, transfer, assignment or parting of possession of T25 or any part thereof by the lessee in whatsoever manner within five years of the commencement of the further term under the T25 Head Lease will be approved by HDB only upon payment by the lessee of a fee ("**additional fee**") which shall be equivalent to the value of the buildings and there shall also be a full revision of the rental to the prevailing market rate from the date of assignment and payment of such administrative fee as determined by HDB, provided that the lessee shall not be required to pay the additional fee for any demise, transfer, assignment or parting with possession of T25 or any part thereof by the lessee in whatsoever manner after the aforesaid five year period. Currently, there are no plans for Keppel DC REIT to divest T25 within five years of the commencement of the further term and Keppel DC REIT has made no provision for monies to be set aside to fund this divestment.

However, there can be no assurance that Keppel DC REIT will not divest T25 within five years of the commencement of the further term and in such event, Keppel DC REIT may have to set aside a lump sum of capital for the payment of such additional fee as well as payment of any revision of the rental to the prevailing market rate in respect of the renewed term for T25, which could translate into higher divestment costs.

The Singapore Government has imposed control measures in the Singapore property market.

On 11 January 2013, the Singapore Government announced that a seller's stamp duty will be imposed on industrial properties which are bought or acquired on or after 12 January 2013 and sold or disposed of within three years. The amount of seller's stamp duty payable in respect of industrial properties shall be 15.0%, 10.0% and 5.0% of the sale price or market value, whichever is higher, if the holding period of the property is within one year, two years and three years, respectively. Although various control measures are intended to promote more balanced property developments in the long-term, these measures could adversely affect the development and sales of industrial properties. In addition, there is no assurance that the Singapore Government will not introduce additional measures from time to time to regulate the property market. The continuation of the existing measures and the introduction of any new measures may materially and adversely affect Keppel DC REIT's business, financial condition and results of operations.

Keppel DC REIT may be required to surrender its lease for iseek Data Centre should BAC require the iseek Data Centre premises for the purpose of constructing airport infrastructure, or for airport operations or functions.

iseek Data Centre is situated in the Export Park Precinct of Brisbane Airport and is sub-leased from BAC for a term of 30 years commencing on 30 June 2010. iseek Facilities Pty Ltd (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date) holds the leasehold title to iseek Data Centre pursuant to a sub-lease from BAC (the "**BAC Lease**"). The BAC Lease gives BAC the right to give a surrender notice requiring Keppel DC REIT to surrender its interest as tenant under the BAC Lease and vacate the iseek Data Centre premises on a specified date in the event that BAC requires the premises to construct infrastructure and needs to demolish the building or requires the land as part of a plan for redevelopment of the land or the airport for the purpose of airport operations or functions. If BAC requires the premises for the operation and function of the airport and forces Keppel DC REIT to surrender its interest under the BAC Lease, Keppel DC REIT's business, revenue, financial condition, results of operations and the value of its asset portfolio would be adversely affected.

While BAC may offer Keppel DC REIT a lease of an alternative space in the Export Park Precinct, the suitability of which is to be determined by BAC in its sole discretion, there is no assurance that such alternative space will meet the requirements of Keppel DC REIT and its customers.

If the BAC Lease is surrendered and alternative space is available, Keppel DC REIT will bear the relocation costs. Furthermore, if the BAC Lease is surrendered and there is no alternative space available, even though BAC (if requested by Keppel DC REIT) is required to pay Keppel DC REIT compensation, the amount of the compensation will be determined based on the written down value of the iseek Data Centre. On this basis, it is possible that the amount of the compensation payable by BAC will be less than the amount of the loss or cost to Keppel DC REIT of surrendering its interest under the BAC Lease, and this will have an adverse effect on the revenue of Keppel DC REIT and the value of its asset portfolio.

Keppel DC REIT must comply with the Airports Act (as defined herein) including the requirement that the BAC Lease will automatically terminate if BAC is no longer in control of the operation or development of Brisbane Airport.

The BAC Lease is subject to the Airports Act 1996 and the Airports (Transitional) Act 1996 (together, the "**Airports Act**") and also the head lease from the Commonwealth of Australia ("**Commonwealth**") to BAC of the land comprising the broader Export Park Precinct of Brisbane Airport (of which the iseek Data Centre is a part) (the "**Airport Lease**"). One of the requirements of the Airports Act is that the BAC Lease will terminate automatically on the creation of an interest in the lease in favour of a person that is in a position to exercise control over the operation of the Brisbane Airport and the direction to be taken in the development of the airport. In effect, this would enable the Commonwealth to trigger a termination of the BAC Lease should a person other than BAC be given control of Brisbane Airport. If the BAC Lease is terminated, it would adversely affect Keppel DC REIT's business, revenue, financial condition, result of operations and the value of its asset portfolio.

The Commonwealth in certain circumstances may terminate the Airport Lease, in which case the BAC Lease would terminate automatically.

There is a risk that the Commonwealth may (after the expiry of a two day cure period) terminate the Airport Lease by notice to BAC if:

- Commonwealth legislation requires BAC to hold a licence to operate Brisbane Airport and such licence is suspended or cancelled other than due to an administrative oversight; or

- BAC breaches certain provisions of the Airport Lease that require it to use parts of Brisbane Airport for the purposes of an airport, and to allow air transport to access and use those parts of Brisbane Airport.

If the Airport Lease is terminated by the Commonwealth, the BAC Lease will automatically terminate and if the BAC Lease terminates, it would adversely affect Keppel DC REIT's business, revenue, financial condition, result of operations and the value of its asset portfolio.

Future redevelopment risk at Gore Hill Data Centre.

Gore Hill Data Centre is part of a "community title scheme". Among other things, this means that the use of Gore Hill Data Centre is regulated by certain statutes, regulatory instruments and by-laws relating to community schemes generally and also the specific community scheme for Gore Hill Data Centre. There is a restriction on use which affects the entire community title scheme of which Gore Hill Data Centre forms a part, including Gore Hill Data Centre. Specifically, no building or structure is permitted on land in the community title scheme except:

- dividing fences;

- buildings and structures constructed by an owner in compliance with its obligations under any conditions for development imposed by the local municipal authority; and

- other structures approved by the local municipal authority.

While the Gore Hill Data Centre site is currently fully developed, these requirements may affect Keppel DC REIT's ability to redevelop Gore Hill Data Centre.

In addition, Gore Hill Data Centre is in the vicinity of a heritage item, as identified by the applicable environmental planning instrument. Therefore, before granting consent to development on Gore Hill Data Centre land, the local municipal authority may require an assessment of the effect the proposed development may have on the heritage significance of the heritage item concerned, and this may affect Keppel DC REIT's ability to redevelop the land in the future.

Possible termination of the Basis Bay Lease by Basis Bay Services.

Under the Basis Bay Lease entered into between Basis Bay Capital Management Sdn Bhd (which is a subsidiary of Keppel DC REIT) and Basis Bay Services, the latter shall have the option to either of the following in the event the Basis Bay Data Centre or any part of the land on which it is located on is subject to any notice or declaration relating to acquisition by the Malaysian authorities:

(i) Basis Bay Services may terminate the Basis Bay Lease by giving to Basis Bay Capital Management Sdn Bhd one month written notice; or

(ii) Basis Bay Services may opt to continue with the Basis Bay Lease subject to the rental being reduced accordingly on a pro-rata basis based on the area of the floor space affected by such acquisition.

In addition to Basis Bay Service's rights mentioned above, the Basis Bay Lease also entitles Basis Bay Service to discontinue the Basis Bay Lease by giving notice at not less than nine months' before the expiration of each five-year anniversary of the commencement date of the Basis Bay Lease without any compensation or liability. This discretion to discontinue the Basis Bay Lease as accorded to the lessee is not conditional on the occurrence of any acquisition by the Malaysian authorities or any other particular circumstance.

Alternatively, Basis Bay Services has the discretion to reduce the space it intends to lease during any five-year lease period which is subsequent to the initial five-year period of the Basis Bay Lease subject to the lessee taking up a minimum of one data centre floor.

As Basis Bay Services is presently the sole lessee of the Basis Bay Data Centre, if it decides to terminate the Basis Bay Lease or discontinue the Basis Bay Lease, this will indirectly affect the sub-tenancy agreements made between Basis Bay Services and all of the underlying sub-tenants occupying the Basis Bay Data Centre. As Keppel DC REIT has no direct access or contact with the underlying sub-tenants, Keppel DC REIT may have difficulty in securing an agreement with all of the existing underlying sub-tenants to continue renting the space of Basis Bay Data Centre and failing which it may then need to secure new tenants and under such circumstances, there is no assurance that Keppel DC REIT will be successful in doing so or even if it does, that replacement tenants will be secured in a timely manner or on terms acceptable to the Manager.

Furthermore, if Basis Bay Services reduces the space it intends to lease for the next five-year period, the portion of space it has vacated may be leased to other third parties excluding certain competitor companies of Basis Bay Services as specified in the supplemental agreement to the Basis Bay Lease. This could further restrict the ability of Keppel DC REIT to find replacement tenants for the space vacated by Basis Bay Services.

The facilities management agreement for Basis Bay Data Centre may be terminated upon Basis Bay Services ceasing to be sole lessee of Basis Bay Data Centre or the termination of the Basis Bay Lease.

In the event that Basis Bay Services ceases to be the sole lessee of Basis Day Data Centre (and subject to the right of first refusal to continue as facility manager granted to Basis Bay Services as explained below) or the Basis Bay Lease is terminated for any reason whatsoever, the facilities management agreement for Basis Bay Data Centre will be terminated without prejudice to Basis Bay Services' right to any outstanding sums payable by Basis Bay Capital Management Sdn Bhd (which is a subsidiary of Keppel DC REIT) in respect of the prescribed services provided.

However, pursuant to the supplemental agreement to the Basis Bay Lease, in the event that Basis Bay ceases to be the sole lessee of Basis Bay Data Centre, Basis Bay Services will be given a right of first refusal to continue as the facility manager of Basis Bay Data Centre on substantially the same terms and conditions as the existing facilities management agreement or to submit a bid before any open tender exercise is commenced. In the event that Basis Bay Services does not exercise its right of first refusal, Basis Bay Capital Management Sdn Bhd may appoint another facility manager by way of open tender and Basis Bay Services may decide to submit its bid. If Basis Bay Services' bid is the lowest, Basis Bay Capital Management Sdn Bhd is obliged to appoint Basis Bay Services as the new facility manager of Basis Bay Data Centre; however, certain terms of the facilities management agreement may be modified, including the fees payable by Basis Bay Capital Management Sdn Bhd for the facility management services performed (which would otherwise have been performed without charge if Basis Bay Services had remained as the sole lessee of the Basis Bay Data Centre) and there is no assurance that the new facilities management agreement will not be on less advantageous terms to Keppel DC REIT than the existing facilities management agreement. If Basis Bay Services ceases to perform the facility management services, Basis Bay Capital Management Sdn Bhd may have difficulty appointing a suitable and reliable candidate to take over as facility manager of Basis Bay Data Centre to service the underlying sub-tenants occupying the Basis Bay Data Centre.

Certain co-location arrangements for Citadel 100 Data Centre contain uncapped indemnities in favour of its end-users.

A number of the co-location arrangements for Citadel 100 Data Centre contain uncapped indemnities in favour of the end-users of the Property. These uncapped indemnities relate to losses arising out of (i) any infringement or misappropriation of any intellectual property rights relating to the end-users permitted use of the Citadel 100 Data Centre or the receipt of services from Citadel 100 (except to the extent such infringement is caused by the end-users or the end-users equipment) or (ii) personal injury suffered by any Citadel 100 representative, employee or agent, unless such injury is caused by the customer's negligence or wilful misconduct. In relation to (i), Citadel 100 is a wholesale co-location provider and does not offer managed services such as e-mail security, data recovery, network management and other software services. As such, Citadel 100 is not generally expected to use intellectual property rights belonging to its end-users and accordingly is not expected to infringe or misappropriate its end-users' intellectual property rights in the course of its data centre operations. In relation to (ii), the exclusionary carve-out for the indemnity relating to personal injury already limits the circumstances under which such an indemnity could be triggered and Citadel 100 also has in place employer's liability insurance in relation to personal injury to its employees. Notwithstanding the above, there can be no assurance that no events which may trigger these uncapped indemnities will arise or that Citadel 100 or a customer of Citadel 100 will not be sued by a Citadel 100 representative, employee or agent beyond the insured limit. Furthermore, Citadel 100 is also potentially exposed to consequential losses under some of these uncapped indemnities and these consequential losses are typically not insurable.

A third head of loss is included in these indemnities in some of the above mentioned co-location arrangements. The scope of this additional loss includes any loss suffered by, or damage to, the end-user and associated parties to the extent that that loss, damage or injury is caused by, or otherwise results from, acts or omissions by other end-users of Citadel 100 and/or their equipment in the data centre. Under the co-location arrangements, the end-users are typically liable to Citadel 100 for any damage to the co-location space, co-location premises, or equipment of third parties. However, there is typically a cap on the liability of an offending end-user to Citadel 100. As such, there can be no assurance that if there is damage to other end-users by the offending end-user which triggers the former's right to uncapped indemnity, the offending end-user's liability to Citadel 100 will be sufficient to cover the liability owed by Citadel 100 to the end-user which has suffered loss. Furthermore, Citadel 100 is potentially exposed to consequential losses under some of these indemnities and these consequential losses are typically not insurable.

In the event that such uncapped indemnities are triggered, Citadel 100 could be exposed to uncapped liabilities including consequential losses and this may adversely affect the financial condition or cash flows of Keppel DC REIT.

Keppel DC REIT may not be able to renew its lease of the Citadel 100 Data Centre on the lease's expiry in 2041.

Citadel 100 holds Citadel 100 Data Centre under a lease ("**Citadel Lease**") dated 1 November 2001 between Dali Properties Limited (formerly known as Citywest Business Park Limited) (the "**Citadel Landlord**") and Citadel 100 (formerly known as Metromedia Fiber Network Ireland Limited) and Metromedia Fiber Network Inc. The Citadel Lease is for a term of 25 years commencing on 12 July 2001. The Citadel Landlord and Citadel 100 entered into an agreement for reversionary lease on 10 February 2011 which provides that the Citadel Landlord will grant a lease (the "**Citadel Reversionary Lease**") of Citadel 100 Data Centre to Citadel 100 for a term of 14 years and nine months from 12 July 2026. Citadel 100 may not have the right to renew the Citadel Reversionary Lease when its term expires in April 2041 in certain circumstances such as, if the Citadel Landlord intends or has agreed to pull down and rebuild, or to reconstruct the premises, and has planning permission for the works or if for any reason the creation of a new tenancy would not be consistent with good estate management.

Keppel DC REIT's title to Citadel 100 Data Centre may be subject to third-party interests in the Property, burdens and/or rights as the leasehold title of Citadel 100 cannot be registered by Keppel DC REIT due to the Citadel Landlord's lease title not having been registered.

The leasehold title of Citadel 100 to Citadel 100 Data Centre is not currently registrable as the Citadel Landlord is itself in the process of registering its own title. The Citadel Landlord holds its title pursuant to the leases granted by Citywest Limited, which holds the registered freehold title. The Manager will proceed to register Citadel 100's leasehold title once the Citadel Landlord's title is registered and will make an announcement once Citadel 100's leasehold title is successfully registered.

Pursuant to Section 72 of the Registration of Title Act 1964 of Ireland, the leasehold interest is a burden which affects registered land even if the leasehold title is not registered. Non-registration of a leasehold title does not invalidate the grant of the lease and it is also common in Ireland for occupational leases such as the Citadel Lease not to be registered. Furthermore, Citadel 100 has also been in occupation of Citadel 100 Data Centre since 2001, paying rent without any objection or interference and its use of the property is open and well known and Citadel 100 is not aware of any objection to its occupation of the property.

Notwithstanding the above, as the Citadel Landlord's title to the Property is not yet registered, it is not possible to carry out comprehensive searches to find out if there are third-party interests in the property, burdens and/or rights arising prior to the date of the Citadel Lease that affect Citadel 100 Data Centre and rank in priority to the Citadel Lease. While standard searches have disclosed no adverse claim, there may still be third-party interests, rights and/or burdens affecting Citadel 100 Data Centre of which Keppel DC REIT and Citadel 100 is not aware. If there are any such third-party interests burdens and/or rights affecting the property (for example a right of way or wayleave) and they were successfully asserted by such third-party or its successors in title, the Citadel Lease would be subject to such third-party interests, burdens and/or rights and this might affect Citadel 100's use or occupation of the property. If the title for Citadel 100 Data Centre is deemed invalid and the income from Citadel 100 Data Centre is not recognized by Keppel DC REIT, the DPU will reduce by 6.9% to 5.92 cents in Forecast Year 2015, and 8.0% to 6.12 cents in Projection Year 2016.

Keppel DC REIT has limited remedies against the third-party electricity supplier of Citadel 100 Data Centre and may be exposed to liabilities to the end-users.

Under the contract for the supply of electricity to Citadel 100 Data Centre, the liability of the third-party electricity supplier is limited to €127,000, which is market practice for electricity suppliers in Ireland. Under that contract, Keppel DC REIT has also waived its common law rights and rights under statute, including rights in tort and equity. The effect of this is to exclude or limit the liability of the electricity supplier in the event of claims made.

Citadel 100 Data Centre includes multiple redundancy and backup systems such as diesel generators and UPS and Citadel 100 has implemented a system of rigorous testing and a policy of continual improvement. Despite these risk mitigating measures and while Citadel 100 Data Centre has not had a power interruption resulting in a total facility outage since opening for business in 2001, there is no guarantee that a power outage or other similar event will not occur in future. In the event of, for example, a power outage and the failure of back-up generators, the remedy available against the electricity supplier will be very limited and accordingly may not cover the losses sustained by the customers of Citadel 100 Data Centre and for which Citadel 100 may have a liability.

Should there be a default in the payment of rent, Securus Almere B.V., a wholly-owned subsidiary of Keppel DC REIT, may only terminate the Ground Lease for Almere Data Centre after failure to receive the rent payable for two consecutive years.

Pursuant to the conditions of the Ground Lease, Securus Almere B.V. (which is a wholly-owned subsidiary of Keppel DC REIT) is able to terminate the Ground Lease only if (i) the leasehold tenant (Borchveste) is in material default with regard to an obligation resulting from the leasehold conditions, (ii) the leasehold tenant does not pay the ground rent for two consecutive years or (iii) the leasehold tenant has applied for moratorium of payments or has been declared bankrupt. The condition that the Ground Lease can only be terminated after failure to receive the rent payable for two consecutive years is required by article 5:87, paragraph 2 of the Dutch Civil Code which is a mandatory article of Dutch Law.

Based on the terms of the Ground Lease, if the tenant is either unable or chooses not to make payments of the ground rent as per the agreed payment schedule, Securus Almere B.V. (which is a wholly-owned subsidiary of Keppel DC REIT) may have to wait for two consecutive years of non-payment of the ground rent before being able to exercise the right to terminate the Ground Lease.

Borchveste is entitled to terminate the Ground Lease unilaterally in the event that the lease agreement between Borchveste and the underlying tenant ends.

Pursuant to the Almere Deed of Transfer, Borchveste transferred the title of Almere Data Centre to Securus Almere B.V. (which is a wholly-owned subsidiary of Keppel DC REIT) while retaining a right of leasehold, the Ground Lease, in favour of itself. The Ground Lease is established for a maximum period of twenty years with no option to renew or extend and will therefore by operation of law end ultimately on 17 April 2033.

The transfer of Almere Data Centre and the establishment of the Ground Lease is in acknowledgement that Borchveste already has an existing underlying lease arrangement with the underlying tenant dated 6 December 2007, pursuant to which Borchveste designed and built the data centre for the purpose of leasing it to the underlying tenant, and pursuant to which Borchveste leased the data centre to the underlying tenant for an initial period of 20 years as from 1 September 2008 therefore ending on 31 August 2028. For the avoidance of doubt please note that the Ground Lease and the underlying lease agreement are two separate lease arrangements with different end dates. With the Ground Lease in place, the lease with the underlying tenant becomes conceptually similar to a sub-lease, with Borchveste being (i) the leasehold tenant of Securus Almere B.V. and (ii) the lessor to the underlying tenant being essentially the sub-tenant.

Pursuant to the Almere Deed of Transfer, Borchveste is entitled to terminate the Ground Lease unilaterally in the event that the lease agreement between Borchveste and the underlying tenant ends and the underlying tenant has not exercised the option to renew to extend the underlying lease agreement.

In particular, two years before the expiry of the initial underlying lease term on 31 August 2028 (therefore prior to 31 August 2026), Borchveste (as the lessor) is obliged to offer the underlying tenant (as the lessee) the option to extend or to renew the underlying lease or to enter into a new lease agreement. In anticipation thereof, Securus Almere B.V. is obliged pursuant to the Ground Lease to provide Borchveste with an offer to extend the Ground Lease to enable Borchveste to offer to extend the underlying lease to the underlying tenant in a timely manner. One year before the end of the initial underlying lease term (therefore prior to 31 August 2027), the underlying tenant has to inform Borchveste in writing whether it wishes to accept Borchveste's offer. In the event that the underlying tenant does not accept the offer of Borchveste, the lease agreement between Borchveste and the underlying tenant will terminate at the end of the initial underlying lease term ending on 31 August 2028 by operation of law and Borchveste is entitled to terminate the Ground Lease prematurely without having to pay any further ground rent payments or compensation. In such event that the Ground Lease and the underlying lease agreement are terminated, there can be no assurance that Keppel DC REIT will be able to find a replacement tenant for Almere Data Centre in a timely manner and on terms which are no less favourable to Keppel DC REIT than the Ground Lease. This could adversely affect the revenue of Keppel DC REIT and its ability to make distributions to Unitholders.

Keppel DC REIT, through Securus Almere B.V., is obliged to take over the underlying lease with the underlying tenant and indemnify Borchveste for potential third-party claims (including claims of the underlying tenant) under certain circumstances.

In the event that the underlying tenant exercises the option to extend or renew the underlying lease and if Securus Almere B.V. fails to comply with its obligation to provide Borchveste with the offer to extend or renew the underlying lease in a timely manner, Borchveste will, as from 31 August 2028, no longer be bound by any obligation under the Ground Lease, the lease agreement with the underlying tenant and/or any new lease agreement. However, the underlying tenant will have the right to continue to lease Almere Data Centre for a maximum of two additional years after the initial lease period till 31 August 2030 and Securus Almere B.V. will be obliged to fulfil all obligations arising from the lease agreement of Borchveste with the underlying tenant and/or any new lease agreement as if it were the lessor on the same terms thereof. Furthermore, Securus Almere B.V. shall indemnify Borchveste for possible claims of third parties (including the underlying tenant) and for any costs and claims charged to or imposed on Borchveste thereof and there can be no assurance that such indemnity amounts would not adversely affect the revenue and financial conditions of Keppel DC REIT. Similarly, if Securus Almere B.V. complies with its obligation to provide Borchveste with an offer to extend the Ground Lease to enable Borchveste to offer to extend the underlying lease to the underlying tenant, and the underlying tenant accepts this offer, then Borchveste will also, as from 31 August 2028, no longer be bound by any obligation under the Ground Lease, the lease agreement with the underlying tenant and/or any new lease agreement and Securus Almere B.V. will also have to indemnify Borchveste for possible claims of third parties (including the underlying tenant) and for any costs and claims charged to or imposed on Borchveste thereof.

Keppel DC REIT, through Securus Almere B.V., will have to pay real estate transfer tax on the net present value of the Almere Data Centre at that time of the remaining Ground Lease payments if the Ground Lease is terminated before the end of the term.

For real estate transfer tax ("**RETT**") purposes in the Netherlands, the taxable event is the transfer of the ownership of real estate. The taxable amount for the transfer of the ownership is the market value, *i.e.* the purchase price. The transfer of limited rights such as the Ground Lease are also regarded as a taxable event. In case a limited right is transferred, the taxable amount is set at the net present value of the periodical payments (assuming that the limited right itself has no value). It follows from this that the taxable amount for the bare ownership (the ownership subject to a limited right) is set at the market value/purchase price minus the net present value of the periodical payments for the limited right.

When determining the taxable amount of the Almere Data Centre, this means that the purchase price must be decreased with the net present value of the Ground Lease. Since a (maximum) index applies to the Ground Lease payments, the amount of this net present value is uncertain. Therefore, a ruling request was filed with the Dutch tax authorities before the acquisition of the

Almere Data Centre by Securus Almere B.V. In this ruling request the relevant data regarding the situation at hand was described together with the request for RETT purposes to confirm that the decrease for the Ground Lease is equal to or higher than the purchase price (and that, as a result, no RETT is due).

The Dutch tax authorities have granted a ruling in which it is confirmed that – taking into account all the relevant data – the taxable amount for RETT purposes should be set on €140,000. As a result, the RETT due amounted to €8,400. It should be noted that, when determining the net present value of the Ground Lease payments, the full duration of the Ground Lease of twenty years ending ultimately on 17 April 2033 was taken into account. It follows from this that, in case Borchveste would execute its break option before the twenty year period of the Ground Lease has expired, e.g. in case the underlying tenant does not accept the offer of Borchveste to extend or renew the lease agreement ending on 31 August 2028, Securus Almere B.V. will be deemed to "acquire" the Ground Lease for the remaining period and will have to pay RETT on the net present value at that time of the remaining Ground Lease payments, which could materially and adversely affect the business, financial condition and results of operations of Keppel DC REIT.

RISKS RELATING TO KEPPEL DC REIT'S BUSINESS AND OPERATIONS

Keppel DC REIT is dependent on its significant customers and any breach by the significant customers of their obligations under the lease and/or co-location arrangements or the loss of such significant customers may have an adverse effect on the business, financial condition and results of operations of Keppel DC REIT.

For the month of September 2014, the top 10 customers in Keppel DC REIT's IPO Portfolio represented approximately 88.4% of Rental Income (including the 1.0% interest in Basis Bay Data Centre which will be held by the Basis Bay Vendor on the Listing Date) generated by the Properties. Keppel DC REIT's largest customer by Rental Income took up approximately 36,489 sq ft of Lettable Area as of 30 September 2014, representing approximately 25.7% of Rental Income generated by the Properties for the month of September 2014. Many factors including the financial position of the customers, the ability of such significant customers to compete with its competitors, material losses suffered by such customers in excess of insurance proceeds and consequences of recent global economic conditions, may cause Keppel DC REIT's customers to experience a downturn in their businesses or otherwise experience a lack of liquidity, which may weaken their financial condition and result in them failing to make timely rental payments or them defaulting under their leases and/or co-location arrangements. If any customer defaults or fails to make timely rent payments, Keppel DC REIT may experience delays in enforcing its rights as landlord, may not succeed in recovering rent at all and may incur substantial costs in protecting its investment. Furthermore, Keppel DC REIT will not be receiving any security deposit from its customers.

In addition, Keppel DC REIT's financial condition and results of operations and capital growth may be adversely affected by the decision by one or more of such significant customers to not renew its lease and/or co-location arrangement or terminate its lease and/or co-location arrangement before it expires. These significant customers may terminate their leases and/or co-location arrangements giving only a short notice period or may terminate without cause. If a key customer or a significant number of customers terminate their leases and/or co-location arrangements or do not renew their leases and/or co-location arrangements at expiry, it may be difficult to secure replacement customers at short notice. In addition, the amount of rent and the terms on which lease and co-location arrangement renewals and new leases and co-location arrangements are agreed may be less favourable than the current leases and co-location arrangements.

Therefore, the loss of key customers or a significant number of customers in any one of Keppel DC REIT's Properties or future acquisitions could result in periods of vacancy, which could adversely affect the revenue and financial conditions of the relevant Property, consequently impacting the ability of the SPVs holding the Properties to make dividends or distributions to Keppel DC REIT.

Keppel DC REIT is subject to the risk of non-renewal, non-replacement or early termination of leases and co-location arrangements and a substantial number of Keppel DC REIT's co-location arrangements are for a remaining term of three years or less, which exposes the Properties to significant rates of expiries each year.

If customers choose not to renew their leases or co-location arrangements at the end of their term or if certain customers exercise the rights of early termination contained in certain leases and co-location arrangements and replacement customers cannot be found in a timely manner and on terms acceptable to the Manager, there is likely to be a material adverse effect on the business, financial condition and results of operations of Keppel DC REIT.

The Manager has put in place a number of measures to address the risk of non-renewal or early termination of leases and co-location arrangements. These measures include (i) initiating discussions on lease extensions at least six months prior to lease expiry, (ii) actively engaging customers to discuss changes in customer requirements, (iii) planning asset enhancement activities to keep up with changing customer needs and (iv) actively engaging brokers and target data centre customers on their demand requirements. Besides these measures, Keppel DC REIT will continue to actively market its data centre space so that in the event a customer chooses not to renew its lease or co-location arrangement (as the case may be), there will be a ready pipeline of customers that will move into the vacated space thus avoiding the risk of non-replacement of leases and co-location arrangements. The above-mentioned measures should also be seen within the context of the high retention rates enjoyed by the data centre industry as a whole. This is due to factors such as (1) the mission-critical infrastructure in data centre facilities which makes customers averse to physical relocations which will substantially increase operational risks including possible downtime and business disruptions, (2) substantial relocation costs, (3) growing data centre requirements of customers and (4) the significant investments made by customers in a data centre which makes customers less likely to move out of their current locations (See "Overview – Key Investment Highlights – High quality customer base and favourable lease and co-location profile offering income stability with potential upside from rental reversions – High Customer Retention Rate of 97.8%" and Appendix F, "Independent Property Market Research Report" for further details).

Notwithstanding the above, some customers may still choose not to renew their leases or co-location arrangements at the end of their term or may choose to exercise the rights of early termination contained in certain leases and co-location arrangements. If a significant number of customers choose to do so and replacement customers cannot be found in a timely manner and on terms acceptable to the Manager, which is likely to have a material adverse effect on the business, financial condition and results of operations of Keppel DC REIT.

In addition, a substantial number of Keppel DC REIT's co-location arrangements are for a remaining term of three years or less. On a pass-through basis, co-location arrangements account for 75.6% of Rental Income from the Properties for the month of September 2014. 68.7% of the co-location arrangements (by Rental Income for the month of September 2014) are for a remaining term of three years or less. As a result, the Properties with co-location arrangements in place with the underlying end-users will experience lease cycles in which a substantial number of co-location arrangements expire each year and these Properties will be exposed to significant rates of expiries each year. Notwithstanding the fact that the data centre industry enjoys a high customer retention rate and the measures the Manager has put in place as described above, some end-users may choose not to renew their co-location arrangements upon expiry and if replacement end-users cannot be found in a timely manner and on terms acceptable to the Manager, this would adversely affect the occupancy rates of the Properties which is likely to have material adverse effect on the business, financial condition and results of operations of Keppel DC REIT.

The Manager is a wholly-owned subsidiary of the Sponsor and the facility managers of S25, T25 and Gore Hill Data Centre are subsidiaries of the Sponsor. There may be potential conflicts of interest between Keppel DC REIT, the Manager, these facility managers and the Sponsor.

The Sponsor is engaged in the investment in, and the development and management of, among other things, real estate which is wholly or partially used for data centre purposes. The Sponsor will, immediately after the completion of the Offering and the Redemption, indirectly hold 283,421,148 Units (constituting 32.1% of the total number of Units expected to be in issue) (assuming that the Over-Allotment Option is not exercised) or 265,762,148 Units (constituting 30.1% of the total number of Units expected to be in issue) (assuming the Over-Allotment Option is exercised in full).

The Sponsor may exercise influence over the activities of Keppel DC REIT through the Manager, which is a wholly-owned subsidiary of the Sponsor. These include matters which require Unitholders' approval. Furthermore, Digihub, being the facility manager of S25, and Datahub, being the facility manager of T25, are wholly-owned subsidiaries of the Sponsor. iseek-KDC, being the facility manager of Gore Hill Data Centre, is also 60% owned by the Sponsor (see "Business and Properties – Overview of the Holding Structure of the Properties" and "Certain Agreements relating to Keppel DC REIT and the Properties – Facility Management Agreements" for further details.) If any of Digihub, Datahub or iseek-KDC were to manage a property which competes with Keppel DC REIT's properties, there can be no assurance that such facility manager will not favour properties that the Sponsor has in its own property portfolio over those owned by Keppel DC REIT when providing leasing services to Keppel DC REIT. This could lead to lower occupancy rates and/or lower the Rental Income of the Properties as a whole and adversely affect distributions to Unitholders.

The Sponsor ROFR does not cover the other entities in the Keppel Group and there can be no assurance that the other entities of the Keppel Group will not enter the data centre industry leading to potential conflicts of interest.

To demonstrate its support towards the growth of Keppel DC REIT, the Sponsor has granted the Sponsor ROFR to Keppel DC REIT which, subject to certain conditions, provides Keppel DC REIT access to future acquisition opportunities of completed data centres. The Sponsor ROFR covers only the Sponsor or any of its existing or future subsidiaries. The Sponsor, being a subsidiary of Keppel Corporation Limited, is a part of the Keppel Group. The Sponsor ROFR does not cover the other entities of the Keppel Group. Given that the other entities of the Keppel Group (such as Keppel Corporation Limited and Keppel Land Limited) are separately listed with their own shareholders and are not involved in the management of Keppel DC REIT and, in the case of Keppel Land Limited, is not expected to hold more than 5.0% of the Units in Keppel DC REIT on the Listing Date, it would not be appropriate for the Sponsor ROFR to cover these entities.

Nonetheless, in the future, the other entities of the Keppel Group could enter into or become involved in the data centre industry. In such an event, there could be a potential conflict of interest as the other entities of the Keppel Group would be competing with Keppel DC REIT.

Due to the pass-through nature of the Keppel Leases, Keppel DC REIT will effectively bear the obligations of the Keppel Lessees to their underlying end-users while not having a direct contractual relationship with the underlying end-users.

Keppel DC REIT will enter into the Keppel Leases with the respective Keppel Lessees. These leases are essentially pass-through arrangements whereby a significant portion of the rent payable to Keppel DC REIT by the Keppel Lessees is made up of variable rent based on the EBITDA (after deducting the fixed rent and operating expenses) derived from the underlying end-users whom the Keppel Lessees have directly entered into co-location arrangements with. Accordingly, notwithstanding that Keppel DC REIT is not a direct contracting party to the underlying end-users of the Singapore Properties for the provision of the data centre space, if there is a breach of the underlying co-location arrangements between the Keppel Lessees and the underlying end-users, for example due to a failure to meet the requisite service level commitments, the Keppel Lessees may have to grant Customer Service Credits to the underlying end-users. Such Customer Service Credits cannot be determined upfront as these are triggered by "downtime" suffered by the end-user under each co-location arrangement. This will adversely affect the variable rent that is payable to Keppel DC REIT by the Keppel Lessees due to the pass-through nature of the Keppel Leases. Further, Keppel DC REIT will be required to indemnify the Keppel Lessees for losses suffered or incurred by the Keppel Lessees (even for events that are not due to any act or fault of Keppel DC REIT) under the underlying co-location arrangements and leases, if there are successful claims brought about by the underlying end-users against the Keppel Lessees.

In addition, the Keppel Lessees, Digihub and Datahub, will also be appointed the facility managers for S25 and T25 respectively. Keppel DC REIT is very much dependent on the facility managers for S25 and T25 to provide adequate services to essentially meet the obligations of Keppel DC REIT to the underlying end-users due to the pass-through nature of the Keppel Leases and the only recourse that can be made by Keppel DC REIT against the Keppel Lessees under the facility management agreements with Digihub and Datahub in respect of S25 and T25 respectively (collectively, the "**Sponsor Facility Management Agreements**") (other than termination of the Sponsor Facility Management Agreements) is limited to: (a) an indemnity given by Keppel Lessees for losses suffered by Keppel DC REIT limited only to the extent caused by any wilful default or gross negligence by the Keppel Lessees in complying with the Sponsor Facility Management Agreements; and (b) payment to Keppel DC REIT of an amount equivalent to the total aggregate value of all the Customer Service Credits that had to be paid to the underlying end-users in that financial year, subject to a cap of an amount equivalent to 1% of the total cash revenue less operating expenses less the fixed rent for S25 and T25 (as the case may be) in that financial year ("**Cash EBITDA Amount**"), if there is a breach or non-compliance by the Keppel Lessees of their obligations under the Sponsor Facility Management Agreements.

If the Sponsor Facility Management Agreement for S25 or T25 is terminated, in the event Keppel DC REIT is not able to secure replacement facility managers who will accept the existing terms of the relevant Sponsor Facility Management Agreement, Keppel DC REIT may need to re-negotiate the terms of the Sponsor Facility Management Agreement with the replacement facility managers.

In the event a Keppel Lessee (or any replacement facility managers for S25 or T25) fails to adequately provide the services to essentially meet the obligations of Keppel DC REIT to the underlying end-users, or in the event the Sponsor Facility Management Agreement for S25 or T25 is terminated and the replacement facility manager is not in place in a timely fashion, this will adversely affect the business, financial condition and results of operations of Keppel DC REIT.

Keppel DC REIT does not have any direct contractual relationship with the underlying end-users of the Singapore Properties and its ability to take over the underlying co-location arrangements may be limited in the event of a default by the Keppel Lessees.

Keppel DC REIT does not have any direct contractual relationship with the underlying end-users of the Singapore Properties. In the event of a default by a Keppel Lessee, and the S25 Lease or the T25 Lease is terminated or if either the S25 Lease or the T25 Lease is not renewed upon their expiry, Keppel DC REIT will need to take an assignment or novation of the underlying co-location arrangements with the end-users. However the assignment/novation may be subject to consents being obtained from the underlying end-users to the extent that the underlying co-location arrangements contain a restriction against assignability by a Keppel Lessee. As such, Keppel DC REIT may require some time to take such assignment/novation of the underlying co-location arrangements and this will adversely affect the income and results of operations of Keppel DC REIT.

Though it is provided that if the relevant underlying end-user does not consent to the assignment by the relevant Keppel Lessee, the Keppel Lessee and Keppel DC REIT shall use reasonable commercial efforts to negotiate for a lease to be granted by Keppel DC REIT to the Keppel Lessee of such part of S25 or T25 as may be required by the Keppel Lessee to discharge its obligations to the relevant underlying end-user, Keppel DC REIT may require some time to enter into such new lease with the Keppel Lessees and this will adversely affect the income and results of operations of Keppel DC REIT.

Further, if a Keppel Lease is terminated, Keppel DC REIT will need to appoint a new facility manager for S25 or T25 (as the case may be). Failure of the new facility manager to provide adequate management and maintenance may also adversely affect the attractiveness of the property and consequently, the business of Keppel DC REIT.

In the event that any of the foregoing occurs, this will adversely affect the business, financial condition and results of operations of Keppel DC REIT.

The amount Keppel DC REIT may borrow is limited, which may affect the operations of Keppel DC REIT.

Under the Property Funds Appendix, Keppel DC REIT is permitted to borrow up to 35.0% of the value of the Deposited Property at the time the borrowing is incurred, taking into account deferred payments (including deferred payments for assets whether to be settled in cash or in Units). However, the Property Funds Appendix also allows Keppel DC REIT to borrow more than 35.0% (up to a maximum of 60.0%) of the value of the Deposited Property if a credit rating from Fitch Inc., Moody's or Standard & Poor's is obtained and disclosed to the public. As at the Listing Date, Keppel DC REIT is expected to have gross borrowings of approximately S$295.0 million with an Aggregate Leverage of approximately 27.8%[1].

It is currently not envisaged that Keppel DC REIT will face issues with the borrowing limits imposed by the Property Funds Appendix. However, Keppel DC REIT may, from time to time, require further debt financing to achieve its investment strategies and may find itself unable to achieve its investment strategies if this involves and requires debt financing in excess of the borrowing limits imposed by the Property Funds Appendix. For example, Keppel DC REIT might have to miss out on attractive acquisition opportunities which may be available for only a limited period of time but for which debt financing in excess of the borrowing limits would have been required.

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1 Without taking into consideration the finance lease liabilities pertaining to the land rent commitments for iseek Data Centre and Citadel 100 Data Centre. If these finance lease liabilities were included, the Aggregate Leverage would be 30.0%.

Keppel DC REIT may face risks associated with debt financing and the Facility and the debt covenants could limit or affect Keppel DC REIT's operations.

Keppel DC REIT has in place the Facilities (as defined herein). Keppel DC REIT is subject to risks associated with debt financing, including the risk that its cash flows will be insufficient to meet the required payments of principal and interest under such financing, and therefore to make distributions to Unitholders.

Distributions from Keppel DC REIT to Unitholders will be computed based on at least 90.0% of Keppel DC REIT's Distributable Income. As a result of this distribution policy, Keppel DC REIT may not be able to meet all of its obligations to repay any future borrowings through its cash on hand. Keppel DC REIT may be required to repay maturing debt with funds from additional debt or equity financing or both. There is no assurance that such financing will be available on acceptable terms or at all.

If Keppel DC REIT defaults under the Facilities, the lenders may be able to declare a default and initiate enforcement proceedings in respect of any security provided, and/or call upon any guarantees provided.

If principal amounts due for repayment at maturity cannot be refinanced, extended or paid with proceeds of other capital transactions, such as new equity capital, Keppel DC REIT will not be able to pay distributions at expected levels to Unitholders or to repay all maturing debt.

Keppel DC REIT may be subject to the risk that the terms of any refinancing undertaken (which may arise from a change of control provision) will be less favourable than the terms of the original borrowings. While Keppel DC REIT is not subject to covenants that may limit or otherwise adversely affect its operations and its ability to make distributions to Unitholders as at the Latest Practicable Date, the terms of any refinancing undertaken in the future may contain such covenants and other covenants which may also restrict Keppel DC REIT's ability to acquire properties or undertake other capital expenditure and may require it to set aside funds for maintenance or require Keppel DC REIT to maintain certain financial ratios (e.g. loan to value ratios). The triggering of any of such covenants may have an adverse impact on Keppel DC REIT's financial condition.

Keppel DC REIT's level of borrowings may represent a higher level of gearing as compared to certain other types of unit trusts, such as non-specialised collective investment schemes which invest in equities and/or fixed income instruments. If prevailing interest rates or other factors at the time of refinancing (such as the possible reluctance of lenders to make commercial property loans) result in higher interest rates, the interest expenses relating to such refinanced indebtedness would increase, thereby adversely affecting Keppel DC REIT's cash flows and the amount of funds available for distribution to the Unitholders.

If the Manager's capital market services licence for REIT management ("CMS Licence") is cancelled or the authorisation of Keppel DC REIT as a collective investment scheme under Section 286 of the SFA is suspended, revoked or withdrawn, the operations of Keppel DC REIT will be adversely affected.

The CMS Licence issued to the Manager on 27 November 2014 is subject to conditions unless otherwise cancelled. If the CMS Licence of the Manager is cancelled by the MAS, the operations of Keppel DC REIT will be adversely affected as the Manager would no longer be able to act as the manager of Keppel DC REIT.

Keppel DC REIT was authorised as a collective investment scheme on 5 December 2014 and must comply with the requirements under the SFA and the Property Funds Appendix. In the event that the authorisation of Keppel DC REIT is suspended, revoked or withdrawn, its operations will also be adversely affected.

The Manager may not be able to successfully implement its investment strategy for Keppel DC REIT.

There is no assurance that the Manager will be able to implement its investment strategy successfully or that it will be able to expand Keppel DC REIT's portfolio at any specified rate or to any specified size. The Manager may not be able to make acquisitions or investments on favourable terms or within a desired time frame.

Keppel DC REIT faces active competition in acquiring suitable properties. Keppel DC REIT's ability to make new property acquisitions under its acquisition growth strategy may be adversely affected.

Even if Keppel DC REIT were able to successfully acquire property or investments, there is no assurance that Keppel DC REIT will achieve its intended return on such acquisitions or investments.

Since the amount of borrowings that Keppel DC REIT can incur to finance acquisitions is limited by the Property Funds Appendix, such acquisitions are likely to be largely dependent on Keppel DC REIT's ability to raise equity capital. This may result in a dilution of Unitholders' holdings.

Potential vendors may view negatively the prolonged time frame and lack of certainty associated with the raising of equity capital to fund any such purchase. They may instead prefer other potential purchasers.

There may be significant competition for attractive investment opportunities from other property investors, including other REITs, property development companies and private investment funds. There is no assurance that Keppel DC REIT will be able to compete effectively against such entities.

If Keppel DC REIT is unable to locate and secure high quality or suitable sites for additional data centres on commercially acceptable terms, Keppel DC REIT's ability to grow its business may be limited.

Keppel DC REIT's growth is partially dependent on locating and securing suitable income-producing data centres that meet Keppel DC REIT's strict specifications. These specifications include, but are not limited to, sourcing sites free from seismic activity and sub-surface contamination, storm potential and various topographical considerations, further requirements in terms of proximity to international network routes, access to a significant supply of high voltage electrical power, the ability to sustain heavy floor loading and an adequate supply of sufficiently educated labour to operate and maintain the site. Properties with these specifications may be scarce in Keppel DC REIT's target markets. If Keppel DC REIT is unable to identify and acquire data centres that meet such requirements on commercially acceptable terms on a timely basis for any reason, including competition from other companies seeking similar sites with greater financial resources than Keppel DC REIT, its rate of growth may be substantially impaired.

Acquisitions may not yield the returns expected, resulting in disruptions to Keppel DC REIT's business and straining of management resources.

Keppel DC REIT's external acquisition growth strategy and its asset selection process may not be successful and may not provide positive returns to Unitholders.

Acquisitions may cause disruptions to Keppel DC REIT's operations and divert management's attention away from day-to-day operations.

Keppel DC REIT may be unable to successfully integrate and operate acquired properties, which could have a material adverse effect on Keppel DC REIT.

Even if Keppel DC REIT is able to make acquisitions on favourable terms, its ability to successfully integrate and operate them is subject to the following significant risks:

- it may spend more than budgeted amounts to make necessary improvements or renovations to acquired properties, as well as require substantial management time and attention;

- it may be unable to integrate new acquisitions quickly and efficiently, particularly acquisitions of operating businesses or portfolios of properties, into its existing operations;

- acquired properties may be subject to reassessment, which may result in higher than expected property tax payments;

- its customer retention and lease and co-location renewal risks may be increased; and

- market conditions may result in higher than expected vacancy rates and lower than expected rental rates.

Any inability to integrate and operate acquired properties to meet Keppel DC REIT's financial, operational and strategic expectations could have a material adverse effect on Keppel DC REIT.

The Manager's strategy to perform asset enhancement initiatives on some of the Properties from time to time may not materialise.

The Manager may from time to time perform asset enhancement initiatives on some of the Properties. There is no assurance that such plans for asset enhancement will materialise, or in the event that they do materialise, they may not achieve their desired results or may incur significant costs.

Keppel DC REIT depends on certain key personnel and the loss of any key personnel may adversely affect its operations.

Keppel DC REIT's performance depends, in part, upon the continued service and performance of the executive officers of the Manager. (See "The Manager and Corporate Governance – The Manager of Keppel DC REIT – Executive Officers of the Manager" for details of the executive officers of the Manager.) These key personnel may leave the employment of the Manager. If the above were to occur, the Manager will need to spend time searching for replacement(s) and the duties which such executive officers are responsible for may be affected. The loss of any of these individuals could have a material adverse effect on the financial condition and the results of operations of Keppel DC REIT.

Keppel DC REIT may incur losses arising from claims brought against Citadel 100 in connection with the operations of Citadel 100 Data Centre.

As at the Latest Practicable Date, Citadel 100 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date), employs six personnel to undertake the day-to-day operation of Citadel 100 Data Centre. There is no assurance that claims will not be brought against Citadel 100 for damage, losses or injuries suffered by the employees of Citadel 100 or by third parties in connection with the provision of such services. The losses resulting from such claims may not be fully reimbursed by insurance proceeds.

Keppel DC REIT may from time to time be subject to legal proceedings and government proceedings.

Legal proceedings against Keppel DC REIT and/or its subsidiaries relating to property management and disputes over tenancies or co-location arrangements may arise from time to time. There can be no assurance that Keppel DC REIT and/or its subsidiaries will not be involved in such proceedings or that the outcome of these proceedings will not adversely affect the financial condition, results of operations or cash flows of Keppel DC REIT.

Keppel DC REIT's subsidiaries are regulated by various government authorities and regulations. If any government authority believes that Keppel DC REIT's subsidiaries or any of their customers are not in compliance with the relevant regulations, it could shut down the relevant non-compliant entity or delay the approval process, refuse to grant or renew the relevant approvals or licences, institute legal proceedings to seize the Properties, enjoin future action or (in the case of Keppel DC REIT's subsidiaries not being in compliance with the regulations), assess civil and/or criminal penalties against Keppel DC REIT, its subsidiaries, officers or employees. Any such action by the government authority would have a material adverse effect on the business, financial condition and results of operations or cash flows of Keppel DC REIT.

Keppel DC REIT may engage in interest rate hedging transactions, which can limit gains and increase costs.

Keppel DC REIT may enter into interest rate hedging transactions to protect itself from the effects of interest rate volatilities on floating rate debt. Interest rate hedging activities may not have the desired beneficial impact on the operations or financial condition of Keppel DC REIT.

Interest rate hedging could fail to protect Keppel DC REIT or adversely affect Keppel DC REIT because among others:

- the party owing money in the hedging transaction may default on its obligation to pay;
- the credit quality of the party owing money on the hedge may be downgraded to such an extent that it impairs Keppel DC REIT's ability to sell or assign its side of the hedging transaction; and
- the value of the derivatives used for hedging may be adjusted from time to time in accordance with accounting rules to reflect changes in fair value. Such changes although unrealised, would reduce the NAV of Keppel DC REIT if it is due to downward adjustments.

Interest rate hedging activities involve risks and transaction costs, which may reduce overall returns.

Keppel DC REIT faces risks relating to foreign exchange rate fluctuations.

Keppel DC REIT's reporting currency for the purposes of its financial statements is Singapore dollars. However, Keppel DC REIT also generates revenues and incurs operating costs in non-Singapore dollar denominated currencies, such as the Australian dollar, Malaysian ringgit, Euro, and Pound sterling. Keppel DC REIT recognises foreign currency gains or losses arising from its operations in the period incurred. As a result, currency fluctuations between Singapore dollar and the non-Singapore dollar currencies in which Keppel DC REIT does business or proposes to do business will cause Keppel DC REIT to incur foreign currency translation gains and losses. Keppel DC REIT cannot predict the effects of exchange rate fluctuations upon its future operating results because of the number of currencies involved, the variability of currency exposure and the potential volatility of foreign exchange rates.

Possible change of investment strategies may adversely affect Unitholders' investments in Keppel DC REIT.

The Manager may from time to time amend the investment strategies of Keppel DC REIT if it determines that such a change is in the best interest of Keppel DC REIT and its Unitholders without seeking Unitholders' approval. In the event of a change of investment strategies, the Manager may, subject to the relevant laws, regulations and rules (including the Listing Manual of the SGX-ST (the "**Listing Manual**")), alter such investment strategies upon the expiry of three years from the Listing Date, provided that it has given not less than 30 days' prior notice of the change to the Trustee and Unitholders by way of an announcement on the SGX-ST. The methods of implementing Keppel DC REIT's investment strategies may vary as new investment and financing techniques are developed or otherwise used. Such changes may adversely affect Unitholders' investment in Keppel DC REIT.

Occurrence of any acts of God, natural disasters, war and terrorist attacks may adversely and materially affect the business and operations of the Properties.

Acts of God, such as natural disasters, are beyond the control of Keppel DC REIT or the Manager. These may materially and adversely affect the economy, infrastructure and livelihood of the local population. Keppel DC REIT's business and income available for distribution may be adversely affected should such acts of God occur. There is no assurance that any war, terrorist attack or other hostilities in any part of the world, potential, threatened or otherwise, will not, directly or indirectly, have an adverse effect on the operations of the Properties and hence Keppel DC REIT's income available for distribution.

In addition, physical damage to the Properties resulting from fire, earthquakes, flooding or other acts of God may lead to a significant disruption to the business and operation of the Properties. For example, GV7 Data Centre is situated in a flood-prone location with a high overall risk of flooding if flood defences fail. Should such physical damage to the Properties occur, including flooding at GV7 Data Centre, this may result in an adverse impact on the business, financial condition and results of operations of Keppel DC REIT and its capital growth.

There is no assurance that Keppel DC REIT will be able to leverage on the Sponsor's experience in the operation of the Properties or the Sponsor's experience in the management of REITs.

In the event that the Sponsor decides to transfer or dispose of its Units or its shares in the Manager, Keppel DC REIT may no longer be able to leverage on:

- the Sponsor's experience in the ownership and operation of data centre properties; or
- the Sponsor's financial strength, market reach and network of contacts to further its growth.

This may have a material and adverse impact on Keppel DC REIT's results of operations and financial condition which may consequently affect its ability to make distributions to its Unitholders.

Keppel DC REIT's investment strategy may entail a higher level of risk as compared to other types of unit trusts that have a more diverse range of investments.

Keppel DC REIT's investment strategy of principally investing, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centre purposes, as well as real estate-related assets, with an initial focus on Asia-Pacific and Europe, will subject Keppel DC REIT to risks inherent in concentrating on real estate assets. The level of risk could be higher as compared to other types of unit trusts that have a more diverse range of investments in other sectors.

A concentration of investments in data centre real estate located primarily in Asia-Pacific and Europe exposes Keppel DC REIT to the risk of a downturn in the data centre property market and in the regions in which Keppel DC REIT has assets. Any economic slowdown in such regions could negatively affect the performance of the data centre property market. The renewal of leases and co-location arrangements in Keppel DC REIT's properties will depend, in part, upon the success of its customers. Any economic downturn may cause higher levels of non-renewals of leases and co-location arrangements or vacancies as a result of failures or defaults by customers or the market pressures exerted by an increase in available data centre space. There can be no assurance that the customers of Keppel DC REIT's properties will renew their leases and co-location arrangements or that the new lease and co-location terms will be as favourable as the existing leases and co-location arrangements. In the event that a customer does not renew its lease or co-location arrangements, a replacement customer or customers would need to be identified, which could subject Keppel DC REIT's properties to periods of vacancy and/or costly re-fittings, during which Keppel DC REIT could experience a reduction in rental income.

Such downturns may lead to a decline in occupancy for properties or real estate-related assets in Keppel DC REIT's portfolio. This will affect Keppel DC REIT's rental income from the Properties, and/or a decline in the capital value of Keppel DC REIT's portfolio, which will have an adverse impact on distributions to Unitholders and/or on the results of operations and the financial condition of Keppel DC REIT.

Various rights granted by Keppel DC REIT through its subsidiaries to the customers of Gore Hill Data Centre, Basis Bay Data Centre, GV7 Data Centre, Almere Data Centre and Citadel 100 Data Centre may restrict Keppel DC REIT from freely dealing with the respective Properties and could adversely affect the marketability of the respective Properties.

Keppel DC REIT, through its various subsidiaries, has granted various rights of first refusal or rights of first call/last bid to its customers at Gore Hill Data Centre, Basis Bay Data Centre, GV7 Data Centre, Almere Data Centre and Citadel 100 Data Centre pursuant to the terms of the respective leases and co-location arrangements. The terms of these rights require Keppel DC REIT to first give the respective customers the opportunity to make an offer for the said interest before Keppel DC REIT may dispose of its interest in the various data centres or in the case of Basis Bay Data Centre[1], lease out vacated space in the data centres to third-parties on terms and conditions which are no more favourable than those offered to the customers, save for GV7 Data Centre for which Keppel DC REIT will be free to market its interest in the property as it sees fit. In the event that Keppel DC REIT decides to sell or dispose of its interest in these Properties or lease out any vacant space, for commercial reasons or otherwise, such rights may deter potential third-party purchasers or customers from making genuine offers for the Properties and this could adversely affect the marketability of the Properties.

Further, in the case of Gore Hill Data Centre, the right of first refusal granted to the tenant also requires Keppel DC REIT to offer vacant areas for lease by the tenant based on rent being paid by the tenant to Keppel DC REIT for other areas under lease. Should such rent be below the prevailing market rent at the time the tenant exercises its rights under the right of first refusal, Keppel DC REIT will be unable to capture any potential market upside. (See "Business and Properties" for further details.)

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1 Pursuant to the supplemental agreement to the Basis Bay Lease, prior to offering space which Basis Bay Services has vacated pursuant to the terms of the Basis Bay Lease to interested third-parties, Keppel DC REIT must first offer to lease this vacated space back to Basis Bay Services (see "Business and Properties – Basis Bay Data Centre – Lease and Facility Management Agreement" for further details).

Furthermore, in the case of Basis Bay Data Centre, pursuant to the 2014 Basis Bay Share Sale Agreement, the Basis Bay Vendor will, on the Listing Date, retain a 1.0% interest in Basis Bay Capital Management Sdn Bhd, which holds the freehold title to Basis Bay Data Centre. Pursuant to the Basis Bay Shareholders' Agreement (as supplemented), Keppel DC REIT will grant limited tag-along rights to the Basis Bay Vendor, pursuant to which, if Keppel DC REIT proposes to sell its interest in Basis Bay Capital Management Sdn Bhd to a third-party purchaser, the Basis Bay Vendor has the option, to require Keppel DC REIT to procure, on a best effort basis, the third-party purchaser to also purchase the Basis Bay Vendor's remaining interest. However, if Keppel DC REIT is unable to procure this, it will still be entitled to proceed with the transfer of its interest. As the tag-along right is a limited one, it effectively does not prevent Keppel DC REIT from freely transferring its interest in Basis Bay Data Centre. However, the fact that the Basis Bay Vendor retains the remaining interest and can choose not to exercise its tag-along right may deter potential third-party purchasers who would prefer to acquire the entirety of the interest in Basis Bay Data Centre. Also, there are no drag-along rights in the Basis Bay Shareholders' Agreement (as supplemented) by which Keppel DC REIT will be able to ensure that the Basis Bay Vendor divest its interest alongside it. Therefore, for commercial reasons, the Basis Bay Vendor's retention of a 1.0% interest may deter potential third-party purchasers and affect the marketability of Basis Bay Data Centre. (See "Certain Agreements Relating to Keppel DC REIT and the Properties – Shareholders' Agreements – Basis Bay Shareholders' Agreement (as supplemented)" for further details.)

RISKS RELATED TO THE DATA CENTRE INDUSTRY

The Asia-Pacific and European data centre industry has suffered from over-capacity in the past, and a substantial increase in the supply of new data centre capacity and/or a general decrease in demand for data centre services could have an adverse impact on industry pricing and profit margins.

Between 2001 and 2004, the Asia-Pacific and European data centre industry suffered from over-capacity due to difficult telecommunications and technology market conditions when the value of many new internet-based companies fell after a period of significant growth. Many customers contracted to use more space than they needed and in the market downturn that followed from 2007 to 2008, the number of internet-related business failures increased significantly, resulting in high levels of customer churn due to the termination or non-renewal of leases and co-location arrangements.

A substantial increase in the supply of new data centre capacity in the Asia-Pacific or European data centre market and/or a general decrease in demand, or in the rate of increase in demand, for data centre services could have an adverse impact on industry pricing and profit margins. If there is not sufficient demand for data centre services, Keppel DC REIT's business, financial condition and operating results would be adversely affected.

Data centre assets depend upon the technology industry and the demand for technology-related real estate.

Keppel DC REIT's investment strategy is to principally invest, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centre purposes, as well as real estate-related assets, with an initial focus on Asia-Pacific and Europe. A decline in the technology industry or a decline in outsourcing by corporate clients could lead to a decrease in the demand for data centre real estate, which may have a greater adverse effect on Keppel DC REIT's business and financial condition than if Keppel DC REIT owned a portfolio with a more diversified customer base. Keppel DC REIT is susceptible to adverse developments in the corporate and institutional data centre and broader technology industries (such as business layoffs or downsizing, industry slowdowns, relocations of businesses, costs of complying with government regulations or increased regulations and other factors) and the technology-related real estate market (such as oversupply of or reduced demand for space).

Amenities and communications and transportation infrastructure near Keppel DC REIT's data centres may be closed, relocated, terminated, delayed or not completed which may in turn adversely impact the demand for data centre space.

Data centres are dependent on access to inexpensive power, major population centres and communications networks, including voice, data and fibre optics networks and infrastructure. There is no assurance that amenities and communications and transportation infrastructure near Keppel DC REIT's data centres will not be closed, relocated, terminated, delayed or completed. If such an event were to occur, it will adversely impact the accessibility of the relevant data centre and the attractiveness and marketability of the relevant data centre to customers. This may then have an adverse effect on the demand and the rental rates for the relevant data centre and adversely affect the business, financial condition and results of operations of Keppel DC REIT.

Future technological developments may disrupt the economics and infrastructure of data centres.

Although Keppel DC REIT attempts to account for technological developments in its planning for new acquisitions and its existing data centres, the introduction of new technologies and their impact on data centres cannot be predicted with certainty. Technological developments may have a disruptive impact on Keppel DC REIT's data centres in a variety of ways, including, but not limited to:

- reduced power requirements with an associated reduction in power utilisation by customers, and the resulting revenues generated by customers. Potential technological developments include but are not limited to:
  - power proportional computing – software enhanced utilisation of power consumption to match actual server demand with power supply; and
  - low-power servers which will improve IT utilisation rates and reduce cooling requirements;
- enhanced computing power with an associated reduction in physical space and increased power density requirements. Potential technological developments include but are not limited to:
  - silicon photonics – microchip evolution which allows faster data transmission between and within microchips and increases compute capacity per square foot; and
  - flash storage – improved efficiency and storage capacity of solid state servers could decrease the square footage of fitted space required to accommodate compute power; and
- reduced demand for outsourced, dedicated data centre space given the availability of similarly resilient and secure shared space on the cloud. Potential technological developments include but are not limited to cloud level resiliency. For example, software-enabled cloud environments for storing data could evolve and reduce the requirement for infrastructure based dedicated data centre storage capacity.

The infrastructure of Keppel DC REIT's data centre assets may become obsolete and/or breakdown and Keppel DC REIT may not be able to upgrade and/or replace the power, cooling and security systems of its data centre assets cost-effectively or at all.

The markets for Keppel DC REIT's data centres, as well as the industries in which Keppel DC REIT's customers operate, are characterised by rapidly changing technologies, evolving industry standards, frequent new product introductions and changing customer demands. Keppel DC REIT's ability to deliver resilient data centre infrastructure to supply redundant power and cooling systems coupled with tight security access are significant factors in the customers' decisions to rent space in these data centres. The data centre infrastructure of Keppel DC REIT's data centres may become obsolete due to the development of new systems to deliver power to, or eliminate heat from, the servers and other customer equipment hosted by these data centres. Furthermore, the data centre infrastructure of these data centres may also breakdown due to wear and tear after a period of time.

When customers demand new processes or technologies or if the data centre infrastructure fails, Keppel DC REIT may not be able to upgrade or replace the infrastructure of its data centres on a cost effective basis, or at all, due to, among other things, increased expenses to Keppel DC REIT that cannot be passed on to customers or insufficient revenue to fund the necessary capital expenditure. The power, cooling and security systems of Keppel DC REIT's data centres are also difficult and expensive to upgrade and/or replace. Accordingly, Keppel DC REIT may not be able to efficiently upgrade or replace these systems to meet new demands without incurring significant costs that Keppel DC REIT may not be able to pass on to the customers. The obsolescence or breakdown of the data centres' power, cooling and security systems would have a material adverse effect on Keppel DC REIT's business. Keppel DC REIT risks losing customers to its competitors if it is unable to adapt to this rapidly evolving industry.

Furthermore, potential future regulations that apply to the industries which Keppel DC REIT's customers are in may require these customers to seek specific infrastructure requirements for their data centres that Keppel DC REIT is unable to provide. These may include physical security requirements applicable to the defence industry and government contractors and privacy and security regulations applicable to the financial services and health care industries. In such circumstances, Keppel DC REIT could lose some customers or be unable to attract new customers in certain industries, and this would have a material adverse effect on its results of operations and prospects.

The long sales cycle for data centre products could have a material adverse effect on Keppel DC REIT.

A customer's decision to take up space in one of Keppel DC REIT's data centres typically involves a significant commitment of resources, time-consuming contract negotiations regarding the service level commitments and substantial due diligence on the part of the customer regarding the adequacy of Keppel DC REIT's infrastructure and attractiveness of its products and services. As a result, the leasing of data centre space has a long sales cycle. Furthermore, Keppel DC REIT may expend significant time and resources in pursuing a particular sale or customer that may not result in any revenue. Keppel DC REIT's inability to adequately manage the risks associated with leasing the space and products within its facilities could have a material adverse effect on Keppel DC REIT.

Keppel DC REIT is primarily focused on the ownership of data centres and any decrease in the demand for data centre space could have a material adverse effect on Keppel DC REIT.

The IPO Portfolio consists entirely of data centres and it is subject to risks inherent in investments in a single industry. Adverse developments in the data centre market or in the industries in which Keppel DC REIT's customers operate could lead to a decrease in the demand for data centre space or managed services, which could have a greater material adverse effect on Keppel DC REIT than if it owned a more diversified real estate portfolio. These adverse developments could include a decline in the technology industry, such as a decrease in the use of mobile or web-based commerce, industry slowdowns, business layoffs or downsizing, relocations of businesses, increased costs of complying with existing or new government regulations and other factors, a slowdown in the growth of the internet generally as a medium for commerce and communication, a downturn in the market for data centre space generally such as oversupply of or reduced demand for space and the rapid development of new technologies or the adoption of new industry standards that render Keppel DC REIT's or its customer's current products and services obsolete or unmarketable and, in the case of its customers, that contribute to a downturn in their businesses, increasing the likelihood of a default under their leases or co-location arrangements or that they become insolvent or file for bankruptcy protection. To the extent that any of these or other adverse conditions occur, they are likely to impact market rents for and cash flows from Keppel DC REIT's data centre space, which could have a material adverse effect on the business, financial condition and results of operations of Keppel DC REIT.

Keppel DC REIT faces competition in the data centre industry, which may decrease or prevent increases of the occupancy and rental rates of its data centres, alter the terms and conditions of future leases and co-location arrangements and result in shorter term rental periods.

Keppel DC REIT operates in the data centre industry and competes with numerous owners, operators and developers of data centre properties, many of which own data centres similar to Keppel DC REIT's in the same markets in which its data centres are located. In addition, despite the high barriers to entry for the data centre industry, there is still a risk that Keppel DC REIT may in the future face competition from new entrants into the data centre market, including new entrants who may acquire Keppel DC REIT's current competitors (see "Overview – Key Investment Highlights – Unique Exposure to High Growth Data Centre Industry – High Barriers to Entry for the Data Centre Industry" for further details on the high barriers to entry). Keppel DC REIT's competitors and potential competitors may have advantages over it, including pre-existing relationships with current or potential customers, significantly greater financial, marketing and other resources and access to capital which allow them to respond more quickly to new or changing opportunities. If Keppel DC REIT's competitors offer data centre space that its customers or potential customers perceive to be superior to Keppel DC REIT's based on numerous factors, including available power, location, security considerations, or connectivity, or if they offer rental rates substantially below current market rates, or below the rental rates Keppel DC REIT offers, it may lose customers or potential customers or be required to incur costs to improve its properties or reduce its rental rates.

In addition, some of Keppel DC REIT's competitors may have developed or redeveloped additional data centre space. If the supply of data centre space continues to increase as a result of these activities or otherwise, rental rates may be reduced or Keppel DC REIT may face delays in or be unable to let out its vacant data centre space, including data centre space that it develops or redevelops. Furthermore, Keppel DC REIT's competitors may offer terms and conditions and rental periods that Keppel DC REIT considers less favourable to it but may need to match in order to remain competitive. Finally, if customers or potential customers desire services that Keppel DC REIT does not offer, it may not be able to let out its space to those customers. Keppel DC REIT's financial condition, results of operations, cash flows and ability to satisfy its debt service obligations could be materially adversely affected as a result of any or all of these factors.

Keppel DC REIT's customers may choose to develop new data centres or expand their own existing data centres, which could result in the loss of one or more key customers or reduce demand for Keppel DC REIT's existing or newly developed data centres, which could have a material adverse effect on its revenues and results of operations.

Keppel DC REIT's customers may choose in the future to develop their own new data centres or expand or consolidate into data centres that Keppel DC REIT does not own. In the event that any of Keppel DC REIT's key customers were to do so, it could result in a loss of business or put pressure on pricing. If Keppel DC REIT loses a customer, no assurance can be given that it would be able to replace that customer at a competitive rate or at all, which could have a material adverse effect on Keppel DC REIT's revenues.

Keppel DC REIT could be subject to costs, as well as claims, litigation or other potential liabilities, in connection with risks associated with the security of its data centres.

One of Keppel DC REIT's service offerings is its high level of physical premises security. Many of Keppel DC REIT's customers entrust their key strategic IT services and applications to Keppel DC REIT due, in part, to the level of security it offers. A party who is able to breach Keppel DC REIT's security could physically damage its and/or its customers' equipment and/or misappropriate either Keppel DC REIT's proprietary information or the information of its customers or cause interruptions or malfunctions in Keppel DC REIT's operations.

There can be no assurance that the security of any of Keppel DC REIT's data centres will not be breached either physically or electronically or that the equipment and information of its customers will not be put at risk. Any security breach could have a serious effect on Keppel DC REIT's reputation and could prevent customers from choosing Keppel DC REIT's services and lead to customers terminating their leases and co-location arrangements and seeking to recover losses suffered, which could have a material adverse effect on Keppel DC REIT's business, financial condition and results of operations. Keppel DC REIT may incur significant additional costs to protect against physical and electronic security breaches or to alleviate problems caused by such breaches.

Keppel DC REIT's business is dependent on the technical and operational resilience of its infrastructure.

Keppel DC REIT's IPO Portfolio comprises data centres designed with high specifications, with redundant power and cooling distribution paths to ensure minimal downtime and provide specified levels of operational availability. The specific technical and operational risks in maintaining such standards include but are not limited to power surges from the main grid or external factors such as human error. While Keppel DC REIT seeks to manage such risks through multiple layers of redundancy and back-up systems as well as detailed and structured operational procedures and maintenance programmes and appropriate method statements, such multiple layers of redundancy and back-up systems have at times failed in the data centre industry. For example, one of the customers has recently experienced a power interruption at one of the Properties. If Keppel DC REIT's data centres were to suffer a serious incident, this could have an impact on the operational track record and reputation of Keppel DC REIT. Such an incident could result in losses for its customers, reduce customers' confidence in Keppel DC REIT's services and enable its customers to terminate the existing agreements with Keppel DC REIT, impair Keppel DC REIT's ability to attract new customers and retain existing customers and/or result in Keppel DC REIT incurring financial obligations to its customers for breaching the service level commitments it owes to its customers.

For example, under the terms of the co-location arrangements, Keppel DC REIT has committed to certain service level commitments which cover power downtime and the maintenance of environmental standards such as ensuring that the humidity and temperature of the data centres are maintained at specified levels. Any power outages or shortages could have an adverse impact on Keppel DC REIT's ability to meet its service level commitments and may require Keppel DC REIT to extend customer service credits and rebates to its end-users. Furthermore, continued lapses due to continuous or chronic power shortages may give its end-users the right to terminate their co-location arrangements. Should any of the foregoing occur, this will have a material adverse effect on Keppel DC REIT's business, financial condition and operations.

Keppel DC REIT's data centre assets are dependent upon third-party suppliers for power and certain other services, and are vulnerable to service failures of its third-party suppliers and to price increases by such suppliers.

Keppel DC REIT relies on third-parties to provide power to its data centres, and cannot ensure that these third-parties will deliver such power in adequate quantities or on a consistent basis. If the amount of power available is inadequate to support the customer requirements, Keppel DC REIT may be unable to satisfy its obligations to its customers or grow its business. In addition, data centres are susceptible to power shortages and planned or unplanned power outages caused by these shortages. These outages or shortages could be due to lapses by the third-party suppliers. While Keppel DC REIT attempts to limit exposure to power shortages or outages by using redundancy infrastructure systems such as backup generators and UPS in its data centres, such redundancy infrastructure systems have failed at times or the power outage may last beyond the back-up and alternative power arrangements. Should any of the foregoing occur, this will adversely affect the business and operations of its customers and result in losses for its customers for which Keppel DC REIT may be liable under the agreements with its customers.

Pursuant to the terms of the co-location arrangements, Keppel DC REIT has committed to certain service level commitments which cover power downtime and the maintenance of environmental standards such as ensuring the that humidity and temperature of the data centres are maintained at specified levels. Failures by third-party power suppliers could have an adverse impact on Keppel DC REIT's ability to meet its service level commitments and may require Keppel DC REIT to extend customer service credits and rebates to its end-users. Furthermore, continued lapses due to continuous or chronic power shortages may give certain end-users and underlying end-users the rights to terminate their co-location arrangements. In addition, any failure by Keppel DC REIT to meet its service level commitments under the co-location arrangements and/or damage to customers' equipment could harm its customers' operations, adversely affect the confidence of customers in its services and could consequently impair Keppel DC REIT's ability to attract and retain customers, which would adversely affect both its ability to generate revenues and its operating results. For example, one of the customers has recently experienced a power interruption at one of the Properties and such power interruption may affect customers' confidence in Keppel DC REIT's data centres which would have an adverse impact on Keppel DC REIT's future revenue and operating results.

In addition, Keppel DC REIT may be subject to unanticipated costs associated with obtaining power from various utility companies. Municipal utilities in areas experiencing financial distress may increase rates to compensate for financial shortfalls unrelated to either the cost of production or the demand for electricity. Other utilities that serve the Properties may be dependent on, and be sensitive to price increases for, a particular type of fuel, such as coal, oil or natural gas. In addition, the price of these fuels and the price of electricity generated from these fuels could increase as a result of proposed legislative measures related to climate change or efforts to regulate carbon emissions. In any of these cases, increases in the cost of power at any of the Properties would put those locations at a competitive disadvantage relative to data centres served by utilities that can provide less expensive power and Keppel DC REIT may not be able to pass on these additional costs to its customers, which would adversely affect Keppel DC REIT's operating results.

Future consolidation and competition in Keppel DC REIT's customers' industries could reduce the number of Keppel DC REIT's existing and potential customers and make Keppel DC REIT dependent on a more limited number of customers.

Mergers or consolidations in Keppel DC REIT's customers' industries in the future could reduce the number of Keppel DC REIT's existing and potential customers and make Keppel DC REIT dependent on a more limited number of customers. If Keppel DC REIT's customers merge with or are acquired by other entities that are not Keppel DC REIT's customers, they may discontinue or reduce their use of Keppel DC REIT's data centres in the future. Additionally, some of Keppel DC REIT's customers may compete with one another in various aspects of their businesses, which places additional competitive pressures on the customers. Any of these developments could have a material adverse effect on Keppel DC REIT.

RISKS RELATING TO THE JURISDICTIONS WHICH KEPPEL DC REIT OPERATES IN

Keppel DC REIT may be adversely affected by economic and real estate market conditions, as well as changes in regulatory, fiscal and other governmental policies in Singapore, Australia, Malaysia, the UK, the Netherlands, Ireland, BVI and Guernsey.

The Properties are located in Singapore, Australia, Malaysia, the UK, the Netherlands and Ireland. An economic decline in these countries could adversely affect Keppel DC REIT's results of operations and future growth. The global credit markets have experienced, and may continue to experience, volatility and liquidity disruptions, which have resulted in the consolidation, failure or near failure of a number of institutions in the banking and insurance industries. There remains a concern that the debt crisis in Europe will impinge upon the health of the global financial system. These events could adversely affect Keppel DC REIT insofar as they result in:

- a negative impact on the ability of the customers to pay their rents or fees in a timely manner or continuing their leases or co-location arrangements, thus reducing Keppel DC REIT's cash flows;

- an increase in counterparty risk (being the risk of monetary loss which Keppel DC REIT may be exposed to if any of its counterparties encounters difficulty in meeting its obligations under the terms of its respective transaction); and/or

- an increased likelihood that one or more of (i) Keppel DC REIT's banking syndicates (if any), (ii) banks or insurers, as the case may be, providing bankers' guarantees or performance bonds for the rental deposits or other types of deposits relating to or in connection with the Properties or Keppel DC REIT's operations or (iii) Keppel DC REIT's insurers, may be unable to honour their commitments to Keppel DC REIT.

There is also uncertainty as to the scale of the downturn in the global economy, the decrease in consumer demand and the impact of the global downturn on the economies of Singapore, Australia, Malaysia, the UK, the Netherlands and Ireland.

Investment in data centre assets in other countries will expose Keppel DC REIT to additional local real estate market conditions. Other real estate market conditions which may adversely affect the performance of Keppel DC REIT include the attractiveness of competing data centre assets or an oversupply or reduced demand for such data centre assets.

Furthermore, Keppel DC REIT will be subject to real estate laws, regulations and policies as a result of its property investments in Singapore, Australia, Malaysia, the UK, the Netherlands and Ireland. Certain Properties, being Gore Hill Data Centre, iseek Data Centre and GV7 Data Centre, are also held by Keppel DC REIT through intermediate SPVs incorporated in BVI and Guernsey.

Measures and policies adopted by these governments and regulatory authorities at national, provincial or local levels, such as government control over property investments or foreign exchange regulations, might negatively impact Keppel DC REIT's properties.

Keppel DC REIT may be exposed to risks associated with exchange rate fluctuations and changes in foreign exchange regulations.

The revenue received from each of the Properties is in the respective foreign currency of the jurisdiction in which the relevant Property is located. The foreign currencies have to be converted into Singapore dollars for the distribution payments at Keppel DC REIT's level. Accordingly, Keppel DC REIT is exposed to risks associated with exchange rate fluctuations which may adversely affect Keppel DC REIT's results of operations.

The value of the foreign currencies against the Singapore dollar fluctuates and is affected by changes in the respective jurisdiction and international political and economic conditions and by many other factors.

The value of the distributions received by a Unitholder may be adversely affected by fluctuations in the exchange rates between the Singapore dollar and any other currencies which may be adopted from time to time. Significant fluctuations in the exchange rates between such currencies will also, among others, affect the NAV of the Units and the foreign currency value of the proceeds which a Unitholder would receive upon sale of the Units in Singapore. (See "Distributions" and "Exchange Rate Information and Exchange Controls" for further details.)

The laws, regulations and accounting standards in Singapore, Australia, Malaysia, the UK, the Netherlands, Ireland, BVI and/or Guernsey may change.

The laws, regulations (including tax laws and regulations) and/or accounting standards in Singapore, Australia, Malaysia, the UK, the Netherlands, Ireland, BVI and/or Guernsey are subject to change. New laws and regulations may also be introduced in these jurisdictions. As a result, the financial statements of Keppel DC REIT may be affected by these changes. The extent and timing of these changes in accounting standards are currently unknown and subject to confirmation by the relevant authorities. The Manager has not quantified the effects of these proposed changes and there can be no assurance that these changes will not have a significant impact on the presentation of Keppel DC REIT's financial statements or on Keppel DC REIT's results of operations. In addition, such changes may adversely affect the ability of Keppel DC REIT to make distributions to Unitholders. There can be no assurance that any such changes to laws, regulations and accounting standards will not materially and adversely affect the business, financial condition and results of operations of Keppel DC REIT.

Investment in Keppel DC REIT is subject to Australia's foreign investment regime.

An Australian Urban Land Trust Estate ("**AULTE**") is a unit trust estate where the value of its interests in Australian urban land exceeds 50.0% of the value of its total assets. Keppel DC REIT's data centre assets in Australia are interests in Australian urban land. Under Australia's foreign investment regime in relation to an AULTE, a foreign person (and its associates) or a foreign government investor (including existing Unitholders) that acquires any interest in an AULTE will be required under the Australian Foreign Acquisitions and Takeovers Act 1975 (the "**FATA**") to notify the Australian Treasurer (through the Foreign Investment Review Board ("**FIRB**")) and obtain a prior statement of no objections ("**FIRB Approval**") to such investment.

The FIRB has announced that no action will be taken in respect of acquisitions by a foreign person (that is not a foreign government investor) of interests in Australian urban land trust estates where:

- the interest is less than 10% and the trust is listed and has a predominantly non-residential property portfolio of office, retail, industrial or specialised properties or a mix of these; or

- the interest is less than 5% and the trust is public, with at least 100 unit holders and its developed residential real estate assets that have been acquired from non-associates are less than 10% of the target trust's real estate assets.

The breach of the notification requirement and failure to obtain prior approval may be an offence under Australian law which could result in a fine or imprisonment. If the Australian Treasurer considers the proposal to be contrary to Australia's national interest, the Australian Treasurer has powers under the FATA to make adverse orders including prohibition of a proposal or ordering disposal of an interest acquired.

If Keppel DC REIT holds more than 50.0% of its assets in the form of Australian urban land, it will be an AULTE. If Keppel DC REIT is an AULTE, investors who acquire Units on the secondary market post-IPO will be considered as making an acquisition of an interest in an AULTE. Existing Unitholders are not required to take any step as a result of Keppel DC REIT becoming an AULTE as there is no requirement addressing Unitholdings that existed prior to an entity becoming an AULTE. It is only when existing Unitholders wish to add to their interest at a time when Keppel DC REIT is an AULTE that a notification obligation arises. A purchaser of 10% or more of the issued Units of Keppel DC REIT, or existing Unitholders (who do not fall within the exemptions) adding to their existing interest which is over 10% of the issued Units of Keppel DC REIT, would need to provide prior notice to the Australian Treasurer (through the FIRB), seeking FIRB Approval to the proposed acquisition of Units in Keppel DC REIT. Where an investor is required to obtain a FIRB Approval to acquire a notifiable interest in Keppel DC REIT and fails to do so, this could have an adverse impact on applications by Keppel DC REIT seeking FIRB Approval in relation to proposed acquisitions by it that are notifiable in Australia. It is possible that until such time as the defaulting investor obtains FIRB Approval, the Australian Treasurer may form the view that proposed acquisitions notifiable in Australia by Keppel DC REIT are contrary to Australia's national interest. This would delay the issue of FIRB Approvals for Keppel DC REIT and possibly result in the Australian Treasurer prohibiting those proposed acquisitions.

As at the Latest Practicable Date, Keppel DC REIT is not an AULTE as its interests in Australian urban land is only 22.1% of its total assets nor does it hold Australian assets valued at the general FATA threshold of A$248.0 million or more (based on the independent valuations as at 30 September 2014). Upon completion of the acquisition of the Singapore Properties and IPO Portfolio Minority Interests on the Listing Date, 23.7% of the value of Keppel DC REIT will consist of interests in Australian urban land (based on the exchange rates as at 2 December 2014 and the aggregate Appraised Value as at 30 September 2014). Therefore, following the acquisition of the Singapore Properties and IPO Minority Interests and the listing of the Units, Keppel DC REIT will not be an AULTE. However, it is possible that Keppel DC REIT may in the future, expand its interests in Australian urban land to an extent that its interests in Australian urban land exceeds 50.0% of its total assets thereby making Keppel DC REIT an AULTE.

The Managers will announce the proportion which Keppel DC REIT's interests in Australian urban land represents compared to Keppel DC REIT's total assets when they release the periodic announcements of the financial statements for Keppel DC REIT.

It is the responsibility of any person who wishes to acquire Units to satisfy themselves as to their compliance with the FATA, regulations made under the FATA, the Australian Government's Foreign Investment Policy, guidelines issued by the FIRB and with any other necessary approval and registration requirement or formality, before acquiring any Units. The failure by a person wishing to acquire Units to obtain a FIRB approval does not have a direct impact on Keppel DC REIT as the sanctions under the FATA are imposed on the acquirer. However, secondary trading in the Units may be impacted by the operation of the Australian foreign investment regime. If a

Unitholder does not comply with FATA or the Australian Government's Foreign Investment Policy, the transaction will not be made void or illegal and will not be unwound. However, the Australian Treasurer has powers under FATA to make adverse orders in respect of an acquisition if he considers it to be contrary to Australia's national interest. The adverse orders include an order to prohibit a proposal that has not yet occurred, or to order disposal of an interest that has occurred.

(See "Overview of Relevant Laws and Regulations in Australia, Malaysia, the UK, the Netherlands and Ireland – Relevant Laws and Regulations in Australia – Regulation of Foreign Investment in Australian Property" for further details.)

In addition, the classification of Keppel DC REIT as an AULTE may impact the market for the trading of the Units including affecting the liquidity of the Units due to the potential risk of an offence regarding the acquisition of an interest in an AULTE without obtaining FIRB Approval.

RISKS RELATING TO INVESTING IN REAL ESTATE

There are general risks attached to investments in real estate.

Investments in real estate and therefore the income generated from the Properties are subject to various risks, including but not limited to:

- adverse changes in political or economic conditions;
- adverse local market conditions (such as over-supply of properties or reduction in demand for properties in the market in which Keppel DC REIT operates);
- the financial condition of customers;
- the availability of financing such as changes in availability of debt or equity financing, which may result in an inability by Keppel DC REIT to finance future acquisitions on favourable terms or at all;
- changes in interest rates and other operating expenses;
- changes in environmental laws and regulations, zoning laws and other governmental laws, regulations and rules and fiscal policies (including tax laws and regulations);
- environmental claims in respect of real estate;
- changes in market rents;
- changes in energy prices;
- changes in the relative popularity of data centre property types[1] and locations leading to an oversupply of space or a reduction in customer demand for a particular type of data centre property in a given market;
- competition among data centre property owners for customers which may lead to vacancies or an inability to rent space on favourable terms;
- inability to renew leases and co-location arrangements or re-let space as existing leases and co-location arrangements expire;

1 "**Data centre property types**" refers to the different types of data centres which are typically categorised by the quality and technical specifications of the data centre.

- inability to collect rents from customers on a timely basis or at all due to bankruptcy or insolvency of the customers or otherwise;

- insufficiency of insurance coverage or increases in insurance premiums;

- increases in the rate of inflation;

- inability of the facility managers to provide or procure the provision of adequate maintenance and other services;

- defects affecting the Properties which need to be rectified, or other required repair and maintenance of the Properties, leading to unforeseen capital expenditure;

- the relative illiquidity of real estate investments;

- considerable dependence on cash flows for the maintenance of, and improvements to, the Properties;

- increased operating costs, including real estate taxes;

- any defects or illegal structures that were not uncovered by physical inspection or due diligence review;

- management style and strategy of the Manager;

- the attractiveness of Keppel DC REIT's properties to current and potential customers;

- the cost of regulatory compliance;

- compulsory acquisition by the relevant governments in the jurisdictions in which Keppel DC REIT's data centres are situated;

- ability to rent out properties on favourable terms; and

- power supply failure, acts of God, wars, terrorist attacks, uninsurable losses and other factors.

Many of these factors may cause fluctuations in occupancy rates, rental rates or operating expenses, causing a negative effect on the value of real estate and income derived from real estate. The annual valuation of the Properties will reflect such factors and as a result may fluctuate upwards or downwards. The capital value of Keppel DC REIT's real estate assets may be significantly diminished in the event of a sudden downturn in real estate market prices or the economy in Singapore, Australia, Malaysia, the UK, the Netherlands and Ireland, which may adversely affect the financial condition of Keppel DC REIT.

Keppel DC REIT may be adversely affected by the illiquidity of real estate investments.

Keppel DC REIT's investment strategy of principally investing, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centre purposes, as well as real estate related assets, with an initial focus on Asia-Pacific and Europe involves a higher level of risk as compared to a portfolio which has a more diverse range of investments. Real estate investments are relatively illiquid and such illiquidity may affect Keppel DC REIT's ability to vary its investment portfolio or liquidate part of its assets in response to changes in economic, property market or other conditions. Keppel DC REIT may be unable to sell its assets on short notice or may be forced to give a substantial reduction in the price that may otherwise be sought for such assets in order to ensure a quick sale. Keppel DC REIT may face difficulties in securing timely and commercially favourable financing in asset-based lending transactions secured by real estate due to the illiquid nature of real estate assets. These factors could have an adverse effect on Keppel DC REIT's financial condition and results of operations, with a consequential adverse effect on Keppel DC REIT's ability to deliver expected distributions to Unitholders.

Keppel DC REIT's ability to make distributions to Unitholders may be adversely affected by increases in direct expenses and other operating expenses.

Keppel DC REIT's ability to make distributions to Unitholders apart from the several circumstances set out below could be adversely affected if direct expenses and other operating expenses increase (save for such expenses which Keppel DC REIT is not responsible for pursuant to the lease and co-location arrangements) without a corresponding increase in revenue.

Factors which could lead to an increase in expenses include, but are not limited to, the following:

- increase in property tax assessments and other statutory charges;
- change in statutory laws, regulations or government policies which increase the cost of compliance with such laws, regulations or policies;
- change in direct or indirect tax policies, laws or regulations;
- increase in sub-contracted service costs;
- increase in labour costs;
- increase in repair and maintenance costs;
- increase in the rate of inflation;
- defects affecting, or environmental pollution in connection with, Keppel DC REIT's properties which need to be rectified;
- increase in insurance premiums; and
- increase in cost of utilities.

The rate of increase in rentals (if any) of the Properties may be less than the inflation rate.

The rate of increase in rentals (if any) of the Properties may be less than the inflation rate and therefore an investment in Keppel DC REIT may not provide an effective hedge against inflation.

RISKS RELATING TO AN INVESTMENT IN THE UNITS

The form of payment of the Management Fee will have an impact on the distribution per Unit.

The amount of distribution available to Unitholders is affected by the form of payment of the Management Fee. If the Manager elects to receive the payment of the Management Fee in the form of cash, the amount of distribution available for distribution to Unitholders will be affected. Similarly, if the Manager elects to receive the payment of the Management Fee in the form of Units, the distribution will be distributed to a larger number of Units.

(See “Profit Forecast and Profit Projection – Sensitivity Analysis” for further details.)

Sale or possible sale of a substantial number of Units by the Sponsor or Keppel Land Limited (following the lapse of any applicable lock-up arrangements), the Cornerstone Investors or the Basis Bay Vendor in the public market could adversely affect the price of the Units.

Following the Offering and Redemption, Keppel DC REIT will have 882,930,000 issued Units, of which 283,421,148 Units will be held by the Sponsor assuming the Over-allotment Option is not exercised, 43,264,000 Units will be held by Keppel Land Limited, 290,316,000 Units will be held by the Cornerstone Investors and 4,790,852 Units will be held by the Basis Bay Vendor. If the Sponsor and/or any of its transferees of the Units or Keppel Land Limited (following the lapse of the relevant respective lock-up arrangement, or pursuant to any applicable waivers), the Cornerstone Investors or the Basis Bay Vendor sells or is perceived as intending to sell a substantial amount of its Units, or if a secondary offering of the Units is undertaken in connection with an additional listing on another securities exchange, the market price for the Units could be adversely affected (see “Plan of Distribution – Lock-up Arrangements” and “Ownership of the Units” for further details).

Keppel DC REIT’s ability to make distributions is dependent on the financial position of the SPVs holding the Properties. Keppel DC REIT may not be able to make distributions to Unitholders or the level of distributions may fall.

In order for the Trustee to make distributions from the income of the Properties, Keppel DC REIT has to rely on the receipt of dividends, interests or repayments (where applicable) from the SPVs holding the Properties. There can be no assurance that these SPVs will have sufficient revenue, profits and cash in any future period to pay dividends, pay interest or make repayments.

The level of revenue, distributable profits or reserves of the SPVs available to pay dividends, pay interest or make repayments may be affected by a number of factors including, among other things:

- their respective business and financial positions;
- the availability of distributable profits;
- sufficiency of cash flows received by the SPVs from the Properties;
- applicable laws and regulations which may restrict the payment of dividends by the SPVs;
- operating losses incurred by the SPVs in any financial year;
- losses arising from a revaluation of the Properties. Such losses may become realised losses which would adversely affect the level of realised profits from which the SPVs may distribute dividends;
- changes in accounting standards (including standards in respect of depreciation policies relating to real estate investment properties), taxation laws and regulations, laws and regulations in respect of foreign exchange and repatriation of funds, corporation laws and regulations in respect of statutory reserves required to be maintained) in the jurisdictions in which the SPVs are located;
- potential onshore tax and/or legal liabilities through investing in the SPVs; and
- the terms of agreements to which the SPVs are, or may become, a party to.

In addition, no assurance can be given as to Keppel DC REIT's ability to pay or maintain distributions or that the level of distributions will increase over time.

Market and economic conditions may affect the market price and demand for the Units.

Movements in domestic and international securities markets, economic conditions, foreign exchange rates and interest rates may affect the market price of, and demand for, the Units.

An increase in market interest rates may have an adverse impact on the market price of the Units if the annual yield on the price paid for the Units gives investors a lower return as compared to other investments.

The issue of Units under the Offering will be at a premium to Keppel DC REIT's NAV. The NAV per Unit may also be diluted if further issues are priced below the then current NAV per Unit.

On the Listing Date, the Offering Price will be at a premium of 7.4% to the NAV per Unit (see "Ownership of the Units – Dilution" for further details).

The Trust Deed contemplates new issues of Units, the offering price for which may be above, at or below the then current NAV per Unit. The DPU may be diluted if new Units are issued and the use of proceeds from such issue of Units generates insufficient cash flows to cover the dilution. Where new Units, including Units which may be issued to the Manager in payment of the Manager's management, acquisition and/or divestment fees, are issued at less than the NAV per Unit, the then current NAV of each existing Unit may be diluted.

Keppel DC REIT may be affected by the introduction of new or revised legislation, regulations, guidelines or directives affecting REITs.

Keppel DC REIT may be affected by the introduction of new or revised legislation, regulations, guidelines or directives affecting REITs. There is no assurance that such new or revised legislation, regulations, guidelines or directives will not adversely affect REITs in general or Keppel DC REIT specifically (see "Taxation – Singapore Taxation" and Appendix D, "Independent Taxation Report" for further details).

Keppel DC REIT may be unable to comply with the conditions for various tax exemptions and/or tax rulings obtained, or the tax exemptions and/or tax rulings may no longer apply.

Keppel DC REIT has obtained the Tax Rulings from the IRAS and MOF under which tax transparency and tax exemption in respect of certain income derived by Keppel DC REIT and/or its Singapore Subsidiaries from the Singapore Properties and Properties located outside Singapore have been granted on stipulated terms and conditions. The Tax Rulings are subject to Keppel DC REIT and its Singapore Subsidiaries satisfying the stipulated conditions. They may also be revoked either in part or in whole or the terms may be reviewed and amended by the IRAS and MOF at any time. Further, the Tax Rulings are granted based on the facts represented to the IRAS/MOF and where such facts turn out to be different from those represented to the IRAS and MOF, or where there is a subsequent change in the tax laws or interpretation thereof, the Tax Rulings may not apply.

If either or both of the Tax Rulings are revoked or if Keppel DC REIT and its Singapore Subsidiaries are unable to comply with the terms thereof, the tax transparency and/or tax exemption may not apply, in which case, Keppel DC REIT and its Singapore Subsidiaries' tax liability may be affected which in turn could affect the amount of distributions made to Unitholders.

(See "Taxation – Singapore Taxation" and Appendix D, "Independent Taxation Report" for further details.)

Keppel DC REIT may suffer higher taxes if any of its subsidiaries are treated as having a taxable presence or permanent establishment outside their place of incorporation and tax residency.

Currently, Keppel DC REIT and its subsidiaries are not regarded as having any taxable presence or permanent establishment outside their place of incorporation and place of tax residency. If any of them are considered as having a taxable presence or permanent establishment outside its place of incorporation and place of tax residency, income or gains may be subject to additional taxes which may have an adverse impact on Keppel DC REIT and its subsidiaries' financial condition.

Foreign Unitholders may not be permitted to participate in future rights issues or entitlements offerings by Keppel DC REIT.

The Trust Deed provides that, the Manager may, in its absolute discretion, elect not to extend an offer of Units under a rights issue to those Unitholders whose addresses, as registered with CDP, are outside Singapore. The rights or entitlements to the Units to which such Unitholders would have been entitled will be offered for sale and sold in such manner, at such price and on such other terms and conditions as the Manager may determine, subject to such other terms and conditions as the Trustee may impose. The proceeds of any such sale will be paid to the Unitholders whose rights or entitlements have been so sold, provided that where such proceeds payable to the relevant Unitholders are less than S$10.00, the Manager is entitled to retain such proceeds as part of the Deposited Property. The holding of the relevant holder of the Units may be diluted as a result of such sale.

The actual performance of Keppel DC REIT and the Properties could differ materially from the forward-looking statements in this Prospectus.

This Prospectus contains forward-looking statements regarding, among others, forecast and projected distribution levels for Forecast Year 2015 and Projection Year 2016. These forward-looking statements are based on a number of assumptions which are subject to uncertainties and contingencies which are outside of the Manager's control (see "Profit Forecast and Profit Projection – Assumptions" for further details).

Keppel DC REIT's revenue is dependent on a number of factors including the receipt of rent from the Properties. This may adversely affect Keppel DC REIT's ability to achieve the forecast and projected distributions as events and circumstances assumed may not occur as expected, or events and circumstances may arise which are not anticipated.

No assurance is given that the assumptions will be realised and the actual distributions will be as forecast and projected.

Property yield on real estate to be held by Keppel DC REIT is not equivalent to distribution yield on the Units.

Generally, property yield depends on net property income and is calculated as the amount of revenue generated by the Properties, less the expenses incurred in maintaining, operating, managing and leasing the Properties compared against the current value of the Properties.

Distribution yield on the Units, however, depends on the distributions payable on the Units, after taking into account other expenses including (i) taxes, (ii) interest costs for the debt facilities, (iii) the manager's management fees and the trustee's fee and (iv) other operating costs including administrative fees of Keppel DC REIT, as compared with the purchase price of the Units.

Full three years pro forma historical financial statements in relation to the Properties are not available and the Unaudited Pro Forma Financial Information contained in this Prospectus is not necessarily indicative of the future performance of Keppel DC REIT.

The Manager is unable to prepare the full three years pro forma statements of total return to show the pro forma historical financial performance of Keppel DC REIT and the Unaudited Pro Forma Financial Information contained in this Prospectus is not necessarily indicative of the future performance of Keppel DC REIT (see "Unaudited Pro Forma Financial Information" for further details).

This will make it more difficult for investors to assess Keppel DC REIT's likely future performance. There is no assurance that the Properties will be able to generate sufficient revenue for Keppel DC REIT to make distributions to Unitholders or that such distributions will be in line with those set out in "Profit Forecast and Profit Projection".

The Manager is not obliged to redeem Units.

Save for the Redemption which is expected to be completed on the Listing Date following the listing of the Units on the SGX-ST, Unitholders have no right to request the Manager to redeem their Units while the Units are listed on the SGX-ST. Unitholders may only deal in their listed Units through trading on the SGX-ST. Accordingly, apart from selling their Units through trading on the SGX-ST, Unitholders may not be able to realise their investments in Units.

If the Units are de-listed from the SGX-ST and are unlisted on any other recognised stock exchange, the Manager may, but is not obliged to, repurchase or cause the redemption of Units more than once a year in accordance with the Property Funds Appendix and a Unitholder has no right to request for the repurchase or redemption of Units more than once a year.

The Units have never been publicly traded and the listing of the Units on the Main Board of the SGX-ST may not result in an active or liquid market for the Units.

There is no public market for the Units prior to the Offering and an active public market for the Units may not develop or be sustained after the Offering. The Manager has received a letter of eligibility from the SGX-ST to have the Units listed and quoted on the Main Board of the SGX-ST. However, listing and quotation does not guarantee that a trading market for the Units will develop or, if a market does develop, the liquidity of that market for the Units. Prospective Unitholders must be prepared to hold their Units for an indefinite length of time.

There is no assurance that the Units will remain listed on the SGX-ST.

Although it is intended that the Units will remain listed on the SGX-ST, there is no guarantee of the continued listing of the Units. Among other factors, Keppel DC REIT may not continue to satisfy the listing requirements. Accordingly, Unitholders will not be able to sell their Units through trading on the SGX-ST if the Units are no longer listed on the SGX-ST.

Certain provisions of the Singapore Code on Take-overs and Mergers could have the effect of discouraging, delaying or preventing a merger or acquisition which could adversely affect the market price of the Units.

Under the Singapore Code on Take-overs and Mergers, an entity is required to make a mandatory offer for all the Units not already held by it and/or parties acting in concert with it (as defined by the Singapore Code on Take-overs and Mergers) in the event that an increase in the aggregate unitholdings of it and/or parties acting in concert with it results in the aggregate unitholdings crossing certain specified thresholds.

While the Singapore Code on Take-overs and Mergers seeks to ensure an equality of treatment among Unitholders, its provisions could substantially impede the ability of Unitholders to benefit from a change in control and, as a result, may adversely affect the market price of the Units and the ability to realise any potential change of control premium.

The price of the Units may decline after the Offering.

The Offering Price of the Units is determined by agreement between the Manager and the Joint Bookrunners. On the Listing Date, the Offering Price will be at a premium of 7.4% to the NAV per Unit and may not be indicative of the market price for the Units upon completion of the Offering and the Redemption. The trading price of the Units will depend on many factors, including, but not limited to:

- the perceived prospects of Keppel DC REIT's business and investments and the market for data centre properties or real estate-related assets;
- differences between Keppel DC REIT's actual financial and operating results and those expected by investors and analysts;
- changes in analysts' recommendations or projections;
- changes in general economic or market conditions;
- the market value of Keppel DC REIT's assets;
- the perceived attractiveness of the Units against those of other equity or debt securities, including those not in the real estate sector;
- the balance of buyers and sellers of the Units;
- the size and liquidity of the Singapore REIT market from time to time;
- any changes from time to time to the regulatory system, including the tax system, both generally and specifically in relation to Singapore REITs;
- the ability on the Manager's part to implement successfully its investment and growth strategies;

- foreign exchange rates; and
- broad market fluctuations, including increases in interest rates and weakness of the equity and debt markets.

Units may trade at prices that are higher or lower than the NAV per Unit. To the extent that Keppel DC REIT retains operating cash flows for investment purposes, working capital reserves or other purposes, these retained funds, while increasing the value of Keppel DC REIT's underlying assets, may not correspondingly increase the market price of the Units. Any failure to meet market expectations with regards to future earnings and cash distributions may adversely affect the market price for the Units.

Where new Units are issued at less than the market price of Units, the value of an investment in Units may be affected. In addition, Unitholders who do not, or are not able to, participate in the new issuance of Units may experience a dilution of their interest in Keppel DC REIT.

The Units are not capital-safe products. There is no guarantee that Unitholders can regain the amount invested. If Keppel DC REIT is terminated or liquidated, investors may lose a part or all of their investment in the Units.

Third parties may be unable to recover in claims brought against the Manager as the Manager is not an entity with significant assets.

Third parties, in particular, Unitholders, may in the future have claims against the Manager in connection with the carrying on of its duties as manager of Keppel DC REIT (including in relation to the Offering and this Prospectus).

Under the terms of the Trust Deed, the Manager is indemnified from the Deposited Property against any actions, costs, claims, damages, expenses or demands to which it may be put as the manager of Keppel DC REIT unless occasioned by the fraud, gross negligence, wilful default or breach of the Trust Deed by the Manager. In the event of any such fraud, gross negligence, wilful default or breach, only the assets of the Manager itself and not the Deposited Property would be available to satisfy a claim.

USE OF PROCEEDS

The Manager intends to raise gross proceeds of S$821.1 million from the Offering, the Sponsor Units, the KLL Units, the Cornerstone Units and the Basis Bay Consideration Units.

The Manager also intends to draw down from the Facilities an amount of approximately S$295.0 million on the Listing Date.

The total cash proceeds raised from the Offering, the Sponsor Units, the KLL Units and the Cornerstone Units, as well as the amount drawn down from the Facilities will be used towards the following:

- the Redemption (see "Ownership of the Units" for further details);
- repayment of S$207.5 million of Keppel DC REIT's existing debt (see "Capitalisation and Indebtedness – Indebtedness – Keppel DC REIT's Existing Debt") (the "**Repayment of Existing Debt**");
- payment to the iseek Vendor and Keppel Data Centres for the purchase consideration for the IPO Portfolio Minority Interests save for the Basis Bay Minority Interest;
- payment to Digihub and Datahub for the purchase consideration for the Singapore Properties;
- payment of transaction costs incurred in relation to the Offering and the Facilities; and
- working capital.

The purchase consideration for the Basis Bay Minority Interest will be satisfied in full by the issue of the Basis Bay Consideration Units to the Basis Bay Vendor (or its nominee).

The following table, included for the purpose of illustration, sets out the intended sources and applications of the total proceeds from the Offering, the Sponsor Units, the KLL Units, the Cornerstone Units, the amount attributable to the Basis Bay Consideration Units as well as the Facilities.

Based on the Offering Price, assuming that the Over-Allotment Option is fully exercised:

Sources	**(S$'000)**	**Applications**	**(S$'000)**
Offering	259,281	Redemption	341,015
Sponsor Units	247,159	Repayment of Existing Debt	207,466
KLL Units	40,236	Acquisition of the Singapore Properties and IPO Portfolio Minority Interests(1)	537,933
Cornerstone Units	269,994	Transaction costs(2)	22,553
Basis Bay Consideration Units	4,455	Working capital	7,158
Facilities	295,000		
Total	**1,116,125**	**Total**	**1,116,125**

Notes:

(1) Acquisition of the Singapore Properties, being, 100% interest in S25 and T25 from Digihub and Datahub including the upfront land premium payable, respectively, and the IPO Portfolio Minority Interests, being 30% interest in Gore Hill Data Centre and iseek Data Centre from Keppel Data Centres and the iseek Vendor respectively, 19% interest in Basis Bay Data Centre from the Basis Bay Vendor and 50% interest in Citadel 100 Data Centre from Keppel Data Centres. Based on the Independent Tax Adviser's assessment of the acquisition of movable assets of S25 and T25 such as computers and software by Keppel DC REIT, a GST amount of S$189,373.10 (being 7% of the market value, which is certified by an independent valuer) is chargeable by the seller and this GST chargeable would be included in the GST return of the seller and payable to the IRAS by the end of the month following the end of the prescribed accounting period in which the transfer takes place. The full GST amount will be subsequently recovered from the IRAS by Keppel DC REIT as part of the input GST claim in its first GST return, as the assets acquired are used to derive taxable supplies.

(2) Transaction costs include expenses incurred in relation to the Offering and the Facilities, where applicable.

Affiliates of Standard Chartered Securities (Singapore) Pte. Limited, one of the Joint Bookrunners, are the lenders for a portion of Keppel DC REIT's existing debt, amounting to S$138.0 million, and will be fully repaid in relation to the Repayment of the Existing Debt (see "Capitalisation and Indebtedness – Indebtedness – Keppel DC REIT's Existing Debt for further details).

LIQUIDITY

As at the Listing Date, Keppel DC REIT will have a cash balance of approximately S$7.2 million. The Manager believes that this cash balance will be sufficient for Keppel DC REIT's working capital requirements over the next 12 months following the Listing Date.

OWNERSHIP OF THE UNITS

EXISTING UNITS

On 17 March 2011, Keppel DC REIT (formerly known as SDPT) was constituted as a private trust and one unit in Keppel DC REIT was issued to Securus Fund at the issue price of US$1.00.

Pursuant to the Trust Deed, SDPT's name was changed to "Keppel DC REIT" (see "The Formation and Structure of Keppel DC REIT – Background" for further details).

Immediately prior to the date of this Prospectus, Securus Fund will hold a total of 165,000,000 Units in Keppel DC REIT following various rounds of capital raisings by Securus Fund. As soon as practicable after the registration of this Prospectus, pursuant to the Sub-division, the 165,000,000 Units held by Securus Fund will be sub-divided such that the total number of Units held by Securus Fund prior to the Redemption and the Offering is 366,682,367 Private Trust Units. Securus Fund has not been granted any special rights under the Trust Deed that are distinct from the rights enjoyed by any other Unitholder under the Trust Deed, save for the SDPT Private Trust Distribution (as defined herein) and for the Redemption which is expected to be completed on the Listing Date following the listing of the Units on the SGX-ST.

The total number of outstanding Units immediately after completion of the Sub-division and the Offering and prior to the Redemption is 1,249,612,367 Units.

Pursuant to the Redemption, the Private Trust Units will be fully redeemed in cash by the Manager with part of the proceeds from the Offering, the issuance of the Sponsor Units, the KLL Units and the Cornerstone Units, and the Facilities on the Listing Date at the redemption price, whereupon all the Private Trust Units will be cancelled. (See "The Formation and Structure of Keppel DC REIT – Background" for further details.) The redemption price per Unit will be the Offering Price of S$0.93 per Unit, which represents a premium of 7.4% to the NAV per Unit as at the Listing Date (see "Ownership of the Units – Dilution" for further details). Securus Fund will then distribute the redemption proceeds upstream to the Existing Private Fund Investors, including the Sponsor (see "Use of Proceeds" for further details).

PRINCIPAL UNITHOLDERS OF KEPPEL DC REIT AND THEIR UNITHOLDINGS

The total number of Units in issue prior to the Sub-division and the Offering is 165,000,000 Units. The total number of Units in issue immediately after completion of the Sub-division and before the Offering is 366,682,367 Units. The total number of Units in issue immediately after completion of the Sub-division and the Offering and prior to the Redemption is 1,249,612,367 Units. The total number of Units in issue immediately after completion of the Offering and the Redemption will be 882,930,000 Units.

The following table sets out the principal Unitholders of Keppel DC REIT and their unitholdings immediately upon completion of the Offering, the issuance of the Sponsor Units, the KLL Units, the Cornerstone Units and the Basis Bay Consideration Units and the Redemption:

	Units in issue immediately after the Sub-division before the issue of the Offering Units				Units in issue immediately after the Offering and before the Redemption				Units in issue after the Offering and the Redemption (assuming that the Over-Allotment Option is not exercised)				Units in issue after the Offering and the Redemption (assuming that the Over-Allotment Option is exercised in full)			
	Direct		Deemed		Direct		Deemed		Direct		Deemed		Direct		Deemed	
	('000)	(%)	('000)	(%)	('000)	(%)	('000)	(%)	('000)	(%)	('000)	(%)	('000)	(%)	('000)	(%)
Securus Fund	366,682*	100.0	–	–	366,682*	29.3	–	–	–	–	–	–	–	–	–	–
Keppel Data Centres[(1)(6)(7)]	–	–	366,682*	100.0	–	–	650,104	52.0	–	–	283,421	32.1	–	–	265,762	30.1
AEP[(2)]	–	–	366,682*	100.0	–	–	366,682	29.3	–	–	–	–	–	–	–	–
Perbadanan Tabung Amanah Islam Brunei[(3)]	–	–	366,682*	100.0	–	–	366,682	29.3	–	–	–	–	–	–	–	–
Darussalam Holdings Sdn Bhd	–	–	See Note (3)		–	–	See Note (3)		–	–	–	–	–	–	–	–
Insurans Islam TAIB Sdn Bhd	–	–	See Note (3)		–	–	See Note (3)		–	–	–	–	–	–	–	–
Yayasan Sultan Haji Hassanal Bolkiah	–	–	See Note (4)		–	–	See Note (4)		–	–	–	–	–	–	–	–
Sponsor[(6)]	–	–	366,682*[(5)]	100.0	–	–	650,104	52.0	–	–	283,421	32.1	–	–	265,762	30.1
Keppel DC Investment Holdings Pte. Ltd.[(7)]	–	–	–	–	283,421	22.7	–	–	283,421	32.1	–	–	265,762	30.1	–	–
Keppel Land Limited[(8)]	–	–	–	–	–	–	43,264	3.5	–	–	43,264	4.9	–	–	43,264	4.9
DC REIT Holdings Pte. Ltd.[(8)]	–	–	–	–	43,264	3.5	–	–	43,264	4.9	–	–	43,264	4.9	–	–
Keppel Corporation Limited[(10)]	–	–	366,682*[(9)]	100.0	–	–	693,368	55.5	–	–	326,685	37.0	–	–	309,026	35.0
Temasek Holdings (Private) Limited[(11)]	–	–	366,682*	100.0	–	–	693,368	55.5	–	–	326,685	37.0	–	–	309,026	35.0

		Units in issue immediately after the Sub-division before the issue of the Offering Units				Units in issue immediately after the Offering and before the Redemption				Units in issue after the Offering and the Redemption (assuming that the Over-Allotment Option is not exercised)				Units in issue after the Offering and the Redemption (assuming that the Over-Allotment Option is exercised in full)			
		Direct		Deemed		Direct		Deemed		Direct		Deemed		Direct		Deemed	
		('000)	(%)	('000)	(%)	('000)	(%)	('000)	(%)	('000)	(%)	('000)	(%)	('000)	(%)	('000)	(%)
Basis Bay Vendor[(12)]		–	–	–	–	4,791	0.4	–	–	4,791	0.5	–	–	4,791	0.5	–	–
Cornerstone Investors	AEW Asia Pte Ltd	–	–	–	–	30,107	2.4	–	–	30,107	3.4	–	–	30,107	3.4	–	–
	DBS Bank Ltd.	–	–	–	–	26,881	2.2	–	–	26,881	3.0	–	–	26,881	3.0	–	–
	DBS Bank Ltd. (on behalf of certain private banking clients)	–	–	–	–	48,384	3.9	–	–	48,384	5.5	–	–	48,384	5.5	–	–
	Eastspring Investments (Singapore) Limited	–	–	–	–	27,956	2.2	–	–	27,956	3.2	–	–	27,956	3.2	–	–
	Fortress Capital Asset Management (M) Sdn. Bhd.	–	–	–	–	38,709	3.1	–	–	38,709	4.4	–	–	38,709	4.4	–	–
	Mr Gordon Tang	–	–	–	–	16,129	1.3	–	–	16,129	1.8	–	–	16,129	1.8	–	–
	Mr Lim Chap Huat	–	–	–	–	21,505	1.7	–	–	21,505	2.4	–	–	21,505	2.4	–	–
	Myriad Asset Management Limited (on behalf of Myriad Opportunities Master Fund Limited)	–	–	–	–	16,129	1.3	–	–	16,129	1.8	–	–	16,129	1.8	–	–
	Wellington Management Company, LLP (on behalf of various investment advisory clients)	–	–	–	–	64,516	5.2	–	–	64,516	7.3	–	–	64,516	7.3	–	–
Public and institutional investors		–	–	–	–	261,138	20.9	–	–	261,138	29.6	–	–	278,797	31.6	–	–
Total		**366,682***	**100.0**	**–**	**–**	**1,249,612**	**100.0**	–	–	**882,930**	**100.0**	**–**	**–**	**882,930**	**100.0**	**–**	**–**

Notes:

* As at the date of registration of the Prospectus and prior to the Sub-division, the number of Units in issue is 165,000,000 instead of 366,682,367 Units.

(1) As at the Latest Practicable Date, Keppel Data Centres, a wholly-owned subsidiary of the Sponsor, holds 35.02% of the total issued share capital of Securus Fund and Keppel Data Centres is deemed to be interested in the Units held by Securus Fund.

(2) As at the Latest Practicable Date, AEP holds 27.85% of the total issued share capital of Securus Fund and AEP is deemed to be interested in the Units held by Securus Fund.

(3) As at the Latest Practicable Date, Perbadanan Tabung Amanah Islam Brunei directly holds 22.80% of the total issued share capital of Securus Fund. Darussalam Holdings Sdn Bhd and Insurans Islam TAIB Sdn Bhd are both wholly-owned by Perbadanan Tabung Amanah Islam Brunei and each holds 3.58% of the total issued share capital of Securus Fund respectively. Perbadanan Tabung Amanah Islam Brunei directly and indirectly holds 29.96% of the total issued share capital of Securus Fund and is deemed to be interested in the Units held by Securus Fund.

(4) As at the Latest Practicable Date, Yayasan Sultan Haji Hassanal Bolkiah holds 7.17% of the total issued share capital of Securus Fund.

(5) The Sponsor wholly-owns Keppel Data Centres which holds 35.02% of the total issued share capital of Securus Fund. The Sponsor is deemed to be interested in the Units held by Securus Fund. The Sponsor has agreed to a lock-up arrangement during the Lock-up Period in respect of its direct and indirect effective interest in the Lock-up Units, subject to certain exceptions. (See "Plan of Distribution – Lock-up Arrangements – The Sponsor" for further details.)

(6) The Sponsor wholly-owns Keppel Data Centres, which wholly-owns Keppel DC Investment Holdings Pte. Ltd.. The Sponsor and Keppel Data Centres are deemed to be interested in the Units held by Keppel DC Investment Holdings Pte. Ltd..

(7) Pursuant to and subject to the terms of the Sponsor Subscription Agreement, Keppel DC Investment Holdings Pte. Ltd., a wholly-owned subsidiary of the Sponsor, will subscribe for 283,421,148 Units at the Offering Price. Keppel DC Investment Holdings Pte. Ltd. has agreed to a lock-up arrangement during the Lock-up Period in respect of its direct and indirect effective interest in the Lock-up Units, subject to certain exceptions. (See "Plan of Distribution – Lock-up Arrangements – Keppel DC Investment Holdings Pte. Ltd." for further details.)

(8) Pursuant to and subject to the terms of the KLL Subscription Agreement, DC REIT Holdings Pte. Ltd., a wholly-owned subsidiary of Keppel Land Limited, a related corporation of the Sponsor, will subscribe for 43,264,000 Units at the Offering Price. Keppel Land Limited is deemed to be interested in the Units held by DC REIT Holdings Pte. Ltd.. Keppel Land Limited has agreed to a lock-up arrangement during the Lock-up Period in respect of its direct and indirect effective interest in the Lock-up Units, subject to certain exceptions. (See "Plan of Distribution – Lock-up Arrangements – Keppel Land Limited" for further details.)

(9) As at the Latest Practicable Date, Keppel Corporation Limited holds 79.82% of the total issued share capital of the Sponsor and is deemed to be interested in the Units held by Securus Fund.

(10) As at the Latest Practicable Date, Keppel Corporation Limited holds 79.82% of the total issued share capital of the Sponsor and 54.61% of the total issued share capital of Keppel Land Limited and is deemed to be interested in the Units held by both Keppel DC Investment Holdings Pte. Ltd. and DC REIT Holdings Pte. Ltd..

(11) As at the Latest Practicable Date, Temasek Holdings (Private) Limited holds 20.98% of the total issued share capital of Keppel Corporation Limited and is deemed to be interested in the Units held by Securus Fund, Keppel DC Investment Holdings Pte. Ltd. and DC REIT Holdings Pte. Ltd..

(12) The Basis Bay Vendor (or its nominee) will receive 4,790,852 Basis Bay Consideration Units as full satisfaction of the purchase price for the acquisition of the Basis Bay Minority Interest.

LOCK-UPS

The Sponsor, Keppel DC Investment Holdings Pte. Ltd., Keppel Land Limited and DBS Bank Ltd. have each agreed to a lock-up arrangement during the Lock-up Period in respect of its direct and indirect effective interest in the Lock-up Units, subject to certain exceptions.

The Manager will also undertake not to offer, issue, contract to issue any Units, or make any announcements in connection with any of the foregoing transactions, during the Lock-up Period, subject to certain exceptions.

Save for DBS Bank Ltd., the Cornerstone Investors are not subject to any lock-up restrictions in respect of their Unitholdings.

(See "Plan of Distribution – Lock-up Arrangements" for further details.)

SUBSCRIPTION BY THE SPONSOR

Concurrently with, but separate from the Offering, Keppel DC Investment Holdings Pte. Ltd., a wholly-owned subsidiary of the Sponsor, will, pursuant to the Sponsor Subscription Agreement, subscribe for 283,421,148 Units at the Offering Price, conditional upon the Underwriting Agreement having been entered into, and not having been terminated, pursuant to its terms on or prior to the Settlement Date.

SUBSCRIPTION BY KLL

Concurrently with, but separate from the Offering, DC REIT Holdings Pte. Ltd., a wholly-owned subsidiary of Keppel Land Limited, a related corporation of the Sponsor, will, pursuant to the KLL Subscription Agreement, subscribe for 43,264,000 Units at the Offering Price, conditional upon the Underwriting Agreement having been entered into, and not having been terminated, pursuant to its terms on or prior to the Settlement Date.

SUBSCRIPTION BY THE CORNERSTONE INVESTORS

In addition, concurrently with, but separate from the Offering, each of the Cornerstone Investors has entered into separate subscription agreements with the Manager to subscribe for an aggregate of 290,316,000 Units at the Offering Price, conditional upon the Underwriting Agreement having been entered into, and not having been terminated, pursuant to its terms on or prior to the Settlement Date.

The Cornerstone Investors may subscribe for Units in the Offering.

Information on the Cornerstone Investors

AEW Asia Pte Ltd

AEW Asia Pte Ltd ("**AEW**"), in its capacity as investment advisor, has entered into a cornerstone subscription agreement with the Manager on behalf of various clients. AEW and its affiliates actively manage direct and listed property in North America, Europe and Asia, with primary offices in Boston, Los Angeles, London, Paris, Singapore and Hong Kong.

DBS Bank Ltd.

DBS Bank Ltd. is a leading financial services group in Asia, with over 250 branches across 17 markets. The bank's capital position, as well as "AA-" and "Aa1" credit ratings, is among the highest in Asia-Pacific. DBS Bank Ltd. has been recognised as "Asia's Best Bank" by The Banker, a member of the Financial Times group, and "Best Managed Bank in Asia-Pacific" by The Asian Banker. The bank has also been named "Safest Bank in Asia" by Global Finance for six consecutive years from 2009 to 2014.

The bank has entered into the cornerstone subscription agreement to subscribe for the Units.

DBS Bank Ltd. (on behalf of certain private banking clients)

As at 30 September 2014, the private banking business of DBS Bank Ltd. has total assets under management of approximately S$89 billion. DBS Bank Ltd. is a leading financial services group in Asia, with over 250 branches across 17 markets. The bank's capital position, as well as "AA-" and "Aa1" credit ratings, is among the highest in Asia-Pacific. DBS Bank Ltd. has been recognised as "Asia's Best Bank" by The Banker, a member of the Financial Times group, and "Best Managed Bank in Asia-Pacific" by The Asian Banker. The bank has also been named "Safest Bank in Asia" by Global Finance for six consecutive years from 2009 to 2014.

The bank has entered into the cornerstone subscription agreement, on behalf of certain of its private banking clients, to subscribe for the Units. The Units will be held in custody by DBS Nominees (Pte) Ltd, on behalf of such clients. DBS Nominees (Pte) Ltd acts as a custodian for these Units and does not have a beneficial interest in the Units allotted under the cornerstone subscription agreement.

Eastspring Investments (Singapore) Limited

Eastspring Investments (Singapore) Limited is a wholly-owned subsidiary of UK-based Prudential plc.. Eastspring Investments (Singapore) Limited serves as the hub of the regional asset management business and manages a wide range of funds across various asset classes to service both retail and institutional clients.

In Singapore, Eastspring Investments (Singapore) Limited is one of the largest fund management companies with approximately S$86.33 billion in funds under management, of which approximately S$61.72 billion are discretionary funds managed in Singapore (as at the end of March 2014), and it offers a wide range of retail unit trusts to meet the diverse needs of its investors in Singapore.

Fortress Capital Asset Management (M) Sdn Bhd

Fortress Capital Asset Management (M) Sdn Bhd ("**FCAM**") is an established, independent asset management and private investment group that was formed in 2003. FCAM is a licensed fund manager under the Capital Markets and Services Act 2007 of Malaysia. FCAM manages investment portfolios for institutional investors and the high net worth segment, providing its clients with independent access to public and private equity opportunities across the Asia-Pacific region.

Mr Gordon Tang

Mr Gordon Tang is a Non-Executive Director of SGX-Catalist listed, SingHaiyi Group Limited which specialises in property development, real estate investment, real estate co-investing property trading and real estate management services.

Mr Lim Chap Huat

Mr Lim Chap Huat is the owner and Executive Chairman of Soilbuild Group Holdings Ltd ("**Soilbuild Group**").

Soilbuild Group is a leading integrated property group with a track record of more than 38 years in constructing, developing and managing residential and business space properties. Soilbuild has completed a multitude of purpose-built business spaces and manages close to four million square feet of business space for lease. The group further developed a range of residential properties from high-end luxury condominiums to townhouses and conservation terraces, including award winning developments such as The Mezzo and Montebleu.

In 2013, Soilbuild Construction Group Ltd, a member of Soilbuild Group, was listed on the SGX-ST to provide the group greater visibility and a funding platform to expand its construction capabilities and reach overseas markets. In the same year, Soilbuild Business Space REIT, which is sponsored by Soilbuild Group, was listed on the SGX-ST.

Myriad Asset Management Limited

Myriad Asset Management Limited ("**Myriad**") is a Hong Kong-based independent asset management company established in 2011. Myriad has entered into the cornerstone subscription agreement on behalf of Myriad Opportunities Master Fund Limited ("**MOF**"). MOF is an Asia Pacific Integrated Multi-Strategy Fund investing in one focused portfolio. MOF invests across the corporate capital structure with a focus on Equities, Convertible Bonds, Credit and Equity Derivatives. MOF seeks to maximize risk-adjusted investment returns from the best investment opportunities throughout the Asia-Pacific region while emphasizing capital preservation.

Wellington Management Company, LLP

The Cornerstone Units will be acquired by various investment advisory clients of Wellington Management Company, LLP ("**Wellington Management**").

Wellington Management is an investment adviser registered under the United States Investment Advisers Act of 1940, as amended, and is organised as a Massachusetts limited liability partnership.

SUBSCRIPTION BY THE DIRECTORS

The directors of the Manager may subscribe for Units under the Public Offer. Save for the Manager's internal policy which prohibits the directors of the Manager from dealing in the Units at certain times (see "The Manager and Corporate Governance" for further details), there is no restriction on the directors of the Manager disposing of or transferring all or any part of their unitholdings.

BASIS BAY CONSIDERATION UNITS

Separate from the Offering, the Basis Bay Vendor (or its nominee) will receive 4,790,852 Units at the Offering Price on the Listing Date as full satisfaction of the purchase consideration for the acquisition of the Basis Bay Minority Interest.

DILUTION

Dilution is the amount by which the price paid by the new investors of the Units exceeds the NAV per Unit immediately after the completion of the Offering. NAV per Unit is determined by subtracting the total liabilities of Keppel DC REIT from the total book value of the assets of Keppel DC REIT excluding minority interests and dividing by the number of Units issued in Keppel DC REIT immediately before the Offering.

The pro forma NAV per Unit at the Listing Date is S$0.87 per Unit after giving effect to the issue of 882,930,000 Units and the Redemption. This is after deducting the estimated Underwriting, Selling and Management Commission (as defined herein) relating to the Offering, and the estimated Offering related expenses borne by Keppel DC REIT taking into account the redemption of the 366,682,367 Private Trust Units.

This represents an immediate dilution in pro forma NAV of S$0.06 per Unit to new investors subscribing for Units in the Offering at the Offering Price.

The following table illustrates the per Unit dilution as at the Listing Date based on the Offering Price:

Pro forma NAV per Unit as at Listing Date	S$0.87
Dilution per Unit to new public investors	S$0.06
Dilution per Unit to new public investors as a percentage of Offering Price	6.4%

(See "Unaudited Pro Forma Financial Information – Unaudited Pro Forma Statements of Financial Position" for further details.)

DISTRIBUTIONS

DISTRIBUTION POLICY

Keppel DC REIT's distribution policy is to distribute 100.0% of Keppel DC REIT's Distributable Income for the period from the Listing Date to 31 December 2016. Thereafter, Keppel DC REIT will distribute at least 90.0% of its Distributable Income for each financial year. The actual level of distribution will be determined at the Manager's discretion. The actual proportion of Distributable Income distributed to Unitholders beyond 31 December 2016 may be greater than 90.0% to the extent that the Manager believes it to be appropriate, having regard to Keppel DC REIT's funding requirements, other capital management considerations and the overall stability of distributions. Distributions, when made, will be in Singapore dollars.

For these purposes, the "**Distributable Income**" for a financial year is the amount calculated by the Manager (based on the audited financial statements of Keppel DC REIT for that financial year) as representing the consolidated audited net profit after tax of Keppel DC REIT and its SPVs for the financial year, as adjusted to eliminate the effects of Adjustments (as defined below). After eliminating the effects of these Adjustments, the Distributable Income may be different from the net profit recorded for the relevant financial year.

"**Adjustments**" means adjustments which are charged or credited to the consolidated statements of total return of Keppel DC REIT for the relevant financial year or the relevant distribution period (as the case may be), including (i) differences between cash and accounting Gross Revenue, (ii) unrealised income or loss, including property revaluation gains or losses, and provisions or reversals of impairment provisions, (iii) deferred tax charges/credits, (iv) negative goodwill, (v) differences between cash and accounting finance costs, (vi) realised gains or losses on the disposal of properties and disposal/settlement of financial instruments, (vii) the portion of the Management Fee that is paid or payable in the form of Units, (viii) costs of any public or other offering of Units or convertible instruments that are expensed but are funded by proceeds from the issuance of such Units or convertible instruments, (ix) depreciation and amortisation in respect of the properties and their ancillary machines, equipment and other fixed assets, (x) adjustment for amortisation of rental incentives, and (xi) other non-cash gains and losses (as deemed appropriate by the Manager).

The Manager also has the discretion to distribute any additional amounts (including capital). In determining whether to distribute any additional amounts (including capital), the Manager will consider a range of factors including but not limited to Keppel DC REIT's funding requirements, its financial position, its growth strategy, compliance with relevant laws, regulations and covenants, other capital management considerations, the overall suitability of distributions and prevailing industry practice. Distributions of any additional amounts out of capital will reduce the NAV of Keppel DC REIT and hence may impact the future returns of Keppel DC REIT.

Contemporaneously with, and conditional upon, the listing of the Units on the SGX-ST, Keppel DC REIT will make a distribution to Securus Fund of an aggregate amount based on the Manager's best estimate of Keppel DC REIT's remaining net income (net of tax payable thereon by Keppel DC REIT) for the period from 1 October 2014 to the day immediately preceding the Listing Date (including for the avoidance of doubt the fair value gains) (the "**SDPT Private Trust Distribution**").

Securus Fund has agreed with each of the Trustee and the Manager that the SDPT Private Trust Distribution will constitute full and final settlement of its distribution entitlement for the period from 1 October 2014 to the day immediately preceding the Listing Date. Conversely, the Trustee and the Manager have agreed with Securus Fund that they will not seek reimbursement from Securus Fund if the actual net income of Keppel DC REIT for this period is subsequently determined to be a lesser amount than that estimated by the Manager. Accordingly, Keppel DC REIT will benefit from the surplus if Keppel DC REIT's actual net income for the period is more than the amount estimated by the Manager, or bear the deficit if its actual net income for the period is less than the amount estimated by the Manager.

Pursuant to the Redemption, the Private Trust Units which are held by Securus Fund will be fully redeemed by the Manager with part of the proceeds from the Offering, the issuance of the Sponsor Units, the KLL Units and the Cornerstone Units, and the Facilities on the Listing Date following the listing of the Units on the SGX-ST (see "Ownership of the Units – Existing Units" for further details).

FREQUENCY OF DISTRIBUTIONS

After Keppel DC REIT is admitted to the Main Board of the SGX-ST, it will make distributions to Unitholders on a half-yearly basis, with the amount calculated as at 30 June and 31 December each year for the six-month period ending on each of the said dates. Post-listing, Keppel DC REIT's first distribution will be for the period from the Listing Date to 30 June 2015 and will be paid by the Manager on or before 28 September 2015. Subsequent distributions will take place on a half-yearly basis. The Manager will endeavour to pay distributions no later than 90 days after the end of each distribution period.

Keppel DC REIT's primary sources of liquidity for the funding of distributions, servicing of debt, payment of non-property expenses and other recurring capital expenditure will be the receipts of rental income and borrowings.

Under the Property Funds Appendix, if the Manager declares a distribution that is in excess of profits, the Manager should certify, in consultation with the Trustee, that it is satisfied on reasonable grounds that, immediately after making the distribution, Keppel DC REIT will be able to fulfil, from the Deposited Property, the liabilities of Keppel DC REIT as they fall due. The certification by the Manager should include a description of the distribution policy and the measures and assumptions for deriving the amount available to be distributed from the Deposited Property. The certification should be made at the time the distribution is declared.

EXCHANGE RATE INFORMATION

The tables below set forth, for the period from 2010 to the Latest Practicable Date, information concerning the exchange rates between (i) Australian dollars and Singapore dollars (in Australian dollars per Singapore dollar), (ii) Malaysian ringgit and Singapore dollars (in Malaysian ringgit per Singapore dollar), (iii) Pound sterling and Singapore dollars (in Pound sterling per Singapore dollar) and (iv) Euros and Singapore dollars (in Euros per Singapore dollar). The exchange rates were based on the average between the bid and offer rates of the currency as obtained from Bloomberg L.P.[(1)]. No representation is made that (i) the Australian dollar amounts actually represent such Singapore dollar amounts or could have been or could be converted into Singapore dollars, (ii) the Malaysian ringgit amounts actually represent such Malaysian ringgit amounts or could have been or could be converted into Malaysian ringgit, (iii) the Pound sterling amounts actually represent such Pound sterling amounts or could have been or could be converted into Pound sterling or (iv) the Euro amounts actually represent such Euro amounts or could have been or could be converted into Euros, at the rates indicated, at any other rate, or at all. The exchange rates set out below are historical rates for illustrative purposes only and no representation is made regarding any trends in exchange rates.

Period ended	Australian dollar per Singapore dollar[(1)]		
	Average	**High**	**Low**
2010	0.7989	0.8780	0.7581
2011	0.7708	0.8216	0.7427
2012	0.7732	0.8060	0.7346
2013	0.8282	0.8997	0.7637
January 2014	0.8873	0.9171	0.8703
February 2014	0.8802	0.8987	0.8719
March 2014	0.8687	0.8869	0.8519
April 2014	0.8552	0.8622	0.8463
May 2014	0.8586	0.8669	0.8507
June 2014	0.8530	0.8620	0.8477
July 2014	0.8569	0.8636	0.8448
August 2014	0.8602	0.8652	0.8545
September 2014	0.8748	0.9025	0.8491
October 2014	0.8936	0.9067	0.8810
November 2014[(2)]	0.8913	0.9030	0.8779

Notes:

(1) **Source:** Bloomberg L.P.. Bloomberg L.P. has not provided its consent, for the purposes of Section 249 of the SFA (read with Section 302(1) of the SFA), to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 of the SFA (read with Section 302(1) of the SFA). While the Manager has taken reasonable action to ensure that the information from the relevant report published by Bloomberg L.P. is reproduced in its proper form and context, and that the information is extracted accurately and fairly, neither the Manager nor any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

(2) As at the Latest Practicable Date.

Period ended	Malaysian ringgit per Singapore dollar[1]		
	Average	High	Low
2010	2.3625	2.4425	2.2862
2011	2.4333	2.5070	2.3607
2012	2.4718	2.5338	2.3933
2013	2.5175	2.6103	2.3883
January 2014	2.5961	2.6259	2.5705
February 2014	2.6122	2.6345	2.5829
March 2014	2.5901	2.6066	2.5692
April 2014	2.5937	2.6059	2.5786
May 2014	2.5804	2.6096	2.5575
June 2014	2.5723	2.5818	2.5547
July 2014	2.5612	2.5743	2.5479
August 2014	2.5450	2.5734	2.5193
September 2014	2.5474	2.5738	2.5218
October 2014	2.5650	2.5834	2.5416
November 2014[2]	2.5832	2.5926	2.5650

Notes:

(1) **Source:** Bloomberg L.P.. Bloomberg L.P. has not provided its consent, for the purposes of Section 249 of the SFA (read with Section 302(1) of the SFA), to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 of the SFA (read with Section 302(1) of the SFA). While the Manager has taken reasonable action to ensure that the information from the relevant report published by Bloomberg L.P. is reproduced in its proper form and context, and that the information is extracted accurately and fairly, neither the Manager nor any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

(2) As at the Latest Practicable Date.

Period ended	Pound sterling per Singapore dollar[1]		
	Average	High	Low
2010	0.4754	0.5049	0.4373
2011	0.4962	0.5194	0.4811
2012	0.5051	0.5178	0.4932
2013	0.5112	0.5403	0.4761
January 2014	0.4770	0.4835	0.4691
February 2014	0.4769	0.4851	0.4706
March 2014	0.4748	0.4782	0.4696
April 2014	0.4759	0.4796	0.4714
May 2014	0.4743	0.4778	0.4716
June 2014	0.4726	0.4779	0.4685
July 2014	0.4712	0.4754	0.4667
August 2014	0.4796	0.4843	0.4739
September 2014	0.4835	0.4951	0.4772
October 2014	0.4880	0.4940	0.4831
November 2014[2]	0.4889	0.4935	0.4828

Notes:

(1) **Source:** Bloomberg L.P.. Bloomberg L.P. has not provided its consent, for the purposes of Section 249 of the SFA (read with Section 302(1) of the SFA), to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 of the SFA (read with Section 302(1) of the SFA). While the Manager has taken reasonable action to ensure that the information from the relevant report published by Bloomberg L.P. is reproduced in its proper form and context, and that the information is extracted accurately and fairly, neither the Manager nor any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

(2) As at the Latest Practicable Date.

Period ended	Euro per Singapore dollar[(1)]		
	Average	High	Low
2010	0.5547	0.5933	0.4943
2011	0.5718	0.6005	0.5451
2012	0.6229	0.6591	0.5897
2013	0.6020	0.6313	0.5681
January 2014	0.5768	0.5813	0.5685
February 2014	0.5779	0.5848	0.5706
March 2014	0.5707	0.5782	0.5659
April 2014	0.5770	0.5811	0.5735
May 2014	0.5817	0.5867	0.5736
June 2014	0.5878	0.5929	0.5831
July 2014	0.5943	0.6009	0.5855
August 2014	0.6015	0.6098	0.5952
September 2014	0.6137	0.6232	0.6068
October 2014	0.6186	0.6245	0.6113
November 2014[(2)]	0.6201	0.6242	0.6140

Notes:

(1) **Source:** Bloomberg L.P.. Bloomberg L.P. has not provided its consent, for the purposes of Section 249 of the SFA (read with Section 302(1) of the SFA), to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 of the SFA (read with Section 302(1) of the SFA). While the Manager has taken reasonable action to ensure that the information from the relevant report published by Bloomberg L.P. is reproduced in its proper form and context, and that the information is extracted accurately and fairly, neither the Manager nor any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

(2) As at the Latest Practicable Date.

EXCHANGE CONTROLS

Exchange Controls in Australia

There are no foreign exchange controls in Australia that restrict the payment of cash dividends or capital amounts to Keppel DC REIT.

However, where A$10,000 or more of physical currency is transferred out of Australia or international funds transfer instructions occur, reporting obligations may apply under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth). There are also prohibitions on the transfer of money to and dealing with property in connection with certain persons under the Charter of the United Nations Act 1945 (Cth) and the Autonomous Sanctions Act 2011 (Cth) which may affect dealings in Australia.

Exchange Controls in Malaysia

There are no foreign exchange controls in Malaysia that restrict the payment of cash dividends or capital amounts to Keppel DC REIT.

Under the Foreign Exchange Administration Rules issued by the Central Bank of Malaysia, the Bank Negara Malaysia, non-residents are free to invest in any form of ringgit assets either directly or as portfolio investments and they are free to remit out divestment proceeds, profits, dividends or any income arising from investments in Malaysia. However, such repatriation must be made in a foreign currency.

Exchange Controls in the United Kingdom

There are no foreign exchange controls in the UK that restrict the payment of cash dividends or capital amounts to Keppel DC REIT.

Exchange Controls in the Netherlands

There are no foreign exchange controls in the Netherlands that restrict the payment of cash dividends or capital amounts to Keppel DC REIT.

Exchange Controls in Ireland

There are no foreign exchange controls in Ireland that restrict the payment of cash dividends or capital amounts to Keppel DC REIT. However, such payments may be subject to dividend withholding tax. (See “Taxation – Ireland Taxation” for further details.)

In addition, there are a number of EU restrictions and Irish restrictions on “financial transfers” between Ireland and other specified countries and/or persons, entities or bodies identified in connection with EU counter-terrorism measures. Financial transfers are broadly defined and will include all transfers which would be movements of capital or payments within the meaning of the treaties governing the EU. Dividends, interest payments, payments on redemption or purchase of shares, debentures or other securities in an Irish incorporated company and payments on a liquidation of an Irish incorporated company would fall within the definition of financial transfers.

CAPITALISATION AND INDEBTEDNESS

The following table sets forth the pro forma capitalisation of Keppel DC REIT as at the Listing Date and after application of the total proceeds from the Offering, the Sponsor Units, the KLL Units, the Cornerstone Units and the issue of the Basis Bay Consideration Units. The information in the table below should be read in conjunction with "Use of Proceeds".

	(S$'000)
Borrowings	295,000
Units in Issue	821,125
Total Capitalisation	**1,116,125**

INDEBTEDNESS

Keppel DC REIT has put in place debt financing which comprises:

(i) unsecured term loan facilities from DBS Bank Ltd. as lender, Standard Chartered Bank, Singapore Branch ("**SCB**") as original lender and Royal Bank of Scotland PLC, Singapore Branch as original lender (together, the "**Lenders**"), with loan maturities of four to five years amounting to approximately S$295.0 million, comprising:

(a) a four-year GBP term loan facility of £11.7 million (S$23.9 million);

(b) a four-year EUR term loan facility of €37.2 million (S$60.3 million);

(c) a four-year AUD term loan facility of A$72.2 million (S$80.8 million); and

(d) a five-year SGD term loan facility of S$130.0 million,

(collectively, the "**Term Loan Facilities**") to Keppel DC REIT Fin. Company Pte. Ltd. as borrower ("**Borrower**") and the Trustee as guarantor ("**Guarantor**"); and

(ii) an unsecured one year revolving credit facility from DBS Bank Ltd. of S$35.0 million (the "**Revolving Credit Facility**", together with the Term Loan Facilities, the "**Facilities**").

The facility agreements with the Lenders are collectively referred to as the "**Facility Agreements**".

The amount drawn down on or about the Listing Date will be approximately S$295.0 million, with an Aggregate Leverage of approximately 27.8%[1]. The Manager has assumed the average effective interest rate for the Forecast Year 2015 and Projection Year 2016 will be approximately 3.1% per annum[2], including the amortisation of debt-related transaction costs and interest expenses. An upfront debt establishment fee incurred in relation to the Facilities is assumed to be amortised over the term of the Facilities and has been included as part of the borrowing costs.

The Manager intends to also enter into interest rate hedging contract(s) to hedge at least 50.0% of Keppel DC REIT's interest rate exposure under the Facilities.

1 Without taking into consideration the finance lease liabilities pertaining to the land rent commitments for iseek Data Centre and Citadel 100 Data Centre. If these finance lease liabilities were included, the Aggregate Leverage would be 30.0%.

2 The average effective interest rate takes into account interest expenses on bank borrowings and amortisation of debt-related transaction costs only, and does not take into account finance lease expenses.

The agreements relating to the Facilities contain certain covenants which are typical for financing of such nature. The material covenants require, *inter alia*, that:

(i) the Guarantor shall ensure at all times that:

(a) ratio of the consolidated total borrowings of Keppel DC REIT (including any deferred payments) to the consolidated deposited property of Keppel DC REIT does not exceed the maximum ratio of the aggregate of the total borrowings and deferred payments of a property fund to the deposited property of that property fund as specified in the Property Funds Appendix at all times; and

(b) Keppel DC REIT shall maintain an interest coverage ratio of at least 1.5 times;

(iii) Borrower shall maintain a positive tangible net worth at all times;

(iv) net assets attributable to Unitholders should not be less than S$700 million; and

(v) the ratio of its consolidated total unsecured debt to consolidated total unencumbered assets is not at any time higher than 0.55:1.

In addition, it should be noted that the agreements relating to the Facilities also contain the following mandatory prepayment events and events of default:

(i) The Trust Company (Asia) Limited resigns, retires, ceases to be, is removed or is unable to continue to act as the trustee for Keppel DC REIT or the ability of the Guarantor to perform or comply with its obligations under the Facilities is restrained, prevented or restricted as a result of any matter relating to The Trust Company (Asia) Limited and prior to or simultaneously with the occurrence of such event (i) a replacement or substitute trustee of Keppel DC REIT which is (i) licensed by the MAS under the Trust Companies Act, Chapter 336 of Singapore (the "**Trust Companies Act**"); and (ii) approved by the MAS to act as a trustee of collective investment schemes authorised under Section 286 of the SFA is not appointed in accordance with the terms of the Trust Deed and applicable law; or (ii) any such replacement or substitute trustee has not acceded to the terms of this Agreement and provided such related documents as the Lenders may reasonably require in connection with such accession;

(ii) Keppel DC REIT is terminated in accordance with the provisions under the Trust Deed or the Manager or the Guarantor gives notice to terminate Keppel DC REIT or Keppel DC REIT ceases to be an authorised collective investment scheme constituted under the laws of Singapore;

(iii) the Manager ceases to be the manager of Keppel DC REIT and a subsidiary of the Sponsor is not appointed as a replacement or substitute manager of Keppel DC REIT in accordance with the terms of the Trust Deed and applicable law prior to such cessation;

(iv) the Manager ceases to be a subsidiary of the Sponsor;

(v) after the Listing Date, the Units cease to be listed on the Official List of the SGX-ST;

(vi) if the credit rating assigned to Keppel DC REIT required to be maintained in relation to the maximum aggregate leverage (as defined in the Property Funds Appendix) permissible under the Property Funds Appendix is not maintained, thereby resulting in a breach of the maximum gearing ratio permitted under the Property Funds Appendix;

(vii) if it is or becomes unlawful for the Borrower and/or the Guarantor to perform or comply with any one or more obligations under the relevant Facility Agreements or (as the case may be) the relevant Finance Documents (as defined in the relevant Facility Agreements) and the same may have a material adverse effect (as defined in the respective Facility Agreements);

(viii) if the Borrower ceases to be directly or indirectly, a wholly-owned subsidiary of Keppel DC REIT;

(ix) if the Borrower, the Guarantor and/or the Manager is declared by the Minister of Finance of Singapore to be a company to which Part IX of the Companies Act applies; or

(x) if any step is taken by any Governmental Agency with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all, a material part or more than fifty per cent (50%) of the assets of Keppel DC REIT.

Generally under the relevant Facility Agreements, if (a) (i) the Sponsor and Keppel Corporation Limited collectively; or (ii) Keppel Corporation Limited and its affiliates collectively cease, directly and/or indirectly, to own at least twenty five per cent. (25%) of the Units, or (b) the Sponsor and Keppel Corporation Limited collectively cease to be the single largest holder of the Units (each, a "**Repricing Event**"), the respective Margins (as defined in the relevant Facility Agreements) as determined in accordance with the relevant Facility Agreements shall be increased from the date of occurrence of the Repricing Event, and this increase shall remain in effect for so long as the Repricing Event is continuing. For the avoidance of doubt, the respective Margins shall be reduced to the original rate from the date the Repricing Event ceases.

Keppel DC REIT's Existing Debt

As at the date of this Prospectus, Keppel DC REIT has in place S$207.5 million of existing debt comprising:

(i) S$138.0 million equivalent of loans (denominated in Australian dollars, Pound sterling and Malaysian ringgit) due to SCB and an affiliate of SCB. These loans were used to finance the acquisitions of the existing interests in iseek Data Centre, Gore Hill Data Centre, GV7 Data Centre and Basis Bay Data Centre by Keppel DC REIT and were drawn down between June 2011 and August 2012. The interest rate margins of the loans due to the lenders range between 1.25% and 2.50% over the lenders' cost of funds. Immediately prior to the Listing Date, Keppel DC REIT is expected to have outstanding gross borrowings due to the lenders of approximately S$138.0 million. The facilities mature between December 2014 to August 2015; and

(ii) S$69.5 million equivalent of loans (denominated in Euros) due to ING Bank, Amsterdam at an interest rate of 2.926% which was used to finance the acquisition of Almere Data Centre by Keppel DC REIT and was drawn down in 2013. The interest rate margin on the loan is 2.5% above Euribor and is re-fixed semi-annually in April and October. The facility matures in April 2016.

The foregoing loans were extended to Keppel DC REIT on arm's length basis and will be repaid in full on or before the Listing Date (see "Use of Proceeds" for further details).

UNAUDITED PRO FORMA FINANCIAL INFORMATION

The Manager is unable to prepare pro forma statements of total return for the latest three financial years of Keppel DC REIT to show the pro forma historical financial performance of Keppel DC REIT as:

- full three-year historical pro forma financials are not available for five out of eight of the Properties. Keppel DC REIT acquired the interests in the Private Trust Portfolio over a period of time starting from July 2011 until April 2013. As full year financials for the financial year ended 31 December 2011 are not available for five out of eight of the Properties which represent approximately 48.3%[1] of the IPO Portfolio (based on the aggregate Appraised Value as at 30 September 2014), it would not be meaningful to prepare pro forma financials for the financial year ended 31 December 2011 without full year financials for these Properties as such pro forma financials would not be representative of Keppel DC REIT's portfolio going forward; and

- after the acquisitions of the Properties by Keppel DC REIT from the previous owners, the capital structure and operations of these Properties have changed substantially and it would not be meaningful to compare the operating performance of these Properties before and after the acquisitions by Keppel DC REIT, even if the previous owners were prepared to warrant the accuracy of the previous financial information.

For the reasons stated above, the SGX-ST has granted Keppel DC REIT a waiver from the requirement to prepare historical pro forma statements of total return for the latest three financial years of Keppel DC REIT, subject to the inclusion of the following in this Prospectus:

- unaudited pro forma statements of total return for the two financial years ended 31 December 2012 and 2013 and for the nine-month periods ended 30 September 2013 and 30 September 2014;

- unaudited pro forma statements of financial position as at 30 September 2014 and at Listing Date;

- unaudited pro forma statements of cash flows for the financial year ended 31 December 2013 and for the nine-month period ended 30 September 2014;

- profit forecast for Forecast Year 2015 and profit projection for Projection Year 2016 (see "Profit Forecast and Profit Projection" and Appendix A, "Reporting Auditors' Report on the Profit Forecast and Profit Projection"); and

- full disclosure on the reasons why historical pro forma financial information cannot be provided for the financial year ended 31 December 2011 and the waivers granted (see "Unaudited Pro Forma Financial Information").

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only and on the basis of the assumptions and accounting policies set out in Appendix C, "Unaudited Pro Forma Financial Information", and may not give a true picture of the actual total returns and financial positions of Keppel DC REIT. The Unaudited Pro Forma Financial Information should be read together with these assumptions and accounting policies.

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1 Includes the 1.0% interest in Basis Bay Data Centre which will be held by the Basis Bay Vendor on the Listing Date.

UNAUDITED PRO FORMA STATEMENTS OF TOTAL RETURN

	Year Ended 31 December 2012 (S$'000)	Year Ended 31 December 2013 (S$'000)	Nine-Month Period Ended 30 September 2013 (S$'000)	Nine-Month Period Ended 30 September 2014 (S$'000)
Gross Revenue[(1)]	81,193	101,163	72,144	79,952
Property operating expenses	(9,807)	(12,324)	(9,658)	(10,373)
Net property income	**71,386**	**88,839**	**62,486**	**69,579**
Finance costs[(2)]	(15,138)	(13,461)	(10,085)	(10,246)
Manager's Base Fee	(5,110)	(5,110)	(3,832)	(3,832)
Manager's Performance Fee	(1,997)	(2,473)	(1,831)	(2,231)
Trustee's fees	(180)	(180)	(135)	(135)
Other trust expenses	(3,379)	(3,303)	(2,285)	(2,385)
Total return for the year/period before tax	**45,582**	**64,312**	**44,318**	**50,750**
Tax expenses	(2,020)	(1,687)	(1,367)	(3,354)
Total return for the year/period after tax	**43,562**	**62,625**	**42,951**	**47,396**
Total return attributable to:				
Unitholders	43,523	62,584	42,921	47,367
Non-controlling interests	39	41	30	29
Total return for the year/period after tax	**43,562**	**62,625**	**42,951**	**47,396**

Notes:

(1) On a straight-line basis due to FRS adjustment.

(2) Finance costs comprise net interest, finance lease charges and amortisation of upfront debt financing costs.

UNAUDITED PRO FORMA STATEMENTS OF FINANCIAL POSITION

	As at 30 September 2014 (S$'000)	Listing Date (S$'000)
Non-current assets		
Investment properties	1,061,009	1,061,059
Deferred tax assets	842	821
	1,061,851	1,061,880
Current assets		
Trade and other receivables	27,763	26,489
Cash and cash equivalents	7,158	7,158
	34,921	33,647
Total assets	1,096,772	1,095,527
Non-current liabilities		
Deferred tax	1,572	1,577
Loans and borrowings	322,728	322,778
	324,300	324,355
Current liabilities		
Loans and borrowings	3,757	3,757
Trade and other payables	2,286	2,503
	6,043	6,260
Total liabilities	**330,343**	**330,615**
Net assets	**766,429**	**764,912**
Represented by:		
Unitholders' funds	765,994	764,477
Non-controlling interests	435	435
	766,429	**764,912**

Note:

(1) The unaudited Pro Forma Statements of Financial Position as at 30 September 2014 and the Listing Date have been prepared assuming the completion of the Redemption of the Private Trust Units at the Offering Price of S$0.93 per Unit such that the total number of Units remaining in issue is 882,930,000.

UNAUDITED PRO FORMA STATEMENTS OF CASH FLOWS

	Year Ended 31 December 2013 (S$'000)	Nine-Month Period Ended 30 September 2014 (S$'000)
Cash flows from operating activities		
Total return for the year/period	61,134	47,396
Adjustments for:		
Finance costs	12,165	7,925
Unrealised foreign exchange (gain)/loss	(543)	1,371
Impairment of associate	193	–
Loss on disposal of fixed assets	3	–
Income tax expense	553	383
Operating income before working capital changes	73,505	57,075
Changes in working capital:		
Trade and other receivables	(4,508)	(5,386)
Trade and other payables	(16,289)	(9,436)
Net cash from operating activities	**52,708**	**42,253**
Cash flows from investment activities		
Acquisition of investment properties	(686,505)	–
Capital expenditure on investment properties	(22,435)	(11)
Net cash used in investing activities	**(708,940)**	**(11)**
Cash flows from financing activities		
Distributions paid	(39,368)	(55,284)
Finance costs paid	(10,606)	(6,718)
Repayment of loan from a related party	(2,493)	–
Proceeds/(repayment) of financing facilities	163,342	(1,631)
Redemption of unitholders	(325,324)	–
Payment of transaction costs related to financing	(20,903)	–
Proceeds from issue of units	908,494	–
Net cash from/(used in) financing activities	**673,142**	**(63,633)**
Net increase/(decrease) in cash and cash equivalents	**16,910**	**(21,391)**
Cash and cash equivalents at beginning of the year/period	15,103	31,887
Effect of exchange rate fluctuations on cash held	(126)	(272)
Cash and cash equivalents at end of the year/period	**31,887**	**10,224**

The following discussion should be read in conjunction with the Unaudited Pro Forma Financial Information and notes thereto included elsewhere in this Prospectus. Statements contained in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" that are not historical facts may be forward-looking statements. Such statements are subject to certain risks, uncertainties and assumptions which could cause actual results to differ materially from that forecast and projected. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by the Manager or any other person, nor that these results will be achieved or are likely to be achieved (see "Forward-looking Statements" and "Risk Factors" for further details). Recipients of this Prospectus and all prospective investors in the Units are cautioned not to place undue reliance on these forward-looking statements.

The Unaudited Pro Forma Financial Information of Keppel DC REIT, which comprises the Unaudited Pro Forma Statements of Total Return, the Unaudited Pro Forma Statements of Financial Position and the Unaudited Pro Forma Statements of Cash Flows, have been prepared for illustrative purposes only, and are based on certain assumptions to illustrate the impact of the acquisitions of:

- *100% of S25 and T25 from Digihub and Datahub, respectively;*
- *30% of Gore Hill Data Centre and iseek Data Centre from Keppel Data Centres and the iseek Vendor, respectively;*
- *19% of Basis Bay Data Centre from the Basis Bay Vendor[1]; and*
- *50% of Citadel 100 Data Centre from Keppel Data Centres,*

(collectively, the "**Transactions**") on:

*(a) the total returns of Keppel DC REIT for the years ended 31 December 2012, 31 December 2013 and for the nine-month periods ended 30 September 2013 and 30 September 2014, had the Sub-division, the Offering, the Redemption, the fee arrangements with the facility managers of the Properties, the Manager and the Trustee (the "**Fee Arrangements**") and the Transactions been undertaken on or been in place on 1 January 2012, under the same terms set out in the Prospectus;*

(b) the financial positions of Keppel DC REIT as at 30 September 2014 and at the Listing Date had the Sub-division, the Offering, the Redemption, the Fee Arrangements and the Transactions been undertaken on or been in place on 30 September 2014 and the Listing Date respectively, under the same terms as set out in the Prospectus; and

(c) the cash flows of Keppel DC REIT for the year ended 31 December 2013 and for the nine-month period ended 30 September 2014 had the Sub-division, the Offering, the Redemption, the Fee Arrangements and the Transactions been undertaken on or been in place on 1 January 2013, under the same terms as set out in the Prospectus.

*The dates on which the Transactions are assumed to have been undertaken, are hereinafter collectively referred to as the "**Relevant Dates**".*

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1 Keppel DC REIT is expected to hold a 99.0% interest in Basis Bay Data Centre with the Basis Bay Vendor holding the remaining 1.0% interest on the Listing Date.

The Unaudited Pro Forma Financial Information of Keppel DC REIT is not necessarily indicative of the results of the operations or the financial position that would have been attained had the Sub-division, the Offering, the Redemption, the Fee Arrangements and the Transactions actually occurred in the relevant periods. The Unaudited Pro Forma Financial Information, because of its nature, may not give a true or accurate picture of Keppel DC REIT's actual financial position or total returns.

The following discussion and analysis of the financial condition and results of operations is based on and should be read in conjunction with the Unaudited Pro Forma Financial Information, and related notes thereto, which are included elsewhere in this Prospectus.

(See Appendix B, "Reporting Auditors' Report on the Unaudited Pro Forma Financial Information" for further details.)

OVERVIEW

General Background

Keppel DC REIT is a Singapore REIT established with the investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centre purposes, as well as real estate-related assets, with an initial focus on Asia-Pacific and Europe.

The Manager's key objectives are to provide Unitholders with regular and stable distributions and to achieve long-term growth in DPU and NAV per Unit, while maintaining an appropriate capital structure.

Keppel DC REIT's IPO Portfolio

The IPO Portfolio comprises eight Properties located in Singapore, Australia, Malaysia, the UK, the Netherlands and Ireland, and a brief description of the Properties is set out below:

- **S25**: A six-storey data centre designed with high specifications with an adjoining five-storey annexe infrastructure building, located at the junction of Serangoon North Avenue 5 and Avenue 4 in Singapore. It is situated within the Serangoon North Industrial Estate, some 10.5 kilometres to the north of the city centre at Raffles Place and is well served by expressways such as the Central Expressway and Kallang Paya Lebar Expressway, as well as major arterial roads, which provide efficient linkages to the city centre, airport and other parts of the island.

- **T25**: A five-storey data centre designed with high specifications with an adjoining four-storey annexe infrastructure building, located along Tampines Street 92, off Tampines Avenue 1 in Singapore. It is situated within the Tampines Industrial Park A, some 12 kilometres from the city centre at Raffles Place and is well served by major roads and expressways such as the Pan-Island Expressway, Tampines Expressway and East Coast Parkway, which provide efficient linkages to the city centre, the ports and other parts of the island.

- **Gore Hill Data Centre**: A four-storey purpose-built data centre designed with high specifications located in Gore Hill Technology Park in Australia, a recently developed mixed use commercial and technology area located some nine kilometres north west of Sydney's central business district. It is located on one of Sydney's main power and data arteries allowing access to large, secure power sources and multiple carrier networks.

- **iseek Data Centre**: A two-storey data centre designed with high specifications located in the Export Park Precinct of Brisbane Airport in Australia. Sitting on elevated land, iseek Data Centre is further away from flood prone areas and in close proximity to secure power sources.

- **Basis Bay Data Centre**: A modern four-storey data centre designed with high specifications, with an adjoining two-storey office building. It is located in the township of Cyberjaya, Malaysia, approximately 50 kilometres south-west of the Kuala Lumpur City Centre and 30 kilometres north-west of the Kuala Lumpur International Airport.

- **GV7 Data Centre**: A newly refurbished data centre designed with high specifications which forms part of Greenwich View Place, London, a secure estate comprising eight units, primarily offering data centre and office accommodation services, located on the Isle of Dogs, approximately 750 metres south of Canary Wharf, East London.

- **Almere Data Centre**: A three-storey data centre designed with high specifications located in the Sallandsekant business estate, in the city of Almere, the Netherlands. Sallandsekant business estate is aimed at users of logistics properties and several distribution centres with well-known names already establishing a presence there.

- **Citadel 100 Data Centre**: A modern two-storey data centre designed with high specifications located in the Citywest Business Campus, a prime suburban industrial/commercial location in Dublin which is considered a leading industrial business location in Ireland. It is approximately 14km south-west of Dublin City Centre and is situated just south of Junction 3 of the N7 National Road. The campus is immediately located south of the N7 Dublin-Limerick Road via its dedicated interchange and is now home to over 120 companies, with an overall focus on technological innovation.

Acquisition of Singapore Properties and IPO Portfolio Minority Interests

Keppel DC REIT will acquire directly or indirectly the following interests in the IPO Portfolio at an aggregate purchase price of approximately S$537.9 million on the Listing Date:

(i) 100% of S25 and T25 from the S25 Lessee and the T25 Lessee (including the upfront land premium and GST) respectively, which are both wholly-owned by KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion 70% and 30% respectively; and

(ii) and other minority stakes that are not included in the Private Trust Portfolio as at the date of this Prospectus, namely:

    (a) 30% of Gore Hill Data Centre through the acquisition of Boxtel Investments Limited from Keppel Data Centres, a wholly-owned subsidiary of the Sponsor;

    (b) 30% of iseek Data Centre through the acquisition of 30% of the issued share capital of Securus Australia No. 1 Pty Limited and 30% of the issued units of Securus Australia Trust No. 1 from the iseek Vendor;

    (c) 19% of Basis Bay Data Centre through the acquisition of 19% of the issued share capital of Basis Bay Capital Management Sdn Bhd from the Basis Bay Vendor[1]; and

    (d) 50% of Citadel 100 Data Centre through the acquisition of 50% of the issued share capital of Citadel 100 from Keppel Data Centres.

1 Keppel DC REIT is expected to hold a 99.0% interest in Basis Bay Data Centre with the Basis Bay Vendor holding the remaining 1.0% interest on the Listing Date.

The purchase price for the acquisition of the Singapore Properties and IPO Portfolio Minority Interests will be satisfied wholly in cash, other than the purchase consideration for the Basis Bay Minority Interest which will be satisfied in full by the Basis Bay Consideration Units.

(See "Certain Agreements Relating to Keppel DC REIT and the Properties – Sale and Purchase Agreements" and "Use of Proceeds" for further details.)

Lease and Co-location Arrangements

See "Business and Properties" for further information on the lease and co-location arrangement(s) for each of the Properties.

FACTORS AFFECTING KEPPEL DC REIT'S RESULTS OF OPERATIONS

The Properties are located in Singapore, Australia, Malaysia, the UK, the Netherlands and Ireland. Correspondingly, Keppel DC REIT's business and results of operations depend on the performance of each of these economies. A decline in the economy of Singapore, Australia, Malaysia, the UK, the Netherlands and Ireland could adversely affect Keppel DC REIT's results of operations and future growth. The performance of Keppel DC REIT may also be adversely affected by a number of real estate market conditions, such as uncertainty and instability in global market conditions, the competitiveness of competing data centres, an oversupply of data centres or reduced demand for data centres.

Gross Revenue

Keppel DC REIT's Gross Revenue consists of:

- Gross Rental Income from leases and co-location arrangements at the Properties; and
- other income earned from the Properties such as car park revenue, electricity recoveries and income derived from certain capital works undertaken on behalf of its customers.

The following table sets out details of Keppel DC REIT's pro forma Gross Revenue for FY2012, FY2013, 3Q2013 and 3Q2014.

	FY2012 S$'000	**FY2013 S$'000**	**% change**	**3Q2013 S$'000**	**3Q2014 S$'000**	**% change**
Gross Rental Income						
Rental income	69,622	84,296	21%	61,860	72,207	17%
Rental adjustment – straight-line	11,322	14,981	32%	9,187	2,566	(72%)
	80,944	99,277	23%	71,047	74,773	5%
Other income						
Carpark income	85	80	(6%)	60	58	(3%)
Others	164	1,806	1,001%	1,037	5,121	394%
Gross Revenue	**81,193**	**101,163**	**25%**	**72,144**	**79,952**	**11%**

The following table sets out the breakdown of Gross Revenue derived from each of the Properties for FY2012, FY2013, 3Q2013 and 3Q2014.

	FY2012 S$'000	FY2013 S$'000	% change	3Q2013 S$'000	3Q2014 S$'000	% change
S25	12,846	18,820	47%	12,917	16,230	26%
T25	12,170	15,485	27%	10,516	12,560	19%
Gore Hill Data Centre	11,427	22,048	93%	14,906	20,080	35%
iseek Data Centre	7,608	7,211	(5%)	5,419	5,103	(6%)
Basis Bay Data Centre	4,234	4,229	(0%)	3,197	3,086	(3%)
GV7 Data Centre	5,219	5,821	12%	4,295	4,686	9%
Almere Data Centre	11,370	12,359	9%	8,816	7,059	(20%)
Citadel 100 Data Centre	16,319	15,190	(7%)	12,078	11,148	(8%)
IPO Portfolio	**81,193**	**101,163**	**25%**	**72,144**	**79,952**	**11%**

Gross Revenue is affected by a number of factors including rental rates under double-net and triple-net lease arrangements and co-location arrangements, occupancy, lease and co-location arrangement renewal rates, which are in turn affected by competition from other properties (see "Business and Properties – Competition" for further details), general macroeconomic and demand and supply trends affecting the data centre markets in which the Properties are located and foreign exchange rate fluctuations.

Gross Rental Income

Gross Rental Income accounted for 99.7%, 98.1%, 98.5% and 93.5% of Gross Revenue in FY2012, FY2013, 3Q2013, and 3Q2014 respectively.

Gross Rental Income includes cash rentals received from double-net and triple-net lease arrangements and co-location arrangements (after provisions for rent free periods) based on the contractual net rent payable under actual lease and co-location arrangements. Rental rates for the Properties are generally fixed for the tenure of the lease or co-location term at the inception of the lease or (as the case may be) co-location arrangement. These rates contain contracted annual uplifts of up to 4.0% per annum.

Gross Revenue in the Unaudited Pro Forma Statement of Total Return is calculated in accordance with FRS 17 which stipulates that all lease revenues over a term of a lease are required to be brought to account on a straight-line basis. Therefore, for accounting and reporting purposes, after initial recognition of a lease or co-location arrangement, the rental income will remain constant over the period in the relevant data centre's local currency.

All leases and co-location arrangements contain an annual uplift component and therefore the element of Gross Revenue which is received in cash will increase year-on-year.

Other Income

Other income accounted for 0.3%, 1.9%, 1.5% and 6.5% of Gross Revenue in FY2012, FY2013, 3Q2013, and 3Q2014 respectively.

Other income comprises mainly car park revenue, electricity recoveries and income derived from certain capital works undertaken on behalf of its customers.

Property Operating Expenses

Keppel DC REIT's property operating expenses primarily consist of:

- staff costs at the Properties;
- facilities management fees;
- repairs and maintenance;
- property-related taxes; and
- other operating expenses such as utility fees levied on the Properties.

The following table sets out details of Keppel DC REIT's pro forma property operating expenses for FY2012, FY2013, 3Q2013 and 3Q2014.

	FY2012 S$'000	FY2013 S$'000	% change	3Q2013 S$'000	3Q2014 S$'000	% change
Staff costs	2,041	2,763	35%	1,648	1,409	(15%)
Facility management fees	1,937	3,583	85%	2,626	2,685	2%
Repairs & Maintenance	1,963	2,272	16%	1,757	1,818	3%
Property-related taxes	1,173	1,223	4%	1,065	2,123	99%
Other operating expenses	2,693	2,483	(8%)	2,562	2,338	(9%)
Property operating expenses	**9,807**	**12,324**	**26%**	**9,658**	**10,373**	**7%**

Keppel DC REIT's property operating expenses are affected by a number of factors including, but not limited to the following:

- fee arrangements with the facility managers;
- changes in charges such as utility tariffs;
- changes in labour and material costs;
- changes in annual value of the properties which will have an impact on the property tax expenses;
- age and condition of the buildings; and
- number of properties in the portfolio.

Keppel DC REIT's property operating expenses may not be affected to the same degree as its Gross Revenue by the general macroeconomic trends affecting the property market in the countries in which the Properties are located (which may impact occupancy and rental rates) as a substantial portion of its property operating expenses are fixed expenses.

Staff Costs

Staff costs accounted for 20.8%, 22.4%, 17.1% and 13.6% of property operating expenses in FY2012, FY2013, 3Q2013 and 3Q2014 respectively.

Staff costs comprise on-site management personnel cost of the six employees employed at Citadel 100 (see "Business and Properties – Citadel 100 Data Centre – Employees" for further details).

Facility Management Fees

Facility management fees accounted for 19.8%, 29.1%, 27.2% and 25.9% of property operating expenses in FY2012, FY2013, 3Q2013 and 3Q2014 respectively.

For the purpose of the Unaudited Pro Forma Statements of Total Return, it has been assumed that the respective facility managers are entitled to receive the following facility management fees for the provision of facility management services:

- S25 and T25: facility management fee of 4% of EBITDA derived from the underlying end-users (after deducting the fixed rent payable to Keppel DC REIT and operating expenses incurred for each property);

- Gore Hill Data Centre: A$2,100,000 (S$2,376,990) plus GST per annum subject to an increase of 4% per annum on each anniversary of the commencement date;

- Citadel 100 Data Centre: annual charges of €210,809 (S$343,007) in 2013 and €798,792 (S$1,299,714) in 2014;

- iseek Data Centre and Basis Bay Data Centre, GV7 Data Centre and Almere Data Centre: there are no separate facility management fees payable.

(See "Overview – Certain Fees and Charges" for further details of the facility management fees for each of the Properties.)

Property-related Taxes

Property-related taxes accounted for 12.0%, 9.9%, 11.0% and 20.5% of property operating expenses in FY2012, FY2013, 3Q2013 and 3Q2014 respectively.

Property-related taxes are primarily payable in respect of S25, T25 and Citadel 100 Data Centre, representing approximately 84.1%, 85.7%, 88.5% and 98.9% of the property-related taxes payable for FY2012, FY2013, 3Q2013 and 3Q2014 respectively (see "Taxation" for further details).

Other Operating Expenses

Other operating expenses accounted for 27.5%, 20.1%, 26.5% and 22.5% of property operating expenses in FY2012, FY2013, 3Q2013 and 3Q2014 respectively.

Other operating expenses comprise mainly (i) car park expenses; (ii) insurance premium payable for coverage which includes property damage and business interruption, including loss of rent and/or consequential losses, and (if applicable) public and products liability, financial injury, employee fraud, computer fraud and technology-related injury and employers' liability (see "Business and Properties – Insurance" for further details); (iii) utilities such as gas and electricity and water charges and general up-keeping costs such as fees for cleaning services, refuse, lift maintenance, water tanks, pumps and plumbing equipment maintenance, security camera and system maintenance; and (iv) repair and renovation works and service charges relating to the upkeep of common areas (where relevant) and related services.

Trust Expenses

Keppel DC REIT's trust expenses comprise mainly:

- finance costs;
- Manager's management fees;
- Trustee's fees; and
- other trust expenses.

	FY2012 S$'000	FY2013 S$'000	% change	3Q2013 S$'000	3Q2014 S$'000	% change
Finance costs	15,138	13,461	(11%)	10,085	10,246	2%
Manager's Base Fee	5,110	5,110	–	3,832	3,832	–
Manager's Performance Fee	1,997	2,473	24%	1,831	2,231	22%
Trustee's fees	180	180	–	135	135	–
Other trust expenses	3,379	3,303	(2%)	2,285	2,385	4%
Trust expenses	**25,804**	**24,527**	**(5%)**	**18,168**	**18,829**	**4%**

The unaudited trust expenses used in the Unaudited Pro Forma Statements of Total Return are based upon the forecast level of trust expenses following the Offering.

Finance Costs

Finance costs accounted for 58.7%, 54.9%, 55.5% and 54.4% of trust expenses in FY2012, FY2013, 3Q2013 and 3Q2014 respectively.

Finance costs comprise:

- interest paid on borrowings;
- payments made on finance leases; and
- amortisation of up-front costs incurred on the drawdown of debt.

For the purposes of the Unaudited Pro Forma Statements of Total Return, it has been assumed that the average blended interest rate is at 3.1% per annum, including upfront debt establishment costs, after taking into account the impact of interest rate swaps.

Manager's Management Fees

Manager's management fees accounted for 27.5%, 30.9%, 31.2% and 32.2% of trust expenses in FY2012, FY2013, 3Q2013 and 3Q2014 respectively.

For the purpose of the Unaudited Pro Forma Statements of Total Return, it has been assumed that the Manager's management fees will be charged pursuant to terms set out in the Trust Deed.

Under the Trust Deed, the Manager is entitled to receive the following remuneration with effect from the Listing Date:

- a Base Fee of 0.5% per annum of the value of Deposited Property (as defined in the Trust Deed); and

- a Performance Fee of 3.5% per annum of Keppel DC REIT's Net Property Income (as defined in the Trust Deed) in the relevant financial year.

Any increase in the rate or any change in the structure of the Manager's management fees must be approved by an Extraordinary Resolution of Unitholders passed at a Unitholders meeting duly convened and held in accordance with the provisions of the Trust Deed.

The Manager may elect to receive the Base Fee and the Performance Fee in cash and/or Units. For the purpose of the Unaudited Pro Forma Statements of Total Return, it has been assumed that 100.0% of the Manager's management fees have been paid in cash.

(See "The Manager and Corporate Governance – The Manager of Keppel DC REIT – Manager's Management Fees" for further details.)

Trustee's Fees

Trustee's fees accounted for 0.7%, 0.7%, 0.7% and 0.7% of trust expenses in FY2012, FY2013, 3Q2013 and 3Q2014 respectively.

The Trustee's fee is charged based on a percentage of the value of the Deposited Property. For the purposes of the Unaudited Pro Forma Statements of Total Return, it has been assumed that the Trustee's fee will be charged pursuant to terms set out in the Trust Deed.

Based on the current agreement between the Manager and the Trustee, the Trustee's fee is charged on a scaled basis of up to 0.015% per annum of the value of Deposited Property subject to a minimum amount of S$15,000 per month, excluding out-of-pocket expenses and GST.

(See "The Formation and Structure of Keppel DC REIT – The Trustee – Trustee's Fee" for further details.)

Other Trust Expenses

Other trust expenses accounted for 13.1%, 13.5%, 12.6% and 12.7% of trust expenses in FY2012, FY2013, 3Q2013 and 3Q2014 respectively.

For the purposes of the Unaudited Pro Forma Statements of Total Return, it has been assumed that other trust expenses comprise recurring expenses such as audit fees, tax consultancy fees, legal fees, valuation costs and expenses relating to investor communications such as preparation and distribution of reports and Unitholders meetings.

COMPARISON OF FY2012 WITH FY2013

Gross Revenue

Gross Revenue increased by S$20.0 million or 24.6% from S$81.2 million in FY2012 to S$101.2 million in FY2013. The increase in gross revenue is mainly due to higher occupancy rates in S25 and T25 and completion of the fit-out at Gore Hill Data Centre in July 2012. Rental Income from Gore Hill Data Centre, S25 and T25 contributed to 53.2%, 29.9% and 16.6% of this increase respectively.

Gross Rental Income

Gross Rental Income increased by S$18.4 million or 22.7% from S$80.9 million in FY2012 to S$99.3 million in FY2013. The increase was mainly attributed to the increase in T25's occupancy rate from 98% in FY2012 to 100% in FY2013 coupled with annual rent escalations for the end-users of S25 and T25.

Other Income

Other income increased by S$1.7 million or 850% from S$0.2 million in FY2012 to S$1.9 million in FY2013. The increase was mainly attributed to the increase in capital works undertaken in Gore Hill Data Centre.

Property Operating Expenses

Property operating expenses increased by S$2.5 million or 25.5% from S$9.8 million in FY2012 to S$12.3 million in FY2013. The increase was mainly attributed to the commencement of the payment of full facility management fees of S$2.6 million in relation to Gore Hill Data Centre after it became fully operational in FY2013, prior to which lower facility management fees of S$1.3 million were payable and the increase in staff costs for Citadel 100 Data Centre due to the employment of senior personnel and the termination fees incurred for the termination of certain employees.

Net Property Income

As a result of the abovementioned factors, Net Property Income increased by 24.4% or S$17.4 million from S$71.4 million in FY2012 to S$88.8 million in FY2013.

Trust Expenses

Trust expenses decreased by S$1.3 million or 5.0% from S$25.8 million in FY2012 to S$24.5 million in FY2013. The decrease was mainly due to a decline in finance costs of S$1.7 million.

Tax Expenses

Tax expenses decreased by S$0.3 million or 15.0% from S$2.0 million in FY2012 to S$1.7 million in FY2013 primarily due to the decrease in amount of corporate tax payable for Citadel 100 Data Centre attributable to lower occupancy rate of Citadel 100 Data Centre and correspondingly a decrease in the amount of taxable income.

Total Return for the Year

As a result of the abovementioned factors, total return for the year increased by 43.6% or S$19.0 million from S$43.6 million in FY2012 to S$62.6 million in FY2013.

COMPARISON OF 3Q2013 WITH 3Q2014

Gross Revenue

Gross Revenue increased by S$7.9 million or 11.0% from S$72.1 million in 3Q2013 to S$80.0 million in 3Q2014. This was mainly due to continued leasing out at S25, T25 and Gore Hill Data Centre. Other than currency fluctuations, there was no variance between 3Q2013 and 3Q2014 at Basis Bay Data Centre and iseek Data Centre as these Properties are fully-leased and their revenues are subject to straight-lining[1] in accordance with accounting principles.

In 3Q2014, Gore Hill Data Centre received S$4.4 million of one-time payments from its customers. No further such payments are expected. Without the impact of these receipts, Gross Revenue for Gore Hill Data Centre has grown 5.4% compared to the same period in the previous year.

Gross Rental Income

Gross Rental Income increased by S$3.8 million or 5.4% from S$71.0 million in 3Q2013 to S$74.8 million in 3Q2014. This was due to continued ramp up of S25, T25 and Gore Hill Data Centre.

Other Income

Other Income increased by 372.7% or S$4.1 million from S$1.1 million in 3Q2013 to S$5.2 million in 3Q2014 mainly attributed to S$4.3 million one-time payments received from Gore Hill Data Centre.

These one-time payments arise from one of the end-users at Gore Hill Data Centre which was aligned to the completion of the fit-outs for the end-user. There were several such payments in 2014. The facility is now fully fitted (*i.e.* operating at full capacity) and as such no future one-time charges will be made to the tenant.

Property Operating Expenses

Property operating expenses increased by 8.3% or S$0.8 million from S$9.6 million in 3Q2013 to S$10.4 million in 3Q2014. The increase was mainly attributable to higher property-related taxes for S25 and T25.

Net Property Income

As a result of the abovementioned factors, Net Property Income increased by 11.4% or S$7.1 million from S$62.5 million in 3Q2013 to S$69.6 million in 3Q2014.

Trust Expenses

Trust expenses increased by S$0.6 million or 3.3% from S$18.2 million in 3Q2013 to S$18.8 million in 3Q2014. The increase was mainly due to an increase in Manager's performance fees in line with higher Net Property Income.

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1 "**Straight-lining**" refers to the accounting treatment whereby the contracted net rental income under the respective leases and co-location arrangements is evenly recognised over the committed term of the lease and co-location arrangement.

Tax Expenses

Tax expenses increased by S$2.0 million or 142.9% from S$1.4 million in 3Q2013 to S$3.4 million in 3Q2014 largely due to deferred tax recognised on the fair value gain in one of the investment property as a result of the timing difference between fair market value and the taxable value under the related tax jurisdiction of such investment property.

Total Return for the Period

As a result of the abovementioned factors, total return for the year increased by 10.2% or S$4.4 million from S$43.0 million in 3Q2013 to S$47.4 million in 3Q2014.

LIQUIDITY AND CAPITAL RESOURCES

The principal sources of funding for the original acquisition or development and any subsequent improvement works at the Properties have historically been by way of equity injections, bank borrowings and internally generated funds.

A summary of Keppel DC REIT's pro forma cash flows for the year ended 31 December 2013 and the nine-month period ended 30 September 2014 is set out below.

	FY2013 (S$'000)	3Q2014 (S$'000)
Net cash generated from operating activities	52,708	42,253
Net cash used in investing activities	(708,940)	(11)
Net cash generated from/(used in) financing activities	673,142	(63,633)
Cash and cash equivalents at the start of the year/period	15,103	31,887
Effect of exchange rate fluctuations on cash held	(126)	(272)
Cash and cash equivalents at the end of the year/period	31,887	10,224

Analysis of cash flows for FY2013 and 3Q2014

Operating cash flows reflect the Net Property Income less the trust expenses of Keppel DC REIT after adjusting for movements in working capital. The net investing cash flows reflect the acquisition of S25, T25, 30% of Gore Hill Data Centre and iseek Data Centre, 19% of Basis Bay Data Centre[1] and 50% of Citadel 100 Data Centre as well as the capital expenditure on the Properties.

Pro forma financing cash flows represents:

- the equity raised in the Offering;
- the repayment of existing debt and drawdown of the new debt facilities at time of the Offering; and
- the pro forma distributions payable by Keppel DC REIT.

1 Keppel DC REIT is expected to hold a 99.0% interest in Basis Bay Data Centre with the Basis Bay Vendor holding the remaining 1.0% interest on the Listing Date.

Net cash from operations will be Keppel DC REIT's primary source of liquidity for funding distributions, servicing of debt, payment of non-property expenses and other recurring capital expenditure.

The Manager is of the opinion that Keppel DC REIT's working capital is sufficient for its present requirements.

ACCOUNTING POLICIES

For a discussion of the principal accounting policies of Keppel DC REIT, please see Appendix B, "Reporting Auditor's Report on Examination of the Unaudited Pro Forma Financial Information".

PROFIT FORECAST AND PROFIT PROJECTION

Statements contained in the Profit Forecast and Profit Projection section that are not historical facts may be forward-looking statements. Such statements are based on the assumptions set forth in this section of the Prospectus and are subject to certain risks and uncertainties which could cause actual results to differ materially from those forecast and projected. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by any of Keppel DC REIT, the Manager, the Trustee, the Joint Financial Advisers, the Joint Global Coordinators, the Joint Bookrunners, the Sponsor or any other person, or that these results will be achieved or are likely to be achieved (see "Forward-looking Statements" and "Risk Factors" for further details). Investors in the Units are cautioned not to place undue reliance on these forward-looking statements which are made only as of the date of this Prospectus.

None of Keppel DC REIT, the Manager, the Trustee, the Joint Financial Advisers, the Joint Global Coordinators, the Joint Bookrunners or the Sponsor guarantees the performance of Keppel DC REIT, the repayment of capital or the payment of any distributions, or any particular return on the Units. The forecast and projected yields stated in the following table are calculated based on:

- ***the Offering Price; and***

- ***the assumption that the Listing Date is 1 January 2015.***

Such yields will vary accordingly if the Listing Date is not 1 January 2015, or for investors who purchase Units in the secondary market at a market price that differs from the Offering Price.

The following table shows Keppel DC REIT's forecast and projected statements of total return for Forecast Year 2015 and Projection Year 2016. The financial year end of Keppel DC REIT is 31 December. The Profit Forecast and Profit Projection may be different to the extent that the actual date of issuance of Units is other than on 1 January 2015, being the assumed date of the issuance of Units for the Offering. The Profit Forecast and Profit Projection are based on the assumptions set out below and have been examined by the Reporting Auditors, being KPMG LLP, and should be read together with the report "Reporting Auditors' Report on the Profit Forecast and Profit Projection" set out in Appendix A, as well as the assumptions and the sensitivity analysis set out in this section of the Prospectus.

FORECAST AND PROJECTED STATEMENTS OF TOTAL RETURN

The forecast and projected statements of total return and distribution for Keppel DC REIT are as follows:

	Forecast Year 2015 (1 Jan 2015 – 31 Dec 2015)	Projection Year 2016 (1 Jan 2016 – 31 Dec 2016)
	(S$'000)	**(S$'000)**
Gross Rental Income[(1)]	100,276	102,430
Other income	78	80
Gross Revenue	**100,354**	**102,510**
Property operating expenses	(15,285)	(15,506)
Net Property Income	**85,069**	**87,004**
Finance income	69	76
Finance costs[(2)]	(13,147)	(13,253)
Manager's Base Fee	(5,259)	(5,252)
Manager's Performance Fee	(2,797)	(2,893)
Trustee's fees	(180)	(180)
Other trust expenses	(2,722)	(2,782)
Total return for the year before tax	**61,033**	**62,720**
Tax expenses	(4,002)	(4,191)
Total return for the year after tax	**57,031**	**58,529**
(Less)/Add: Distribution adjustments[(3)]	(791)	220
Total return available for distribution	**56,240**	**58,749**
Total return available for distribution attributable to:		
Unitholders	56,201	58,710
Non-controlling interests	39	39
Total return available for distribution	**56,240**	**58,749**
Weighted average number of Units outstanding at end of year ('000)	**882,930**	**882,930**
Distribution per Unit (cents)	6.36	6.65
Distribution payout ratio (%)	100.0	100.0
Offering Price (S$/Unit)	0.93	0.93
Distribution yield (%)	**6.8**	**7.1**

Notes:

(1) Refers to the net rental income under the respective leases and co-location arrangements, recognised on a straight-line basis over the committed term of the lease and co-location arrangement.

(2) Finance costs comprise interest expenses, amortisation of upfront debt financing costs and finance lease expenses.

(3) Distribution adjustments comprise the Trustee's fees, amortisation of debt-related transaction costs and straight-lining adjustments of Gross Rental Income.

ASSUMPTIONS

The Manager has prepared the Profit Forecast and Profit Projection based on the following assumptions. The Manager considers these assumptions to be appropriate and reasonable as at the date of this Prospectus. However, investors should consider these assumptions as well as the Profit Forecast and Profit Projection and make their own assessment of the future performance of Keppel DC REIT.

Gross Revenue

Gross Revenue consists of:

- Gross Rental Income; and
- other income earned from the Properties.

Gross Rental Income consists of net rental income in respect of:

- double-net leases;
- triple-net leases;
- co-location arrangements; and
- Keppel Leases.

Other income includes car park revenue from Gore Hill Data Centre.

Gross Rental Income

For Forecast Year 2015 and Projection Year 2016, the projected Gross Rental Income contributions are as follows:

Lease and Co-Location Arrangement	Gross Rental Income (S$m)	
	Forecast Year 2015	**Projection Year 2016**
Triple-net leases/Double-net leases(1)(2)	29.9	29.5
Co-location arrangements(2)	30.5	31.3
Keppel Leases	39.9	41.6
Total	**100.3**	**102.4**

Notes:

(1) Includes the iseek Lease with iseek Communications in relation to iseek Data Centre and the Ground Lease with Borchveste in relation to Almere Data Centre. For purposes of this Prospectus, the iseek Lease is treated as a double-net lease despite being a co-location arrangement which is a contractual arrangement. Such treatment is due to the fact that the terms of the iseek Lease, when read together with the facilities management arrangement (as amended) entered into by Securus Australia Trust No. 1 and iseek Communications are intended to operate to give the same economic effects of a double-net lease and impose on iseek Communications the same responsibilities which it would bear if it were a lessee under a double-net lease.

(2) Gross Rental Income for triple-net leases, double-net leases, and the co-location arrangements of Gore Hill Data Centre are recognised on a straight-line basis over the committed term of the lease and co-location arrangement.

For the Properties under lease arrangements, in particular being part of Gore Hill Data Centre, iseek Data Centre (in relation to the iseek Lease which for purposes of this Prospectus is treated as a double-net lease despite being a co-location arrangement which is a contractual arrangement), Basis Bay Data Centre, GV7 Data Centre and Almere Data Centre, as well as the co-location arrangements of Gore Hill Data Centre, the Manager's forecast and projection of Gross Rental Income are based on contracted rents received under the respective lease arrangements and co-location arrangements, recognised on a straight-line basis over the committed term of the lease and co-location arrangements.

The following table sets out further details of Keppel DC REIT's Gross Rental Income for Forecast Year 2015 and Projection Year 2016.

Gross Rental Income (S$m)	Forecast Year 2015	Projection Year 2016
Rental income	99.0	102.1
Rental adjustment – straight-line	1.3	0.3
Total	**100.3**	**102.4**

S25 and T25

Keppel DC REIT will have in place separate lease arrangements in respect of S25 and T25, whereby Keppel DC REIT will grant a lease for a term of 10 years to the S25 Lessee and the T25 Lessee, respectively, with an option to renew to be granted to each of the Keppel Lessees for a further period of five years on terms to be mutually agreed between the parties.

Under the S25 Lease, the fixed rent payable per annum is S$5.0 million, while the variable rent payable per annum is 99% of EBITDA (after deducting the fixed rent and operating expenses) of the S25 Lessee, with contracted rental escalation of 3.0% per annum on the fixed rent component.

Under the T25 Lease, the fixed rent payable per annum is S$3.0 million, while the variable rent payable per annum is 99% of EBITDA (after deducting the fixed rent and operating expenses) of the T25 Lessee, with contracted rental escalation of 3.0% per annum on the fixed rent component.

In addition, Keppel DC REIT is to bear insurance and property tax in relation to S25 and T25.

Gore Hill Data Centre

The Gore Hill Lease is for a contracted lease term of 15 years commencing on 19 September 2011 and can be renewed three times, each for a period of five years at the option of the tenant and end-users.

The rental payable is subject to a rental escalation of 3.5% per annum excluding the market review dates which occur on each date the lease is renewed. On such date, the rent is reviewed with the market rent to be determined (i) on the basis that the leased premises comprise an empty concrete shell with services provided to the perimeter of (but not installed in) the leased premises, (ii) on an "effective rent" basis and (iii) against the assumption that the gross Lettable Area of the premises is to be capped at 71,542.3 sq ft (6,646.5 sq m).

iseek Data Centre, Basis Bay Data Centre, GV7 Data Centre and Almere Data Centre

The iseek Lease[1], Basis Bay Lease, GV7 Lease and Ground Lease (for Almere Data Centre) are for initial terms of between 15 to 20 years. These agreements have a fixed starting rental, with contracted rental escalations of between 2.0% to 4.0% per annum built in during the relevant lease periods for Forecast Year 2015 and Projection Year 2016. The leases are a mixture of double-net and triple-net leases. A double-net lease refers to a lease where the tenant pays for rent, is responsible for facilities management, and satisfies at least one of the four Property-Related Expenses. A triple-net lease refers to a lease where the tenant pays for rent, is responsible for facilities management, and satisfies all of the Property-Related Expenses.

Co-location arrangements for Gore Hill Data Centre and Citadel 100 Data Centre

The Manager's forecast and projection of the net rental income for the part of Gore Hill Data Centre under co-location arrangements and Citadel 100 Data Centre, are based on (i) contractual rents receivable under the various co-location arrangements covering these Properties and (ii) the Manager's expectations of any changes on renewals or expiry of the co-location arrangements and the rental rates for new co-location arrangements.

Expiring lease arrangements and co-location arrangements, are assumed to be renewed based on (i) committed leases or co-location arrangements (if the lease or co-location agreement or a legally binding letter of offer has been entered into), (ii) negotiated rates or (iii) the market rent. The market rent is the rent which the Manager believes could be achieved on expiry (either a renewal or a new lease or co-location arrangement) and is estimated by taking into account:

- rental caps in respect of the maximum rent payable for renewal leases or co-location arrangements;
- comparable rents;
- availability and rental rates of competing space;
- assumed customer retention rates;
- likely market conditions;
- inflation levels; and
- customer demand levels.

Lease and Co-Location Renewals, Vacancy Allowances and Occupancy Rates

None of the leases for Gore Hill Data Centre are expected to expire during Forecast Year 2015 and Projection Year 2016, as these leases have lease expiries beyond Projection Year 2016.

1 Keppel DC REIT, through Securus Australia Trust No. 1 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date), has entered into the iseek Lease with iseek Communications. The iseek Lease is a co-location arrangement which is a contractual arrangement and does not give iseek Communications any proprietary interest in iseek Data Centre. However, the terms of the iseek Lease, when read together with the facilities management arrangement (as amended) entered into by Securus Australia Trust No. 1 and iseek Communications are intended to operate to give the same economic effects of a double-net lease and impose on iseek Communications the same responsibilities which it would bear if it were a lessee under a double-net lease. Accordingly, for purposes of this Prospectus, the iseek Lease is treated as a double-net lease and not a co-location arrangement (see "Business and Properties – iseek Data Centre" for further details).

For S25, T25 and Citadel 100 Data Centre, the Manager has assumed that leases and co-location arrangements due for renewal will be renewed based on their option to renew, where applicable, during Forecast Year 2015 and Projection Year 2016. For S25, T25 and Citadel 100 Data Centre, the Manager has made assumptions on periods of down-time and rent-free periods for leases and co-location arrangements that are to be replaced on the basis of interest in data centre space as well as terms that are currently being negotiated for replacements.

The occupancy rates for the IPO Portfolio as at 31 December 2015 and 31 December 2016, are estimated as follows:

Occupancy rates as at 31 December (%)	Forecast Year 2015	Projection Year 2016
S25	87.5%	92.6%
T25	100.0%	100.0%
Gore Hill Data Centre	100.0%	100.0%
iseek Data Centre	100.0%	100.0%
Basis Bay Data Centre	100.0%	100.0%
GV7 Data Centre	100.0%	100.0%
Almere Data Centre	100.0%	100.0%
Citadel 100 Data Centre	73.7%	73.7%
IPO Portfolio	**93.8%**	**94.9%**

The percentage of forecast and projected Rental Income attributable to committed leases and co-location arrangements (including legally binding letters of offer which have been accepted) for S25, T25, Gore Hill Data Centre and Citadel 100 Data Centre as at 30 September 2014, are estimated as follows:

Percentage of Rental Income(1) attributable to committed leases and co-location arrangements as at 30 September 2014 (%)	Forecast Year 2015	Projection Year 2016
S25	92.5%	87.9%
T25	92.5%	68.7%
Gore Hill Data Centre	100.0%	100.0%
iseek Data Centre	100.0%	100.0%
Basis Bay Data Centre	100.0%	100.0%
GV7 Data Centre	100.0%	100.0%
Almere Data Centre	100.0%	100.0%
Citadel 100 Data Centre	86.4%	32.9%
IPO Portfolio	**95.2%**	**82.3%**

Note:

(1) Rental Income refers to the net rental income (after rent rebates and provisions for rent-free periods, where applicable), without adjustment for straight-lining impact over the term of the lease or co-location agreement.

Other Income

Other income includes car park revenue from Gore Hill Data Centre. There are 34 parking spaces and the annual parking fee of A$3,500 (S$3,962) per parking space is payable on 18 parking spaces which are apportioned for use by the tenant under the Gore Hill Lease.

Property Operating Expenses

Property operating expenses consist of:

- property-related taxes; and
- other property operating expenses.

For Forecast Year 2015 and Projection Year 2016, the projected property operating expenses are as follows:

Lease and Co-location Arrangement	Property Operating Expenses (S$m)	
	Forecast Year 2015	Projection Year 2016
Triple-net leases/Double-net[(1)] leases	0.3	0.3
Co-location arrangements	11.4	11.5
Keppel Leases	3.6	3.7
Total	**15.3**	**15.5**

Note:

(1) Includes the iseek Lease which for purposes of this Prospectus is treated as a double-net lease despite being a co-location arrangement which is a contractual arrangement. Such treatment is due to the fact that the terms of the iseek Lease, when read together with the facilities management arrangement (as amended) entered into by Securus Australia Trust No. 1 and iseek Communications are intended to operate to give the same economic effects of a double-net lease and impose on iseek Communications the same responsibilities which it would bear if it were a lessee under a double-net lease.

A summary of the assumptions which have been used in calculating the property operating expenses is set out below.

Property-Related Taxes

In relation to S25 and T25, the Manager has assumed that property tax is applicable at 10.0% per annum of the annual value of each Property, and that no property tax refund is given by the tax authorities for Forecast Year 2015 and Projection Year 2016. In this regard, Digihub and Datahub have each submitted an application to object to the current assessed annual value adopted by IRAS for purposes of assessing the property tax chargeable for S25 and T25 respectively. In the event that the application is successful and a lower annual value is adopted by IRAS for assessing the property tax for S25 and T25 for the Forecast Year 2015, the S25 Sale and Purchase Agreement and T25 Sale and Purchase Agreement provide for an indemnity given by Keppel DC REIT in favour of Digihub and Datahub to compensate Digihub and Datahub for the difference between the assessed property tax and the revised property tax for the calendar year 2014 multiplied by 12. It is assumed that in such event, Keppel DC REIT will draw down from the Revolving Credit Facility to effect payment of such compensation.

In relation to Gore Hill Data Centre, the Manager has assumed that the annual land tax applicable will be 1.6% of the first A$2,519,000 of taxable value of the land, then at 2.0% over that amount per the New South Wales Office of State Revenue.

In relation to Basis Bay Data Centre, quit rent and assessment in Malaysia are levied by the State Land Offices and Municipal Councils respectively. For assessment, the Manager has assumed a rate of 8.4% of annual rental value. In relation to quit rent, the Manager has assumed that the rate of RM0.07 per sq ft per annum as determined by the authorities remains unchanged.

In relation to Almere Data Centre, the Manager has assumed that the annual property tax applicable is 0.2644% of the *Waardering Onroerende Zaken* value, which translated into English, refers to the "Valuation of Property".

In relation to Citadel 100 Data Centre, a local property tax known as a commercial rate is levied by the South Dublin County Council. The Manager has assumed that the commercial rate applicable is based on the latest published rateable valuation of the Property (as determined by the Commissioner of Valuation) multiplied by the 2014 commercial rates multiplier (0.162). This multiplier is subject to annual change.

The estimated property tax payable for S25, T25, Gore Hill Data Centre, Basis Bay Data Centre, Almere Data Centre and Citadel 100 Data Centre for Forecast Year 2015 and Projection Year 2016 are as follows:

Property	Property Tax Payable
S25	10.0% per annum of the annual value of the Property
T25	10.0% per annum of the annual value of the Property
Gore Hill Data Centre	1.6% of the first A$2,519,000 of taxable value of the land, then at 2.0% over that amount per the New South Wales Office of State Revenue
Basis Bay Data Centre	Assessment based on 8.4% of annual rental value with quit rent being RM0.07 per sq ft per annum
Almere Data Centre	0.2644% of asset valuation
Citadel 100 Data Centre	Latest published rateable valuation of the Property (as determined by the Commissioner of Valuation) multiplied by the 2014 commercial rates multiplier (0.162) which is subject to annual change

Other Property Operating Expenses

Other operating expenses include operating and maintenance expenses, energy and utility costs, insurance costs and sub-let consent expenses. Operating and maintenance expenses relate to costs incurred for the upkeep of the Properties (including common areas where relevant), including cleaning, security, repair and maintenance, staff costs, HDB sub-let fees for T25, as well as other general and administrative expenses. These expenses are estimated after taking into consideration the actual historical operating and maintenance costs, and expected inflation.

Energy and utilities costs are estimated based on the historical rates, expected rate increments and expected utilisation.

Insurance costs are estimated based on the historical rates and expected rate increments and are applicable for S25, T25, Gore Hill Data Centre, iseek Data Centre, Basis Bay Data Centre, Almere Data Centre and Citadel 100 Data Centre.

There is also a sub-let consent fee payable to HDB for T25 which is equivalent to 3.0% of the Gross Revenue under the T25 Lease.

Finance Costs

Finance costs consist of interest expenses on bank borrowings, amortisation of debt-related transaction costs and finance lease expenses.

Keppel DC REIT has put in place the Facilities, with the Term Loan Facilities and the Revolving Credit Facility to remain unsecured.

The Facilities comprise the following:

(i) the Term Loan Facilities with loan maturities of four to five years amounting to approximately S$295.0 million with breakdown as below:

  (a) a four-year GBP term loan facility of £11.7 million (S$23.9 million);

  (b) a four-year EUR term loan facility of €37.2 million (S$60.3 million);

  (c) a four-year AUD term loan facility of A$72.2 million (S$80.8 million); and

  (d) a five-year SGD term loan facility of S$130.0 million.

(ii) the Revolving Credit Facility, comprising a one-year revolving credit facility of S$35.0 million.

The amount drawn down on the Listing Date will be approximately S$295.0 million. The Manager has assumed the average effective interest rate for Forecast Year 2015 and Projection Year 2016 will be approximately 3.1% per annum excluding finance lease expense, including the amortisation of debt-related transaction costs and interest expenses. An upfront debt establishment fee incurred in relation to the Facilities is assumed to be amortised over the term of the Facilities and has been included as part of the borrowing costs.

(See "Capitalisation and Indebtedness – Indebtedness" for further details.)

There is also finance lease expenses in the form of land rent payable to both BAC and the Citadel Landlord, given that Keppel DC REIT's leasehold interests in iseek Data Centre and Citadel 100 Data Centre are held under sub-leases of the respective head leases. For Citadel 100 Data Centre, at the Keppel DC REIT level, notwithstanding that Citadel 100 has accounted for the Citadel Lease as an operating lease, Keppel DC REIT has elected to treat the Citadel Lease as an investment property which is permissible under the Singapore Financial Reporting Standards.

Manager's Management Fees

Under the Trust Deed, with effect from the Listing Date, the Manager is entitled to a Base Fee of up to 0.5% per annum of the value of Keppel DC REIT's Deposited Property and a Performance Fee of 3.5% per annum of Keppel DC REIT's Net Property Income in the relevant financial year (calculated before accounting for the Performance Fee in that financial year). The Manager may elect to receive the Base Fee and Performance Fee in cash and/or Units.

For Forecast Year 2015 and Projection Year 2016, it has been assumed that the Manager receives 100.0% of the Base Fee and 100.0% of the Performance Fee in cash.

Trustee's Fee

The Trustee's fee is presently charged on a scaled basis of up to 0.015% per annum of the Deposited Property, subject to a minimum amount of S$15,000 per month, excluding out-of-pocket expenses and GST. The actual fee payable will be determined between the Manager and the Trustee from time to time. The Trustee's fee is accrued daily and paid monthly in arrears in accordance with the Keppel DC REIT Trust Deed.

(See "The Formation and Structure of Keppel DC REIT – The Trustee" for further details.)

Other Trust Expenses

Other trust expenses include recurring operating expenses such as annual listing fees, auditing and tax advisers' fees, registry fees, valuation costs, costs associated with the preparation and distribution of reports to Unitholders, investor communication costs, security agent fees, debt facility agent fees, and other miscellaneous expenses.

In assessing these amounts, the Manager has considered factors likely to influence the level of trust fees, charges and costs including the Manager's estimates of Keppel DC REIT's market capitalisation, gross assets, number of Unitholders for Keppel DC REIT units, property values and inflation rates.

Income Tax Expenses

It has been assumed that income tax will remain at the same tax rates prevailing in each of the jurisdictions, for Forecast Year 2015 and Projection Year 2016. The following taxes have been taken into account in Forecast Year 2015 and Projection Year 2016:

- Singapore corporate income tax;
- Australia corporate income tax;
- Malaysia corporate income tax;
- UK income tax;
- Dutch corporate income tax; and
- Irish corporate income tax.

(See "Taxation" for further details regarding taxes for each jurisdiction.)

Distribution Adjustments

For Forecast Year 2015 and Projection Year 2016, the projected distribution adjustments to be adjusted to determine income available for distribution are as follows:

Distribution Adjustments (S$m)	Forecast Year 2015	Projection Year 2016
Trustee's fees	0.2	0.2
Amortisation of debt-related transaction costs	0.3	0.3
Adjustments of Gross Rental Income to cash basis	(1.3)	(0.3)
Total	**(0.8)**	**0.2**

Foreign Exchange Rates

The Manager has assumed the following exchange rates for the Profit Forecast and Profit Projection:

Foreign Exchange Rates	Forecast Year 2015	Projection Year 2016
Australian dollar per Singapore dollar	0.90	0.92
Euro per Singapore dollar	0.61	0.61
Pound sterling per Singapore dollar	0.49	0.50
Malaysian ringgit per Singapore dollar	2.66	2.76

Keppel DC REIT will enter into foreign exchange hedges close to 100% of Keppel DC REIT's estimated distributions from Gore Hill Data Centre, iseek Data Centre, Basis Bay Data Centre, Citadel 100 Data Centre, GV7 Data Centre and Almere Data Centre to Keppel DC REIT, for Forecast Year 2015 and Projection Year 2016, effective as of the Listing Date.

Capital Expenditure

There is capital expenditure of S$12.5 million expected to be incurred over the two-year period in Forecast Year 2015 and Projection Year 2016 for future replacement and improvement works, of which S$8.0 million is to be borne by the Sponsor. The Manager will be able to draw down on the committed revolving credit facility of S$35.0 million from the Lenders to fund the current capital expenditure requirements, as well as for any future capital expenditure, if required.

Properties

The aggregate Appraised Value of the Properties as at 30 September 2014 was approximately S$1.0 billion. For the purposes of the Profit Forecast and Profit Projection, the Manager has assumed that there is no change in the valuation of the Properties, except to the extent associated with capitalised capital expenditure. Thereafter, it is assumed that the Properties will be revalued annually.

Any subsequent revaluation of the Properties will not affect the forecast and projected DPU for Forecast Year 2015 and Projection Year 2016, as Keppel DC REIT's distributions are based on taxable income, which excludes gains or losses upon revaluation of the Properties.

Issue Costs

The costs associated with the Offering will be paid for by Keppel DC REIT. These costs are deducted from net assets attributable to Unitholders and have no impact on income available for distribution to Unitholders.

Accounting Standards

The Manager has assumed that there will be no change in the applicable accounting standards or other financial reporting requirements that may have a material effect on the forecast or projected total return after tax.

Other Assumptions

The Manager has made the following additional assumptions in preparing the Profit Forecast and Profit Projection:

- the initial property portfolio of Keppel DC REIT remains unchanged for Forecast Year 2015 and Projection Year 2016;
- no further capital will be raised for Keppel DC REIT during Forecast Year 2015 and Projection Year 2016;
- all the lease and co-location arrangements in relation to the Properties are enforceable and will be performed in accordance with their terms during Forecast Year 2015 and Projection Year 2016;
- the Facilities are available for Forecast Year 2015 and Projection Year 2016;
- the Singapore Tax Ruling remains in force and that the terms and conditions of the Singapore Tax Ruling are complied with;
- there will be no changes in the applicable tax legislation for Forecast Year 2015 and Projection Year 2016;
- for the avoidance of doubt, Keppel DC REIT's distribution policy is to distribute 100% of its Distributable Income for the period from the Listing Date to 31 December 2016 and thereafter to distribute at least 90% of its Distributable Income;
- there will be no pre-termination of any committed leases and co-location arrangements as at the Listing Date;
- there will be no development projects undertaken for Forecast Year 2015 and Projection Year 2016;
- the GST charged on issue expenses will be recovered in the quarter immediately following when they are incurred;
- there will be no change in the valuation of the Properties; and
- that where derivative financial instruments are undertaken to hedge against interest rate and/or currency movements, there is no change in fair value of such instruments throughout Forecast Year 2015 and Projection Year 2016.

SENSITIVITY ANALYSIS

The forecast and projected distributions included in this Prospectus are based on a number of assumptions that have been outlined above. The forecast and projected distributions are also subject to a number of risks as set out in "Risk Factors".

Investors should be aware that future events cannot be predicted with any certainty and deviations from the figures forecast or projected in this Prospectus are to be expected. To assist investors in assessing the impact of these assumptions on the Profit Forecast and Profit Projection, a series of tables demonstrating the sensitivity of the distribution yield to changes in the principal assumptions are set out below.

The sensitivity analyses are intended only as a guide. Variations in actual performance could exceed the ranges shown. Movements in other variables may offset or compound the effect of a change in any variable beyond the extent shown.

Rental Income

Changes in the Rental Income not attributable to committed leases and co-location arrangements will impact the Net Property Income of Keppel DC REIT and, consequently, the distribution yield. The assumptions for Rental Income have been set out earlier in this section. The effect of variations in the Rental Income not attributable to committed leases and co-location arrangements on the distribution yield is set out below:

	Distribution yield pursuant to changes in Rental Income not attributable to committed leases and co-location arrangements[1] (%)	
	Forecast Year 2015	**Projection Year 2016**
5.0% above base case	6.9	7.3
Base case	**6.8**	**7.1**
5.0% below base case	6.8	7.0

Note:

(1) Rental Income refers to the net rental income (after rent rebates and provisions for rent-free periods, where applicable), without adjustment for straight-lining impact over the term of the lease or co-location arrangement.

Property Operating Expenses

Changes in property operating expenses will impact the Net Property Income of Keppel DC REIT and, consequently, the distribution yield. The assumptions for property operating expenses have been set out earlier in this section. The effect of variations in the property operating expenses on the distribution yield is set out below:

	Distribution yield pursuant to changes in Property Operating Expenses (%)	
	Forecast Year 2015	**Projection Year 2016**
5.0% above base case	6.8	7.1
Base case	**6.8**	**7.1**
5.0% below base case	6.9	7.2

Finance Costs

Changes in interest rates will impact the finance costs and total return after tax of Keppel DC REIT and, consequently, the distribution yield. The assumptions for finance costs have been set out earlier in this section. The effect of variations in finance costs on the distribution yield is set out below:

	Distribution yield pursuant to changes in Finance Costs (%)	
	Forecast Year 2015	**Projection Year 2016**
0.5% above base case	6.7	7.0
Base case	**6.8**	**7.1**
0.5% below base case	7.0	7.3

Foreign Exchange Rates

Changes in the foreign exchange rates for Australian dollars, Pound sterling, Euro and Malaysian ringgit to Singapore dollars will impact the Distributable Income of Keppel DC REIT as the distributions are paid in Singapore dollars and consequently, the distribution yield. The assumptions for foreign exchange rates have been set out earlier in this section. The effect of variations in foreign exchange rates on the distribution yield is set out below:

	Distribution yield pursuant to changes in Foreign Exchange Rates (%)	
	Forecast Year 2015	**Projection Year 2016**
5.0% SGD appreciation	6.6	6.9
Base case	**6.8**	**7.1**
5.0% SGD depreciation	7.1	7.4

Property Tax Payable for S25 and T25

Changes in property tax payable per annum for S25 and T25 will impact the finance costs and total return after tax of Keppel DC REIT and, consequently, the distribution yield. The assumptions for property tax for S25 and T25 have been set out earlier in this section. The effect of variations in property tax for S25 and T25 on the distribution yield is set out below:

	Distribution yield pursuant to changes in Property Tax for S25 and T25 (%)	
	Forecast Year 2015	**Projection Year 2016**
S$600,000 above base case	6.8	7.1
Base case	**6.8**	**7.1**
S$600,000 below base case	6.9	7.2

STRATEGY

INVESTMENT STRATEGY

Keppel DC REIT is a Singapore REIT established with the investment strategy of principally investing, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centre purposes, as well as real estate-related assets, with an initial focus on Asia-Pacific and Europe.

In accordance with the requirements of the Listing Manual, the Manager's investment strategy for Keppel DC REIT will be adhered to for at least three years following the Listing Date. The Manager's investment strategy for Keppel DC REIT may only be changed within three years from the Listing Date if an Extraordinary Resolution is passed at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

KEY OBJECTIVE

The Manager's key financial objectives are to provide Unitholders with regular and stable distributions and to achieve long-term growth in DPU and NAV per Unit, while maintaining an appropriate capital structure for Keppel DC REIT.

KEY STRATEGIES

The Manager plans to achieve its key objectives through the following strategies:

- **Proactive asset management and asset enhancement strategy** – The Manager will actively manage Keppel DC REIT's property portfolio to achieve growth in revenue and Net Property Income and maintain optimal occupancy levels. The Manager will look to drive organic growth, build strong relationships with the customers of the Properties and seek enhancement and growth opportunities within the existing Properties.

- **Investments and acquisition growth strategy** – The Manager will achieve portfolio growth through the acquisition of quality income-producing data centre properties that fit within Keppel DC REIT's investment strategy to enhance total return to Unitholders and increase potential opportunities for future income and capital growth. In executing this strategy, Keppel DC REIT will endeavour to acquire data centre properties situated in high-growth emerging markets for data centres to cater to population and infrastructure growth.

- **Capital and risk management strategy** – The Manager will endeavour to employ an appropriate mix of debt and equity in financing acquisitions, and utilise hedging strategies where appropriate to manage interest rate volatilities and foreign exchange exposures for Keppel DC REIT while maintaining a strong and robust balance sheet.

Proactive Asset Management and Asset Enhancement Strategy

The Manager's strategy for organic growth is to actively manage the Properties and grow strong relationships with its customers by providing value-added property-related services. Through such active asset management, the Manager seeks to maintain high customer retention and occupancy levels and achieve stable rental growth, as well as minimise the costs associated with marketing and leasing space to new customers. Keppel DC REIT will benefit from the Sponsor's experience in asset management and asset enhancement.

Further, the Manager plans to meet its objective of increasing the yields of the Properties and maximising returns through some of, but not limited to, the following measures:

Improving rentals while maintaining high occupancy rates

While the Properties continue to enjoy high occupancy levels, the Manager will work with the facility managers (where applicable) to actively manage lease and co-location renewals and new leases and co-location arrangements to maintain high customer retention levels and minimise vacancy periods, through:

- identifying and rationalising leases and co-location arrangements that are about to expire with passing rents which are below market levels;
- advancing renewal negotiations with tenants and end-users whose leases or co-location arrangements are approaching expiry;
- leveraging strong relationships with data centre brokers and customers to secure new customers for the facilities and hence minimise vacant periods;
- actively monitoring rental arrears to minimise defaults by customer and other aspects of customer performance;
- incorporating contractual periodic rental step-up in selected tenancy arrangements to provide an additional source of organic growth;
- searching for new customers from sectors currently under-represented in Keppel DC REIT's portfolio of properties to pursue an optimal customer mix;
- monitoring and assessing spaces which remain vacant for long periods and directly or working with the facility managers (where applicable) to conduct asset enhancement works to suit prospective customer's needs; and
- optimise the use of space through detailed planning of customer's data centre space and power allocation.

Delivering high quality services to its customers

The Manager intends to continue providing high quality services to its customers through:

- providing high quality asset management services to maintain high customer retention rates;
- facilitating relocation within the Properties according to their operational requirements;
- improving responsiveness to customer's feedback and enquiries;
- offering customers a consistent service standard across different Properties; and
- providing additional value-added services for customers.

Implementing asset enhancement initiatives

The Manager will work closely with the respective facility managers to improve the rental income and value of the portfolio by undertaking asset enhancement initiatives. To the extent possible and permitted by law and regulations, the Manager may:

- identify sub-optimal and ancillary areas that can be converted for higher returns (data centre area or Business Continuity and Disaster Recovery Area) and improve data centre usage efficiency in the Properties; and

- undertake retrofitting and refurbishments of the Properties where necessary, to increase the Lettable Area or power availability.

The Manager will undertake asset enhancement initiatives subject to the improvements satisfying projected levels of feasibility and profitability.

(See "Business and Properties" for further details.)

Leverage strong industry relationships

The Manager intends to leverage its relationship with data centre brokers and customers to secure new data centre customers for Keppel DC REIT's data centre facilities.

Rationalise operating costs

The Manager intends to rationalise operating costs through the following:

- directly or working closely with the facility managers (where applicable) to manage and reduce the property operating expenses (without reducing the quality of maintenance and services). Some cost management initiatives include constant review of workflow process to boost productivity, lower operational costs and foster close partnership with services providers to control costs and potential escalation; and

- leveraging on economies of scale associated with operating a portfolio of properties by, for example, cross implementation of successful cost-saving programmes and savings on the maintenance by key equipment vendors.

Given Keppel DC REIT's organic earnings growth potential, the Manager's initial strategy following the completion of the Offering is to focus on optimising the operational performance of Keppel DC REIT's IPO Portfolio, by increasing Gross Revenue and rationalising costs. Nonetheless, moving forward, the Manager intends to actively explore acquisition opportunities that will add value to Keppel DC REIT and enhance returns to Unitholders. The Manager's intention is to hold assets on a long-term basis. However, consideration will be given to divesting properties which have reached a stage that affords limited scope for income growth in order to reinvest sale proceeds towards better growth opportunities, subject to any prior contractual restrictions.

Investments and Acquisition Growth Strategy

The Manager, a wholly-owned owned subsidiary of the Sponsor, will benefit from the Sponsor's experience and track record in pursuing opportunities to undertake acquisitions of assets that will provide attractive cash flows and yields relative to Keppel DC REIT's weighted average cost of capital, and opportunities for future income and capital growth. In evaluating future acquisition opportunities, the Manager will seek acquisitions that may enhance the diversification of the portfolio by location and customer profile, and optimise risk-adjusted returns to the Unitholders.

The Manager believes it is well qualified to pursue its acquisition strategy. As joint investment manager of Securus Fund, the Manager has extensive experience and a strong track record in sourcing, acquiring and financing data centre assets in Asia-Pacific and Europe and, together with the Sponsor, has successfully established a strong data centre platform in new locations where acquisitions were made. The Manager will continue to replicate this in new acquisitions. The management's industry knowledge, relationships and access to market information provide a competitive advantage with respect to identifying, evaluating and acquiring data centre and/or data centre-related real estate assets.

Investment criteria

In evaluating acquisition opportunities for Keppel DC REIT, the Manager will focus primarily on the following investment criteria:

- **Yield requirements** – The Manager will seek to acquire properties with the ability to provide attractive long-term cash flows and yields above Keppel DC REIT's weighted average cost of capital, as well as with the potential for net asset growth.

- **Location** – The Manager will assess acquisition opportunities from the perspective of both the broader market and the location-specific aspects. The Manager will evaluate a range of location-related criteria including, but not necessarily limited to, the demand and supply of data centres in the location, availability of power, fibre connectivity, the immediate presence and concentration of competitors, and physical considerations such as the risks of natural disasters such as earthquakes, flood and bush fires.

- **Asset enhancement potential** – The Manager will seek to acquire properties where there is potential to increase investment returns and create value through active property management such as selective capital expenditure and/or other asset enhancement initiatives.

- **Building and facilities specification** – The Manager will endeavour to conduct thorough property due diligence and adhere strictly to the relevant quality specifications, with due consideration given to the size and age of the buildings and the associated data centre infrastructure, with respect to potential properties to be acquired by Keppel DC REIT. It will also ensure that the acquisition properties are in compliance with legal and zoning regulations. The property due diligence will also include a technical due diligence reviewing the design and quality of the data centre infrastructure. The properties will be assessed by independent experts relating to repairs, maintenance and capital expenditure requirements in the short to medium-term.

- **Customer mix and occupancy characteristics** – The Manager will seek to acquire properties with opportunities to increase rental and customer retention rates relative to competing properties in the respective micro-property markets. The properties should have a healthy occupancy rate with established customers of good credit standing to minimise rental delinquency and turnover. A key consideration will be the impact of an acquisition on the entire portfolio's customer, business sector and lease expiry profiles.

- **Synergies** – The Manager endeavours to acquire properties with potential expansion in adjacent plots allowing Keppel DC REIT to yield potential synergies and operating leverage.

Pipeline acquisition opportunities

In addition, Keppel DC REIT will benefit from the following ROFRs which have been granted to Keppel DC REIT:

- Sponsor ROFR granted by the Sponsor which, subject to certain conditions, provides Keppel DC REIT with access to potential future acquisitions and opportunities of income-producing properties which are used primarily for data centre purposes; and
- ROFR granted by iseek Communications which, subject to certain conditions, provides Keppel DC REIT with access to potential future acquisitions and opportunities of income-producing properties which are used primarily for data centre purposes in Australia.

(See "Certain Agreements Relating to Keppel DC REIT and the Properties – Right of First Refusal Agreements" for further details.)

The table below sets out the information of the properties that are subject to the ROFRs (subject to the terms thereof).

Party Providing ROFR	ROFR Assets	Geographical Coverage/Location
Sponsor	Income-producing data centre properties globally, including:	Global
	• T27, a data centre with GFA of 134,000 sq ft and approximately 47,000 sq ft of Lettable Area which is currently in the process of obtaining the Certificate of Statutory Completion from the Building and Construction Authority and located adjacent to T25. The development was completed in the third quarter of 2014[1]	T27 is located in Singapore
	• Almere Data Centre 2, a purpose-built shell and core data centre building which will be fitted out into a high specification data centre facility with approximately 53,800 sq ft of Lettable Area. The building is located adjacent to Almere Data Centre[2]	Almere Data Centre 2 is located in Amsterdam, the Netherlands
iseek Communications	Income-producing data centre properties which iseek Communications develops in Australia, including:	Australia
	• a data centre that is proposed to be developed on a plot of vacant land adjacent to iseek Data Centre	The proposed data centre to be developed is located in Brisbane, Australia

1 T27 is wholly-owned by KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion 70% and 30% respectively.

2 The Sponsor, has through KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion 70% and 30% respectively, entered into a sale and purchase agreement for Almere Data Centre 2 dated 20 November 2014. The acquisition of Almere Data Centre 2 is subject to completion of the sale and purchase agreement.

Capital and Risk Management Strategy

The Manager will endeavour to:

- maintain a strong balance sheet;

- employ an appropriate mix of debt and equity in financing acquisitions;

- secure diversified funding sources to access both financial institutions and capital markets;

- optimise its cost of debt financing;

- adopt appropriate interest rate hedging strategies to minimise exposure to market volatility; and

- utilise currency risk management strategies to minimise exposure to foreign exchange currency volatility.

The Manager intends to achieve the above by pursuing the following strategies:

- **Optimal capital structure strategy** – The Manager aims to optimise the capital structure and cost of capital, within the borrowing limits set out in the Property Fund Appendix. The Manager's strategy of management of capital involves adopting and maintaining appropriate aggregate leverage levels to ensure optimal returns to Unitholders, while maintaining flexibility in respect of future capital expenditure or acquisitions. The Manager will endeavour to employ an optimal capital structure, comprising an appropriate mix of debt and equity in financing the acquisition of properties and asset enhancement activities of its properties.

  In the event that Keppel DC REIT incurs any future borrowings, the Manager will periodically review Keppel DC REIT's capital management policy with respect to its Aggregate Leverage and modify its strategy in light of prevailing market conditions. The Manager will endeavour to employ long-term, fixed-rate debt to the extent practicable in view of market conditions in existence from time to time. As and when appropriate, the Manager may consider diversifying its sources of debt financing in the future by way of accessing the public debt capital markets through the issuance of bonds to further enhance the debt maturity profile of Keppel DC REIT. The public debt capital markets may also provide Keppel DC REIT with the ability to secure longer-term funding options in a more cost efficient manner. Nevertheless, the Manager intends to maintain a prudent level of borrowings while maximising returns for Unitholders.

  As at the Listing Date, Keppel DC REIT is expected to have borrowings of approximately S$295.0 million with an Aggregate Leverage of approximately 27.8%[1] (see "Capitalisation and Indebtedness – Indebtedness" for further details).

- **Proactive interest rate management strategy** – The Manager endeavours to utilise interest rate hedging strategies where appropriate to optimise risk-adjusted returns to Unitholders. The Manager will adopt a proactive interest rate management policy to manage the risk associated with changes in interest rates on the loan facilities while also seeking to ensure that Keppel DC REIT's on-going cost of debt capital remains competitive. The Manager also intends to enter into interest rate hedging contract(s) to hedge at least 50% of Keppel DC REIT's interest rate exposure under the Facilities.

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1 Without taking into consideration the finance lease liabilities pertaining to the land rent commitments for iseek Data Centre and Citadel 100 Data Centre. If these finance lease liabilities were included, the Aggregate Leverage would be 30.0%.

- **Currency risk management strategy** – The Manager endeavours to utilise currency risk management strategies where appropriate to minimise the impact of Keppel DC REIT's distributable income due to foreign exchange volatility, including the use of foreign currency denominated borrowings to match the currency of the asset investment as a natural currency hedge.

- **Other financing strategy** – The Manager will, in the future, consider other opportunities to raise additional equity capital for Keppel DC REIT through the issue of new Units, for example to finance acquisitions of properties. The decision to raise additional equity will also take into account the stated strategy of maintaining an optimal capital structure.

OVERVIEW OF THE DATA CENTRE INDUSTRY

The Manager commissioned BroadGroup, the Independent Market Research Consultant, to prepare the Independent Property Market Research Report on the data centre industry. The following is a summary of the Independent Property Market Research Report which has been prepared by BroadGroup for inclusion in the Prospectus (see "Appendix F – Independent Property Market Research Report" for the full report).

Overview of Data Centres

Data centres are specialised facilities designed to house mission-critical networking and computer equipment including servers, data storage systems, routers, switches and telecommunications equipment. A data centre provides the power, cooling and network connectivity necessary to reliably operate such equipment in a secure and controlled environment. A data centre is connected to telecommunications networks, which allow the servers and data storage systems within to communicate information and exchange data with the end-users or other servers around the world. Data centres are usually strategically located in places with dense telecommunications network coverage.

BroadGroup defines data centres as secure facilities designed and built specifically to hold and reliably operate networking and computer equipment in the appropriate power and environmental conditions. Key technical features of a data centre include provision of redundant power supplies to networking and computer equipment, cooling equipment to prevent the equipment from over-heating, fire-suppression systems, high levels of physical security and raised flooring.

Outlook on the Data Centre Industry

Demand Drivers

Demand for high specification data centres that are professionally managed has shown strong growth, and this trend is expected to continue, due to the following key drivers:

- growth in data creation and data storage needs;
- growth in cloud computing;
- increasing compliance and regulatory requirements on data security; and
- increased outsourcing of data centre requirements.

Growth in data creation and data storage needs

Data growth has been driven by several factors such as the proliferation of internet enabled devices, growth in video streaming and file sharing, increased popularity of e-commerce and social networking and more generally, the increase in number of global internet users. From 2013 to 2018, BroadGroup estimates that the number of global internet users and internet enabled devices will increase at a CAGR of approximately 17.2% and 26.6% respectively.

The recent trend towards "Big Data" has also underscored the increasing demand for data storage. "Big Data" encompasses the collection and analysis of significant volumes of historical and real-time data, and generates vast computing and data storage requirements.

BroadGroup estimates that the amount of data created globally is expected to grow at a CAGR of 47.7% from 2013 to 2018.

As a result of the increased data creation and sharing, data transmission in terms of global monthly internet protocol ("**IP**") traffic is correspondingly expected to increase significantly. Global monthly IP traffic is expected to grow at a further CAGR of 21.0% per annum from 2013 to 2018. Asia-Pacific overtook North America in terms of monthly IP traffic in 2013, and will grow at a faster rate between 2013 and 2018.

Growth in cloud computing

Cloud computing is a model for enabling convenient, on-demand network access to a shared pool of configurable computing resources (such as networks, servers, storage, applications and services) that is highly scalable and can be rapidly provisioned and released with minimal management effort or service provider interaction. Such a concept is gaining popularity among corporate and individual customers and is changing the way information technology is being consumed by placing more focus on networked or shared resources. Suppliers of cloud services require data centre space with high power density and the shift towards cloud computing is a key driver of data centre demand.

Increasing compliance and regulatory requirements on data security

As a result of increasing compliance and regulatory requirements in various industries including banking, finance and healthcare, secure data centre facilities with reliable long-term access and on-demand retrieval capabilities are increasingly required for data storage and archival purposes. Certain regulations require organisations to store a broader range of data for a longer duration, or impose stringent requirements on the types of security features data centres should have. As a result, the demand for high specification and professionally-managed data centres is expected to grow.

Increased outsourcing of data centre requirements

There has been a trend towards outsourcing of data centre requirements by organisations to third-party providers for the reasons below:

- **Cost effectiveness:** Data centres require large upfront costs to construct and it is often more cost effective and capital efficient for organisations to utilise experienced data centre providers to meet their needs for co-location and managed hosting services;

- **Increased complexity:** Organisations face increasing complexity of running in-house data centres and find difficulty in attracting and retaining qualified personnel who are competent in managing such data centres;

- **Users focusing on their core competencies:** Owning and managing in-house data centres are not core competencies for many organisations. A growing number of organisations are facing challenges in managing infrastructure in-house as they often lack the knowledge and skills to ensure data availability and security, among others. By outsourcing their data centre requirements, organisations can focus on their core business; and

- **Changing Needs:** An organisation's needs can change and grow quickly and third-party providers are able to provide flexible, on-demand and customisable solutions faster than in-house options.

For the above reasons, demand for outsourced third-party data centres has been increasing. Currently, a majority of data centres are managed internally by organisations and operated as cost centres, representing a sizeable potential customer base for third-party data centre providers. The proportion of outsourced data centre space in Asia-Pacific is projected to increase from 12.1% in 2013 to 38.5% in 2018, representing an increase of 26.4% over the period. In Western Europe, this figure is projected to increase from 21.1% in 2013 to 42.2% in 2018, representing an increase of 21.1% over the period.

Global Competitive Landscape and Keppel DC REIT's Positioning

Keppel DC REIT's IPO Portfolio comprises data centres in Singapore, Australia, Malaysia, the UK, the Netherlands and Ireland. They are strategically located in Asia-Pacific and Europe, being markets which exhibit favourable data centre sector fundamentals.

The portfolio is strategically sited in compelling locations and is attractive for reasons including:

- favourable demand, supply and growth trends in the markets;
- proximity to customers and local end-user demand;
- credibility and good operational track record in the market; and
- an established presence and installed base.

Favourable demand, supply and growth trends in the markets

The portfolio is located in markets with medium to high growth opportunities. The table below analyses each of the portfolio's six locations in terms of demand, supply and growth:

	Local demand	International demand	Low competition	Growth opportunities
Singapore	3	5	3	5
Australia	5	4	4	5
Malaysia	4	3	3	5
UK	5	4	3	4
Netherlands	4	5	4	5
Ireland	3	5	3	4

Scale = 1-5 with 5 being highest score

Proximity to customers and local end-user demand

The portfolio is located close to key customers and local end-user demand and underpinned by excellent infrastructure required for operating data centres. The IPO Portfolio is located in some of the most attractive data centre hubs and areas with growing demand.

Credibility and good operational track record in the market

The data centres in Keppel DC REIT's IPO Portfolio have a good operational track record and are well-regarded in each of their local markets.

Established presence and installed base

The customers are well-established in their local markets, with a number having been established for more than five years. The sites also typically have a well-established single customer, or have built up a number of well-known corporate customers.

Outlook on the Data Centre Industry in Singapore

The Singapore market has shown strong momentum in recent years, backed by good telecommunications, financial and trading infrastructure and strong government support for the sector. One key advantage of this market is the breadth and depth of data centre demand originating from multinational and regional organisations, which often use Singapore as their Asia-Pacific headquarters, including financial institutions, large corporate, digital media and content providers and cloud computing operators. The Singapore government has shown commitment to develop the data centre industry, from creating supportive regulatory and taxation measures, to specific initiatives. The Singapore Data Centre Park was announced in 2011 and was envisioned as a central location for data centres in Singapore. The park will eventually consist of up to eight data centres, offering up to 1,100,000 sq ft of gross floor area of data centre space, and is targeted to be operational in early 2016.

According to BroadGroup, absorption and utilisation trends are healthy, and utilisation of the data centre space in the market is forecast to grow from 86.2% in 2013 to 92.1% in 2018. Furthermore, wholesale co-location pricing in Singapore is expected to trend upwards, increasing at a CAGR of 4.8% and 4.9% in terms of price per KW and price per sq ft respectively, for the period between 2013 and 2018.

Outlook on the Data Centre Industry in Australia

The Australia market has grown significantly in recent years driven by conducive demand and supply trends. Australia is particularly considered attractive as an Asia-Pacific location, given its time difference with other markets, strong financial eco-system and ease of doing business. Global data centre providers see Australia as an attractive entry point for the region, providing high quality supply which has further encouraged demand.

Australia scores well in global rankings on IT and telecommunications infrastructure. The strong adoption of wireless broadband is expected to promote higher data consumption and lead to greater data centre demand. National telecommunications connectivity has also been improved with the National Broadband Network, which started as a trial in 2010 and will provide fibre access to 93% of Australian premises by 2021.

Data centre demand in Australia has been increasing over the last five years to 2013, and BroadGroup believes it will continue to increase into 2018.

Sydney

Sydney is the largest data centre market in Australia, benefitting from its position as the key hub for multinational organisations, financial institutions and global operators of data centres, which tend to focus on growing their business within the city.

Sydney will continue to see increasing supply in the market, and this will be matched by growing absorption numbers, particularly from 2016 onwards. Utilisation rate is expected to increase from 74.2% in 2013 to 80.4% in 2018. Key growth drivers will include further outsourcing and shift towards cloud computing. Pricing has been strong in Sydney, driven by the demand for outsourced space, time to bring new supply to the market, and the strength of the Australian dollar. The growth in pricing between 2009 and 2011 reflected the strong demand at a period when supply was constrained. BroadGroup believes that there will be continued price growth in wholesale co-location pricing, with a CAGR of 4.3% and 5.0% in terms of price per KW and price per sq ft respectively, for the period between 2013 and 2018.

Brisbane

Data centre demand in the Brisbane market is dominated by local users, and supply is more fragmented, with many small providers. However, larger providers are starting to become more important, with global providers such as Fujitsu starting to build facilities in the city. Demand will mainly come from local and regional companies, with digital media companies being a particular driver. Utilisation at the end of 2013 was around 80% to 85% and this is expected to increase to approximately 88% by 2018.

Pricing in the Brisbane data centre market tends to follow similar patterns to that of Sydney. However, price movements tend to lag behind that of Sydney and levels tend to be around 10% to 15% lower.

Outlook on the Data Centre Industry in Malaysia

The Malaysia market has exhibited strong growth, largely driven by supportive government initiatives, which has been keen to grow the data centre market by providing more land and support for third-party space. The data centre industry is central to Malaysia's Economic Transformation Program. Malaysia has seen increasing interest from global providers with corresponding interest from data centre users, particularly given the relative affordability of power, competitive labour costs and overall stable growth of the domestic economy.

The Malaysia market has exhibited steady growth in data centre demand in recent years, but utilisation has decreased as new supply entered the market.

Kuala Lumpur

Kuala Lumpur is the most important city in the Malaysia data centre market due to its strong telecommunications infrastructure and stable domestic economy. It has also benefitted from the ecosystem provided by the purpose-built technology business park in nearby Cyberjaya and the associated tax advantages. Utilisation rates are expected to increase from 71.1% in 2013 to 74.3% in 2018. Pricing growth in the market is relatively low, mostly due to the large amount of available supply. However, in the period from 2014 to 2018, BroadGroup believes that there will be a gradual increase in pricing, particularly as weaker competitors exit the market. Wholesale co-location pricing in Kuala Lumpur is expected to increase at a CAGR of 2.6% and 5.8% in terms of price per KW and price per sq ft respectively, for the period between 2013 and 2018.

Outlook on the Data Centre Industry in the UK

The UK is one of the largest data centre markets in Europe, accounting for close to 25% of the European third-party data centre market. The UK is a strong trading and financial hub and there is a greater willingness to outsource by both corporates and government, factors which contribute to the attractiveness of the market.

Demand for data centres comes from a number of sources, with retail co-location and cloud and managed service providers as key customers of wholesale co-location providers, along with financial institutions, system integrators and the broader corporate sector. Absorption exceeded demand in the last three years till 2013, and utilisation increased as a result.

London

London has historically dominated the data centre market in the UK. The London market is a relatively mature market with sophisticated offerings and users, and is supported by the London Internet Exchange which is home to more than 400 telecommunications connectivity carriers. BroadGroup expects utilisation to increase sharply over the forecast period from 72.2% in 2013 to 86.3% in 2018, due to robust demand in a market with limited supply.

Pricing in the London market will remain high, with Docklands-based data centres commanding a premium. Wholesale co-location pricing in London is expected to increase at a CAGR of 3.1% and 4.6% in terms of price per KW and price per sq ft respectively, for the period between 2013 and 2018.

Outlook on the Data Centre Industry in the Netherlands

The Netherlands market, dominated by Amsterdam, has been a very attractive market for several years. Regional providers see it as the most attractive European location for reasons such as its proximity to major European trading hubs, excellent telecommunications infrastructure, strong presence of U.S. and multinational corporates, and supportive government policies which facilitates entry into and expansion within the market.

The Netherlands is one of the leading countries in the world for IT and telecommunications, and ranks in the top tier for fixed internet and broadband usage. The Netherlands, and in particular Amsterdam, has also developed a reputation as the "internet hub" for Europe, with many leading global players operating out of the country.

Total absorption of net technical space in the Netherlands has been steadily increasing and utilisation has shown a corresponding increase.

Amsterdam

Many U.S. Internet companies are keen to enter via Amsterdam as their initial foray into Europe. The location is seen as centrally located with close proximity to large European countries, has a friendly business environment including excellent English language skills, with excellent telecommunications and strong existing eco-system of Internet and media businesses. It experienced strong absorption in the period to 2013, and is expected to continue to exhibit strong absorption which will push utilisation rate to above 90% by 2018.

While new entrants looking to gain a foothold in the market has created some pricing pressure in the market, BroadGroup believes that pricing will rise in the forecast period, due to continuing strong demand in the market. Wholesale co-location pricing in Amsterdam is forecast to increase at a CAGR of 2.7% and 4.2% in terms of price per KW and price per sq ft respectively, for the period between 2013 and 2018.

Outlook on the Data Centre Industry in Ireland

The Ireland market is largely dependent on U.S. based companies, particularly IT and internet companies, financial institutions and pharmaceutical companies. Around 60% to 80% of third-party data centre demand in the Irish market comes from the U.S., which favours Ireland for reasons such as the ability to support a pan-European operation and tax advantages. Despite the credit crunch between 2009 and 2011, the Irish government remains committed to both its low corporate tax rate and efforts to attract U.S. players and their data centres. This has been illustrated by public commitment and support, initiatives to improve telecommunications connectivity and power, and continuing ability to attract further investments from the likes of Amazon and Microsoft to build their own data centres in Ireland.

Total absorption of net technical space has grown in the last three years till 2013. Utilisation is expected to exceed 80% by 2018.

Dublin

Dublin remains a key data centre market within Ireland. While there have been initiatives to develop other cities to improve attractiveness for data centre industry players, Dublin's existing data centre eco-system and stronger telecommunications infrastructure continues to put it ahead of other cities. It is known to be Europe's cloud computing hub.

BroadGroup expects to see continued increase in demand over the forecast period to 2018. Supply over the same period is projected to remain fairly conservative, and progressively introduced to match demand. Utilisation is expected to rise from 75.1% in 2013 to 76.4% in 2018.

Wholesale co-location pricing in Dublin has been fairly flat in recent years, which is partially a reflection of performance of the local economy, and bargaining power of U.S. internet companies. BroadGroup does expect some price increase over the forecast period due to the increasing demand, with CAGR of 2.3% and 3.8% in terms of price per KW and price per sq ft respectively, for the period between 2013 and 2018.

BUSINESS AND PROPERTIES

Unless otherwise specified, all information relating to the Properties in the Prospectus are as at 30 September 2014.

Keppel DC REIT is a Singapore REIT established with the investment strategy of principally investing, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centre purposes, as well as real estate-related assets, with an initial focus on Asia-Pacific and Europe.

Keppel DC REIT's IPO Portfolio comprises eight data centre properties located in Asia-Pacific and Europe, with an aggregate Lettable Area of approximately 509,913 sq ft and an aggregate Appraised Value of approximately S$1.0 billion as at 30 September 2014. The IPO Portfolio consists of the following properties:

- two data centres in Singapore, being S25 and T25;
- two data centres in Australia, being Gore Hill Data Centre in Sydney and iseek Data Centre in Brisbane;
- one data centre in Malaysia, being Basis Bay Data Centre in Selangor[1]; and
- three data centres in Europe, being GV7 Data Centre in London, the UK, Almere Data Centre in Amsterdam, the Netherlands and Citadel 100 Data Centre in Dublin, Ireland.

COMPETITIVE STRENGTHS

Keppel DC REIT's IPO Portfolio enjoys the following competitive strengths:

- properties strategically located in key data centre hubs and demand growth areas;
- high quality data centres designed with high specifications, with attractive asset specifications, minimal capital expenditure requirements and long land tenure; and
- high quality customer base and favourable lease and co-location profile offering income stability with potential upside from rental reversions.

1. Properties strategically located in key data centre hubs and demand growth areas

(a) Strategically located in key data centre hubs

The IPO Portfolio is diversified across six markets in Asia-Pacific and Europe, and strategically located in key data centre hubs atop network arterials, which have a positive supply and demand imbalance. These include:

- Singapore – South East Asia's data centre hub;
- Australia – Gore Hill Data Centre is located on one of Sydney's main power and data arteries and iseek Data Centre in Brisbane is situated near the airport and provides access to large, secure power sources while being in relatively close proximity to Brisbane's central business district ("**CBD**");

1 Keppel DC REIT is expected to hold a 99.0% interest in Basis Bay Data Centre with the Basis Bay Vendor holding the remaining 1.0% interest on the Listing Date.

- Malaysia – Kuala Lumpur – Cyberjaya – Malaysia's internet corridor;
- The UK – London – Europe's data centre hub;
- The Netherlands – Proximity to major European trading hubs; and
- Ireland – Europe's cloud computing hub.

(b) IPO Portfolio situated in regions with strong government support and established infrastructure

Each of the Properties is located in major population centres and supported by advanced data centre infrastructure, major population centres and significant fibre optic networks, with easy access to railway networks, major roads and expressways. These properties are also supported by secured power capacity, a limited resource in many cities, to serve the needs of its customers. The proximity to large population catchment areas enhances performance by reducing latency, defined as the amount of time it takes for a "packet" of data (*i.e.* unit of data that is routed between an origin and a destination on the internet or network) to reach the end-users after being transmitted.

The Properties are strategically located in regions with strong support of the government and advanced data centre infrastructure, as illustrated by the below:

- Singapore – The Government has shown commitment to develop the data centre industry, from creating supportive regulatory and taxation measures to specific initiatives;
- Australia – National telecommunications connectivity has improved with the National Broadband Network, which started as a trial in 2010 and will provide fibre access to 93% of Australian premises by 2021;
- Malaysia – As part of the Multimedia Super Corridor ("**MSC**") Malaysia, companies are given financial (e.g. tax allowance, and research and development ("**R&D**") grants) and non-financial incentives (e.g. R&D facilities in Multimedia University, a one-stop support from government agency, Multimedia Development Corporation Sdn Bhd, which is responsible for overseeing MSC Malaysia implementation) if they qualify for the MSC Malaysia status;
- London – The data centre market is supported by the London Internet Exchange, which is home to more than 400 carriers with a very wide variety of routes and options. The Government's effort to position London as a global financial hub has also contributed to the viability of the data centre industry within the country;
- The Netherlands – Excellent telecommunications and strong existing eco-system of Internet and the media businesses; and
- Ireland – Tax friendly environment, with strong telecommunications infrastructure and is known to be Europe's cloud computing hub.

2. High quality data centres designed with high specifications, with attractive asset specifications, minimal capital expenditure requirements and long land tenure

The IPO Portfolio is well-maintained, with the majority of the Properties consisting of recently built or refurbished assets, with a weighted average age of 5.4[1] years. The IPO Portfolio comprises dedicated data centre facilities with attractive and modern building specifications and quality design, while offering numerous modernised features and amenities to its customers.

The Properties have been built to high technical specifications such as multiple redundant systems and components to provide the necessary back-up and resilience required by these customers with mission-critical operations in industries such as IT managed services and financial institution. All the Properties are designed to meet industry standards and technical specifications with multiple redundant power systems such as backup generators, battery energy storage systems and power conditioning systems to provide the necessary redundancy and resilience required by these customers with mission-critical operations in industries such as IT managed services and financial institutions. The Manager believes that its data centres have a unique proposition due to high barriers to entry for the data centre industry and the ability to attract a customer clientele of established organisations which require and are willing to pay a premium for the high specification requirements.

In particular, iseek Data Centre has been recognised as one of the most architecturally significant and energy efficient data centres in Australia, and was the winner of the 2012 Property Council of Australia's "Best Sustainable Development – New Buildings" award. Similarly, other properties in the IPO Portfolio are also designed and built to reflect efficient design and environmental sustainability, as this increasingly serves as an important evaluation criteria for MNCs in determining their choice of data centre locations.

Any material defects identified in the building audits undertaken for each of the properties commissioned by Keppel DC REIT have been rectified prior to the Listing Date. The Manager expects S$4.5 million of capital expenditure to be borne by Keppel DC REIT during the Forecast Year 2015, and the Projection Year 2016 in relation to "end of life" replacement of the M&E items. There is also capital expenditure of S$8.0 million for future replacement and improvements works, which will be borne by the Sponsor.

Large proportion of Properties with long land tenure

As at the Listing Date, 45.3% of the IPO Portfolio by Appraised Value as at 30 September 2014 is located on either freehold land or land with tenure greater than 150 years, namely Gore Hill Data Centre, Basis Bay Data Centre, GV7 Data Centre and Almere Data Centre. The remaining 54.7% of the IPO Portfolio has a weighted average remaining land tenure by Lettable Area of 35.6 years.

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1 Weighted by Appraised Value and calculated using age since TOP or last refurbishment, whichever is later.

3. **High quality customer base and favourable lease and co-location profile offering income stability with potential upside from rental reversions**

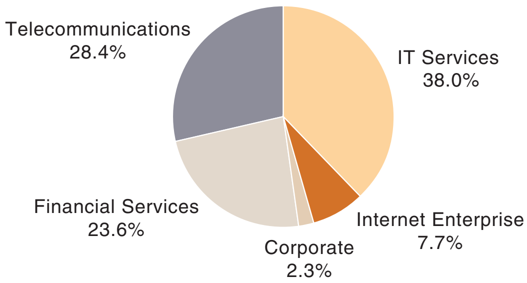
(a) High quality and diversified customer base

Well-known and established customers

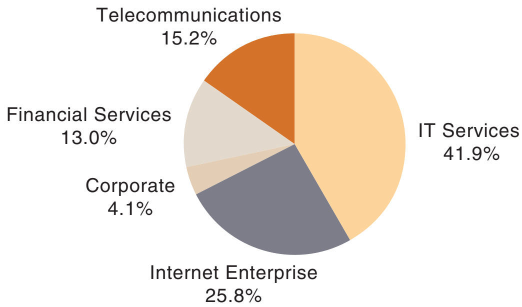
The IPO Portfolio has a high quality customer base across various trade sectors, which ensure diversity and stability of cash flows for Keppel DC REIT, as evidenced by the following:

- The customers in the IPO Portfolio represent a diversified range of high value-added sectors such as internet and IT services, telecommunications services and financial services and general corporates, with breakdown of trade sector by leased Lettable Area as at 30 September 2014 and Rental Income (including the 1.0% interest in Basis Bay Data Centre which will be held by the Basis Bay Vendor on the Listing Date) for the month of September 2014 as shown in the charts below:

Breakdown of leased Lettable Area by Trade Sector



Breakdown of Rental Income by Trade Sector



- As at 30 September 2014, the IPO Portfolio comprises 34 customers, including Fortune 500, government-related entities, MNCs and leading organisations in their respective sectors.

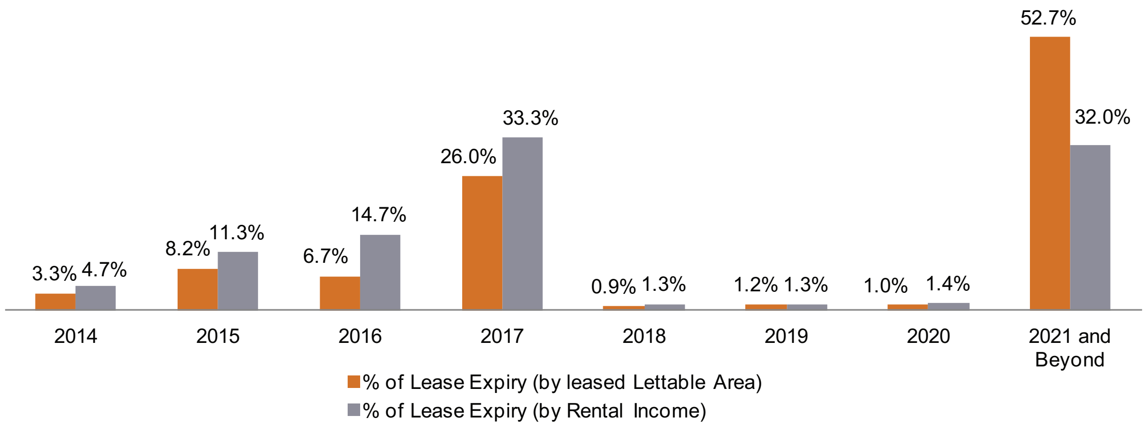
(b) Favourable lease and co-location profile

Long WALE of 7.8 years

The WALE by leased Lettable Area of the IPO Portfolio as at 30 September 2014 is 7.8 years, and the WALE by Net Property Income, for the month of September 2014 is 5.9 years[1] , representing one of the longest WALE among the Singapore REITs. The graph below illustrates the lease expiry profile of the IPO Portfolio Rental Income (including the 1.0% interest in Basis Bay Data Centre which will be held by the Basis Bay Vendor on the Listing Date) and leased Lettable Area.

1 IPO Portfolio WALE is 5.9 years by NPI on a cash-basis (excluding straight-lining impact due to FRS adjustment) for the month of September 2014, assuming that each lease and co-location arrangement of the same type (*i.e.* double-net lease, triple-net lease and co-location arrangements), within a Property has the same ratio of cash NPI to Rental Income. For Gore Hill Data Centre, the triple-net lease contributes to cash NPI of the Property by the full amount of its Rental Income and the co-location arrangements contribute to the balance cash NPI of the Property. Due to its triple-net lease agreement, a tenant in the Gore Hill Data Centre with more than 10 years of remaining lease to expiry occupies approximately 76% of the Property's leased Lettable Area but contributes approximately 14% of the Property's cash NPI.

Weighted Average Lease Expiry Profile of the IPO Portfolio by leased Lettable Area (as at 30 September 2014) and Rental Income (for the month of September 2014)



Well-balanced business model with exposure to double-net and triple-net leases and co-location arrangements

Keppel DC REIT benefits from a combined exposure to co-location arrangements and double-net and triple-net leases.

- Double-net and triple-net leases generally have a longer term compared to co-location arrangements; which are typically for a shorter period of about three to six years. Keppel DC REIT therefore is able to benefit from a staggered lease expiry profile that allows for both stability and opportunities for rental reversions.

- Keppel DC REIT has entered into long-term triple-net and double-net leases for five Properties[1] under which the tenants generally occupy all or a significant percentage of each of the high specification data centres. As at 30 September 2014, the WALE by leased Lettable Area for such leases was approximately 11.4 years. While double-net and triple-net leases typically have lower operational requirements, the built-in rental escalations via annual rent increase for triple-net and double-net leases in the IPO Portfolio provides income protection to Keppel DC REIT, underpinned by high tenant retention and reluctance to move given significant switching costs, resulting in tenants being significantly less inclined to terminate their leases. A majority of the leases in the IPO Portfolio have an average fixed rental escalation component of between 2.0% and 4.0% per annum.

1 Includes the iseek Lease which for purposes of this Prospectus is treated as a double-net lease despite being a co-location arrangement which is a contractual arrangement. Such treatment is due to the fact that the terms of the iseek Lease, when read together with the facilities management arrangement (as amended) entered into by Securus Australia Trust No. 1 and iseek Communications are intended to operate to give the same economic effects of a double-net lease and impose on iseek Communications the same responsibilities which it would bear if it were a lessee under a double-net lease.

- Keppel DC REIT has also entered into co-location arrangements and the WALE by leased Lettable Area for co-location arrangements is approximately three years. End-users in co-location arrangements would typically require higher levels of service level commitments to meet the specialised needs of end-users and co-location arrangements would therefore generally command higher rental. These service level commitments typically cover power downtime and the maintenance of environmental standards such as ensuring that the humidity and temperature at the data centre are at specified levels. A majority of the co-location arrangements in the IPO Portfolio also have an average fixed rental escalation component of between 2.0% and 4.0% per annum.

- The table below illustrates the Rental Income breakdown (including the 1.0% interest in Basis Bay Data Centre which will be held by the Basis Bay Vendor on the Listing Date) for triple-net and double-net leases when compared to co-location arrangements for the month of September 2014.

	Rental Income (S$m)	**% of Total**
Triple-net leases/Double-net leases[1]	2.3	24.4
Co-location arrangements	6.9	75.6
Total	**9.2**	**100.0**

1 Includes the iseek Lease which for purposes of this Prospectus is treated as a double-net lease despite being a co-location arrangement which is a contractual arrangement. Such treatment is due to the fact that the terms of the iseek Lease, when read together with the facilities management arrangement (as amended) entered into by Securus Australia Trust No. 1 and iseek Communications are intended to operate to give the same economic effects of a double-net lease and impose on iseek Communications the same responsibilities which it would bear if it were a lessee under a double-net lease.

The responsibilities of Keppel DC REIT as owner and/or lessor and the responsibilities of the lessees or end-users pursuant to the lease and co-location arrangements for the Properties are as follows:

			Related Parties		Responsibilities of Keppel DC REIT					
Asset	**Lease Arrangement**	**Description**	**Lessee/ End-user**	**Facility Manager**	**Property Tax**	**Building Insurance**	**Facilities Management**	**Day-to-day Maintenance**	**Maintenance Operating Expenditure**	**Refresh Capital Expenditure**
S25	Keppel Lease/ Co-location arrangement[(1)(2)]	– **Lessee**: Pays rent and all expenses recharged to Lessor – **Lessor**: Responsible for facilities management (which will be outsourced to Digihub)[(3)]	√	√	√	√	√	√	√	√
T25	Keppel Lease/ Co-location arrangement[(1)(2)]	– **Lessee**: Pays rent and all expenses recharged to Lessor – **Lessor**: Responsible for facilities management (which will be outsourced to Datahub)[(3)]	√	√	√	√	√	√	√	√
Gore Hill Data Centre	Triple-net lease[(5)] (for one tenant)[(6)]	– **Lessee**: Pays share of all outgoings; responsible for facilities management in their space	–	–	–	–	–	–	–	–
	Co-location arrangement[(1)] (for two end-users)[(7)]	– **End-users:** Pays rent – **Owner:** Responsible for facilities management (which will be outsourced to iseek-KDC) and all expenses	–	√	√	√	√	√	√	√
iseek Data Centre	Double-net lease[(4)(8)]	– **Tenant**: Pays all outgoings except building insurance; and responsible for facilities management[(9)]	–	–	–	√	–	–	–	√
Basis Bay Data Centre	Double-net lease[(4)]	– **Lessee**: Pays all outgoings except building insurance and property tax; and responsible for facilities management[(10)]	–	–	√	√	–	–	–	√
GV7 Data Centre	Triple-net lease[(5)]	– **Lessee:** Pays all outgoings; and responsible for facilities management	–	–	–	–	–	–	–	–
Almere Data Centre	Double-net lease[(4)]	– **Lessee**: Pays all outgoings except building insurance and property tax; and responsible for facilities management	–	–	√	√	–	–	–	–

Asset	Lease Arrangement	Description	Related Parties		Responsibilities of Keppel DC REIT					
			Lessee/ End-user	Facility Manager	Property Tax	Building Insurance	Facilities Management	Day-to-day Maintenance	Maintenance Operating Expenditure	Refresh Capital Expenditure
Citadel 100 Data Centre	Co-location arrangement[(1)]	– **End-users:** Pays rent – **Owner:** Responsible for facilities management and all expenses	–	–	√	√	√	√	√	√

Notes:

(1) Co-location arrangements are typically entered into by end-users who utilise co-location space for the installation of their servers and other mission-critical IT equipment. In the case of Keppel DC REIT, end-users with co-location arrangements pay for rent and all the Property-Related Expenses are borne by Keppel DC REIT. Keppel DC REIT is usually responsible for facilities management in respect of such co-location arrangements.

(2) Refers to the S25 Lease and the T25 Lease which will be entered into by Keppel DC REIT with the S25 Lessee and the T25 Lessee in relation to S25 and T25 respectively. Pursuant to the Keppel Leases, Keppel DC REIT will lease S25 and T25 to Digihub and Datahub respectively. The Keppel Lessees have directly entered into underlying co-location arrangements with third-party end-users. While Keppel DC REIT has no direct contractual relationship with these underlying end-users, however, due to the pass-through nature of the Keppel Leases, Keppel DC REIT will substantially enjoy the benefits and assume the liabilities of the underlying co-location arrangements.

(3) See also "Risk Factors – Risks Relating to the Properties – Due to the pass-through nature of the Keppel Leases, Keppel DC REIT will effectively bear the obligations of the Keppel Lessees to their underlying end-users while not having a direct contractual relationship with the underlying end-users." and the description of the Keppel Lease Agreements (as defined herein) and the Sponsor Facility Management Agreements in "Certain Agreements Relating to Keppel DC REIT and the Properties – Lease Agreements" and "Certain Agreements Relating to Keppel DC REIT and the Properties – Facility Management Agreements" respectively for further details.

(4) Double-net lease refers to a lease where the tenant pays for rent, is responsible for facilities management, and satisfies at least one of the four Property-Related Expenses.

(5) Triple-net lease refers to a lease where the tenant pays for rent, is responsible for facilities management, and satisfies all of the Property-Related Expenses.

(6) Securus Australia No. 2 Pty Limited, in its capacity as trustee of Securus Australia Trust No. 2 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date) has entered into the Gore Hill Lease with one tenant of Gore Hill Data Centre in relation to a portion of the premises at Gore Hill Data Centre.

(7) Securus Australia No. 2 Pty Limited, in its capacity as trustee of Securus Australia Trust No. 2 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date) has entered into co-location arrangements with two end-users with regard to the use of co-location space in the remaining portion of the premises at Gore Hill Data Centre.

(8) Keppel DC REIT, through Securus Australia Trust No. 1 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date), has entered into the iseek Lease with iseek Communications. The iseek Lease is a co-location arrangement which is a contractual arrangement and does not give iseek Communications any proprietary interest in iseek Data Centre. However, the terms of the iseek Lease, when read together with the facilities management arrangement (as amended) entered into by Securus Australia Trust No. 1 and iseek Communications are intended to operate to give the same economic effects of a double-net lease and impose on iseek Communications the same responsibilities which it would bear if it were a lessee under a double-net lease. Accordingly, for purposes of this Prospectus, the iseek Lease is treated as a double-net lease and not a co-location arrangement (see "Business and Properties – iseek Data Centre" for further details).

(9) Pursuant to the facilities management arrangement for iseek Data Centre, iseek Communications, as the end-user under the iseek Lease, is responsible for facilities management for iseek Data Centre as if it were a lessee under a double-net lease (see note (8) above).

(10) Pursuant to a separate facilities management agreement, Basis Bay Services, as lessee of Basis Bay Data Centre, is responsible for facilities management of Basis Bay Data Centre. This is so long as it is the sole lessee of Basis Bay Data Centre under the Basis Bay Lease. Subject to the right of first refusal to continue as facility manager granted to Basis Bay Services, the facilities management agreement for Basis Bay Data Centre will terminate if Basis Bay Services ceases to be the sole lessee of Basis Bay Data Centre (see "Risk Factors – Risks Relating to the Properties – The facilities management agreement for Basis Bay Data Centre may be terminated upon Basis Bay Services ceasing to be sole lessee of Basis Bay Data Centre or the termination of the Basis Bay Lease" for further details).

- The mix of double-net and triple-net leases and co-location arrangements in the IPO Portfolio enables Keppel DC REIT to benefit from a balanced strategy of stability from double-net and triple-net leases and attractive rental and potential upside from positive rental reversions from co-location arrangements.

Additional organic expansion potential to existing income streams

In addition, there is significant additional organic expansion potential to existing income streams and the Manager has identified the following potential asset enhancement initiatives that Keppel DC REIT may explore:

- potential to convert unused car park space in Citadel 100 Data Centre to lettable space with an area of approximately 40,000 sq ft, subject to regulatory approvals;

- unutilised GFA of approximately 20,000 sq ft in T25 which can cater to new demand for lettable space for both new and existing customers, subject to regulatory approvals; and

- expansion potential of approximately 5,000 sq ft of lettable space in Basis Bay Data Centre by converting the rooftop to data centre space.

CERTAIN INFORMATION ON THE PROPERTIES

Key Information on the Properties

The table below sets out certain information on the Properties as at 30 September 2014.

	S25	T25	Gore Hill Data Centre	iseek Data Centre	Basis Bay Data Centre[1]	GV7 Data Centre	Almere Data Centre	Citadel 100 Data Centre	PORTFOLIO TOTAL/ AVERAGE
Address	25 Serangoon North Avenue 5, Singapore 554914	25 Tampines Street 92, Singapore 528877	5 Broadcast Way (South Gate) Artarmon, NSW 2064, Australia	2 Cycas Lane, Brisbane Airport, Queensland 4009, Australia	No. 4710, Jalan Cyber Point 5, Zone Flagship Cyberjaya 63000 Cyberjaya, Selangor Darul Ehsan, Malaysia	7 Greenwich View Place, Millharbour Road, London E14 9NN, United Kingdom	Rondebeltweg 62 'Sallandsekant' Business Park, Almere, the Netherlands	Citadel 100 – Unit 4031 – 4033 Citywest Business Park Co Dublin	–
Land Area (sq ft)	78,928	53,820	72,032	41,559	64,809	N.A.[2]	85,358	218,236	**614,742**
GFA (sq ft)	225,945	106,726	127,283	28,955	88,600	34,848	138,219	125,044	**875,620**
Lettable Area (sq ft)	109,574	36,888	90,955	12,389	48,680	24,972	118,403	68,052	**509,913**
Number of Customers[3]	18[4]	4[5]	3[6]	1	1	1	1[7]	5	**34**
Tenant/End-User[8]	Digihub[4]	Datahub[5]	One tenant and two end-users[6]	iseek Communications	Basis Bay Services	One tenant[9]	Borchveste[7]	Five end-users	–
Facility Manager	Digihub[10]	Datahub[11]	iseek-KDC[12]	iseek Communications	Basis Bay Services	–	–	Citadel 100[13]	–
Occupancy Rate (as at 30 September 2014)	86.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	73.7%	**93.5%**
Independent Valuations (S$m) (as at 30 September 2014)	Colliers: 262.6[14] C&W: 263.0[14]	Colliers: 160.0[14] C&W: 164.0[14]	Colliers: 206.1[15] C&W: 215.6[15]	Colliers: 30.5[15] C&W: 32.5[15]	Colliers: 42.7[15] C&W: 43.8[15]	CBRE: 76.0[15] JLL: 78.0[15]	CBRE: 131.0[15] Colliers: 132.3[15]	CBRE: 102.8[15] Colliers: 102.9[15]	–

	S25	T25	Gore Hill Data Centre	iseek Data Centre	Basis Bay Data Centre[1]	GV7 Data Centre	Almere Data Centre	Citadel 100 Data Centre	PORTFOLIO TOTAL/ AVERAGE
Appraised Value[16] (as at 30 September 2014) (S$m)[15]	262.8	162.0	210.9	31.5	43.3	77.0	131.6	102.8	**1,021.9**
Rental Income (for the month of September 2014) (S$m)[17]	2.7	1.5	1.9	0.4	0.4	0.4	0.8	1.1	**9.2**
Percentage of Rental Income (for the month of September 2014)	29.2%	16.2%	20.4%	4.6%	3.8%	4.8%	8.8%	12.2%	**100.0%**
FY2015 Net Property Income (S$m)[18]	21.8	14.6	15.5	6.5	3.9	6.0	10.0	6.8	**85.1**
WALE by leased Lettable Area (years)	3.5[4]	2.0[5]	10.3	11.9	2.7	12.5	14.1	2.3	**7.8[19]**
Land Lease Title	Leasehold (Expiring 30 September 2025, with an option to extend for 30 years)	Leasehold (Expiring 31 July 2021, with an option to extend for 30 years)	Freehold	Leasehold (Expiring 29 June 2040, with an option to extend for 7 years)	Freehold	Leasehold (Expiring 28 September 2183)	Freehold	Leasehold (Expiring 11 April 2041)	**–**
Age of Building (years)[20]	1.0	4.0	4.0	5.0	6.0	12.0	7.0	15.0	**5.4[21]**
Vendor	Digihub	Datahub	Keppel Data Centres[22][23]	iseek Vendor[22]	Basis Bay Vendor[22]	–	–	Keppel Data Centres[22][23]	**–**

Notes:

(1) Property-related calculations (e.g. Rental Income, Net Property Income, WALE, Independent Valuations, Appraised Value) include the 1.0% interest in Basis Bay Data Centre which will be held by the Basis Bay Vendor on the Listing Date. Keppel DC REIT is expected to hold a 99.0% interest in Basis Bay Data Centre with the Basis Bay Vendor holding the remaining 1.0% interest on the Listing Date.

(2) For GV7 Data Centre, neither the lease nor the registered title of the Property refers, nor are they required to refer, to the land area of the Property.

(3) The term "customers" includes both tenants and end-users of Keppel DC REIT, and for S25 and T25 (in this context), is on a pass-through basis (see "Certain Defined Terms and Conventions – Customers" for further details). Certain customers have signed more than one co-location arrangement using multiple entities.

(4) Based on the number of underlying end-users which have entered into co-location arrangements with Digihub, the S25 Lessee, treating the S25 Lease on a pass-through basis to the underlying end-users. Keppel DC REIT will have in place the S25 Lease with the S25 Lessee pursuant to which Keppel DC REIT will grant a lease for a term of 10 years to the S25 Lessee, with an option to renew for a further term of five years subject to JTC's consent and on terms to be agreed between Keppel DC REIT and the S25 Lessee (see "Certain Agreements Relating to Keppel DC REIT – Lease Agreements – S25 Lease Agreement" for further details). Digihub is a wholly-owned subsidiary of KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion of 70% and 30% respectively.

(5) Based on the number of underlying end-users which have entered into co-location arrangements with Datahub, the T25 Lessee, treating the T25 Lease on a pass-through basis to the underlying end-users. Keppel DC REIT will have in place the T25 Lease with the T25 Lessee pursuant to which Keppel DC REIT will grant a lease for a term of 10 years to the T25 Lessee, with an option to renew for a further term of five years subject to HDB's consent and on terms to be agreed between Keppel DC REIT and the T25 Lessee (see "Certain Agreements Relating to Keppel DC REIT – Lease Agreements – T25 Lease Agreement" for further details). Datahub is a wholly-owned subsidiary of KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion of 70% and 30% respectively.

(6) Securus Australia No. 2 Pty Limited, in its capacity as trustee of Securus Australia Trust No. 2 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date) has entered into the Gore Hill Lease with one tenant of Gore Hill Data Centre in relation to a portion of the premises at Gore Hill Data Centre and separately, has also entered into co-location arrangements with two end-users with regard to the use of co-location space in the remaining portion of the premises at Gore Hill Data Centre.

(7) Keppel DC REIT, through Securus Almere B.V. (which is a wholly-owned subsidiary of Keppel DC REIT) has entered into the Ground Lease with Borchveste. With the Ground Lease in place, the lease with the underlying tenant becomes conceptually similar to a sub-lease, with Borchveste being (i) the leasehold tenant of Securus Almere B.V. and (ii) the lessor to the underlying tenant being essentially the sub-tenant (see "Business and Properties – Almere Data Centre" for further details).

(8) The term "tenant" or "end-user" in relation to Keppel DC REIT refers to the tenants or end-user, as the case may be, which Keppel DC REIT and/or any of its subsidiaries have a direct contractual relationship with which arises from lease and co-location arrangements over the Properties and for the avoidance of doubt, in this context, does not refer to the underlying end-users and tenant of S25, T25 and Almere Data Centre (see "Certain Defined Terms and Conventions – Tenants" for further details).

(9) The GV7 Data Centre has been leased to a single tenant pursuant to the terms of the GV7 Lease entered into by Keppel DC REIT through its wholly-owned subsidiary, Greenwich View Place Limited, and the tenant.

(10) Pursuant to the S25 Facility Management Agreement, Keppel DC REIT will outsource facilities management of S25 to Digihub (see also note (4) above for the S25 Lease). Digihub is a wholly-owned subsidiary of KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion of 70% and 30% respectively (see "Certain Agreements Relating to Keppel DC REIT and the Properties – S25 Facility Management Agreement" for further details).

(11) Pursuant to the T25 Facility Management Agreement, Keppel DC REIT will outsource facilities management of T25 to Datahub (see also note (5) above for the T25 Lease). Datahub is a wholly-owned subsidiary of KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion of 70% and 30% respectively (see "Certain Agreements Relating to Keppel DC REIT and the Properties – T25 Facility Management Agreement" for further details).

(12) Keppel DC REIT has outsourced facilities management to iseek-KDC in respect of the co-location space in the remaining portion of the premises at Gore Hill Data Centre which is used by the 2 end-users (see note (6) above). iseek-KDC is 60% owned by the Sponsor.

(13) Citadel 100 is responsible for the management and maintenance of Citadel 100 Data Centre. In addition, Citadel 100 has sub-contracted certain development, construction and operation/facility management services in respect of Citadel 100 Data Centre, including 24-hour maintenance, floor space management and project management, to MCC (see "Business and Properties – Citadel 100 Data Centre" for further details).

(14) Excludes upfront land premium payable.

(15) Based on an exchange rate of S$1.00 = A$0.90, S$1.00 = £0.49, S$1.00 = RM2.62, S$1.00 = €0.61 as at 2 December 2014.

(16) "**Appraised Value**" refers to the average of the two independent valuations conducted by the respective Independent Valuers for each Property.

(17) Based on an exchange rate of S$1.00 = A$0.88, S$1.00 = £0.49, S$1.00 = RM2.59, S$1.00 = €0.61 as at the Latest Practicable Date.

(18) See "Profit Forecast and Profit Projection" for further details on the foreign exchange rates assumed.

(19) IPO Portfolio WALE is 5.9 years by NPI on a cash-basis (excluding straight-lining impact due to FRS adjustment) for the month of September 2014, assuming that each lease and co-location arrangement of the same type (*i.e.* double-net lease, triple-net lease and co-location arrangements), within a Property has the same ratio of cash NPI to Rental Income. For Gore Hill Data Centre, the triple-net lease contributes to cash NPI of the Property by the full amount of its Rental Income and the co-location arrangements contribute to the balance cash NPI of the Property. Due to its triple-net lease agreement, a tenant in the Gore Hill Data Centre with more than 10 years of remaining lease to expiry occupies approximately 76% of the Property's leased Lettable Area but contributes approximately 14% of the Property's cash NPI.

(20) Calculated using age since TOP or last refurbishment, whichever is later.

(21) Weighted by Appraised Value.

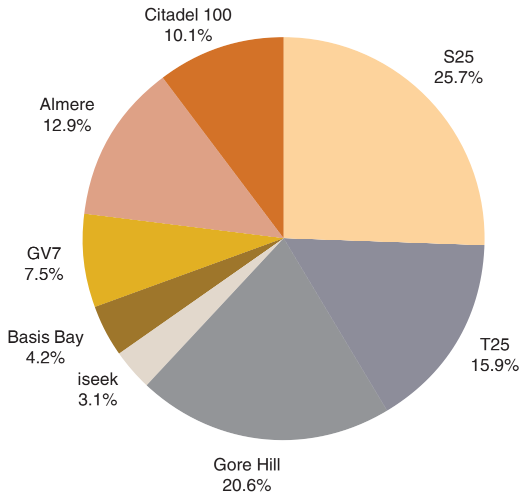
(22) Vendors of their respective interests in the IPO Portfolio Minority Interests.

(23) Keppel Data Centres is a wholly-owned subsidiary of the Sponsor.

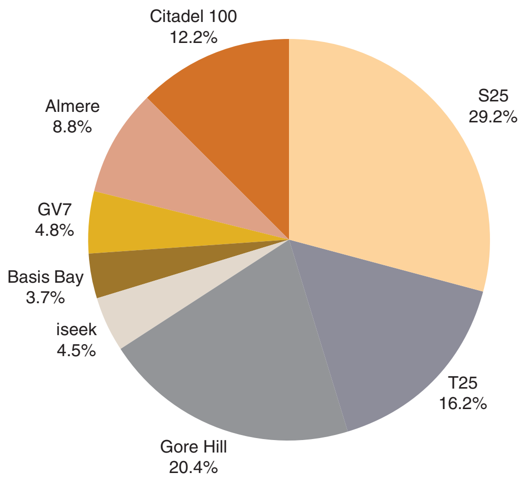
Property Sector Analysis

The charts below provide a breakdown by property of the IPO Portfolio (including the 1.0% interest in Basis Bay Data Centre which will be held by the Basis Bay Vendor on the Listing Date) by Appraised Value as at 30 September 2014[1] and Rental Income for the month of September 2014.

Breakdown of IPO Portfolio Appraised Value by Property (as at 30 September 2014)



Breakdown of IPO Portfolio Rental Income by Property (for the month of September 2014)

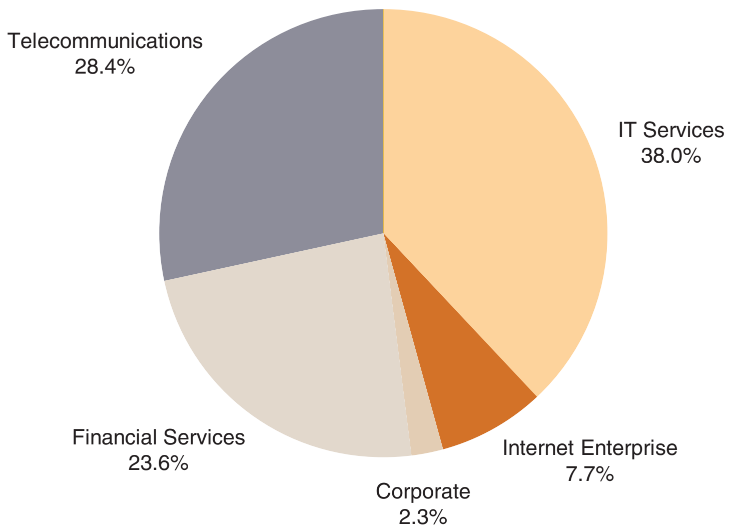


1 Based on the Appraised Value as at 30 September 2014, and on an exchange rate of S$1.00 = A$0.90, S$1.00 = £0.49, S$1.00 = RM2.62 S$1.00 = €0.61 as at 2 December 2014.

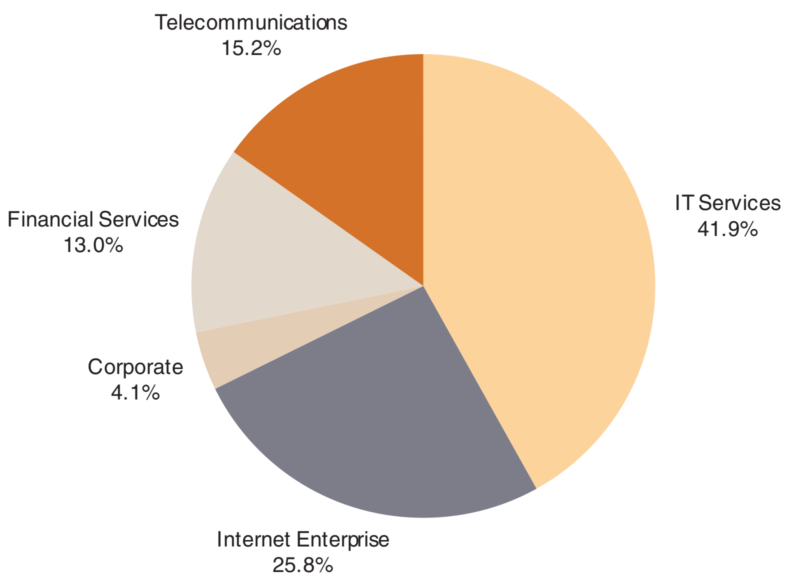
Trade Sector Analysis

The charts below provide a breakdown by trade sector of the IPO Portfolio (including the 1.0% interest in Basis Bay Data Centre which will be held by the Basis Bay Vendor on the Listing Date) by leased Lettable Area as at 30 September 2014 and Rental Income for the month of September 2014.

Breakdown of IPO Portfolio leased Lettable Area by Trade Sector (as at 30 September 2014)



Breakdown of IPO Portfolio Rental Income by Trade Sector (for the month of September 2014)



Top 10 Customers (Based on a pass-through basis)

The table below sets out selected information on the top 10 customers of the Properties (based on Rental Income) for the month of September 2014.

Customer(1)(2)	Trade Sector(3)	% of Rental Income(4)
Customer A	Internet Enterprise	25.7%
Customer B	IT Services	20.9%
Customer C	Telecommunications	8.8%
Customer D	IT Services	8.7%
Customer E	Financial Services	5.4%
Customer F	IT Services	4.8%
Customer G	Telecommunications	4.6%
Customer H	IT Services	3.8%
Customer I	IT Services	3.1%
Customer J	Financial Services	2.6%
Top 10 Customers	**–**	**88.4%**
Other Customers	**–**	**11.6%**

Notes:

(1) One of the top 10 customers has signed more than one co-location arrangement using multiple entities.

(2) The names of the customers cannot be identified and matched to the information set out above as many of the lease arrangements and co-location arrangements contain confidentiality provisions. Furthermore, there are commercial sensitivities involved due to the critical nature of data centre operations and some customers would prefer to keep their presence in a data centre facility confidential in order to minimise the risk of physical threats and/or intrusions into the relevant data centre. The profiles of the customers are set out below and are not arranged in order of contribution to Rental Income:

- Member of the same group as a Fortune Global 500 and S&P 100 company which is listed on the NASDAQ;
- Member of the same group as a Fortune Global 500 and S&P 100 MNC which is listed on the NYSE and provides IT hardware, software and integrated solutions;
- Member of the same group as a Fortune Global 500 and S&P 100 MNC which is listed on the NYSE and provides integrated IT infrastructure and software solutions;
- Member of the same group as an S&P 500 company which is listed on the NYSE and is an international provider of enterprise cloud computing, co-location services, managed hosting, and professional cloud services;
- Member of the same group as an international information communications technology company which is listed on the Euronext;
- Business-only internet service provider which specialises in mission critical data networks, and provides business grade internet and data centre server co-location services to businesses across Australia;
- Member of the same group as an international provider of outsourcing solutions in information technology and managed data centre services across Asia-Pacific and Europe;
- Financial services company which is listed on the SGX-ST;
- Member of the same group as a financial services company which is listed on the ASX; and
- Statutory board of the Singapore Government.

(3) "Internet Enterprise" refers to companies which use data centres to host a range of web-based services used by their customers;

"IT Services" refers to cloud and managed services providers providing end-users with services hosted in the data centre and includes system integrators who use data centres to host outsourced IT applications; and

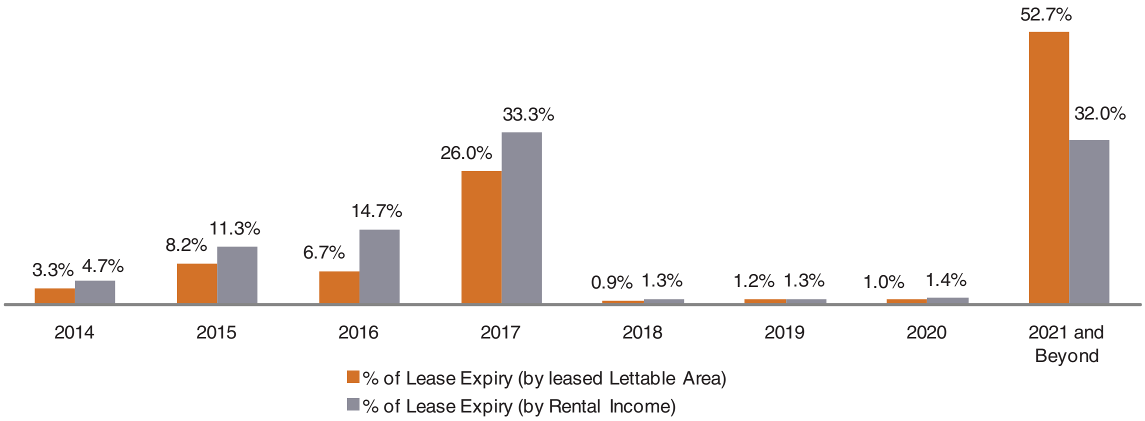
"Telecommunications" includes telecommunication carriers and operators who use data centres as a marketplace to sell bundled services including bandwidth and co-location.

(4) Includes the 1.0% interest in Basis Bay Data Centre which will be held by the Basis Bay Vendor on the Listing Date.

Lease Expiry Profile

The following graph sets out the expiry profile of the IPO Portfolio (including the 1.0% interest in Basis Bay Data Centre which will be held by the Basis Bay Vendor on the Listing Date) by leased Lettable Area as at 30 September 2014 and Rental Income for the month of September 2014.

Weighted Average lease Expiry Profile of the IPO Portfolio by leased Lettable Area (as at 30 September 2014) and Rental Income (for the month of September 2014)



Marketing and Leasing Activities

The Manager and the respective facility managers have a deep knowledge of the customers' business and IT infrastructure requirements and will leverage this to renew the lease and co-location arrangements with the customers in their existing facilities or cater for their expansion within the existing facilities or into new facilities.

Furthermore, through strong relationships with data centre brokers and their portfolio of blue chip customers, the Manager and/or the respective facility managers are kept abreast of the latest requests for new data centre space requirements in the markets they operate in and will actively participate in such requests for data centre space.

The Manager and Sponsor have a proven track record in securing new leases and co-location arrangements and can capitalise on industry relationships with brokers, data centre equipment suppliers, existing customers in the Properties and government agencies to provide a pipeline of leasing opportunities for Keppel DC REIT. The Manager will also explore opportunities for joint marketing efforts and other mutually beneficial opportunities with the Sponsor.

The Manager believes that such a proactive leasing approach and strategy will assist Keppel DC REIT to attract high quality customers to the Properties.

Lease and Co-location Arrangements and Lease and Co-location Management

The lease and co-location arrangements entered into for the Properties contain terms and conditions, including those relating to the duration of the lease, as well as alteration and improvement works which the Manager believes to be in line with generally accepted market practice and procedures. In certain instances, these terms have been varied to accommodate the specific needs of major customers such as the provision of a rent-free fit-out period.

When a prospective customer has committed to a lease or co-location arrangement, a one-time charge in the form of cash equal to between three and six months' gross rent may be payable upfront in the first month after the customer has taken possession of the premises. The customer may take possession of the premises after the fit-out works for the space has been completed which, depending on the level of fit-out required by the customer, takes typically up to three to six months from the formal execution of the lease or co-location agreement. Depending on the type of lease or co-location arrangement, rents are payable in advance or in arrears (either on a monthly or quarterly basis).

The Manager and the respective facility managers will maintain close communication and good working relationships with existing customers and will meet with them regularly to address their needs. Lease and co-location renewal discussions will be held with customers ahead of their lease or co-location expiry.

Arrears management procedures will also be enforced to ensure timely payment of rent. The Manager believes that these proactive steps to retain customers and reduce rental in arrears will help maintain a stable income stream for Keppel DC REIT.

The Manager and the respective facility managers also operate a rigorous tenancy and co-location renewal programme targeting to commence renewal discussions with customers a year prior to expiry of the relevant term.

CAPITAL EXPENDITURE

There is capital expenditure of S$12.5 million expected to be incurred in Forecast Year 2015 and Projection Year 2016 for future replacement and improvements works, of which S$8.0 million is to be borne by the Sponsor. The Manager will be able to draw down on the committed revolving credit facility of S$35.0 million from the Lenders to fund the current capital expenditure requirements, as well as for any future capital expenditure, if required.

(See "Profit Forecast and Profit Projection – Assumptions – Capital Expenditure" for further details.)

COMPETITION

Keppel DC REIT competes with various owners, operators and developers of data centres in providing data centre space to customers.

Among Keppel DC REIT's more prominent competitors are established global data centre providers such as Equinix, Digital Realty Trust and Global Switch, particularly as they grow their presence in the same markets in which the IPO Portfolio are located. These global players typically operate alongside regional and domestic data centre providers that also pose as competition to Keppel DC REIT in specific markets. Examples of such providers include TelecityGroup in Europe, NextDC in Australia, CSF Group in South East Asia as well as 1-Net in Singapore.

In addition, non-traditional players such as pension funds, institutional investors and private equity funds have also entered the data centre market. These institutional investors are generally traditional real estate investors that do not have the deep data centre investment experience and as a result typically own "sale and leaseback" or "shell and core" properties that require less operational responsibility and data centre expertise. In particular, the UK data centre market has seen participation from non-traditional data centre players such as Legal and General Property on behalf of Limited Price Inflation (LPI) Income Property Fund, Evans Randall, Orchard Street Investment Management, and LDC.

While increasing competition may affect the growth in occupancy and rental rates of the IPO Portfolio, it is expected that incremental demand for data centre facilities to exceed incremental supply between 2013 and 2018 in key markets where Keppel DC REIT operates. Rental levels for data centres are also expected to increase between 2013 and 2018 in key markets where Keppel DC REIT operates due to favourable demand and supply dynamics (see Appendix F, "Independent Property Market Research Report" for further details).

The Properties enjoy a number of competitive advantages including:

- high quality data centre facilities;
- energy efficient data centre designs;
- carrier neutral and excellent telecommunications connectivity;
- strong track record with well-established and credible operations;
- strong customer base;
- clear commitment to market and recent expansion; and
- ability to offer additional services such as disaster recovery.

(See Appendix F, "Independent Property Market Research Report" for further details.)

Among these attributes, the Manager regards the strong existing customer base of Keppel DC REIT as a key differentiating factor as it has built up a global clientele of customers and is able to bring in new leasing demand from this network of customers for both existing and new data centre properties based on its track record.

S25

Address

25 Serangoon North Avenue 5, Singapore 554914

DESCRIPTION

S25 is a six-storey data centre designed with high specifications located at the junction of Serangoon North Avenue 5 and Avenue 4 in Singapore. It is situated within the Serangoon North Industrial Estate, some 10.5 kilometres to the north of the city centre at Raffles Place. S25 is well served by expressways such as the Central Expressway and Kallang Paya Lebar Expressway, as well as major arterial roads, which provide efficient linkages to the city centre, airport and other parts of the island. The main building was originally built in the 1990s and converted for use as a data centre in 2001, followed by major retrofitting works for a high specification data centre between 2011 and 2013. The annexe building was completed in 2011 with the Temporary Occupation Permit and Certificate of Satisfactory Completion issued on 27 January 2014 and 20 February 2014 respectively.

The property is a six-storey data centre building which includes the reception and security control area, data centre, network operations centre and ancillary office workspace as well as an adjoining five-storey annexe infrastructure building. The facility is equipped with redundant power and cooling infrastructure to meet high powered rack requirements.

The facility manager of S25 is Digihub, which is a co-location service provider in Singapore. Digihub enters into co-location service arrangements with end-users and manages data centre facilities for the end-users. Digihub has been in this business since 2001.

The table below sets out a summary of selected information on S25.

Address	25 Serangoon North Avenue 5, Singapore 554914
Land Lease Title	Leasehold (Expiring 30 September 2025, with an option to extend for 30 years)
Completion Date[(1)]	Main Building – 1996 Annexe – 2014
Occupancy Rate (as at 30 September 2014) (%)	86.0
Number of Floors	Six-storey main building with a five-storey annexe building

GFA (sq ft)	225,945
Lettable Area (sq ft)	109,574
Land Area (sq ft)	78,928
Gross Rental Income: FY2015 (S$ million)	23.8
Net Property Income: FY2015 (S$ million)	21.8
Vendor	Digihub(2)
Valuation by Colliers (as at 30 September 2014)(6) (S$ million)	262.6
Valuation by C&W (as at 30 September 2014)(6) (S$ million)	263.0
Appraised Value (as at 30 September 2014)(6) (S$ million)	262.8
Purchase Consideration (S$ million)(6)	262.8
Number of End-users	18(3)
Facility Manager	Digihub(2)
WALE by leased Lettable Area (years) as at 30 September 2014	3.5(3)
WALE by Net Property Income(4) (years) as at 30 September 2014	3.6
Lease or Co-location Type	Keppel Lease(5)/Co-location arrangement

Notes:

(1) S25 was retrofitted for use as a data centre in 2001, followed by major retrofitting works for use as a high specification data centre between 2011 and 2013. The annexe building was completed in 2011 with the Temporary Occupation Permit and Certificate of Satisfactory Completion issued on 27 January 2014 and 20 February 2014 respectively.

(2) Digihub is a wholly-owned subsidiary of KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion of 70% and 30% respectively.

(3) Based on the number of underlying end-users which have entered into co-location arrangements with Digihub as the S25 Lessee, treating the S25 Lease on a pass-through basis to the underlying end-users.

(4) Assumes that each co-location arrangement of the same type within S25 has the same ratio of cash NPI to Rental Income.

(5) Refers to the S25 Lease which will be entered into by Keppel DC REIT with the S25 Lessee in relation to S25. However, due to the pass-through nature of the S25 Lease, Keppel DC REIT will substantially enjoy the benefit and assume the liabilities of the co-location arrangements entered into by Digihub and the underlying end-users.

(6) Excludes upfront land premium payable.

Lease and Facility Management Arrangements

S25 Lease

On completion of the acquisition of S25, the Trustee and Digihub, being the S25 Lessee, will enter into the S25 Lease, whereby Keppel DC REIT will grant a lease for a term of 10 years to the S25 Lessee, with an option to renew for a further period of five years on terms to be mutually agreed between the parties. The rental payable comprises a fixed rent component and a variable rent component of 99% of the EBITDA (after deducting the fixed rent and operating expenses) for S25. The fixed rent is subject to year-on-year increase. In the event that the EBITDA (before deducting the fixed rent) for S25 is a negative amount ("**Negative EBITDA Amount**"), Keppel DC REIT will reimburse the S25 Lessee for an amount equivalent to the Negative EBITDA Amount. The base rent represents approximately 23% of total EBITDA for Forecast Year 2015 and Projection Year 2016.

Facility Management Arrangement

Pursuant to the S25 Facility Management Agreement, facility management services for S25 will be outsourced to the T25 Lessee. The S25 Lessee will be entitled to a facility management fee of an amount equivalent to 4% of EBITDA derived from the underlying end-users of S25 (after deducting the fixed rent and operating expenses incurred for S25) in respect of each financial year.

The fees and costs (except for capital expenditure) incurred by the S25 Lessee as facility manager to be reimbursed by Keppel DC REIT will be subject to a pre-agreed budget and annual audit checks and if any expenses were to exceed the budget, Keppel DC REIT's prior consent will be required before such expenses may be incurred by the S25 Lessee (see "Certain Agreements Relating to Keppel DC REIT and the Properties – S25 Lease Agreement" and "Certain Agreements Relating to Keppel DC REIT and the Properties – S25 Facility Management Agreement" for further details).

(See "Overview – Certain Fees and Charges" for details on the fees payable to the S25 Lessee as the facility manager of S25.)

T25

Address

25 Tampines Street 92, Singapore 528877

Description

T25 is a data centre designed with high specifications located along Tampines Street 92, off Tampines Avenue 1 in Singapore. It is situated within the Tampines Industrial Park A, some 12 kilometres from the city centre at Raffles Place. T25 is well served by major roads and expressways such as the Pan-Island Expressway, Tampines Expressway and East Coast Parkway, which provide efficient links to the city centre, the ports and other parts of the island. The main building was an industrial building constructed in 1991 which underwent extensive retrofitting in 2010 for use as a data centre. The annexe building was completed in 2011.

The property is a five-storey data centre building with a reception area, security counter, fire command centre, data centre suites, meeting rooms, network operations centre and ancillary office workspace as well as an adjoining four-storey annexe infrastructure building. In recognition for its green design, the facility has been awarded the Green Mark Award (Gold) by BCA Singapore.

The facility manager of T25 is Datahub, which is a co-location service provider in Singapore. Datahub enters into co-location service arrangements with end-users and manages data centre facilities for the end-users. Datahub has been in this business since 2009.

The table below sets out a summary of selected information on T25.

Address	25 Tampines Street 92, Singapore 528877
Land Lease Title	Leasehold (Expiring 31 July 2021, with an option to extend for 30 years)
Completion Date[(1)]	Main Building – 1991 Annexe – 2011
Occupancy Rate (as at 30 September 2014)(%)	100.0
Number of Floors	Five-storey main building with a four-storey annexe building
GFA (sq ft)	106,726

Lettable Area (sq ft)	36,888
Land Area (sq ft)	53,820
Gross Rental Income: FY2015 (S$ million)	16.2
Net Property Income: FY2015 (S$ million)	14.6
Vendor	Datahub(2)
Valuation by Colliers (as at 30 September 2014)(6) (S$ million)	160.0
Valuation by C&W (as at 30 September 2014)(6) (S$ million)	164.0
Appraised Value (as at 30 September 2014)(6) (S$ million)	162.0
Purchase Consideration (S$ million)(6)	162.0
Number of End-users	4(3)
Facility Manager	Datahub(2)
WALE by leased Lettable Area (years) as at 30 September 2014	2.0(3)
WALE by Net Property Income(4) (years) as at 30 September 2014	2.1
Lease or Co-location Type	Keppel Lease(5)/Co-location arrangement

Notes:

(1) The main building was originally constructed in 1991, and was retrofitted for use as a data centre in 2009, with operations commencing in January 2010. The annexe building was completed in 2010 and the Certificate of Statutory Completion from the Building and Construction Authority was received on 14 September 2011.

(2) Datahub is a wholly-owned subsidiary of KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion of 70% and 30% respectively.

(3) Based on the number of underlying end-users which have entered into co-location arrangements with Datahub as the T25 Lessee, treating the T25 Lease on a pass-through basis to the underlying end-users.

(4) Assumes that each co-location arrangement of the same type within T25 has the same ratio of cash NPI to Rental Income.

(5) Refers to the T25 Lease which will be entered into by Keppel DC REIT with the T25 Lessee in relation to T25. However, due to the pass-through nature of the T25 Lease, Keppel DC REIT will substantially enjoy the benefit and assume the liabilities of the co-location arrangements entered into by Digihub and the underlying end-users.

(6) Excludes upfront land premium payable.

Lease and Facility Management Arrangements

T25 Lease

On completion of the acquisition of T25, the Trustee and Datahub, being the T25 Lessee, will enter into the T25 Lease, whereby Keppel DC REIT will grant a lease for a term of 10 years to the T25 Lessee, with an option to renew for a further period of five years on terms to be mutually agreed between the parties. The rental payable comprises a fixed rent component and a variable rent component of 99% of the EBITDA (after deducting the fixed rent and operating expenses) for T25. The fixed rent is subject to year-on-year increase. In the event that the EBITDA (before deducting the fixed rent) for T25 is a negative amount ("**Negative EBITDA Amount**"), Keppel DC REIT will reimburse the T25 Lessee for an amount equivalent to the Negative EBITDA Amount. The base rent represents approximately 20% of total EBITDA for Forecast Year 2015 and Projection Year 2016.

Facility Management Arrangement

Pursuant to the T25 Facility Management Agreement, the facility management services for T25 will be outsourced to the S25 Lessee. The T25 Lessee will be entitled to a facility management fee of an amount equivalent to 4% of EBITDA derived from the underlying end-users of T25 (after deducting the fixed rent and operating expenses incurred for T25) in respect of each financial year.

The fees and costs (except for capital expenditure) incurred by the T25 Lessee as facility manager to be reimbursed by Keppel DC REIT will be subject to a pre-agreed budget and annual audit checks and if any expenses were to exceed the budget, Keppel DC REIT's prior consent will be required before such expenses may be incurred by the T25 Lessee.

(See "Certain Agreements Relating to Keppel DC REIT and the Properties – T25 Lease Agreement" and "Certain Agreements Relating to Keppel DC REIT and the Properties – T25 Facility Management Agreement" for further details.)

(See "Overview – Certain Fees and Charges" for details on the fees payable to the T25 Lessee as the facility manager of T25.)

GORE HILL DATA CENTRE

Address

5 Broadcast Way (South Gate) Artarmon, NSW 2064, Australia

Description

Gore Hill Data Centre is a purpose-built data centre designed with high specifications located in Gore Hill Technology Park in Australia, a recently developed mixed use commercial and technology area located some nine kilometres north west of Sydney's CBD. The site is located on one of Sydney's main power and data arteries allowing access to large, secure power sources and multiple carrier networks. The planned overall park will eventually contain a mix of modern grade "A" office accommodation, data centres, retail and community sporting facilities. The Gore Hill Expressway, M2, M5 and M7 motorways are all easily accessible, giving excellent transport connectivity to many other parts of greater Sydney.

The building comprises a modern four-storey data centre facility, which has been designed to provide the flexibility for conversion to office accommodation at a later date if necessary. Construction was completed in September 2011, with additional capital works to facilitate tenant requests undertaken in the first half of 2012 and in mid-2013.

The data centre's location on one of Sydney's main power and data arteries allows access to large, secure power sources and multiple carrier networks.

The table below sets out a summary of selected information on Gore Hill Data Centre.

Address	5 Broadcast Way (South Gate) Artarmon, NSW 2064, Australia
Land Lease Title	Freehold
Completion Date	2011
Occupancy Rate (as at 30 September 2014) (%)	100.0
Number of Floors	4
GFA (sq ft)	127,283
Lettable Area (sq ft)	90,955
Land Area (sq ft)	72,032
Gross Rental Income: FY2015 (S$ million)(1)	19.8
Net Property Income: FY2015 (S$ million)(1)	15.5
Vendor	Keppel Data Centres(2)
Valuation by Colliers (as at 30 September 2014) (S$ million)(3)	206.1

Valuation by C&W (as at 30 September 2014) (S$ million)(3)	215.6
Appraised Value (as at 30 September 2014) (S$ million)(3)	210.9
Purchase Consideration (S$ million)(4)(5)	64.3
Number of Tenants/End-users(6)	1 Tenant/2 End-users
Facility Manager	iseek-KDC(7)
WALE by leased Lettable Area (years) as at 30 September 2014	10.3
WALE by Net Property Income(8) (years) as at 30 September 2014	5.0
Lease or Co-location Type	Triple-net lease (for one of three tenants) and co-location arrangements (for remaining two end-users)

Notes:

(1) See "Profit Forecast and Profit Projection" for further details on the foreign exchange rates assumed.

(2) Keppel Data Centres is a wholly-owned subsidiary of the Sponsor. Keppel DC REIT will be acquiring a 30% interest in Gore Hill Data Centre through the acquisition of Boxtel Investments Limited from Keppel Data Centres.

(3) Based on an exchange rate of S$1.00 = A$0.90 as at 2 December 2014.

(4) For the acquisition of 30% interest in Gore Hill Data Centre through the acquisition of Boxtel Investments Limited from Keppel Data Centres.

(5) Based on an exchange rate as agreed with the vendor of S$1.00 = A$0.89 as at 26 November 2014.

(6) Securus Australia No. 2 Pty Limited, in its capacity as trustee of Securus Australia Trust No. 2 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date) has entered into the Gore Hill Lease with one tenant of Gore Hill Data Centre in relation to a portion of the premises at Gore Hill Data Centre and entered into co-location arrangements with 2 end-users with regard to the use of co-location space in the remaining portion of the premises at Gore Hill Data Centre.

(7) iseek-KDC is 60% owned by the Sponsor.

(8) For Gore Hill Data Centre, the full amount of the Rental Income of the triple-net lease contributes to the cash NPI of the Property and the income from the co-location arrangements contribute to the balance cash NPI of the Property.

Lease and Facility Management Arrangements

Gore Hill Lease

Under the Gore Hill Lease, approximately half of the space at Gore Hill Data Centre has been leased to one of the three customers of the property. The lease for 15 years commenced on 19 September 2011. Under the lease to this tenant, subject to various conditions concerning notice, punctuality of payments and there being no material breaches, the tenant has options to renew the lease three times, each time for a period of five years.

The rental payable under the Gore Hill Lease is subject to a rental escalation of 3.5% per annum excluding the market review dates which occur on each date the lease is renewed. On such date, the rent is reviewed with the market rent to be determined (i) on the basis that the leased premises comprise an empty concrete shell with services provided to the perimeter of (but not installed in) the leased premises, (ii) on an "effective rent" basis and (iii) against the assumption that the gross Lettable Area of the premises is to be capped at 6,646.5 sq m (71,542.3 sq ft).

Keppel DC REIT may terminate the lease if the tenant defaults on rental payment by five business days after notice has been given, if there has been a breach by the tenant which is capable of being remedied but the breach has not been remedied within a reasonable period after service of notice or if there is an insolvency event in respect of the tenant. Either party may terminate the lease in the case of damage or destruction of the property rendering the leased premises wholly or partially unfit for the tenant's use and occupation. However, the tenant can only terminate the lease in such circumstances if Keppel DC REIT fails to reinstate the premises or make them accessible within 15 months after service of notice by the tenant. The lease also contains a break right clause which gives the tenant the right to surrender the lease after 12 years of the commencement date by giving written notice and complying with a 24-months' notice period.

Co-location Arrangements

Aside from the Gore Hill Lease, Keppel DC REIT, through Securus Australia No. 2 Pty Limited, as trustee of Securus Australia Trust No. 2, has entered into co-location arrangements with two other end-users. Each of these co-location arrangements contains detailed information regarding the specifications for the provision of co-location space and service level commitments such as ensuring that the temperature and humidity of the co-location space in Gore Hill Data Centre used by the end-users in question are maintained at the specified levels. The co-location arrangements also contain termination provisions entitling parties to terminate the relevant co-location arrangement upon a material breach of the other party's obligations, and also on reasonably short notice during any holding over period.

Facility Management Arrangement

Pursuant to a facility management agreement (the "**iseek-KDC Facility Management Agreement**"), iseek-KDC has been appointed as the facility manager of Gore Hill Data Centre from 10 March 2012 and iseek-KDC is required to provide total turnkey facility management services for Gore Hill Data Centre. This is not applicable to the portion of the Property under the Gore Hill Lease.

The initial term is five years, commencing on 10 March 2012 and ending on 9 March 2017 and can be renewed by Keppel DC REIT, acting through Securus Australia No. 2 Pty Limited, in its capacity as trustee of Securus Australia Trust No. 2 for a further term of five years. This further term must be granted if iseek-KDC has performed its obligations under the facility management agreement in the reasonable opinion of Keppel DC REIT. The fees payable to iseek-KDC as the facility manager is A$2,100,000 (S$2,376,990) plus GST per annum subject to an increase of 4% per annum on each anniversary of the commencement date of the facility management agreement. Keppel DC REIT is also required to pay for capital improvements or replacements to Gore Hill Data Centre, including equipment and contractor fees and other associated fees, certain expenses incurred by iseek-KDC (including expenses for materials) and any additional ordered services at hourly rates which iseek-KDC may perform from time to time. Such ordered services are services that are not routine and may include services such as ad-hoc fit-out programs, property management services and carrying out capital improvements or replacements to the Gore Hill Data Centre.

The iseek-KDC Facility Management Agreement may be terminated by iseek-KDC for any reason upon the giving of 365 days' written notice, or in the alternative, if Keppel DC REIT fails to perform its payment obligations or commits a material breach, by giving five business days' notice. Keppel DC REIT may terminate the iseek-KDC Facility Management Agreement if iseek-KDC commits a material breach and fails to remedy such breach within 21 business days.

(See "Overview – Certain Fees and Charges" for details on the fees payable to iseek-KDC as the facility manager of Gore Hill Data Centre.)

ISEEK DATA CENTRE

Address

2 Cycas Lane, Brisbane Airport, Queensland 4009, Australia

Description

iseek Data Centre is a premium data centre designed with high specifications located in the Export Park Precinct of Brisbane Airport in Australia. Sitting on elevated land, iseek Data Centre is further away from flood prone areas and in close proximity to secure power sources. It comprises a modern two-storey building constructed between 2009 and 2010, with operational occupation commencing in August 2010.

The data centre is purpose-built to service customers that have high power density requirements.

The property is also one of the most energy efficient data centres in Australia, being the winner of the 2012 Property Council of Australia's "Best Sustainable Development – New Buildings" award.

The table below sets out a summary of selected information on iseek Data Centre.

Address	2 Cycas Lane, Brisbane Airport, Queensland 4009, Australia
Land Lease Title	Leasehold (Expiring 29 June 2040, with an option to extend for 7 years)
Completion Date	2010
Occupancy Rate (as at 30 September 2014) (%)	100.0
Number of Floors	2
GFA (sq ft)	28,955
Lettable Area (sq ft)	12,389
Land Area (sq ft)	41,559
Gross Rental Income: FY2015 (S$ million)(1)	6.6
Net Property Income: FY2015 (S$ million)(1)	6.5
Vendor	iseek Vendor(2)

Valuation by Colliers (as at 30 September 2014) (S$ million)(3)	30.5
Valuation by C&W (as at 30 September 2014) (S$ million)(3)	32.5
Appraised Value (as at 30 September 2014) (S$ million)(3)	31.5
Purchase Consideration (S$ million)(3)(4)	10.2(5)
Number of Customers	1
Facility Manager	iseek Communications
WALE by leased Lettable Area (years) as at 30 September 2014	11.9
WALE by Net Property Income(6) (years) as at 30 September 2014	11.5
Lease Type	Double-net lease(7)

Notes:

(1) See "Profit Forecast and Profit Projection" for further details on the exchange rates assumed.

(2) Keppel DC REIT will be acquiring a 30% interest in iseek Data Centre through the acquisition of 30% of the issued share capital of Securus Australia No. 1 Pty Limited and 30% of the issued units of Securus Australia Trust No. 1 from the iseek Vendor.

(3) Based on an exchange rate of S$1.00 = A$0.90 as at 2 December 2014.

(4) For the acquisition of 30% interest in iseek Data Centre from the iseek Vendor.

(5) This amount is subject to repayment of existing debt and adjustments for net working capital and may vary. (see "Certain Agreements relating to Keppel DC REIT and the Properties – Sale and Purchase Agreements – iseek Sale and Purchase Agreement" for further details on how the purchase consideration for iseek Data Centre is derived.)

(6) Assumes that each lease of the same type within iseek Data Centre has the same ratio of cash NPI to Rental Income.

(7) Keppel DC REIT, through Securus Australia Trust No. 1 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date), has entered into the iseek Lease with iseek Communications. The iseek Lease is a co-location arrangement which is a contractual arrangement and does not give iseek Communications any proprietary interest in iseek Data Centre. However, the terms of the iseek Lease, when read together with the facilities management arrangement (as amended) entered into by Securus Australia Trust No. 1 and iseek Communications are intended to operate to give the same economic effects of a double-net lease and impose on iseek Communications the same responsibilities which it would bear if it were a lessee under a double-net lease. Accordingly, for purposes of this Prospectus, the iseek Lease is treated as a double-net lease and not a co-location arrangement.

Lease and Facility Management Arrangements

BAC Lease

Keppel DC REIT, through iseek Facilities Pty Ltd (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date), holds the leasehold title to iseek Data Centre pursuant to a sub-lease from BAC ("**BAC Lease**"). The BAC Lease is for a term of 30 years commencing on 30 June 2010 with an option to renew of 7 years. The rental payable is subject to a rental escalation of 4% per annum excluding the market review dates which occur on the commencement date of each option. Following a market review of the rent during the term, the rent cannot be less than the rent paid immediately before the review date and cannot be 10% more than the rent paid immediately before the review date. On the exercise of an option to renew (and a market review of the rent), the rent cannot be less than the rent paid immediately before the review date (but there is no cap on the maximum amount of any increase). Keppel DC REIT must also pay BAC or the relevant supplier for all charges for gas, electricity, water, telephone and other similar services where they are separately metered.

BAC may terminate the BAC Lease upon giving written notice to Keppel DC REIT if it fails to pay rent or other moneys due, or fails to comply with essential terms of the BAC Lease. In addition, the BAC Lease provides for termination, or requires surrender by the tenant in certain limited circumstances (compensation will be provided to Keppel DC REIT in those circumstances), specifically:

- on the creation of an interest in the BAC Lease in favour of a person in a position to exercise control over the operation or development of the Brisbane Airport; and

- if BAC needs the iseek Data Centre for the purpose of constructing infrastructure and needs to demolish any part of the iseek Data Centre, or if it requires the iseek Data Centre as part of a plan for redevelopment of the Brisbane Airport.

Once the BAC Lease expires or is terminated, Keppel DC REIT must deliver the premises in good repair, order and condition and remove all of its property from the premises during the seven days before it vacates.

Keppel DC REIT is also required to comply with the terms of the Airport Lease and associated airports legislation. The Airport Lease has a term of 50 years, from 2 July 1997 to 1 July 2047 with an option to renew of 49 years (without the payment of any further premium).

iseek Lease

The iseek Lease is a co-location arrangement entered into by Securus Australia No. 1 Pty Limited, in its capacity as trustee of Securus Australia Trust No. 1 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date), with iseek Communications with regards to iseek Data Centre. The iseek Lease is a co-location arrangement which is a contractual arrangement and does not give iseek Communications any proprietary interest in iseek Data Centre. However, the terms of the iseek Lease, when read together with the facilities management arrangement (as amended) entered into by Securus Australia Trust No. 1 and iseek Communications are intended to operate to give the same economic effects of a double-net lease and impose on iseek Communications the same responsibilities which it would bear if it were a lessee under a double-net lease.

The iseek Lease is for a term of 20 years for one of the levels of iseek Data Centre and 10 years (with options to renew for two additional five-year terms at the election of the tenant) for the other level. Under the iseek Lease, iseek Communications is required to pay an annual fee with an escalation of 4% per annum, outgoings of energy costs, facility management fees and any other reasonable fees advised by the facility manager from time to time and insurance fees.

The iseek Lease may be terminated if, among others, either party commits a material breach and fails or is unable to remedy that breach within 30 days.

Facility Management Agreement

Pursuant to a separate facilities management agreement (as amended), iseek Communications has been appointed as the facility manager of iseek Data Centre to provide total turnkey facility management services for iseek Data Centre.

The initial term of the facility management agreement ends on 29 June 2030 and can be renewed for two further terms of five years each. These further terms may be granted if iseek Communications has, in the reasonable opinion of Keppel DC REIT, performed its obligations under the facility management agreement.

Once netted off against the amounts payable by iseek Communications under the iseek Lease[1], no amount is payable by Keppel DC REIT for any of the routine services performed by iseek Communications. Keppel DC REIT is required to pay a contract price plus certain expenses incurred by iseek Communications (including expenses for materials) for any additional ordered services (being services that are not routine services) at hourly rates which iseek Communications may perform from time to time.

The facility management agreement may be terminated by iseek Communications if Keppel DC REIT fails to make any payment within 30 days of the due date or commits any other material breach. Keppel DC REIT may terminate the facility management agreement if iseek Communications commits a material breach and fails to remedy the breach within 21 days, or if iseek Communications is in breach of the iseek Lease.

(See "Overview – Certain Fees and Charges" for details on the fees payable to iseek Communications as the facility manager of iseek Data Centre.)

1 Keppel DC REIT, through Securus Australia Trust No. 1 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date), has entered into the iseek Lease with iseek Communications. The iseek Lease is a co-location arrangement which is a contractual arrangement and does not give iseek Communications any proprietary interest in iseek Data Centre. However, the terms of the iseek Lease, when read together with the facilities management arrangement (as amended) entered into by Securus Australia Trust No. 1 and iseek Communications are intended to operate to give the same economic effects of a double-net lease and impose on iseek Communications the same responsibilities which it would bear if it were a lessee under a double-net lease. Accordingly, for purposes of this Prospectus, the iseek Lease is treated as a double-net lease and not a co-location arrangement.

BASIS BAY DATA CENTRE

Address

No. 4710, Jalan Cyber Point 5, Zone Flagship Cyberjaya 63000 Cyberjaya, Selangor Darul Ehsan, Malaysia

Description

Basis Bay Green Data Centre is a modern four-storey data centre designed with high specifications, with an adjoining two-storey office building. It is located in the township of Cyberjaya, Malaysia, approximately 50 kilometres south-west of the Kuala Lumpur City Centre and 30 kilometres north-west of the Kuala Lumpur International Airport. The property was completed in 2009. The building is constructed with provision for future expansion.

Cyberjaya is a newly planned township, featuring a science park as the core which forms a key part of the Multimedia Super Corridor in Malaysia. The Multimedia Super-Corridor covers 750 square kilometres and is equipped with world-class physical infrastructure as well as a next-generation 2.5 to 10 GB multimedia network. The township was planned to provide comprehensive infrastructure with principal emphasis on its enterprise and office development as the catalyst for the growth of ICT enterprises and the multimedia industry in Malaysia.

Cyberjaya is well served by the major roads and expressways which form an integral part of the comprehensive transportation network facilitating efficient traffic flows within the entire Klang Valley. There is also an Express Rail Link service to Cyberjaya from Kuala Lumpur International Airport via the KLIA Transit. These connections provide good all-round accessibility of Cyberjaya to and from other strategic economic areas within the greater Klang Valley.

The table below sets out a summary of selected information on Basis Bay Data Centre.

Address	No. 4710, Jalan Cyber Point 5, Zone Flagship Cyberjaya 63000 Cyberjaya, Selangor Darul Ehsan, Malaysia
Land Lease Title	Freehold
Completion Date	8 April 2009 (based on the Certificate of Fitness for Occupation issued by the local authority at Sepang)
Occupancy Rate (as at 30 September 2014) (%)	100.0
Number of Floors	4
GFA (sq ft)	88,600
Lettable Area (sq ft)	48,680
Land Area (sq ft)	64,809
Gross Rental Income: FY2015 (S$ million)[(1)(2)]	4.0
Net Property Income: FY2015 (S$ million)[(1)(2)]	3.9
Vendor	Basis Bay Vendor[(3)]
Valuation by Colliers (as at 30 September 2014) (S$ million)[(1)(4)]	42.7
Valuation by C&W (as at 30 September 2014) (S$ million)[(1)(4)]	43.8
Appraised Value (as at 30 September 2014) (S$ million)[(1)(4)]	43.3
Purchase Consideration (S$ million)[(3)(5)]	9.1[(6)]
Number of Tenants	1
Facility Manager	Basis Bay Services
WALE by leased Lettable Area (years) as at 30 September 2014	2.7
WALE by Net Property Income (years) as at 30 September 2014	2.7
Lease Type	Double-net Lease

Notes:

(1) Includes the 1.0% interest in Basis Bay Data Centre which will be held by the Basis Bay Vendor on the Listing Date.

(2) See "Profit Forecast and Profit Projection" for further details on the foreign exchange rates assumed.

(3) Keppel DC REIT will be acquiring a 19% interest in Basis Bay Data Centre through the acquisition of the Basis Bay Minority Interest from the Basis Bay Vendor.

(4) Based on an exchange rate of S$1.00 = RM2.62 as at 2 December 2014.

(5) Based on an exchange rate as agreed with the vendor of S$1.00 = RM2.57 as at 26 November 2014.

(6) The Basis Bay Vendor will receive 4,790,852 Units at the Offering Price on the Listing Date in full satisfaction of the purchase price for the acquisition of the Basis Bay Minority Interest. The number of Basis Bay Consideration Units was computed following adjustments for existing debt and net working capital (see "Certain Agreements Relating to Keppel DC REIT and the Properties – Sale and Purchase Agreements – 2014 Basis Bay Share Sale Agreement" for further details on the formula from which the Basis Bay Consideration Units was derived).

Lease and Facility Management Arrangements

Basis Bay Lease

Basis Bay Data Centre has been leased to Basis Bay Services pursuant to the terms of a master lease agreement entered into by Keppel DC REIT through Basis Bay Capital Management Sdn Bhd (which is a subsidiary of Keppel DC REIT) and Basis Bay Services. The Basis Bay Lease is for a period of 20 years commencing from 15 June 2012 and expiring on 14 June 2032. In connection with the 2014 Basis Bay Share Sale Agreement, the Basis Bay Lease will be amended by a supplemental agreement to the Basis Bay Lease.

The Basis Bay Lease will continue throughout the 20 year period unless Basis Bay Services exercises its option to discontinue upon the expiry of the various lease periods. The 20-year term is split into four lease periods each lasting for a period of five years. The first lease period commences from 15 June 2012. Under the Basis Bay Lease, Basis Bay Services pays an annual rent which is subject to an escalation of 2% per annum for the first five years.

Thereafter the rent for the subsequent lease periods shall be adjusted accordingly based on the prevailing market rent as at the expiry of the then current five-year lease period commencing from the relevant commencement date of such lease period ("**Market Adjustment Date**"). This adjustment in rental is subject to various conditions and a variable cap and collar and will be determined by a market review conducted by independent valuers as per the mechanism in the Basis Bay Lease.

Basis Bay Services is however entitled to discontinue the Basis Bay Lease by giving notice at not less than nine months before the expiration of each five-year anniversary of the commencement date of the Basis Bay Lease without any compensation or liability.

Basis Bay Services is entitled to reduce the space it leases in Basis Bay Data Centre at the end of each lease period and Keppel DC REIT is entitled to lease out this vacated space to potential third-parties. However, pursuant to the supplemental agreement to the Basis Bay Lease, prior to offering this vacated space to any interested third-party, Keppel DC REIT must first offer this vacated space back to Basis Bay Services to lease on substantially the same terms and conditions as that which Keppel DC REIT is proposing to offer to the interested third-party. Keppel DC REIT has also granted Basis Bay Services a right of first refusal to purchase the Basis Bay Data Centre subject to the terms and conditions in the master lease agreement.

Basis Bay Services also has a right at any time during the term to request Keppel DC REIT to invest additional capital expenditure for the purposes of further expanding the data centre. If Keppel DC REIT decides to undertake such expansion project, the annual rent shall be adjusted and increased upon the completion of the proposed expansion by an incremental amount equivalent to 10% of the finalised additional capital expenditure incurred for the undertaking of the proposed expansion as agreed.

Facility Management Arrangement

Pursuant to a separate facility management agreement dated 23 April 2012, Basis Bay Services has been appointed as the facility manager of Basis Bay Data Centre from 15 June 2012. Under the agreement, Basis Bay Services is required to provide total turnkey facility management services for Basis Bay Data Centre.

The turnkey facility management services comprise both routine services and ordered services. In consideration of the Basis Bay Lease, no fees are payable for any of the routine services performed while fees for ordered services performed shall be chargeable based on the quotation of fees provided by the facility manager in accordance with the terms of the agreement. Subject to the right of first refusal to continue as facility manager granted to Basis Bay Services, the facility management agreement will terminate if Basis Bay Services ceases to be the sole tenant of Basis Bay Data Centre (see "Risk Factors – Risks Relating to the Properties – The facilities management agreement for Basis Bay Data Centre may be terminated upon Basis Bay Services ceasing to be sole lessee of Basis Bay Data Centre or the termination of the Basis Bay Lease" for further details).

The facility manager shall at its own cost and expense upkeep and maintain the whole of the data centre. However, all civil and/or structural damage, defects and leakages and the painting of the exterior and interior of the buildings shall be the responsibility of Keppel DC REIT.

(See "Overview – Certain Fees and Charges" for details on the fees payable to Basis Bay Services as the facility manager of Basis Bay Data Centre.)

GV7 DATA CENTRE

Address

7 Greenwich View Place, Millharbour Road, London E14 9NN, United Kingdom

Description

GV7 Data Centre is a newly refurbished data centre designed with high specifications which forms part of Greenwich View Place, London, a secure estate comprising eight units, primarily offering data centre and office accommodation services, located on the Isle of Dogs, approximately 750 metres south of Canary Wharf, East London. GV7 Data Centre is comprised of a former office building extending to approximately 34,848 sq ft GFA arranged over ground and first floors. The building was constructed in 1987 and externally refurbished in 2000.

The table below sets out a summary of selected information on GV7 Data Centre.

Address	7 Greenwich View Place, Millharbour Road, London E14 9NN, United Kingdom
Land Lease Title	Leasehold (Expiring 28 September 2183)
Completion Date	1987, and refurbished in 2000
Occupancy Rate (as at 30 September 2014) (%)	100.0
Number of Floors	2
GFA (sq ft)	34,848
Lettable Area (sq ft)	24,972
Land Area (sq ft)	N.A.(1)
Gross Rental Income: FY2015 (S$ million)(2)	6.0
Net Property Income: FY2015 (S$ million)(2)	6.0
Valuation by CBRE (as at 30 September 2014) (S$ million)(3)	76.0
Valuation by JLL (as at 30 September 2014) (S$ million)(3)	78.0
Appraised Value (as at 30 September 2014) (S$ million)(3)	77.0
Number of Tenants	1
WALE by leased Lettable Area (years) as at 30 September 2014	12.5
WALE by Net Property Income (years) as at 30 September 2014	12.5
Lease Type	Triple-net Lease

Notes:

(1) For GV7 Data Centre, neither the lease nor the registered title of the Property refers to, nor are they required to refer to, the land area of the Property.

(2) See "Profit Forecast and Profit Projection" for further details on the foreign exchange rates assumed.

(3) Based on an exchange rate of S$1.00 = £0.49 as at 2 December 2014.

Lease and Facility Management Arrangements

GV7 Lease

The GV7 Data Centre has been leased to a single tenant pursuant to the terms of the GV7 Lease entered into by Keppel DC REIT through its wholly-owned subsidiary, Greenwich View Place Limited, and the tenant. The lease is for a term of 15 years from 10 February 2012 to 9 February 2027 with an option for an extension of the lease for a further 10 years. The rental payable is fixed and specified for throughout the entire term. The rental payable increases by fixed sums as expressly provided for in the lease. If the tenant chooses to exercise its right of renewal, the rent is also fixed for each year of the renewal term. Pursuant to the terms of the lease, the tenant is responsible for bearing service charges and insurance. The lease also provides the landlord, being Greenwich View Place Limited, the right of forfeiture if rental is unpaid for 30 days, the tenant is bankrupt or insolvent or if there is any breach of the lease.

The tenant is also required to pay any reservation charges required to maintain the availability of the electricity supply and at all times to enter into and maintain electricity supply contracts to provide electricity to the Property at all times.

ALMERE DATA CENTRE

Address

Rondebeltweg 62 'Sallandsekant' Business Park, Almere, the Netherlands

Description

Almere Data Centre is a data centre designed with high specifications located in the Sallandsekant business estate, in the city of Almere, the Netherlands. Sallandsekant business estate is aimed at users of logistics properties with several distribution centres with well-known names already establishing a presence there. The city is surrounded by a dense network of motorways which link to various other cities and parts of the Netherlands. These include motorway A6 offering connections to the north, south and east of the Netherlands and links to motorway A1 after approximately 15 kilometres, as well as motorway A27 which starts a short distance to the north and links in a southern direction. Public transport to the business estate is provided by two local bus lines. The property is also located approximately 50 kilometres from Schiphol airport and 135 kilometres from Rotterdam harbour.

Almere Data Centre comprises a three-storey semi-detached building that was constructed in 2008 with a Lettable Area of 118,403 sq ft. A parting wall separates the adjoining mirror building.

Almere Data Centre is equipped with power and cooling infrastructure sufficient to provide the required power density. There is sufficient plant space to upgrade the power density to serve higher power requirements. The data centre is fitted with an alarm system and numerous security cameras. The fire suppression system is based on gaseous suppression, using a reduced oxygen concentration method that is nitrogen based.

Power is supplied via the national grid, with procedures and redundancies such as dynamic UPS and generators in place to ensure power is available at all times. The data centre is serviced by two separate power feeds from transformers located at the rear.

The table below sets out a summary of selected information on Almere Data Centre.

Address	Rondebeltweg 62 'Sallandsekant' Business Park, Almere, The Netherlands
Land Lease Title	Freehold
Completion Date	2008
Occupancy Rate (as at 30 September 2014) (%)	100.0
Number of Floors	3
GFA (sq ft)	138,219
Lettable Area (sq ft)	118,403
Land Area (sq ft)	85,358
Gross Rental Income: FY2015 (S$ million)(1)	10.2
Net Property Income: FY2015 (S$ million)(1)	10.0
Valuation by CBRE (as at 30 September 2014) (S$ million)(2)	131.0
Valuation by Colliers (as at 30 September 2014) (S$ million)(2)	132.3
Appraised Value (as at 30 September 2014) (S$ million)(2)	131.6
Number of Tenants	1
WALE by leased Lettable Area (years) as at 30 September 2014	14.1
WALE by Net Property Income (years) as at 30 September 2014	14.1
Lease Type	Double-net Lease

Note:

(1) See "Profit Forecast and Profit Projection" for further details on the foreign exchange rates assumed.

(2) Based on an exchange rate of S$1.00 = €0.61 as at 2 December 2014.

Lease and Facility Management Arrangements

Ground Lease

Pursuant to the Almere Deed of Transfer, Borchveste transferred the title to Almere Data Centre to Securus Almere B.V. (which is a wholly-owned subsidiary of Keppel DC REIT) while retaining the Ground Lease in favour of itself. Consequently, the Ground Lease has been established in favour of Borchveste as the leasehold tenant. The Ground Lease has been established for a maximum period of twenty years with no option to renew or extend and will therefore by operation of law end ultimately on 17 April 2033.

The Ground Lease gives the leasehold tenant (*i.e.* Borchveste) the exclusive right to use the structures situated within the leased space. The transfer of Almere Data Centre and the establishment of the Ground Lease was done in acknowledgement that Borchveste already has an existing lease arrangement with the underlying tenant of Almere Data Centre dated 6 December 2007, pursuant to which, Borchveste has designed and built Almere Data Centre for the purpose of leasing it to the underlying tenant. With the Ground Lease in place, the lease with the underlying tenant becomes conceptually similar to a sub-lease, with Borchveste being (i) the leasehold tenant of Securus Almere B.V. and (ii) the lessor to the underlying tenant; the underlying tenant being essentially the sub-tenant. Different laws apply to a right of leasehold (*i.e.* the Ground Lease) and a lease agreement (*i.e.* the sub-lease with the underlying tenant) (see "Overview of Relevant Laws and Regulations in Australia, Malaysia, the UK, the Netherlands and Ireland – Relevant Laws and Regulations in the Netherlands – Real Estate Law" for further details.)

Pursuant to the Almere Deed of Transfer, the initial annual ground rent is €5,814,899 (S$9,461,422). The ground rent will be indexed on the same terms and conditions as the indexation of the rent under the underlying lease. The annual indexation (by way of the consumer price index) for the first five years from the commencement of the underlying lease is capped at 2.5%. After five years, the annual indexation of the rent will be up to 2.0% of the then current annual rent. The ground rent has to be paid in twelve equal monthly terms. In case of non-payment or a shortage in the amount of rent to be received by Borchveste, Securus Almere B.V. may take over the position of Borchveste in respect of the underlying tenant and collect the unpaid ground rent from the rent paid by the underlying tenant.

Borchveste is only entitled to terminate the Ground Lease unilaterally in the event that the underlying lease agreement between Borchveste and the underlying tenant ends. However, Borchveste is not entitled to terminate the Ground Lease in the event that the underlying tenant has exercised the option to renew or extend. Pursuant to the conditions of the Ground Lease, Securus Almere B.V. may terminate the Ground Lease unilaterally in the following circumstances:

(i) if Borchveste is in material default with regard to an obligation resulting from the leasehold conditions;

(ii) if Borchveste does not pay the ground rent for two consecutive years; or

(iii) if Borchveste has applied for moratorium of payments or has been declared bankrupt.

The condition that the Ground Lease can only be terminated after failure to receive the rent payable for two consecutive years is required by article 5:87, paragraph 2 of the Dutch Civil Code which is a mandatory article of Dutch Law. In case of a premature termination of the Ground Lease due to a termination by Securus Almere B.V., Securus Almere B.V. is obliged to take over the underlying lease with the underlying tenant and therefore has to comply with all rights and obligations arising thereof.

According to the Ground Lease conditions, Securus Almere B.V. is obliged to send Borchveste an offer to extend the Ground Lease ultimately two years and two months before the expiry of the initial lease term, in order to for Borchveste to offer to extend the underlying lease the underlying tenant no later than two years before the expiry of the initial lease term ending on 31 August 2028. If the underlying tenant accepts the aforementioned offer or if Securus Almere B.V. fails to comply with its obligation to provide Borchveste with a timely offer to extend or renew the lease, Borchveste is, as from 31 August 2028 no longer bound by any obligation under the Ground Lease, the lease agreement with the underlying tenant and/or any new lease agreement. Securus Almere B.V. is obliged to fulfil the obligations arising from the lease agreement with the underlying tenant and/or the new lease agreement as if it were the lessor and shall indemnify Borchveste with regard to possible claims and claims of third parties (including from the underlying tenant). Furthermore, any costs and claims charged to or imposed on Borchveste will be settled by Securus Almere B.V. and Securus Almere B.V. shall fully indemnify Borchveste in that respect. In the event the underlying tenant does not accept the offer, the lease agreement will terminate and Borchveste is entitled to terminate the Ground Lease.

Borchveste cannot, among others, transfer the Ground Lease without the prior approval of Securus Almere B.V. which can be made subject to certain conditions.

Securus Almere B.V. is obliged to, on behalf of Borchveste as entitled and interested party, take out and maintain a building insurance (including third-party liability insurance) for the reinstatement value of Almere Data Centre under regular conditions for Dutch insurance companies.

Securus Almere B.V. can transfer the bare ownership of the Almere Data Centre without needing approval for the transfer from Borchveste. However, such transfer will come encumbered with the Ground Lease and the transferee will also have to take over the obligations of Securus Almere B.V. in relation to the Ground Lease.

Pursuant to a deed of mortgage dated 18 December 2013 by and between Securus Almere B.V. (as the mortgagee) and Borchveste (as the mortgagor) a right of mortgage was established on the Ground Lease as a security for the obligation of Borchveste to pay ground rent under the Ground Lease. It is however not certain whether such right of mortgage provides enough security due to a possible conflict with the mandatory termination period of two years (as described above). In addition, Reggeborgh Vastgoed Investments B.V. and Volkerwessels Bouw & Vastgoedontwikkeling B.V.[1], two Dutch private companies with limited liability, have provided a seller's guarantee, and are liable by way of separate and independent obligation, with respect to claims which Securus Almere B.V. may have against Borchveste in connection with the fulfilment of the obligations under the Ground Lease. The amount covered by the seller's guarantee is approximately 80% of the Gross Rental Income from Almere Data Centre (see "Certain Agreements Relating to Keppel DC REIT and the Properties – Sale and Purchase Agreements – Almere Data Centre Sale and Purchase Agreement" for further details of the seller's guarantee).

1 Reggeborgh Vastgoed Investments B.V. and Volkerwessels Bouw & Vastgoedontwikkeling B.V. are the shareholders of Borchveste.

CITADEL 100 DATA CENTRE

Address

Citadel 100 – Unit 4031 – 4033, Citywest Business Park, Co Dublin

Description

Citadel 100 Data Centre is a data centre designed with high specifications located in the Citywest Business Campus, a prime suburban industrial/commercial location in Dublin. It is approximately 14km south-west of Dublin City Centre and is situated just south of Junction 3 of the N7 National Road. The Citywest Business Campus is immediately located south of the N7 Dublin-Limerick Road via its dedicated interchange and is now home to over 120 companies, with an overall focus on technological innovation. In recent years, the area has secured a number of new occupiers. The Citywest Business Campus also makes provision for high specification industrial properties in a low density park environment with landscaping. The area may be secondary to Dublin city centre in terms of offices but is considered a leading industrial business location in Ireland, which is well served by public transport. Dublin Bus operates a number of routes to Citywest Business Campus from the city centre and the Luas Red Line has also been recently extended to provide a station at Citywest Business Campus.

Citadel 100 Data Centre comprises a modern two-storey detached industrial unit currently used as a data centre. Constructed 14 years ago, several of the data halls in the building have recently been upgraded.

The building is a modern business park industrial style structure, with a metal skin exterior which includes a distinctive two-storey architectural façade which frames the entrance into the building. Citadel 100 Data Centre is equipped with redundant power and cooling infrastructure sufficient to serve the co-location requirements of its customers.

The data centre also benefits from the T50 fibre optic network which provides an uninterrupted physical link with two major transatlantic fibre termination points. There is access to multiple telecommunications providers, with all the major carriers accessible from the building.

The table below sets out a summary of selected information on Citadel 100 Data Centre.

Address	Citadel 100 – Unit 4031 – 4033, Citywest Business Park, Co Dublin
Land Lease Title	Leasehold (Expiring on 11 April 2041)
Completion Date	2000
Occupancy Rate (as at 30 September 2014) (%)	73.7
Number of Floors	2
GFA (sq ft)	125,044
Lettable Area (sq ft)	68,052
Land Area (sq ft)	218,236
Gross Rental Income: FY2015 (S$ million)(1)	13.8
Net Property Income: FY2015 (S$ million)(1)	6.8
Vendor	Keppel Data Centres(2)
Valuation by CBRE (as at 30 September 2014) (S$ million)(3)	102.8
Valuation by Colliers (as at 30 September 2014) (S$ million)(3)	102.9
Appraised Value (as at 30 September 2014) (S$ million)(3)	102.8
Purchase Consideration (S$ million)(4)(5)	50.8
Number of End-users	5
Facility Manager	Citadel 100(6)
WALE by leased Lettable Area (years) as at 30 September 2014	2.3
WALE by Net Property Income(7) (years) as at 30 September 2014	2.4
Lease or Co-location Type	Co-location arrangement

Notes:

(1) See "Profit Forecast and Profit Projection" for further details on the foreign exchange rates assumed.

(2) Keppel DC REIT will be acquiring a 50% interest in Citadel 100 Data Centre through the acquisition of 50% of the issued share capital of Citadel 100 from Keppel Data Centres.

(3) Based on an exchange rate of S$1.00 = €0.61 as at the 2 December 2014.

(4) For acquisition of 50% interest in Citadel 100 Data Centre from Keppel Data Centres.

(5) Based on an exchange rate as agreed with the vendor of S$1.00 = €0.62 as at 26 November 2014.

(6) Citadel 100 is responsible for the management and maintenance of Citadel 100 Data Centre. In addition, Citadel 100 has sub-contracted certain development, construction and operation/facility management services in respect of Citadel 100 Data Centre, including 24-hour maintenance, floor space management and project management, to MCC.

(7) Assumes that each co-location agreement of the same type within Citadel 100 Data Centre has the same ratio of cash NPI to Rental Income.

Lease and Facility Management Arrangements

Co-location Arrangement

Citadel 100 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date) has entered into a non-binding understanding with a preferred customer in connection with the promotion of Citadel 100 Data Centre. The parties have agreed that the understanding shall be effective from 1 November 2014 to 31 October 2016 unless terminated by either party by 30 days written notice. Under this understanding, Citadel 100 has agreed to refer all enquiries regarding managed services in relation to Citadel 100 Data Centre to the preferred customer. Subject to any obligation of confidentiality the preferred customer has in turn agreed to refer all enquiries regarding the provision of only co-location space (without managed services) to Citadel 100. Citadel 100 has also agreed not to make any direct solicitation of existing or future data centre customers of the preferred customer. The preferred customer in turn has agreed not to directly approach any existing or future data centre customers of Citadel 100. The preferred customer has agreed to promote Citadel 100 Data Centre to its existing and future clients. Citadel 100 has likewise agreed to promote the managed or shared data centre services of the preferred customer within its existing or future client base.

The preferred customer has entered into a number of co-location arrangements with Citadel 100. Pursuant to these co-location arrangements, the preferred customer has in turn provided co-location space and managed services to third-party end-users.

Currently, there is also in force co-location arrangements with four other end-users with whom Citadel 100 has directly entered into co-location arrangements with.

Each co-location arrangement entered into contains detailed information regarding the specifications for the provision of co-location space and services such as the temperature and humidity of the area of Citadel 100 Data Centre required by the end-users in question.

Citadel 100 is entitled to terminate the co-location arrangements in the event of non-payment of fees by the customers. Generally, other events which entitle either party to terminate the co-location arrangements include:

(i) insolvency or liquidation of either party;

(ii) material breach or failure to perform the obligations under the co-location arrangements which is not remedied within a period of time or which is not capable of remedy; and

(iii) Citadel 100 Data Centre does not meet or no longer meets any or all of the material technical, financial or statutory conditions for access to and use of the co-location space.

Certain of the co-location arrangements may be terminated by the customers giving typically six months' notice, subject to a specified portion of the term of the co-location arrangement having expired.

The term for any co-location arrangement is typically for three years but many run for five years or more and the co-location arrangements may also contain options to renew. For each co-location arrangement entered into by the preferred customer, Citadel 100 charges a monthly base fee calculated on a per sq ft basis on the preferred customer.

Citadel 100 has agreed to make available to the preferred customer the Network Operating Centre office (of approximately 1,010 sq ft) at Citadel 100 Data Centre for a nominal fee for a period of four years from 1 November 2014 to 31 October 2018 for the purpose of enabling the preferred customer to monitor its own clients' systems. Under this arrangement the preferred customer will also have free use of the canteen area, may book conference and meeting rooms and staff of the preferred customer may avail of car parking spaces while onsite. The preferred customer has also agreed to provide Network Operating Centre services to Citadel 100 at rates to be agreed between the parties (subject to a ten hour weekly allowance at no charge) should Citadel 100 need to avail of such services for its own end-users clients (other than the preferred customer).

Facility Management Arrangement

Citadel 100 is responsible for the management and maintenance of Citadel 100 Data Centre. Pursuant to the MCC Services Agreement dated 1 September 2013, Citadel 100 has sub-contracted certain development, construction and operation/facility management services in respect of Citadel 100 Data Centre, including 24-hour maintenance, floor space management and project management, to MCC.

The term of the MCC Services Agreement is for three years from 1 September 2013 and an annual fee is payable by Citadel 100. MCC is responsible for, among others, facility management and development of the maintenance program, maintenance of the Citadel 100 Data Centre and management of specialist sub-contractor service providers. MCC is entitled to the following annual charges: €210,809 (S$343,007) in 2013; €798,792 (S$1,299,715) in 2014; and a sum equivalent to €798,792 (S$1,299,715) + €64,774.69 (S$105,395) in 2015. MCC is also entitled to be paid at the rate of the net cost plus 12.5% on purchase orders for the procurement of materials, supplies and equipment.

Either party may terminate the agreement for any reason on three months' prior written notice to the other. Either party may terminate the agreement where there is a material breach by the other party which is not cured or remedied within 15 days' notice.

Under the MCC Services Agreement, Citadel 100 is to maintain property insurance on an all risk policy basis while MCC is to maintain insurance in respect of employer's liability, public liability and professional indemnity. Except as provided by such insurance, MCC's liability shall be limited to re-performing of the faulty performance as per the terms in the MCC Services Agreement. There is further a consequential loss exclusion provision and furthermore, the limits on liability are applicable regardless of whether the claim is based on contract, delay, negligence and tort or otherwise.

(See "Overview – Certain Fees and Charges" for details on the fees payable to MCC pursuant to the MCC Services Agreement.)

EMPLOYEES

As at the date of this Prospectus, Citadel 100 employs six personnel to undertake the day-to-day operation of Citadel 100 Data Centre. The total cost of employing such personnel is expected to account for approximately 11.4% of the revenue from Citadel 100 Data Centre and approximately 1.6% of the revenue of Keppel DC REIT for the Forecast Year 2015 (see "Risk Factors – Risks Relating to Keppel DC REIT's Business and Operations – Keppel DC REIT may incur losses arising from claims brought against Citadel 100 in connection with the operations of Citadel 100 Data Centre" for details of the risk of claims being brought against Citadel 100 arising from the employment of such personnel).

INSURANCE

Keppel DC REIT has in place insurance for the Properties that the Manager believes is adequate in relation to the Properties and consistent with industry practice and all relevant laws and regulations in the respective countries where they are located. The insurance coverage for all the Properties includes property damage and business interruption, including loss of rent and/or consequential losses. In addition, (i) for Gore Hill Data Centre, GV7 Data Centre and Citadel 100 Data Centre, the coverage includes public and products liability, (ii) for S25, T25 and Gore Hill Data Centre, the coverage includes financial losses, (iii) for S25 and T25, the coverage includes employee fraud, computer fraud and technology-related losses and for Citadel 100 Data Centre, the coverage includes employers' liability.

There are no significant or unusual excess or deductible payments required under such policies. All insurance contracts undergo a competitive bid process and insurance brokers are retained to identify requirements, create specifications and evaluate bids with a view to determining the most appropriate coverage and pricing.

There are, however, certain types of risks that are not covered by such insurance policies, including acts of war, allied risks and in most cases, acts of terrorism (see "Risk Factors – Risks Relating to Investing in Real Estate – Keppel DC REIT may suffer material losses in excess of insurance proceeds or Keppel DC REIT may not put in place or maintain adequate insurance in relation to the Properties and its potential liabilities to third parties" for further details).

ENCUMBRANCES

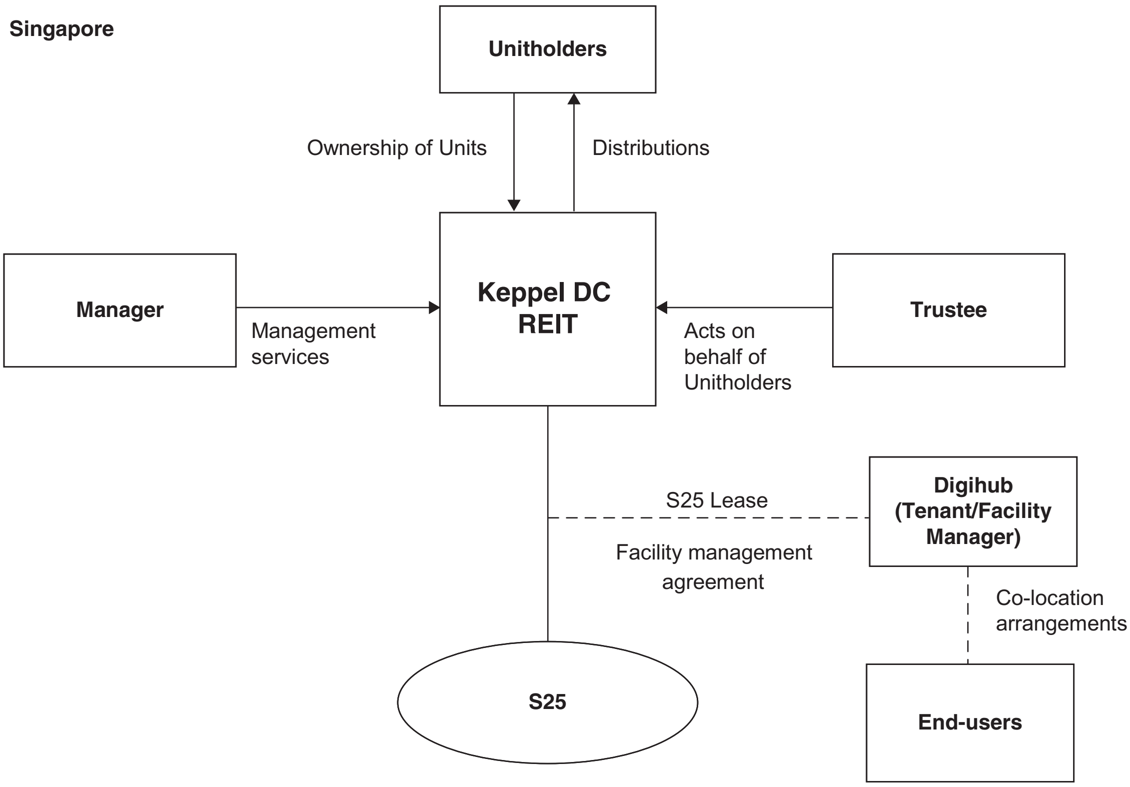
As at the date of this Prospectus, save for S25, T25 and Citadel 100 Data Centre which are unencumbered, all of the Properties are subject to encumbrances, which will be fully discharged on the Listing Date.

LEGAL PROCEEDINGS

None of Keppel DC REIT and the Manager is currently involved in any material litigation nor, to the best of the Manager's knowledge, is in any material litigation currently contemplated or threatened against Keppel DC REIT or the Manager.

OVERVIEW OF THE HOLDING STRUCTURE OF THE PROPERTIES

Holding Structure of S25

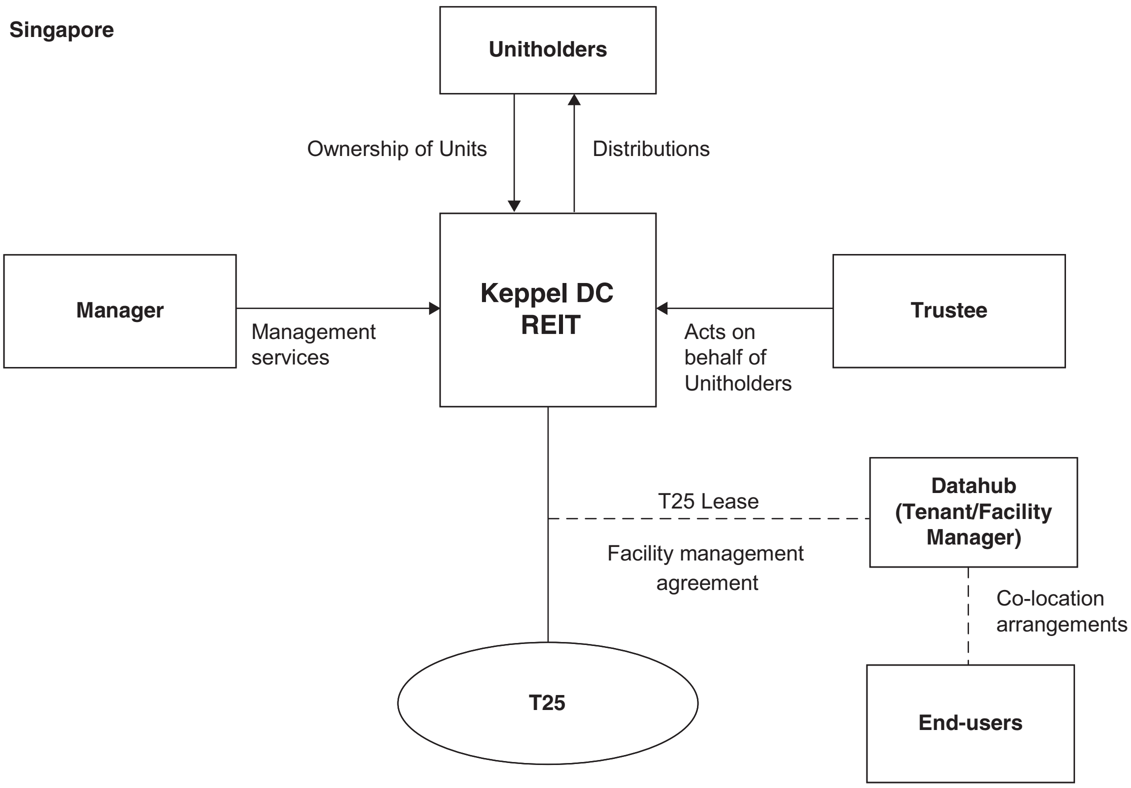


On the Listing Date, Keppel DC REIT will acquire the leasehold interest in S25 from Digihub, which is wholly-owned by KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion 70% and 30% respectively. The Sponsor wholly-owns the Manager. Therefore Digihub is a Related Party of Keppel DC REIT (see "The Manager and Corporate Governance – Related Party Transactions – Related Party Transactions in Connection with the Setting Up of Keppel DC REIT and the Offering" for further details). Pursuant to the S25 Lease, Keppel DC REIT will grant a lease over S25 to Digihub, which in turn has entered into various co-location arrangements with its end-users. Keppel DC REIT has no direct contractual relationship with the end-users under these co-location arrangements.

Digihub will also be appointed as the facility manager of S25 pursuant to the S25 Facility Management Agreement and will be responsible for the management and maintenance of the property.

(See "Business and Properties – S25 Data Centre – Lease and Facility Management Arrangements" for further details.)

Holding Structure of T25

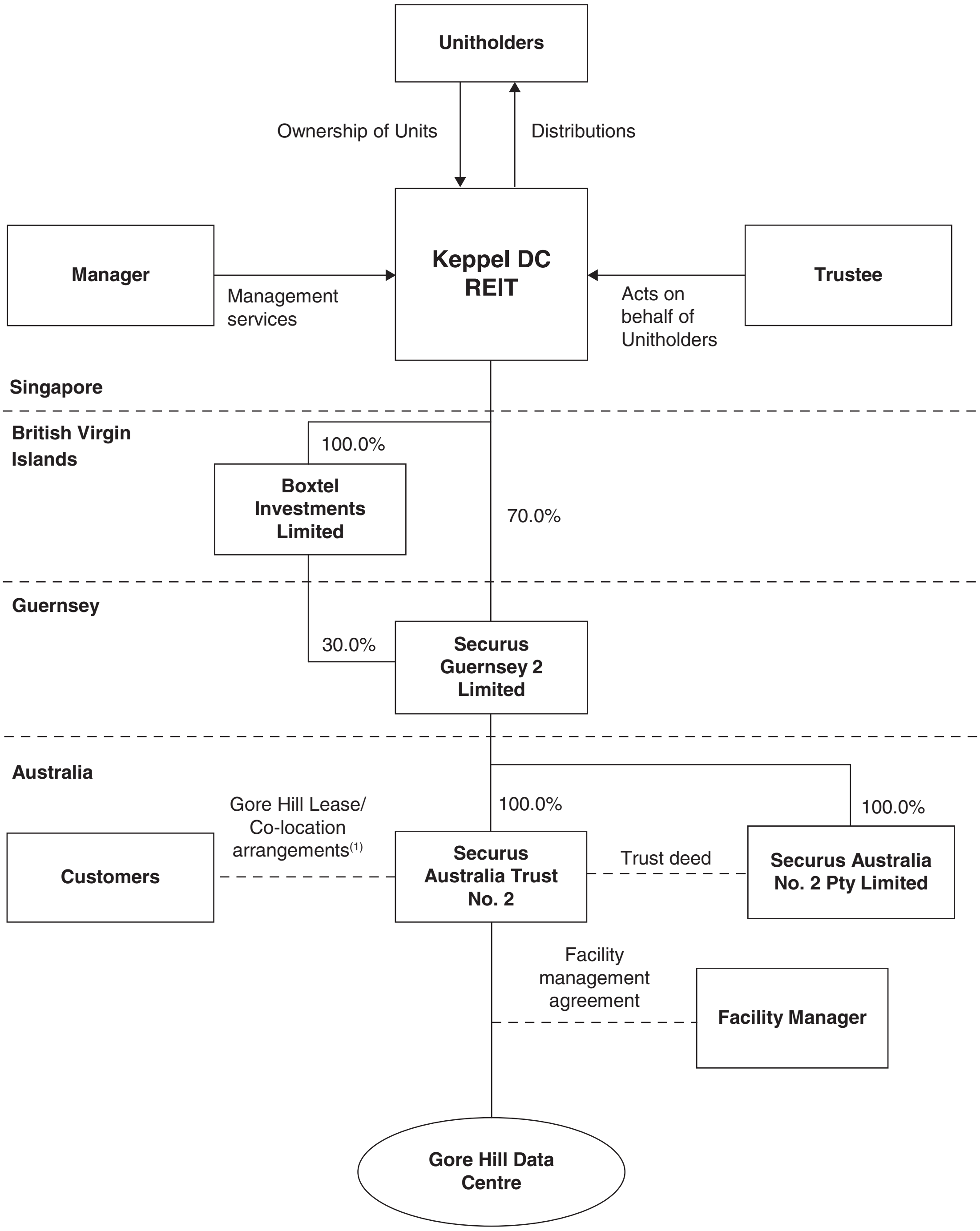


On the Listing Date, Keppel DC REIT will acquire the leasehold interest in T25 from Datahub, which is wholly-owned by KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion 70% and 30% respectively. The Sponsor wholly-owns the Manager. Therefore, Datahub is a Related Party of Keppel DC REIT. (see "The Manager and Corporate Governance – Related Party Transactions – Related Party Transactions in Connection with the Setting Up of Keppel DC REIT and the Offering" for further details). Pursuant to the T25 Lease, Keppel DC REIT will grant a lease over T25 to Datahub, which in turn has entered into co-location arrangements with its end-users. Keppel DC REIT has no direct contractual relationship with the end-users under these co-location arrangements.

Datahub will also be appointed as the facility manager of T25 pursuant to the T25 Facility Management Agreement and will be responsible for the management and maintenance of the property.

(See "Business and Properties – T25 Data Centre – Lease and Facility Management Arrangements" for further details.)

Holding Structure of Gore Hill Data Centre



Note:

(1) Keppel DC REIT has entered into co-location arrangements with two end-users and a lease arrangement with one tenant for Gore Hill Data Centre.

As at the date of this Prospectus, Keppel DC REIT holds 70.0% of the issued share capital of Securus Guernsey 2 Limited ("**Securus Guernsey 2**"). The remaining 30.0% of the issued share capital of Securus Guernsey 2 is held by Boxtel Investments Limited. On the Listing Date, Keppel DC REIT will acquire a 100.0% interest in Securus Guernsey 2 through its acquisition of Boxtel Investments Limited from Keppel Data Centres, a wholly-owned subsidiary of the Sponsor. The Sponsor wholly-owns the Manager. Therefore, Keppel Data Centres is a Related Party of Keppel DC REIT.

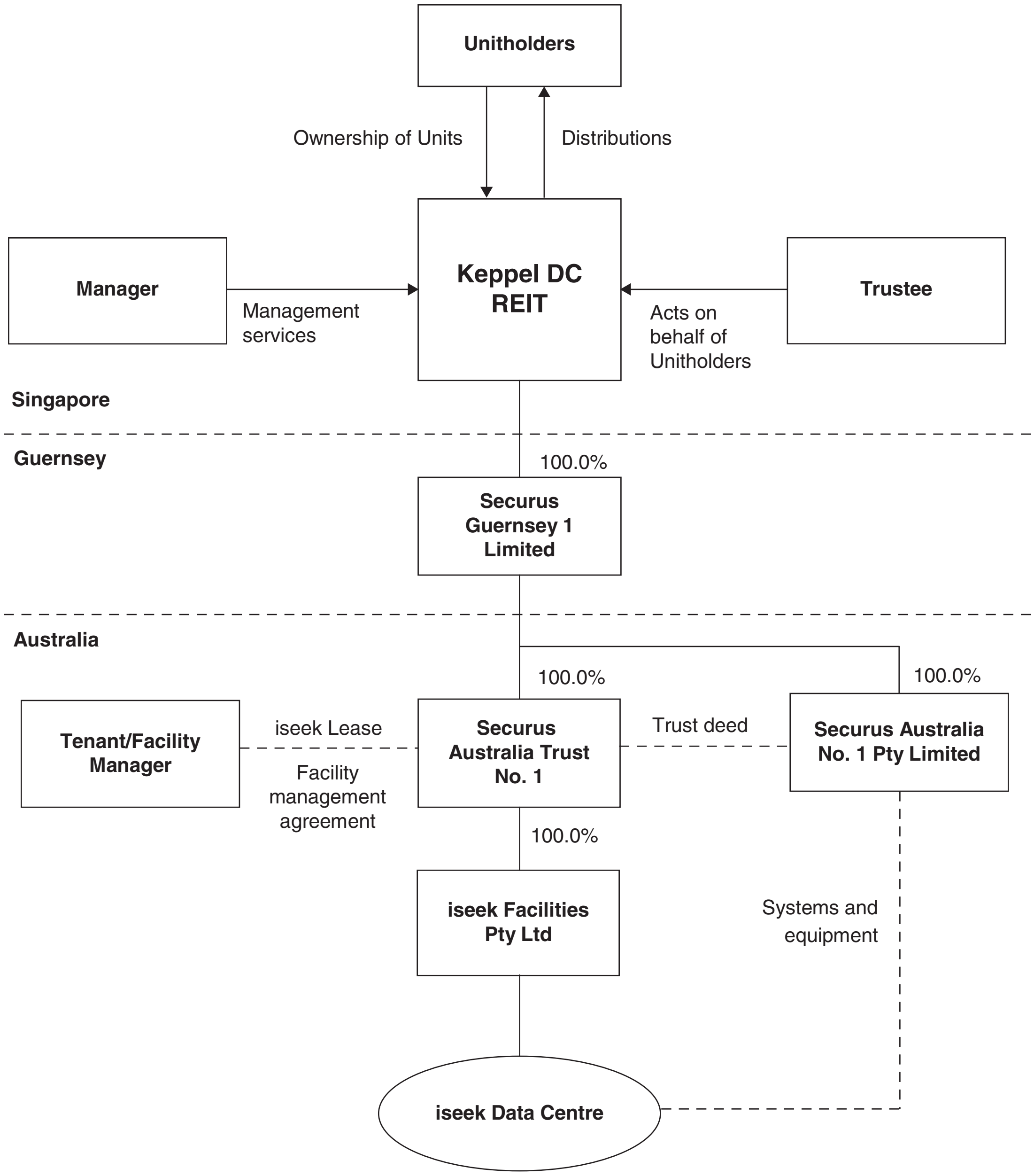
Securus Guernsey 2 in turn holds 100.0% of the issued share capital of Securus Australia No. 2 Pty Limited, being the trustee of Securus Australia Trust No. 2, and 100.0% of the units of Securus Australia Trust No. 2. Securus Australia No. 2 Pty Limited, in its capacity as trustee of Securus Australia Trust No. 2, holds the title to Gore Hill Data Centre.

Securus Australia No. 2 Pty Limited, in its capacity as trustee of Securus Australia Trust No. 2, has entered into the Gore Hill Lease with one tenant and separate co-location arrangements with two other end-users for the remaining portion of the premises of Gore Hill Data Centre (see "Business and Properties – Competitive Strengths – High quality customer base and favourable lease and co-location profile offering income stability with potential upside from rental reversions – Favourable lease and co-location profile" for further details of Keppel DC REIT's responsibilities as owner/lessor towards the tenant under the Gore Hill Lease and the end-users under the separate co-location arrangements).

Pursuant to a facility management agreement between Securus Australia No. 2 Pty Limited, in its capacity as trustee of Securus Australia Trust No. 2, and iseek-KDC, a joint venture company held by the Sponsor and iseek Communications in the proportion of 60.0% and 40.0% respectively, iseek-KDC has been appointed as the facility manager of Gore Hill Data Centre and provides facility management services for the end-users with co-location arrangements. Therefore, iseek-KDC is a Related Party of Keppel DC REIT (see "The Manager and Corporate Governance – Related Party Transactions – Related Party Transactions in Connection with the Setting Up of Keppel DC REIT and the Offering" for further details).

(See "Business and Properties – Gore Hill Data Centre – Lease and Facility Management Arrangements" for further details.)

Holding Structure of iseek Data Centre



As at the date of this Prospectus, Securus Guernsey 1 Limited ("**Securus Guernsey 1**"), a wholly-owned subsidiary of Keppel DC REIT, holds 70.0% of the issued share capital of Securus Australia No. 1 Pty Limited, being the trustee of Securus Australia Trust No. 1, and 70.0% of the units in Securus Australia Trust No. 1. On the Listing Date, Securus Guernsey 1 will acquire 100.0% interest in both Securus Australia No. 1 Pty Limited and Securus Australia Trust No. 1 through its acquisition of the remaining 30.0% of the issued share capital of Securus Australia No. 1 Pty Limited and the remaining 30.0% of the issued units of Securus Australia Trust No. 1 held by the iseek Vendor.

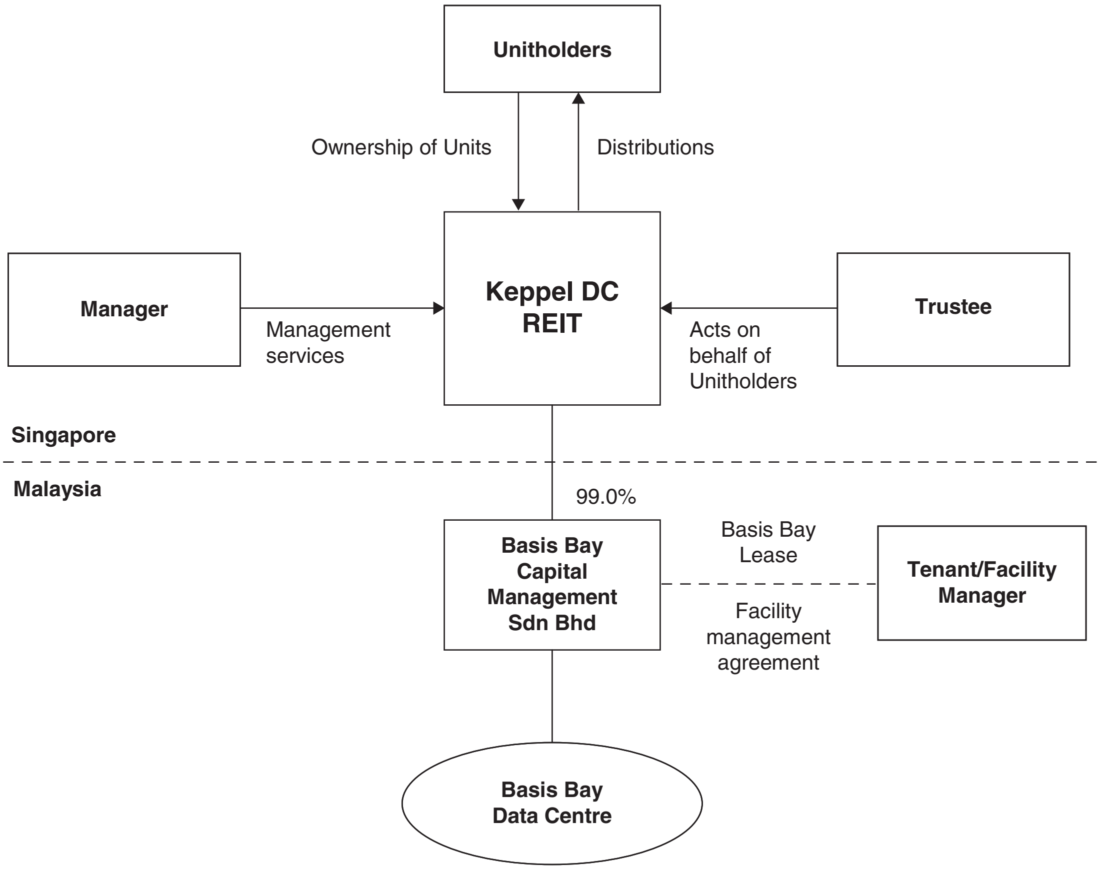
Securus Australia No. 1 Pty Limited, in its capacity as trustee of Securus Australia Trust No. 1, in turn holds 100.0% of the issued share capital of iseek Facilities Pty Ltd, which in turn holds the leasehold interest in iseek Data Centre pursuant to the BAC Lease granted by BAC. The legal title to the systems and equipment used as part of the data centre infrastructure for the Property is held directly by Securus Australia No. 1 Pty Limited in its capacity as trustee of Securus Australia Trust No. 1.

Securus Australia Trust No. 1 has entered into the iseek Lease[1] with iseek Communications for iseek Data Centre. Pursuant to a separate facilities management agreement (as amended), iseek Communications is also appointed as the facility manager and is responsible for the management and maintenance of iseek Data Centre. iseek Communications is a third-party and not a Related Party to Keppel DC REIT.

(See "Business and Properties – iseek Data Centre – Lease and Facility Management Arrangements" for further details.)

1 Keppel DC REIT, through Securus Australia Trust No. 1 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date), has entered into the iseek Lease with iseek Communications. The iseek Lease is a co-location arrangement which is a contractual arrangement and does not give iseek Communications any proprietary interest in iseek Data Centre. However, the terms of the iseek Lease, when read together with the facilities management arrangement (as amended) entered into by Securus Australia Trust No. 1 and iseek Communications are intended to operate to give the same economic effects of a double-net lease and impose on iseek Communications the same responsibilities which it would bear if it were a lessee under a double-net lease. Accordingly, for purposes of this Prospectus, the iseek Lease is treated as a double-net lease and not a co-location arrangement (see "Business and Properties – iseek Data Centre" for further details).

Holding Structure of Basis Bay Data Centre

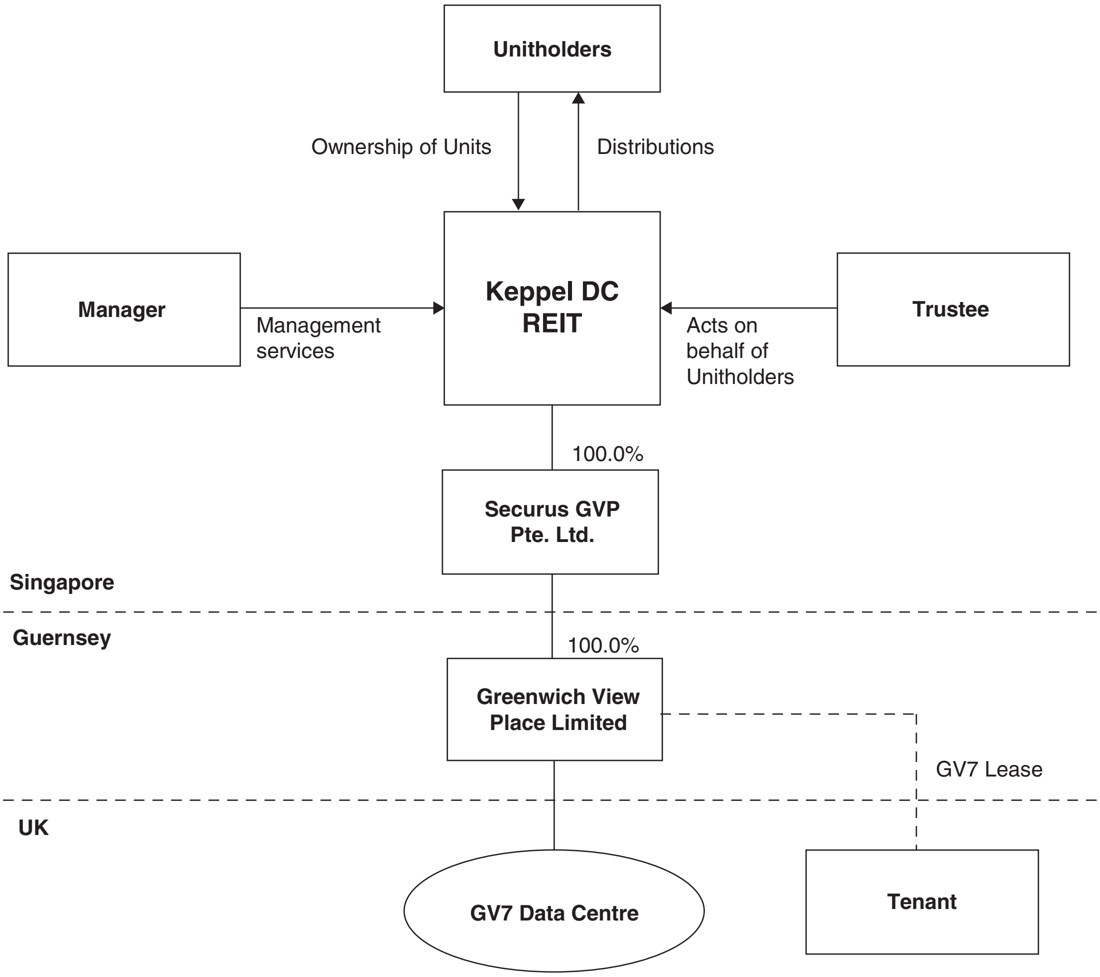


As at the date of this Prospectus, Keppel DC REIT holds 80.0% of the issued share capital of Basis Bay Capital Management Sdn Bhd. On the Listing Date, Keppel DC REIT will hold a 99.0% interest in Basis Bay Capital Management Sdn Bhd through its acquisition of 19.0% of the issued share capital held by the Basis Bay Vendor. The Basis Bay Vendor will hold the remaining 1.0% interest. Basis Bay Capital Management Sdn Bhd in turn holds the freehold title and ownership to Basis Bay Data Centre.

Basis Bay Capital Management Sdn Bhd has entered into the Basis Bay Lease with Basis Bay Services, which is essentially a master lease arrangement for Basis Bay Data Centre. Pursuant to a separate facility management agreement, Basis Bay Services has also been appointed as the facility manager and is also responsible for the management and maintenance of Basis Bay Data Centre (except for capital expenditure for the replacement of plant and equipment).

(See "Business and Properties – Basis Bay Data Centre – Lease and Facility Management Arrangements" for further details.)

Holding Structure of GV7 Data Centre

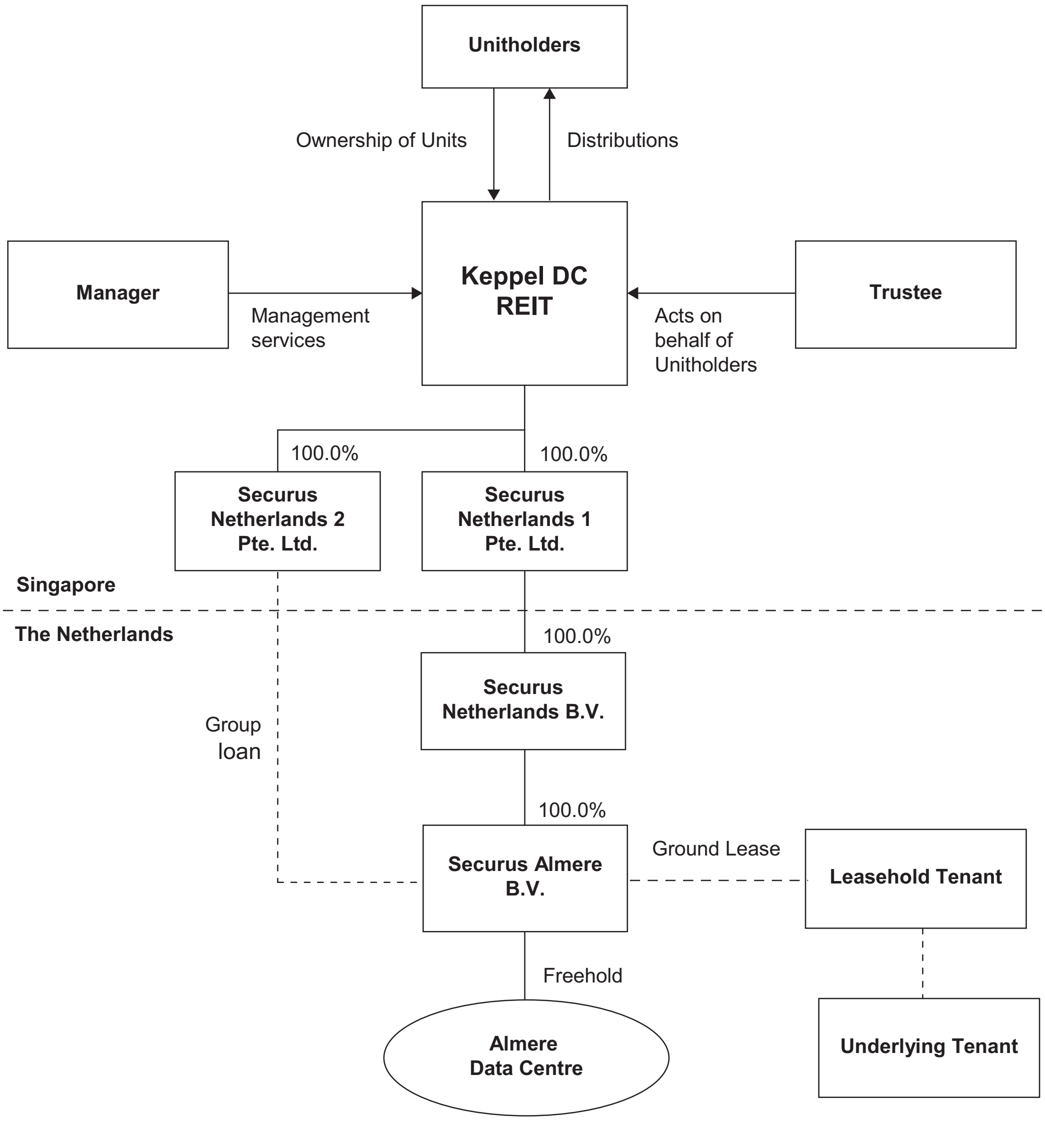


As at the date of this Prospectus, Keppel DC REIT holds 100.0% of the issued share capital of Securus GVP Pte. Ltd., which in turn holds 100.0% of the issued share capital of Greenwich View Place Limited, which in turn holds GV7 Data Centre.

Greenwich View Place Limited has entered into the GV7 Lease with the tenant of GV7 Data Centre, who is also responsible for the management and maintenance of GV7 Data Centre.

(See "Business and Properties – GV7 Data Centre – Lease and Facility Management Arrangements" for further details.)

Holding Structure of Almere Data Centre



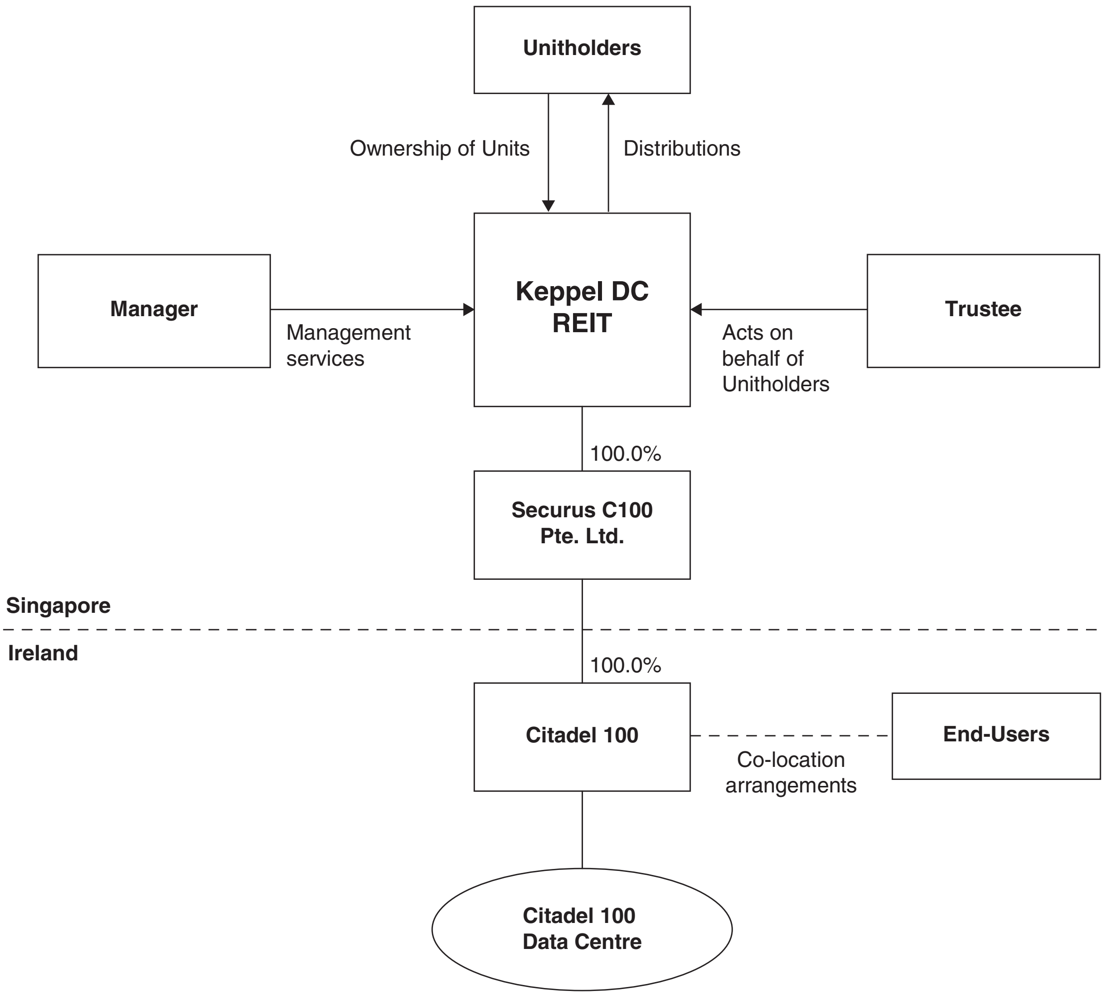
As at the date of this Prospectus, Keppel DC REIT, holds 100.0% of the issued share capital of Securus Netherlands 1 Pte. Ltd. Securus Netherlands 1 Pte. Ltd. holds 100.0% of the issued share capital of Securus Netherlands B.V. which in turn holds 100.0% of the issued share capital of Securus Almere B.V. which, pursuant to the Almere Deed of Transfer, holds the title in Almere Data Centre.

Securus Almere B.V. has entered into the Ground Lease with Borchveste as the leasehold tenant. The Ground Lease gives Borchveste the exclusive right to use the structures situated within the leased space. The transfer of Almere Data Centre and the establishment of the Ground Lease is in acknowledgement that Borchveste already has an existing lease agreement with the underlying tenant dated 6 December 2007, pursuant to which Borchveste has designed and built Almere Data Centre for the purpose of leasing it to the underlying tenant. With the Ground Lease in place, the lease with the underlying tenant becomes conceptually similar to a sub-lease, with Borchveste being (i) the leasehold tenant of Securus Almere B.V. and (ii) the lessor to the underlying tenant; the underlying tenant being essentially the sub-tenant.

Under the terms of the Ground Lease, Borchveste is also responsible for the management and maintenance of Almere Data Centre.

(See "Business and Properties – Almere Data Centre – Lease and Facility Management Arrangements" for further details.)

Holding Structure of Citadel 100 Data Centre



As at the date of this Prospectus, Securus C100 Pte. Ltd., a wholly-owned subsidiary of Keppel DC REIT holds 50.0% of the issued share capital of Citadel 100. On the Listing Date, Securus C100 Pte. Ltd. will acquire a 100.0% interest in Citadel 100 through its acquisition of the remaining 50.0% of the issued share capital held by Keppel Data Centres. Citadel 100 in turn holds a leasehold interest in the Citadel 100 Data Centre, granted pursuant to a lease from the Citadel Landlord dated 1 November 2001. Keppel Data Centres is a wholly-owned subsidiary of the Sponsor and the Sponsor wholly-owns the Manager. Therefore, Keppel Data Centres is a Related Party of Keppel DC REIT (see "The Manager and Corporate Governance – Related Party Transactions – Related Party Transactions in Connection with the Setting Up of Keppel DC REIT and the Offering" for further details).

Citadel 100 has entered into co-location arrangements with various end-users. Citadel 100 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date) is responsible for the facility management and maintenance of Citadel 100 Data Centre.

(See "Business and Properties – Citadel 100 Data Centre – Lease and Facility Management Arrangements" for further details.)

THE MANAGER AND CORPORATE GOVERNANCE

THE MANAGER OF KEPPEL DC REIT

The Manager, Keppel DC REIT Management Pte. Ltd., is incorporated in Singapore under the Companies Act, Chapter 50 of Singapore (the "**Companies Act**") and has a paid-up capital of S$1,000,000. Its principal place of business is 18 Cross Street #10-10, China Square Central, Singapore 048423, and its telephone number is +65 6535 5665. The Manager is a wholly-owned subsidiary of the Sponsor.

The Manager was incorporated under the name of Keppel Hotel Development Pte. Ltd. on 16 December 1995 and was renamed to Keppel View Pte. Ltd. on 10 June 1996. The company was dormant from incorporation until the Sponsor, through its wholly-owned subsidiary, Keppel Realty Pte. Ltd., acquired it on 1 June 2000. The company was renamed by the Sponsor as Apsilon Technologies Pte. Ltd. on 23 June 2000. The principal activities of Apsilon Technologies Pte. Ltd. were to provide e-business consultancy and solutions such as systems integration including the supply of hardware and software, development of web design and network management.

The company was dormant between 2003 and 2009. It was renamed to Keppel Data Centre Investment Management Pte. Ltd. on 8 April 2010 before being appointed as the joint investment manager of Securus Fund, together with AEPim on 27 May 2010. On 17 March 2011, the Manager was appointed as one of the SDPT Trustee-Managers, together with AEPim. Since its appointment as joint investment manager of Securus Fund, the Manager has been responsible for the management of Securus Fund, including sourcing for, acquiring and managing the Private Trust Portfolio.

On 24 October 2014, pursuant to the Deed of Appointment and Retirement, the Manager retired as one of the SDPT Trustee-Managers and was appointed as the manager of Keppel DC REIT.

On 24 October 2014, the Manager was renamed as Keppel DC REIT Management Pte. Ltd.

The Manager has been issued a CMS Licence by the MAS pursuant to the SFA on 27 November 2014.

Management Reporting Structure

Board of Directors
Mr Teo Soon Hoe (Chairman and Non-Executive Director)
Mr Chan Hon Chew (Deputy Chairman and Non-Executive Director)
Mr Lee Chiang Huat (Independent Director and Chairman of the Audit and Risk Committee)
Mr Leong Weng Chee (Independent Director)
Mr Lim Chin Hu (Independent Director)
Mr Dileep Nair (Independent Director)
Mr Teo Cheng Hiang Richard (Independent Director)
Dr Tan Tin Wee (Non-Executive Director)
Mr Thomas Pang Thieng Hwi (Non-Executive Director)

Chief Executive Officer

Mr Chua Hsien Yang

Chief Financial Officer

Mr Ian Hay

Head of Portfolio Management

Ms Rebecca Ng

Head of Corporate Services

Mr Maritz Bin Mansor

Board of Directors of the Manager

The board of directors of the Manager (the "**Board**") is entrusted with the responsibility for the overall management of the Manager. The following table sets forth certain information regarding the directors of the Manager:

Name	Age	Address	Position
Mr Teo Soon Hoe	69	18 Cross Street #10-10, China Square Central, Singapore 048423	Chairman and Non-Executive Director
Mr Chan Hon Chew	49	18 Cross Street #10-10, China Square Central, Singapore 048423	Deputy Chairman and Non-Executive Director
Mr Lee Chiang Huat	64	18 Cross Street #10-10, China Square Central, Singapore 048423	Independent Director and Chairman of the Audit and Risk Committee
Mr Leong Weng Chee	58	18 Cross Street #10-10, China Square Central, Singapore 048423	Independent Director
Mr Lim Chin Hu	56	18 Cross Street #10-10, China Square Central, Singapore 048423	Independent Director
Mr Dileep Nair	64	18 Cross Street #10-10, China Square Central, Singapore 048423	Independent Director
Mr Teo Cheng Hiang Richard	59	18 Cross Street #10-10, China Square Central, Singapore 048423	Independent Director
Dr Tan Tin Wee	52	18 Cross Street #10-10, China Square Central, Singapore 048423	Non-Executive Director
Mr Thomas Pang Thieng Hwi	49	18 Cross Street #10-10, China Square Central, Singapore 048423	Non-Executive Director

All of the directors of the Manager have served as a director of a public-listed company and/or manager of a public-listed REIT. The Board collectively has the appropriate experience to act as the directors of the Manager and is familiar with the rules and responsibilities of a director of a public-listed company and/or manager of a public-listed REIT.

None of the directors of the Manager are related to one another, any substantial shareholder of the Manager or any Substantial Unitholder (as defined herein).

None of the independent directors of the Board sits on the boards of the principal subsidiaries of Keppel DC REIT that are based in jurisdictions other than in Singapore. Each of the Independent Directors of the Manager confirms that they are able to devote sufficient time to discharge their duties as an Independent Director of the Manager.

Experience and Expertise of the Board of Directors of the Manager

Information on the business and working experience of the directors of the Manager is set out below:

Mr Teo Soon Hoe is the Chairman and Non-Executive Director of the Manager.

Mr Teo has more than 25 years of experience in management and executive positions in multinational companies.

Mr Teo is the immediate past Chairman of the Sponsor and was the Senior Executive Director of Keppel Corporation Limited from 2005 to 2014, assisting the chief executive officer in the overall management and operations of the company. Up to 2011, Mr Teo was also Group Finance Director of Keppel Corporation Limited, where he was responsible for formulating and implementing the Keppel Group's strategic financial and business policies. He was first appointed to the Board of Keppel Corporation Limited in 1985.

In addition, Mr Teo is a director of several other companies within the Keppel Group, including Singapore Tianjin Eco-City Investment Holdings Pte. Ltd., k1 Ventures Limited, Keppel Care Foundation Limited, Keppel Group Eco-City Investments Pte. Ltd. and Keppel IVI Investments Inc. He has also been the Chairman of M1 Limited since 2009 and is a director of The Farrer Park Company Pte. Ltd.

Mr Teo began his career with the Keppel Group in 1975 when he joined Keppel Shipyard. He rose through the ranks and was seconded to various subsidiaries of the Keppel Group. Mr Teo was Keppel Corporation's Group Finance Director from 1985 to 2011.

Mr Teo holds a Bachelor of Business Administration from the National University of Singapore.

Mr Chan Hon Chew is the Deputy Chairman and Non-Executive Director of the Manager.

Mr Chan is currently the Chief Financial Officer of Keppel Corporation Limited, a position he has held since February 2014, and he is responsible for the financial functions of the Keppel Group, including managing capital, finance, treasury, taxation as well as legal matters.

Prior to joining Keppel Corporation Limited, Mr Chan was with Singapore Airlines Limited ("**SIA**") from October 2003 where his last held position was Senior Vice President of Finance. As Senior Vice President of Finance, Mr Chan was responsible for a diverse range of functions including investor relations, corporate accounting and reporting, treasury, risk management and insurance. He was also involved in SIA's strategic planning process and had represented SIA as a director on the boards of various companies including Tiger Airways and Virgin Atlantic Airways Limited.

Prior to joining SIA, Mr Chan was Assistant General Manager for Finance and Corporate Services at Wing Tai Holdings Limited where he oversaw all financial matters as well as tax, legal and corporate secretarial functions from 1998 to 2003.

Mr Chan was appointed by Singapore's Ministry of Finance to the board of the Singapore Accountancy Commission in April 2013. He was also elected to the Council of the Institute of Singapore Chartered Accountants in July 2013.

In addition, Mr Chan is a director of several other companies in the Keppel Group, including the Sponsor, Keppel Offshore & Marine Ltd and Keppel Infrastructure Holdings Pte. Ltd.

Mr Chan holds a Bachelor of Accountancy (Honours) from the National University of Singapore. He is also qualified as a Chartered Accountant with the Institute of Chartered Accountants in Australia and the Institute of Singapore Chartered Accountants, and as a Chartered Financial Analyst.

Mr Lee Chiang Huat is an Independent Director of the Manager and Chairman of the Audit and Risk Committee.

Mr Lee has more than 30 years of experience in accounting, audit and finance.

Mr Lee was the Chief Financial Officer of the Nor Offshore Limited Group from April to December 2010 and was responsible for finance activities relating to accounting, auditing, financial planning, taxes, treasury, investor relations, human resource, administration and management information systems. Prior to that, from December 1980 to March 2010, Mr Lee was with Singapore Petroleum Company Limited ("**SPC**"). He joined SPC as a financial analyst and was promoted to the position of Chief Financial Officer in September 2000 where he was responsible for the accounting, reporting, tax, treasury, information technology, investor relations and regulatory compliance functions. From December 1979 to December 1980, Mr Lee was a credit analyst with a major US banking corporation and was responsible for the evaluation of the creditworthiness of corporate customers.

Since April 2012, Mr Lee has been a Non-Executive Independent Director of Keppel REIT Management Limited, the manager of Keppel REIT. He has also been a Non-Executive Director of Channoil Asia Pte. Ltd. since July 2012 and an Executive Director of Icurrencies Pte. Ltd. since March 2012.

Mr Lee holds a Bachelor of Business Administration from the University of Singapore (now part of the National University of Singapore), a Master of Business Administration from the University of New South Wales as well as a Master of Social Science (Applied Economics) from the National University of Singapore.

Mr Leong Weng Chee is an Independent Director of the Manager.

Mr Leong has more than 30 years of experience in the real estate industry.

From 2012 to 2013, Mr Leong was Chief Executive Officer – Real Estate of OUE Ltd, a real estate development, investment and hotel management company listed on the SGX-ST, where he was responsible for its property investments and development projects. Prior to that, he provided real estate consultancy services through Reef Management Pte. Ltd., a real estate fund management and advisory services company, from 2011 to 2012. From 2007 to 2011, he was with SC Global Developments Ltd, a real estate developer, as Director and was responsible for ideas, strategy and branding/communications. From 2006 to 2007, Mr Leong was Chief Executive Officer of Cambridge Industrial Trust Management Ltd, the manager of Cambridge Industrial Trust, a SGX-ST listed REIT focused on industrial properties and he oversaw the listing of Cambridge Industrial Trust in July 2006. From 2003 to 2006, Mr Leong was the Managing Director for Developments at SC Global Developments Ltd, where he was responsible for the entire value-chain of real estate developments of the company.

Mr Leong holds a Bachelor of Architecture (Honours) from the National University of Singapore and a Master in Design Studies (Finance, Law and Real Estate) from Harvard University.

Mr Lim Chin Hu is an Independent Director of the Manager.

Mr Lim has over 30 years of experience in the information technology industry.

Mr Lim is currently the Managing Partner of Stream Global Pte. Ltd., a venture fund providing seed funding for info-communications start-ups in the social media and interactive digital media space. He was formerly CEO and Director of Frontline Technologies Corp. Ltd, a SGX-ST listed company before it was acquired and privatised in March 2008.

Mr Lim started his career in Hewlett-Packard Singapore Pte. Ltd. in 1981 and held various positions in sales, marketing and management positions in Singapore and South East Asia. He was with Sun Microsystems Inc (now known as Oracle Inc) in the 1990s and was Managing Director of Sun Singapore and Country Manager for Sun Microsystems in Philippines, Indonesia, Thailand and Vietnam. He was also Corporate Director, Partners & Channels for Sun Microsystems in Asia-Pacific & Japan.

Mr Lim currently serves on the boards of two listed companies, Telstra Corporation Limited, Australia's largest telecommunications and media company, and Kulicke & Soffa Industries Inc, a semiconductor equipment manufacturer listed in NASDAQ.

He also sits on the board of Citibank Singapore Limited, Heliconica Capital Management Limited, G-Able (Thailand) Ltd and Changi General Hospital. He is a Fellow & Council Member of the Singapore Institute of Directors and a board member of the Infocomm Development Authority of Singapore's Personal Data Protection Advisory Committee.

Mr Lim holds a Diploma in Electrical and Electronics Engineering from Ngee Ann Polytechnic and a Bachelor of Science from La Trobe University in Australia.

Mr Dileep Nair is an Independent Director of the Manager.

Mr Nair has more than 30 years of experience in governance and public service. His experience includes both stints in the Singapore Government civil service and the United Nations secretariat.

Mr Nair is currently with the Ministry of Foreign Affairs serving as the High Commissioner to the Republic of Ghana. Prior to that, he was appointed the Ambassador to the Lao People's Democratic Republic from 2011 to 2013 and the Consul-General to the Emirate of Dubai from 2006 to 2010.

Before joining the Ministry of Foreign Affairs, Mr Nair was the Under-Secretary-General for Internal Oversight Services at the United Nations from 2000 to 2005. From 1997 to 2000, Mr Nair was Chief Executive Officer of the Post Office Savings Bank of Singapore; when the bank was acquired by the Development Bank of Singapore in 1998, Mr Nair stayed on as Managing Director.

Before he left the civil service to join the Post Office Savings Bank of Singapore, Mr Nair was Deputy Secretary of the Ministry of Trade and Industry before holding the position of Deputy Secretary of the Ministry of Defence. Mr Nair started his long civil service career in 1974 at the Housing Development Board, before joining the Administrative Service and being appointed Deputy Director and then Director in the Ministry of Finance.

Mr Nair was awarded the Public Service Medal (Silver) in 1994.

Mr Nair holds a Bachelor of Engineering from McGill University and a Master in Public Administration from Harvard University.

Mr Teo Cheng Hiang Richard is an Independent Director of the Manager.

Mr Teo has more than 30 years of experience in managing funds in senior fiduciary positions in the Government of Singapore Investment Corporation and for large blue chip financial institutions and ultra-high net worth individuals. His experience extends across North America, Europe and

Asia where he was responsible for funds, investment and asset management, corporate restructuring of companies, asset turn-around and repositioning and value creation for the shareholders.

From 2005 to 2010, Mr Teo was with Pacific Star Group. As President (Asset Management), he successfully built a strong asset management team with more than US$3 billion in assets under management. He later led the Private Clients and REIT Management business of Pacific Star Group where he was responsible for business development in Europe and Asia focusing on Asian business and investments.

Prior to that, Mr Teo spent 18 years from 1988 to 2005 with GIC Real Estate. His highest position was Executive Vice President and he was part of the pioneer team that built GIC Real Estate into one of the top 10 largest global real estate organisations. From 1982 to 1988, after completing his tertiary education under the prestigious Colombo Plan Scholarship program, Mr Teo served his bond as an Executive Architect in the Public Works Department and Singapore Changi Airport Development.

Mr Teo is currently an independent director of the managers of Viva Industrial Trust, a stapled trust listed on the SGX-ST, focused on business park and industrial assets. He is also an independent director of International Healthway Corporation Limited, an integrated healthcare services and facilities provider, which is listed on the Catalist board of the SGX-ST.

Mr Teo holds a Bachelor of Science and a Bachelor of Architecture (First Class Honours) from the University of Newcastle under the Colombo Plan (Australia) Scholarship program. He subsequently obtained a Master of Business Administration from the National University of Singapore.

Dr Tan Tin Wee is a Non-Executive Director of the Manager.

Dr Tan has more than 25 years of experience in academia, the biomedical, information technology and bioinformatics sectors.

Dr Tan is currently an Associate Professor of the Department of Biochemistry at the National University of Singapore carrying out bioinformatics research and the Chairman of the A*STAR Computational Resource Centre focusing on building a national supercomputing centre and pioneering international supercomputer interconnections using InfiniBand.

For the past 20 years, he has been involved in the information and communication technology sector and for his wide ranging industry contributions, he was inducted into the World Technology Network in 2000 and the inaugural Internet Hall of Fame in 2012. His achievements included the founding and board leadership of many international, regional and national organizations including the Multilingual Internet Names Consortium and the International Forum for IT in Tamil, where he has been a key pioneer of the Internationalized Domain Name system of the Internet; Asia Pacific Networking Group, Asia Pacific Advanced Network and the Singapore Advanced Research and Education Network where he has championed advanced high performance Internet networks; Asia Pacific Network Information Centre, Asia Pacific Top Level Domain Name organization and Technet Unit, where he has advanced the spread of the Internet in Asia and in Singapore, Asia Pacific Regional Internet Conference on Operational Technologies, Asia Pacific Bioinformatics Network, International Conference on Bioinformatics, International Society for Computational Biology, Association for Medical and Bioinformatics Singapore, where he has promoted education in Internet and bioinformatics technologies. He has been accorded numerous awards for these contributions.

He has been involved in a number of university spin-offs including Pacific Internet, I-DNS.net International, and has served as Master of Eusoff Hall and Fellow of Sheares Hall at the National University of Singapore. Dr Tan also previously served as a member of the Scientific Advisory Board of SGX-ST listed Eu Yan Sang International Ltd, the Capabilities Fund panel of the National Council of Social Service and ASEAN SubCommittee on Biotechnology.

Dr Tan is currently an academic advisory board member for Nanyang Polytechnic and the Management Development Institute of Singapore. He is also a panel expert for the Media Development Authority of Singapore and serves as Singapore Focal Point to the ASEAN SubCommittee on Research and Infrastructure Development.

Dr Tan was previously an independent director of the Sponsor. Dr Tan holds a Bachelor of Arts (Natural Sciences) from Trinity College, University of Cambridge, a Masters in Applied Molecular Biology and Biotechnology from University College London under the Trinity College Traveling Studentship award and a Degree of Doctor of Philosophy in Medicine from the University of Edinburgh under the UK Overseas Research Award.

Mr Thomas Pang Thieng Hwi is a Non-Executive Director of the Manager.

Mr Pang is currently an executive director and the Chief Executive Officer of the Sponsor, a position he has held since July 2014. Prior to that, from June 2010 to June 2014, he was Chief Executive Officer of Keppel Infrastructure Fund Management Pte. Ltd., the trustee-manager of Keppel Infrastructure Trust ("**KIT**"), where he was responsible for working with the board to determine the strategy for KIT. During his tenure, KIT delivered steady financial results. In addition, the management augmented one of the properties in its portfolio with Singapore's largest solar photovoltaic installation.

Mr Pang joined Keppel Offshore & Marine Ltd in 2002 as a Senior Manager (Merger Integration Office) to assist in the merger integration of Keppel FELS Limited and Keppel Shipyard Limited. He was promoted to General Manager (Corporate Development) in 2007 and oversaw the investment, mergers and acquisitions and strategic planning of Keppel Offshore & Marine Ltd, during which he assisted in Keppel Offshore & Marine's expansion into Japan, Indonesia, China, Qatar and Azerbaijan, as well as the establishment of Keppel Offshore & Marine Technology Centre.

Prior to that, he was an investment manager with Vertex Management (United Kingdom) from 1998 to 2001. Mr Thomas Pang was also the Vice President (Central USA) of the Singapore Tourism Board from 1995 to 1998, as well as Assistant Head (Services Group, Enterprise Development Division) at the Economic Development Board of Singapore from 1988 to 1995, where he was responsible for local enterprise development.

Mr Pang holds a Master of Arts (Honourary Award) and a Bachelor of Arts (Engineering) from the University of Cambridge.

List of Present and Past Principal Directorships of Directors

A list of the present and past directorships of each director of the Manager over the last five years preceding the Latest Practicable Date is set out in Appendix H, "List of Present and Past Principal Directorships of Directors and Executive Officers".

Role of the Board

The key roles of the Board are to:

- guide the corporate strategy and directions of the Manager;

- ensure that senior management discharges business leadership and demonstrates the highest quality of management skills with integrity and enterprise; and

- oversee the proper conduct of the Manager.

The Board comprises nine directors. The audit and risk committee of the Board (the "**Audit and Risk Committee**") comprises Mr Lee Chiang Huat, Mr Chan Hon Chew, Mr Lim Chin Hu and Mr Dileep Nair. Mr Lee Chiang Huat will assume the position of Chairman of the Audit and Risk Committee.

The Board shall meet to review the key activities and business strategies of the Manager. The Board intends to meet regularly, at least once every quarter, to deliberate the strategies of Keppel DC REIT, including acquisitions and divestments, funding and hedging activities, approval of the annual budget and review of the performance of Keppel DC REIT. The Board or the relevant board committee will also review Keppel DC REIT's key financial risk areas and the outcome of such reviews will be disclosed in the annual report or where the findings are material, immediately announced via SGXNET.

Each director of the Manager has been appointed on the basis of his professional experience and ability to contribute to the proper guidance of Keppel DC REIT.

The Board will have in place a set of internal controls which sets out approval limits for operational and capital expenditures, investments and divestments, bank borrowings and cheque signatory arrangements. In addition, sub-limits are also delegated to various management levels to facilitate operational efficiency.

Taking into account the fact that Keppel DC REIT will only acquire S25, T25 and the IPO Portfolio Minority Interests on the Listing Date, the Board, in concurrence with the Audit and Risk Committee, and taking into consideration the Sponsor's internal group controls and risk management framework, are of the opinion that the internal controls as further described in:

- "The Manager and Corporate Governance – The Manager of Keppel DC REIT – Board of Directors of the Manager – Role of the Board of Directors";

- "The Manager and Corporate Governance – Corporate Governance of the Manager – Board of Directors of the Manager";

- "The Manager and Corporate Governance – Corporate Governance of the Manager – Audit and Risk Committee";

- "The Manager and Corporate Governance – Corporate Governance of the Manager – Compliance Officer";

- "The Manager and Corporate Governance – Corporate Governance of the Manager – Dealings in Units";

- "The Manager and Corporate Governance – Corporate Governance of the Manager – Management of Business Risk";

- "The Manager and Corporate Governance – Corporate Governance of the Manager – Potential Conflicts of Interest";

- "The Manager and Corporate Governance – Related Party Transactions – The Manager's Internal Control System";

- “The Manager and Corporate Governance – Related Party Transactions – Role of the Audit and Risk Committee for Related Party Transactions”;

- “The Manager and Corporate Governance – Related Party Transactions – Related Party Transactions in Connection with the Setting Up of Keppel DC REIT and the Offering”;

- “The Manager and Corporate Governance – Related Party Transactions – Exempted Agreements”; and

- “The Manager and Corporate Governance – Related Party Transactions – Future Related Party Transactions”,

will be adequate in addressing the financial, operational and compliance risks faced by Keppel DC REIT.

Management will monitor changes to regulations and accounting standards closely. To keep pace with regulatory changes, where these changes have an important bearing on the Manager’s or its directors’ disclosure obligations, the directors of the Manager will be briefed either during Board meetings or at specially convened sessions involving relevant professionals.

Management will also provide the Board with complete and adequate information in a timely manner through regular updates on financial results, market trends and business developments.

At least one-third of the directors of the Manager are non-executive and independent. This enables the management to benefit from their external, diverse and objective perspective on issues that are brought before the Board. It would also enable the Board to interact and work with the management through a robust exchange of ideas and views to help shape the strategic process. This, together with a clear separation of the roles of the Chairman and the Chief Executive Officer, provide a healthy professional relationship between the Board and the management, with clarity of roles and robust oversight as they deliberate on the business activities of the Manager.

The positions of Chairman of the Board and Chief Executive Officer are separately held by two persons in order to maintain an effective check and balance. The Chairman of the Board is Mr Teo Soon Hoe, while the Chief Executive Officer is Mr Chua Hsien Yang.

There is a clear separation of the roles and responsibilities between the Chairman and the Chief Executive Officer of the Manager. The Chairman is responsible for the overall management of the Board as well as ensuring that the members of the Board and the management work together with integrity and competency, and that the Board engages the management in constructive debate on strategy, business operations, enterprise risk and other plans. The Chief Executive Officer has full executive responsibilities over the business directions and operational decisions in the day-to-day management of the Manager.

The Board has separate and independent access to senior management and the company secretary(s) at all times. The company secretary(s) attends to corporate secretarial administration matters and attends all Board meetings. The Board also has access to independent professional advice where appropriate and when requested.

The Sponsor has provided an undertaking (the “**Sponsor Undertaking**”) to the Trustee to provide Unitholders with the right to endorse the appointment of each of the directors of the Manager by way of an Ordinary Resolution at the annual general meetings of Unitholders. Pursuant to the Sponsor Undertaking, the Sponsor undertakes to the Trustee:

- in relation to the directors of the Manager who are named in this Prospectus, to procure the Manager to seek Unitholders' re-endorsement for the appointment of each such director no later than the third annual general meeting of Keppel DC REIT after the date of listing of Keppel DC REIT on the SGX-ST;

- to procure the Manager to seek Unitholders' re-endorsement for the appointment of each Director no later than every third annual general meeting of Keppel DC REIT after the relevant general meeting at which such Director's appointment was last endorsed or re-endorsed, as the case may be;

- (where a person is appointed as a director of the Manager, either to fill a vacancy or as an addition to the existing directors of the Manager, at any time) to procure the Manager to seek Unitholders' endorsement for his appointment as a director at the next annual general meeting of Keppel DC REIT immediately following his appointment;

- to procure any person whose appointment as a director of the Manager has not been endorsed or re-endorsed (as the case may be) by the Unitholders at the relevant general meeting of Keppel DC REIT where the endorsement or re-endorsement (as the case may be) for his appointment was sought, to resign or otherwise be removed from the Board either (i) within 21 days from the date of the relevant general meeting or (ii) in the event that the Board determines that a replacement director has to be appointed, no later than the date when such replacement director is appointed, and the regulatory approval for such appointment (if any) has been obtained; and

- (for so long as Section 153 of the Companies Act shall remain in force) to procure the Manager to seek Unitholders' endorsement or re-endorsement, as the case may be, for any person of or over the age of 70 years to be appointed or reappointed, as the case may be, as a director of the Manager, at each annual general meeting of Keppel DC REIT.

The endorsement or re-endorsement from Unitholders of any appointment of any person as a director of the Manager shall be by way of an Ordinary Resolution passed at the relevant general meeting. The Sponsor Undertaking shall not restrict the Manager or the Sponsor from appointing any director of the Manager from time to time in accordance with applicable laws and regulations (including any applicable rules of the SGX-ST) and the Articles of Association of the Manager.

The Sponsor Undertaking shall remain in force for so long as:

- the Sponsor remains as the holding company (as defined in the Companies Act) of the Manager; and

- the Manager remains as the manager of Keppel DC REIT.

By subscribing for the Units under the Offering, investors are deemed to have endorsed the appointment of the directors of the Manager as disclosed in this Prospectus.

Executive Officers of the Manager

The executive officers of the Manager are entrusted with the responsibility for the daily operations of the Manager. The following table sets forth information regarding the executive officers of the Manager:

Name	Address	Position
Mr Chua Hsien Yang	18 Cross Street #10-10, China Square Central, Singapore 048423	Chief Executive Officer
Mr Ian Hay	18 Cross Street #10-10, China Square Central, Singapore 048423	Chief Financial Officer
Ms Rebecca Ng	18 Cross Street #10-10, China Square Central, Singapore 048423	Head of Portfolio Management
Mr Maritz Bin Mansor	18 Cross Street #10-10, China Square Central, Singapore 048423	Head of Corporate Services

Experience and Expertise of the Executive Officers of the Manager

Information on the working experience of the executive officers of the Manager is set out below:

Mr Chua Hsien Yang is the Chief Executive Officer of the Manager.

Mr Chua has extensive experience in real estate funds management and the hospitality industries, with more than 13 years of experience in mergers and acquisitions, real estate investments, fund management, business development and asset management in the real estate sector within the Asia-Pacific region.

Prior to joining the Manager, Mr Chua has held the position of Senior Vice President of Keppel REIT Management Limited, the manager of Keppel REIT, since May 2008, where he headed the investment team.

From January 2006 to April 2008, Mr Chua was with Ascott Residence Trust Management Limited, the manager of Ascott Residence Trust, as Director of Business Development and Asset Management. From October 2001 to December 2005, Mr Chua was with Hotel Plaza Limited (now known as Pan Pacific Hotels Group Limited) as Assistant Vice President of Asset Management and he was responsible for the asset management activities of the group owned properties.

Mr Chua holds a Bachelor of Engineering (Civil) from the University of Canterbury and a Master of Business Administration from the University of Western Australia.

Mr Ian Hay is the Chief Financial Officer of the Manager.

Mr Hay has over 25 years of finance and accounting experience in the real estate, fund management and investment banking industries in Europe, Australia and Singapore.

Prior to joining the Manager, Mr Hay was Chief Financial Officer of Securus Partners Pte. Ltd., the management entity of Securus Fund ("**Securus Partners**"), since April 2011. His responsibilities included the financial management and governance of Securus Fund and the fund manager, including financial reporting, treasury, taxation, liquidity, deal structuring, payroll and financial compliance.

Prior to that, Mr Hay was Chief Financial Officer of Astro Japan Property Management Limited, the fund manager of an ASX-listed REIT, from May 2008 to January 2011, where he was responsible for all financial, human resources, compliance, risk, treasury and other operational matters. From November 2007 to May 2008, he was the Finance Director of the Infrastructure Division of Allco Finance Group Limited, where he was responsible for the financial management and governance of the division, including financial reporting, treasury, taxation, liquidity, deal structuring, and financial compliance. From January 1999 to November 2007, he worked in Macquarie Bank Limited as an Associate Director in the Infrastructure Funds Management Division where he was responsible for all financial matters for numerous listed and un-listed infrastructure investment vehicles in multiple jurisdictions.

Mr Hay has been qualified as a Chartered Accountant with the Institute of Chartered Accountants in England and Wales since 1994 and had previously qualified as an Accounting Technician with the Association of Accounting Technicians in 1992.

After making all reasonable enquiries, and to the best of their knowledge and belief, nothing has come to the attention of the members of the Audit and Risk Committee to cause them to believe that Mr Hay does not have the competence, character and integrity expected of a Chief Financial Officer of the Manager. The Audit and Risk Committee considers that Mr Hay's chartered accountant qualification coupled with his extensive experience in corporate finance, risk management and compliance makes him a suitable candidate to be Chief Financial Officer of the Manager. In addition, Mr Hay has more than five years of experience as chief financial officer, with the manager of an ASX-listed REIT and with Securus Partners. On this basis, the Audit and Risk Committee is of the opinion that Mr Hay is a suitable candidate to be the Chief Financial Officer.

Ms Rebecca Ng is the Head of Portfolio Management of the Manager.

Ms Ng has more than 12 years of regulatory and investment experience in the data centre industry and civil service in Singapore.

Ms Ng has been with the Manager since January 2010. Formerly Senior Vice President, Investments of the Manager, she was responsible for the acquisition and management of data centre assets for Securus Fund.

Prior to that, Ms Ng was Assistant Manager of Corporate Development at the Sponsor from June 2006 to December 2009 where she was responsible for the acquisition, refurbishment and management of data centre assets for the Sponsor as well as overseeing, the Sponsor's investments in overseas technology funds.

From September 2004 to May 2006, she was an Investment Analyst in the Governance and Investment Directorate of the Ministry of Finance. Her work there involved supporting the overall strategy to optimise the returns of the Government of Singapore's investment portfolio, performing oversight of Temasek Holding's investments, and supporting the divestment and corporatisation and privatisation of the Singapore Government's non-core assets and statutory boards. Prior to that, she was an executive in the Corporate Development Directorate of MOF.

Ms Ng holds a Bachelor of Business (Honours) from the Nanyang Technological University with a specialisation in Banking and Finance.

Mr Maritz Bin Mansor is the Head of Corporate Services of the Manager.

Mr Mansor has more than 18 years of legal and investor relations experience in the fund management and telecommunications industry.

Mr Mansor was formerly the Head of Corporate and Investor Relations at Securus Partners since July 2011, where he was responsible for all legal and corporate governance matters, investor relations function, particularly for Brunei and Middle East investors as well as being Head of Administration responsible for special projects and office manager functions. Prior to that, he was responsible for the same functions as Vice President of Corporate and Investor Relations at AEPim from May 2009 to June 2011 and from May 2007 to June 2009, as Senior Manager at the Legal Department of AsiaEquity Partners Pte. Ltd.

From January 2006 to April 2007, he held the position of Head Legal with Frontline Security Pte. Ltd., and from May 2004 to December 2005, he was General Manager at Konsortium Jaringan Selangor Sdn Bhd, a Telecommunications Infrastructure Regulator in the State of Selangor Darul Ehsan, Malaysia, where he was responsible for all operational matters. In January 2002, Mr Mansor was Advisor to the Chief Technical Officer of Maxis Communications Bhd, a telecommunications company.

Mr Mansor holds a Bachelor of Laws from the University of Dundee, United Kingdom. He was called to the Singapore Bar in 1995 and is also a Barrister at Lincoln's Inn, London since 1994.

List of Present and Past Principal Directorships of Executive Officers

A list of the present and past directorships of each executive officer of the Manager over the last five years preceding the Latest Practicable Date is set out in Appendix H, "List of Present and Past Principal Directorships of Directors and Executive Officers".

Roles of the Executive Officers of the Manager

The **Chief Executive Officer** of the Manager will work with the Board to determine the strategy for Keppel DC REIT. The Chief Executive Officer will also work with the other members of the management team to ensure that Keppel DC REIT operates in accordance with the Manager's stated investment strategy. Additionally, the Chief Executive Officer will be responsible for planning the future strategic development of Keppel DC REIT. The Chief Executive Officer is also responsible for strategic planning, the overall day-to-day management and operations of Keppel DC REIT and working with the Manager's investment, asset management, financial and legal and compliance personnel in meeting the strategic, investment and operational objectives of Keppel DC REIT.

The **Chief Financial Officer** of the Manager will work with the Chief Executive Officer and the other members of the management team to formulate strategic plans for Keppel DC REIT in accordance with the Manager's stated investment strategy. The Chief Financial Officer will be responsible for applying the appropriate capital management strategy, including tax and treasury matters, as well as finance and accounting matters, overseeing implementation of Keppel DC REIT's short and medium-term business plans, fund management activities and financial condition.

The **Head of Portfolio Management** is in charge of the investment and asset management teams of the Manager. The investment team is responsible for (i) identifying and evaluating potential acquisitions and related investments with a view to enhancing Keppel DC REIT's portfolio, or (ii) divestments where a property is no longer strategic, fails to enhance the value of Keppel DC REIT's portfolio or fails to be yield accretive. The asset management team is responsible for formulating the business plans in relation to Keppel DC REIT's properties with short, medium and long-term objectives, and with a view to maximising the rental income of Keppel DC REIT. The Head of Portfolio Management will ensure that the asset managers work closely with the facility managers of Keppel DC REIT's properties to implement Keppel DC REIT's strategies to maximise the income generation potential and minimise the expense base of Keppel DC REIT's properties without compromising their marketability. The asset management team focuses on the operations of Keppel DC REIT's properties and the implementation of the short to medium-term objectives of Keppel DC REIT's portfolio and supervises the facility managers in the implementation of Keppel DC REIT's property-related strategies including analysing and recommending asset enhancement initiatives.

The **Head of Corporate Services** is responsible for the corporate functions of the Manager including corporate communications, investor relations, human resources and office administration functions. The Head of Corporate Services will manage and facilitate communications and liaison with the Unitholders. This includes producing annual reports to the Unitholders and managing the custodian and compliance functions of the Manager and its subsidiaries. The Head of Corporate Services will be responsible for maintaining continuous disclosure and transparent communications with government regulators, the Unitholders and the market.

Employee Share Option Schemes

From time to time, certain senior executives of the Manager may be entitled to participate in employee share option schemes implemented by the Sponsor.

Roles and Responsibilities of the Manager

The Manager has general powers of management over the assets of Keppel DC REIT. The Manager's main responsibility is to manage Keppel DC REIT's assets and liabilities for the benefit of Unitholders.

The Manager will set the strategic direction of Keppel DC REIT and give recommendations to the Trustee on the acquisition, divestment and/or enhancement of assets of Keppel DC REIT in accordance with its stated investment strategy.

The Manager has covenanted in the Trust Deed to:

- use its best endeavours to carry on and conduct its business in a proper and efficient manner;

- ensure that Keppel DC REIT's operations are carried on and conducted in a proper and efficient manner; and

- conduct all transactions and use its best endeavours to ensure that its related parties will conduct all transactions with or for Keppel DC REIT on an arm's length basis and on normal commercial terms.

The Manager will prepare property plans on a regular basis, which may contain proposals and forecasts on Gross Revenue, capital expenditure, sales and valuations, explanations of major variances to previous forecasts, written commentary on key issues and any relevant assumptions. The purpose of these plans is to explain the performance of Keppel DC REIT's properties.

The Manager will also be responsible for ensuring compliance with the applicable provisions of the SFA and all other relevant legislation, the Listing Manual, the Code on Collective Investment Schemes issued by the MAS ("**CIS Code**") (including the Property Funds Appendix), the

Singapore Code on Take-overs and Mergers, the Trust Deed, the CMS Licence, any tax ruling and all relevant contracts. The Manager will be responsible for all regular communications with Unitholders.

The Manager may require the Trustee to borrow on behalf of Keppel DC REIT (upon such terms and conditions as the Manager thinks fit, including the charging or mortgaging of all or any part of the Deposited Property) whenever the Manager considers, among others, that such borrowings are necessary or desirable in order to enable Keppel DC REIT to meet any liabilities or to finance the acquisition of any property. However, the Manager must not direct the Trustee to incur a borrowing if to do so would mean that Keppel DC REIT's total borrowings and deferred payments will exceed the limit stipulated by the MAS based on the value of its Deposited Property at the time the borrowing is incurred, taking into account deferred payments (including deferred payments for assets whether to be settled in cash or in Units).

In the absence of fraud, gross negligence, wilful default or breach of the Trust Deed by the Manager, it shall not incur any liability by reason of any error of law or any matter or thing done or suffered to be done or omitted to be done by it in good faith under the Trust Deed. In addition, the Manager shall be entitled, for the purpose of indemnity against any actions, costs, claims, damages, expenses or demands to which it may be put as Manager, to have recourse to the Deposited Property or any part thereof save where such action, cost, claim, damage, expenses or demand is occasioned by the fraud, gross negligence, wilful default or breach of the Trust Deed by the Manager.

The Manager may, in managing Keppel DC REIT and in carrying out and performing its duties and obligations under the Trust Deed, with the written consent of the Trustee, appoint such person to exercise any or all of its powers and discretions and to perform all or any of its obligations under the Trust Deed, provided always that the Manager shall be liable for all acts and omissions of such persons as if such acts and omissions were its own. The Manager may outsource certain functions to Keppel Corporation Limited, including but not limited to internal audit and tax services.

Manager's Management Fees

With effect from the Listing Date, the Manager is entitled under the Trust Deed to the following Management Fees:

- a Base Fee at the rate of 0.5% per annum of the value of the Deposited Property; and
- a Performance Fee at the rate of 3.5% per annum of Keppel DC REIT's Net Property Income (as defined in the Trust Deed) in the relevant financial year (calculated before accounting for the Performance Fee in that financial year).

The Manager may elect to receive the Base Fee and Performance Fee in cash and/or Units.

Any increase in the rate or any change in the structure of the Manager's Management Fees must be approved by an Extraordinary Resolution passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed. For the avoidance of doubt, the Manager's change in its election to receive cash and/or Units is not considered as a change in structure of the Manager's Management Fees.

The Manager is also entitled to:

- an acquisition fee equivalent to 1.0% of each of the following as is applicable (subject to there being no double-counting):

  – the acquisition price of any real estate purchased, whether directly or indirectly through one or move SPVs by Keppel DC REIT, plus any other payments[1] in addition to the acquisition price made by Keppel DC REIT or its SPVs to the vendor in connection with the purchase of the real estate (pro-rated if applicable to the proportion of Keppel DC REIT's interest);

  – the underlying value of any real estate which is taken into account when computing the acquisition price payable for the equity interests of any vehicle holding directly or indirectly the real estate purchased, whether directly or indirectly through one or more SPVs, by Keppel DC REIT, plus any other payments[1] made by Keppel DC REIT or its SPVs to the vendor in connection with the purchase of such equity interests) (pro-rated if applicable to the proportion of Keppel DC REIT's interest); or

  – the acquisition price of any investment by Keppel DC REIT, whether directly or indirectly through one or more SPVs, in any debt securities of any property corporation or other SPV owning or acquiring real estate or any debt securities which are secured whether directly or indirectly by the rental income from real estate;

- a divestment fee equivalent to 0.5% of each of the following as is applicable (subject to there being no double-counting):

  – the sale price of any real estate sold or divested, whether directly or indirectly through one or more SPVs, by Keppel DC REIT (plus any other payments[2] in addition to the sale price received by Keppel DC REIT or its SPVs from the purchaser in connection with the sale or divestment of the property) (pro-rated if applicable to the proportion of Keppel DC REIT's interest);

  – the underlying value of any real estate which is taken into account when computing the sale price for the equity interests in any vehicle holding directly or indirectly the real estate, sold or divested, whether directly or indirectly through one or more SPVs, by Keppel DC REIT, plus any other payments[2] received by Keppel DC REIT or its SPVs from the purchaser in connection with the sale or divestment of such equity interests (pro-rated if applicable to the proportion of Keppel DC REIT's interest); or

  – the sale price of any investment by Keppel DC REIT, whether directly or indirectly through one or more SPVs, in any debt securities of any property corporation or other SPVs owning or acquiring real estate or any debt securities which are secured whether directly or indirectly by the rental income from real estate.

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1 "**Other payments**" refer to additional payments to the vendor of the asset or the equity interests in the SPV (as the case may be), for example, where the vendor has already made certain payments for enhancements to the asset or underlying asset (as the case may be), and the value of the asset enhancements is not reflected in the acquisition price as the asset enhancements are not completed, but "other payments" do not include stamp duty or other payments to third party agents and brokers.

2 "**Other payments**" refer to additional payments to Keppel DC REIT or its SPVs for the sale of the asset or the equity interest in the SPV which holds the asset (as the case may be), for example, where Keppel DC REIT or its SPVs have already made certain payments for enhancements to the asset or underlying asset (as the case may be), and the value of the asset enhancements is not reflected in the sale price as the asset enhancements are not completed, but "other payments" do not include stamp duty or other payments to third party agents and brokers.

For the avoidance of doubt, the acquisition price, or as the case may be, the acquisition value, shall take into account any completion or other price or value adjustment to be made post-completion.

For the avoidance of doubt, the sale price, or as the case may be, the sale value, shall take into account any completion or other price or value adjustment to be made post-completion.

No acquisition fee is payable for the acquisition of the Singapore Properties and IPO Portfolio Minority Interests. In accordance with the CIS Code, where the Manager receives a percentage-based fee when Keppel DC REIT acquires real estate from an interested party, or disposes of real estate to an interested party, the acquisition fee or, as the case may be, the divestment fee should be in the form of Units issued at prevailing market prices and such Units are not to be sold within one year from the date of issuance.

Any payment to third party agents[1] or brokers in connection with the acquisition or divestment of any real estate of Keppel DC REIT shall be paid by the Manager to such persons out of the Deposited Property of Keppel DC REIT or the assets of the relevant SPV, and not out of the acquisition fee or the divestment fee received or to be received by the Manager.

The Manager is entitled to receive a development management fee equivalent to 3.0% of the Total project Costs incurred in a Development Project undertaken by the Manager on behalf of Keppel DC REIT.

Keppel DC REIT will only undertake development activities within the limits of the Property Funds Appendix (which currently allows a REIT to commit no more than 10.0% of its deposited property to development and investment in uncompleted property developments).

When the estimated Total Project Costs are greater than S$100.0 million, the Trustee and the Manager's independent directors will first review and approve the quantum of the development management fee, whereupon the Manager may be directed by its independent directors to reduce the development management fee. Further, in cases where the market pricing for comparable services is, in the Manager's view, materially lower than the development management fee, the independent directors of the Manager shall have the right to direct a reduction of the development management fee to less than 3.0% of the Total Project Costs incurred in a Development Project undertaken by the Manager on behalf of Keppel DC REIT.

"**Total Project Costs**" means the sum of the following:

- construction cost based on the project final account prepared by the project quantity surveyor or issued by the appointed contractor;
- principal consultants' fees, including payments to the project's architect, civil and structural engineer, mechanical and electrical engineer, quantity surveyor and project manager;
- the cost of obtaining all approvals for the project;
- site staff costs;
- interest costs on borrowings used to finance project cash flows that are capitalised to the project in line with generally accepted accounting practices in Singapore; and

1 These third party agents or brokers include property agents who are engaged for the purpose of acquiring assets or auctioneers (where assets are to be acquired through auction sales).

- any other costs including contingency expenses which meet the definition of Total Project Costs and can be capitalised to the project in accordance with generally accepted accounting practices in Singapore but for the avoidance of doubt, shall not include land costs (including but not limited to the acquisition price or underlying value of such land).

"**Development Project**" means a project involving the development of land, or buildings, or part(s) thereof on land which is acquired, held or leased by Keppel DC REIT, provided always that the Property Funds Appendix shall be complied with for the purposes of such development, but does not include refurbishment, retrofitting and renovations.

The acquisition fee, divestment fee and development management fee are payable to the Manager in the form of cash and/or Units (as the Manager may elect) issued at the then prevailing market price provided that in respect of any acquisition and sale or divestment of real estate assets from/to interested parties, such a fee should be in the form of Units issued by Keppel DC REIT at prevailing market price(s).

Any increase in the maximum permitted level of the Manager's acquisition fee, divestment fee or development management fee must be approved by an Extraordinary Resolution passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

Retirement or Removal of the Manager

The Manager shall have the power to retire in favour of a corporation recommended by the Manager and approved by the Trustee to act as the manager of Keppel DC REIT.

Also, the Manager may be removed by notice given in writing by the Trustee if:

- the Manager goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or a receiver is appointed over its assets or a judicial manager is appointed in respect of the Manager;

- the Manager ceases to carry on business;

- the Manager fails or neglects after reasonable notice from the Trustee to carry out or satisfy any material obligation imposed on the Manager by the Trust Deed;

- the Unitholders by an Ordinary Resolution (as defined herein) duly proposed and passed by Unitholders present and voting at a meeting of Unitholders convened and held in accordance with the Trust Deed, with no Unitholder (including the Manager and its Related Parties) being disenfranchised, vote to remove the Manager;

- for good and sufficient reason, the Trustee is of the opinion, and so states in writing such reason and opinion, that a change of the Manager is desirable in the interests of the Unitholders; or

- the MAS directs the Trustee to remove the Manager.

Where the Manager is removed on the basis that a change of the Manager is desirable in the interests of the Unitholders, the Manager has a right under the Trust Deed to refer the matter to arbitration. Any decision made pursuant to such arbitration proceedings is binding upon the Manager, the Trustee and all Unitholders. For the avoidance of doubt, nothing in the foregoing shall prevent the Manager from being removed if the Unitholders by an Ordinary Resolution duly proposed and passed by Unitholders present and voting at a meeting of Unitholders convened and held in accordance with the Trust Deed, with no Unitholder (including the Manager and its Related Parties) being disenfranchised, vote to remove the Manager.

THE FACILITY MANAGERS

Facility managers have been appointed for S25, T25, Gore Hill Data Centre, iseek Data Centre and Basis Bay Data Centre. For Citadel 100 Data Centre, Citadel 100 is responsible for the management and maintenance of Citadel 100 Data Centre. However, pursuant to the MCC Services Agreement, Citadel 100 has sub-contracted certain development, construction and operation/facility management services to MCC. See "Lease and Facility Management Arrangements" for each respective Property in "Business and Properties" for further details.

ANNUAL REPORTS

An annual report will be issued by the Manager to Unitholders within the timeframe as set out in the Listing Manual and the CIS Code, and at least 14 days before the annual general meeting of the Unitholders, containing, among others, the following key items:

(i) if applicable, with respect to investments other than real property:

  (a) a brief description of the business;

  (b) proportion of share capital owned;

  (c) cost;

  (d) (if relevant) Directors valuation and in the case of listed investments, market value;

  (e) dividends received during the year (indicating any interim dividends);

  (f) dividend cover or underlying earnings;

  (g) any extraordinary items; and

  (h) net assets attributable to investments;

(ii) amount of distributable income held pending distribution;

(iii) the aggregate value of all transactions entered into by the Trustee (for and on behalf of Keppel DC REIT) with an "interested party" or with an "interested person" (as defined in the Listing Manual) during the financial year under review;

(iv) total amount of fees paid to the Trustee;

(v) name of the manager of Keppel DC REIT, together with an indication of the terms and duration of its appointment and the basis of its remuneration;

(vi) total amount of fees paid to the Manager and the price(s) of the Units at which they were issued in part payment thereof;

(vii) total amount of fees paid to facility managers of the Keppel DC REIT's properties;

(viii) the NAV of Keppel DC REIT at the beginning and end of the financial year under review;

(ix) the following items which are required to be disclosed in the Property Funds Appendix (as may be amended from time to time) for annual reports:

(a) details of all real estate transactions entered into during the year, including the identity of the buyers or sellers, purchase or sale prices, and their valuations (including the methods used to value the assets);

(b) details of Keppel DC REIT's real estate assets, including the location of such assets, their purchase prices and latest valuations, rentals received and occupancy rates, or the remaining terms of Keppel DC REIT's leasehold properties, where applicable;

(c) the customer profile of Keppel DC REIT's real estate assets, including:

(A) the total number of customers;

(B) the top 10 customers, and the percentage of the total gross rental income attributable to each of these top 10 customers[1];

(C) trade sector mix of customers, in terms of the percentage of total gross rental income attributable to major trade sectors; and

(D) lease and co-location maturity profile, in terms of the percentage of total gross rental income, for each of the next five years;

(d) in respect of the other assets of Keppel DC REIT, details of the:

(A) 10 most significant holdings (including the amount and percentage of fund size at market valuation); and

(B) distribution of investments in dollar and percentage terms by country, asset class (e.g. equities, mortgage-backed securities, bonds, etc.) and by credit rating of all debt securities (e.g. "AAA", "AA", etc.);

(e) details of Keppel DC REIT's exposure to financial derivatives, including the amount (*i.e.* net total aggregate value of contract prices) and percentage of derivatives investment of total fund size at market valuation;

(f) details of Keppel DC REIT's investments in other property funds, including the amount and percentage of total fund size invested in;

(g) details of borrowings of Keppel DC REIT;

(h) details of deferred payment arrangements entered into by Keppel DC REIT, if applicable;

(i) the total operating expenses of Keppel DC REIT, including all fees and charges paid to the manager, adviser and interested parties, if any, and taxation incurred in relation to Keppel DC REIT's real estate assets;

1 The Manager has obtained from the MAS a waiver from compliance with the paragraph 11.1(c)(ii) of the Property Funds Appendix in relation to the requirement to disclose the property fund's top 10 customers.

(j) the performance of Keppel DC REIT in a consistent format, covering various periods of time (e.g. 1-year, 3-year, 5-year or 10-year) whereby:

(A) in the case where Keppel DC REIT is unlisted, such performance is calculated on an "offer to bid" basis over the period; or

(B) in the case where Keppel DC REIT is listed, such performance is calculated on the change in the unit price transacted on the stock exchange over the period;

(k) its NAV per unit at the beginning and end of the financial year; and

(l) where Keppel DC REIT is listed, the Unit price quoted on the SGX-ST at the beginning and end of the financial year, the highest and lowest Unit price and the volume traded during the financial year; and

(x) such other items which may be required to be disclosed under the prevailing applicable laws, regulations and rules.

The first report will cover the period from the Listing Date to 31 December 2015.

Additionally, Keppel DC REIT will announce its NAV on a quarterly basis. Such announcements will be based on the latest available valuation of Keppel DC REIT's real estate and real estate-related assets, which will be conducted at least once a year (as required under the Property Funds Appendix).

CORPORATE GOVERNANCE OF THE MANAGER

The following outlines the main corporate governance practices of the Manager.

Board of Directors of the Manager

The Board is responsible for the overall corporate governance of the Manager including establishing goals for management and monitoring the achievement of these goals. The Manager is also responsible for the strategic business direction and risk management of Keppel DC REIT. All Board members participate in matters relating to corporate governance, business operations and risks, financial performance, and the nomination and review of the directors of the Manager.

The Board will have in place a framework for the management of the Manager and Keppel DC REIT, including a system of internal audit and control and a business risk management process. The Board consists of nine members, five of whom are independent directors. None of the directors of the Manager has entered into any service contract with Keppel DC REIT.

The composition of the Board is determined using the following principles:

- the Chairman of the Board should be a non-executive director of the Manager;

- the Board should comprise directors with a broad range of commercial experience including expertise in funds management, legal matters, audit and accounting and the property industry; and

- at least one-third of the Board should comprise independent directors.

However, according to Guideline 2.2 of the Code of Corporate Governance 2012, at least half of the Board should comprise independent directors where:

- the Chairman and the Chief Executive Officer is the same person;
- the Chairman and the Chief Executive Officer are immediate family members;
- the Chairman is part of the management team; or
- the Chairman is not an independent director.

The composition will be reviewed regularly to ensure that the Board has the appropriate mix of expertise and experience.

Audit and Risk Committee

The Audit and Risk Committee is appointed by the Board from among the directors of the Manager and is composed of four members, a majority of whom (including the Chairman of the Audit and Risk Committee) are required to be independent directors. As at the date of this Prospectus, the members of the Audit and Risk Committee are Mr Lee Chiang Huat, Mr Chan Hon Chew, Mr Lim Chin Hu and Mr Dileep Nair. Mr Lee Chiang Huat has been appointed as the Chairman of the Audit and Risk Committee. A majority of the members of the Audit and Risk Committee are independent directors and all of them are resident in Singapore.

The role of the Audit and Risk Committee includes assisting the Board to ensure integrity of financial reporting and that sound risk management and internal control systems are in place. Specifically, the Audit and Risk Committee's responsibilities are to:

- review financial statements and formal announcements relating to financial performance, and review significant financial reporting issues and judgments contained in them, for better assurance of the integrity of such statements and announcements;
- review and report to the Board at least annually the adequacy and effectiveness of the Manager's and Keppel DC REIT's internal controls, including financial, operational, compliance and information technology controls (such review can be carried out internally or with the assistance of any competent third parties);
- review the audit plans and reports of the external auditors and internal auditors, and consider the effectiveness of actions or policies taken by management on the recommendations and observations;
- review the independence and objectivity of external auditors annually;
- review the nature and extent of non-audit services performed by external auditors;
- meet with external and internal auditors, without the presence of management, at least annually;
- make recommendations to the Board on the proposals to Unitholders on the appointment, re-appointment and removal of the external auditors, and approve the remuneration and terms of engagement of the external auditors;
- review the adequacy and effectiveness of the Manager's and Keppel DC REIT's internal audit function, at least annually;

- ensure at least annually that the internal audit function is adequately resourced and has appropriate standing with the Manager and Keppel DC REIT;

- approve the accounting/auditing firm or corporation to which the internal audit function is outsourced;

- review the policy and arrangements by which employees of the Manager and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters, to ensure that arrangements are in place for such concerns to be raised and independently investigated, and for appropriate follow up action to be taken;

- monitor the procedures in place to ensure compliance with applicable legislation, the Listing Manual and the Code on Collective Investment Schemes (including the Property Funds Appendix);

- review Related Party Transactions, including ensuring compliance with the provisions of the Listing Manual relating to "interested person transaction" (as defined therein) and the provisions of the Property Funds Appendix relating to "interested party transactions" (as defined therein) (both such type of transactions constituting "**Related Party Transactions**");

- investigate any matters within the Audit and Risk Committee's purview, whenever it deems necessary;

- receive, as and when appropriate, reports and recommendations from management on risk tolerance and strategy, and recommend to the Board for its determination:

  – the nature and extent of significant risks which the Manager and Keppel DC REIT may take in achieving its strategic objectives; and

  – overall levels of risk tolerance and risk policies;

- review and discuss, as and when appropriate, with management the Manager and Keppel DC REIT's risk governance structure and their risk policies, risk mitigation and monitoring processes and procedures;

- receive and review at least quarterly reports from management on major risk exposures and the steps taken to monitor, control and mitigate such risks;

- review the Manager's capability to identify and manage new risk types;

- review and monitor management's responsiveness to the recommendations of the Audit and Risk Committee;

- provide timely input to the Board on critical risk issues;

- report to the Board on material matters, findings and recommendations;

- review the Audit and Risk Committee's terms of reference annually and recommend any proposed changes to the Board;

- perform such other functions as the Board may determine; and

- sub-delegate any of its powers within its terms of reference as listed above from time to time as the Audit and Risk Committee may deem fit.

Compliance Officer

The Manager has engaged KPMG Services Pte. Ltd. ("**KPMG**") to carry out certain compliance activities on a quarterly basis[1]. KPMG's scope of engagement covers assessing the Manager's compliance with applicable provisions of the SFA through the conduct of quarterly checks on:

(i) whether the representatives of the Manager have fulfilled their regulatory obligations; and

(ii) whether the Manager, in its role as manager of Keppel DC REIT, has prepared returns and other documents accurately for submission to the MAS.

KPMG will report the results of its activities to the Chief Executive Officer of the Manager and the Board of Directors of the Manager.

KPMG will also provide advice and training on compliance requirements under the SFA to representatives of the Manager.

KPMG will also provide regulatory compliance advice from time to time as may be required by the Manager.

Notwithstanding the engagement of KPMG to carry out certain compliance activities on a quarterly basis, the Manager is responsible for ensuring compliance with all applicable laws, regulations and guidelines.

Dealings in Units

Each director of the Manager and the Chief Executive Officer of the Manager is to give notice to the Manager of his acquisition of Units or of changes in the number of Units which he holds or in which he has an interest, within two Business Days[2] after such acquisition or the occurrence of the event giving rise to changes in the number of Units which he holds or in which he has an interest (see "The Formation and Structure of Keppel DC REIT – Declaration of Unitholdings" for further details).

All dealings in Units by the directors of the Manager and the Chief Executive Officer of the Manager will be announced by the Manager via SGXNET, with the announcement to be posted on the internet at the SGX-ST website http://www.sgx.com and in such form and manner as the Authority may prescribe.

The directors and employees of the Manager are encouraged, as a matter of internal policy, to hold Units but are prohibited from dealing in the Units:

- in the period commencing one month before the public announcement of Keppel DC REIT's annual results and property valuations, and two weeks before the public announcement of Keppel DC REIT's quarterly results and ending on the date of announcement of the relevant results or, as the case may be, property valuations; and

- at any time while in possession of price sensitive information.

The directors and employees of the Manager are also prohibited from communicating price sensitive information to any person.

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1 The cost of such engagement of KPMG to carry out compliance activities will be borne by the Manager out of its own funds and not out of Unitholder's funds.

2 "**Business Day**" means any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore and the SGX-ST is open for trading.

Pursuant to Section 137ZC of the SFA, the Manager is required to, *inter alia*, announce to the SGX-ST the particulars of any acquisition or disposal of interest in Units by the Manager as soon as practicable, and in any case no later than the end of the Business Day following the day on which the Manager became aware of the acquisition or disposal.

Management of Business Risk

The Board will meet quarterly, or more often if necessary, and will review the financial performance of the Manager and Keppel DC REIT against a previously approved budget. The Board will also review the business risks of Keppel DC REIT, examine liability management and act upon any comments from the auditors of Keppel DC REIT.

The Manager has appointed experienced and well-qualified management personnel to handle the day-to-day operations of the Manager and Keppel DC REIT. In assessing business risk, the Board will consider the economic environment and risks relevant to the property industry. It reviews management reports and feasibility studies on individual investment projects prior to approving major transactions. The management meets regularly to review the operations of the Manager and Keppel DC REIT and discuss any disclosure issues.

The Manager has also provided an undertaking to the SGX-ST that:

(i) the Manager will make periodic announcements on the use of the proceeds from the Offering as and when such proceeds are materially disbursed and provide a status report on the use of such proceeds in the annual report;

(ii) in relation to foreign exchange hedging transactions (if any) (a) the Manager will seek the approval of its board on the policy for entering into any such transactions, (b) the Manager will put in place adequate procedures which must be reviewed and approved by the Audit and Risk Committee and (c) the Audit and Risk Committee will monitor the implementation of such policy, including reviewing the instruments, processes and practices in accordance with the policy approved by the Board; and

(iii) the Audit and Risk Committee will review and provide their views on all hedging policies and instruments (if any) to be implemented by Keppel DC REIT to the Board, and the use of such financial and foreign exchange instruments for hedging purposes will require the specific approval of the Board.

Potential Conflicts of Interest

The Manager has also instituted the following procedures to deal with potential conflicts of interest issues:

- The Manager will not manage any other REIT which invests in the same type of properties as Keppel DC REIT.

- All executive officers will be working exclusively for the Manager and will not hold other executive positions in other entities.

- All resolutions in writing of the directors of the Manager in relation to matters concerning Keppel DC REIT must be approved by at least a majority of the directors of the Manager, including at least one Independent Director.

- At least one-third of the Board shall comprise independent directors.

- In respect of matters in which the Sponsor and/or its subsidiaries have an interest, direct or indirect, any nominees appointed by the Sponsor and/or its subsidiaries to the Board to represent their interests will abstain from deliberation and voting on such matters. For such matters, the quorum must comprise a majority of the independent directors and must exclude nominee directors of the Sponsor and/or its subsidiaries.

- It is also provided in the Trust Deed that if the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of Keppel DC REIT with a Related Party (as defined herein) of the Manager, the Manager shall be obliged to consult with a reputable law firm (acceptable to the Trustee) which shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of Keppel DC REIT, has a *prima facie* case against the party allegedly in breach under such agreement, the Manager shall be obliged to take appropriate action in relation to such agreement. The directors of the Manager (including its independent directors) will have a duty to ensure that the Manager so complies. Notwithstanding the foregoing, the Manager shall inform the Trustee as soon as it becomes aware of any breach of any agreement entered into by the Trustee for and on behalf of Keppel DC REIT with a Related Party of the Manager and the Trustee may take such action as it deems necessary to protect the rights of Unitholders and/or which is in the interests of Unitholders. Any decision by the Manager not to take action against a Related Party of the Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such Related Party.

RELATED PARTY TRANSACTIONS

The Manager's Internal Control System

The Manager has established an internal control system to ensure that all future Related Party Transactions:

- will be undertaken on normal commercial terms; and

- will not be prejudicial to the interests of Keppel DC REIT and the Unitholders.

As a general rule, the Manager must demonstrate to its Audit and Risk Committee that such transactions satisfy the foregoing criteria. This may entail:

- obtaining (where practicable) quotations from parties unrelated to the Manager; or

- obtaining two or more valuations from independent professional valuers (in compliance with the Property Funds Appendix).

The Manager will maintain a register to record all Related Party Transactions which are entered into by Keppel DC REIT and the bases, including any quotations from unrelated parties and independent valuations, on which they are entered into.

The Manager will also incorporate into its internal audit plan a review of all Related Party Transactions entered into by Keppel DC REIT. The Audit and Risk Committee shall review the internal audit reports at least twice a year to ascertain that the guidelines and procedures established to monitor Related Party Transactions have been complied with. The Trustee will also have the right to review such audit reports to ascertain that the Property Funds Appendix has been complied with. The following procedures will be undertaken:

- transactions (either individually or as part of a series or if aggregated with other transactions involving the same Related Party during the same financial year) equal to or exceeding S$100,000 in value but below 3.0% of the value of Keppel DC REIT's net tangible assets will be subject to review by the Audit and Risk Committee at regular intervals;

- transactions (either individually or as part of a series or if aggregated with other transactions involving the same Related Party during the same financial year) equal to or exceeding 3.0% but below 5.0% of the value of Keppel DC REIT's net tangible assets will be subject to the review and prior approval of the Audit and Risk Committee. Such approval shall only be given if the transactions are on normal commercial terms and not prejudicial to the interests of Keppel DC REIT and its Unitholders and are consistent with similar types of transactions made by the Trustee with third parties which are unrelated to the Manager; and

- transactions (either individually or as part of a series or if aggregated with other transactions involving the same Related Party during the same financial year) equal to or exceeding 5.0% of the value of Keppel DC REIT's net tangible assets will be reviewed and approved prior to such transactions being entered into, on the basis described in the preceding paragraph, by the Audit and Risk Committee which may, as it deems fit, request advice on the transaction from independent sources or advisers, including the obtaining of valuations from independent professional valuers. Furthermore, under the Listing Manual and the Property Funds Appendix, such transactions would have to be approved by the Unitholders at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

Where matters concerning Keppel DC REIT relate to transactions entered into or to be entered into by the Trustee for and on behalf of Keppel DC REIT with a Related Party of the Manager (which would include relevant Associates thereof) or Keppel DC REIT, the Trustee is required to consider the terms of such transactions to satisfy itself that such transactions are conducted:

- on normal commercial terms;

- are not prejudicial to the interests of Keppel DC REIT and the Unitholders; and

- are in accordance with all applicable requirements of the Property Funds Appendix and/or the Listing Manual relating to the transaction in question.

The Trustee has the discretion under the Trust Deed to decide whether or not to enter into a transaction involving a Related Party of the Manager or Keppel DC REIT. If the Trustee is to sign any contract with a Related Party of the Manager or Keppel DC REIT, the Trustee will review the contract to ensure that it complies with the requirements relating to interested party transactions in the Property Funds Appendix (as may be amended from time to time) and the provisions of the Listing Manual relating to interested person transactions (as may be amended from time to time) as well as such other guidelines as may from time to time be prescribed by the MAS and the SGX-ST to apply to REITs.

Save for the transactions described under "Related Party Transactions in Connection with the Setting Up of Keppel DC REIT" and "Exempted Agreements", Keppel DC REIT will comply with Rule 905 of the Listing Manual by announcing any interested person transaction in accordance with the Listing Manual if such transaction, by itself or when aggregated with other interested person transactions entered into with the same interested person during the same financial year, is 3.0% or more of Keppel DC REIT's latest audited net tangible assets.

The aggregate value of all Related Party Transactions which are subject to Rules 905 and 906 of the Listing Manual in a particular financial year will be disclosed in Keppel DC REIT's annual report for that financial year.

Role of the Audit and Risk Committee for Related Party Transactions

The Audit and Risk Committee will periodically review all Related Party Transactions to ensure compliance with the Manager's internal control system, the relevant provisions of the Listing Manual, and the Property Funds Appendix. The review will include the examination of the nature of the transaction and its supporting documents or such other data deemed necessary by the Audit and Risk Committee.

If a member of the Audit and Risk Committee has an interest in a transaction, he is to abstain from participating in the review and approval process in relation to that transaction.

Related Party Transactions in Connection with the Setting Up of Keppel DC REIT and the Offering

Existing Agreements

The Trustee, on behalf of Keppel DC REIT, has entered into a number of transactions with the Manager and certain related parties of the Manager in connection with the setting up of Keppel DC REIT. These Related Party Transactions are as follows:

- The Trustee has on 24 October 2014 entered into the Deed of Appointment and Retirement with the Manager and the SDPT Trustee-Managers, the First Amending and Restating Deed with the Manager and on 18 November 2014, entered into the Second Supplemental Deed with the Manager. The terms of the First Amending and Restating Deed are generally described in "The Formation and Structure of Keppel DC REIT".

- The Sponsor has on 25 November 2014 granted to the trustee the ROFR to the Sponsor ("**Sponsor ROFR**") which is subject to certain conditions. The Sponsor ROFR is more particularly described in "Certain Agreements relating to Keppel DC REIT and the Properties – Sponsor Right of First Refusal Agreement". The Manager believes that the Sponsor ROFR is made on normal commercial terms and is not prejudicial to the interests of Keppel DC REIT and the Unitholders.

- The Trustee has:

  – on 25 November 2014, through its wholly-owned subsidiary Securus C100 Pte. Ltd., entered into the share purchase agreement with Keppel Data Centres in respect of the acquisition of 50% of the issued share capital of Citadel 100 (which directly holds Citadel 100 Data Centre) (the "**Citadel 100 Share Purchase Agreement**"), which is more particularly described in "Certain Agreements Relating to Keppel DC REIT and the Properties – Sale and Purchase Agreements – Citadel 100 Share Purchase Agreement";

  – on 25 November 2014 entered into the share purchase agreement with Keppel Data Centres in respect of the acquisition of 100% of the issued share capital of Boxtel Investments Limited (which indirectly holds 30% of the interest in Gore Hill Data Centre) (the "**Gore Hill Share Purchase Agreement**"), which is more particularly described in "Certain Agreements Relating to Keppel DC REIT and the Properties – Sale and Purchase Agreements – Gore Hill Share Purchase Agreement"; and

  – on 25 November 2014 entered into the sale and purchase agreements with Digihub in respect of the acquisition of S25 (the "**S25 Sale and Purchase Agreement**") and Datahub in respect of the acquisition of T25 (the "**T25 Sale and Purchase Agreement**"), which are more particularly described in "Certain Agreements Relating to Keppel DC REIT and the Properties – Sale and Purchase Agreements", (collectively, the "**Sponsor Sale and Purchase Agreements**").

- The Trustee will:

  – on the Listing Date enter into the Sponsor Facility Management Agreements with Digihub and Datahub in respect of S25 and T25 respectively, which are more particularly described in "Certain Agreements Relating to Keppel DC REIT and the Properties – Facility Management Agreements"; and

  – on the Listing Date enter into the S25 Lease Agreement and the T25 Lease Agreement in respect of the S25 Lease and the T25 Lease respectively (collectively, the "**Keppel Lease Agreements**"), which are more particularly described in "Certain Agreements Relating to Keppel DC REIT and the Properties – Lease Agreements".

- on 10 March 2012, Securus Australia No. 2 Pty Limited, in its capacity as trustee of Securus Australia Trust No. 2 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date), entered into the iseek-KDC Facility Management Agreement with iseek-KDC, which is 60.0% indirectly owned by the Sponsor, which is more particularly described in "Business and Properties – Gore Hill Data Centre – Lease and Facility Management Arrangements – Facility Management Arrangement".

The Manager is of the opinion that the Sponsor Sale and Purchase Agreements, the Sponsor Facility Management Agreements, the Keppel Lease Agreements and the iseek-KDC Facility Management Agreement are made on normal commercial terms and are not prejudicial to the interests of Keppel DC REIT and the Unitholders. The Manager's opinion is based on the following grounds:

- the consideration payable by Keppel DC REIT under the various Sponsor Sale and Purchase Agreements were negotiated on a willing-buyer and willing-seller basis taking into consideration the independent valuations of the respective Properties conducted by the Independent Valuers;

- the Keppel Leases and Sponsor Facility Management Agreements will be put in place to minimise the disruption in the existing contracts between the Keppel lessees and the underlying end-users of S25 and T25 and to allow Keppel DC REIT to leverage on the track record and reputation of the Sponsor when marketing S25 and T25 to customers. The Keppel Leases are of a pass-through nature and together with the Sponsor Facility Management Agreements, are structured to replicate substantially the financial and economic effects had Keppel DC REIT contracted directly with the underlying end-users; and

- the terms and fees payable to iseek-KDC as the facility manager in respect of the co-location space in Gore Hill Data Centre under the iseek-KDC Facility Management Agreement was negotiated on an arms-length basis and in line with market rates.

Save as disclosed in this Prospectus, the Trustee has not entered into any other transactions with the Manager or any Related Party of the Manager in connection with the setting up of Keppel DC REIT.

Exempted Agreements

The entry into and the fees and charges payable by Keppel DC REIT under the Trust Deed, the Sponsor ROFR, the Sponsor Sale and Purchase Agreements, the Sponsor Facility Management Agreements, the iseek-KDC Facility Management Agreement and the Keppel Lease Agreements (collectively, the "Exempted Agreements"), each of which constitutes or will, when entered into, constitute a Related Party Transaction, are deemed to have been

specifically approved by the Unitholders upon subscription for the Units and are therefore not subject to Rules 905 and 906 of the Listing Manual to the extent that specific information on these agreements have been disclosed in the Prospectus and there is no subsequent change to the rates and/or bases of the fees charged thereunder which will adversely affect Keppel DC REIT.

(See "Overview – Certain Fees and Charges" for further details of the fees and charges payable by Keppel DC REIT in connection with the establishment and on-going management and operation of Keppel DC REIT.)

Any renewal of the Sponsor Facility Management Agreements, the iseek-KDC Facility Management Agreement and the Keppel Lease Agreements will be subject to Rules 905 and 906 of the Listing Manual (see "The Manager and Corporate Governance – Related Party Transactions – The Manager's Internal Control System" for further details).

Future Related Party Transactions

As a REIT, Keppel DC REIT is regulated by the Property Funds Appendix and the Listing Manual. The Property Funds Appendix regulates, among others, transactions entered into by the Trustee (for and on behalf of Keppel DC REIT) with an interested party relating to Keppel DC REIT's acquisition of assets from or sale of assets to an interested party, Keppel DC REIT's investment in securities of or issued by an interested party and the engagement of an interested party as property management agent or marketing agent for Keppel DC REIT's properties.

Depending on the materiality of transactions entered into by Keppel DC REIT for the acquisition of assets from, the sale of assets to or the investment in securities of or issued by, an interested party, the Property Funds Appendix may require that an immediate announcement to the SGX-ST be made, and may also require that the approval of the Unitholders be obtained.

The Listing Manual regulates all interested person transactions, including transactions already governed by the Property Funds Appendix. Depending on the materiality of the transaction, Keppel DC REIT may be required to make a public announcement of the transaction (Rule 905 of the Listing Manual), or to make a public announcement of and to obtain Unitholders' prior approval for the transaction (Rule 906 of the Listing Manual). The Trust Deed requires the Trustee and the Manager to comply with the provisions of the Listing Manual relating to interested person transactions as well as such other guidelines relating to interested person transactions as may be prescribed by the SGX-ST to apply to REITs.

The Manager may in the future seek a general annual mandate from the Unitholders pursuant to Rule 920(1) of the Listing Manual for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations, including a general mandate in relation to leases and/or licence agreements to be entered into with interested persons.

All transactions conducted under such general mandate for the relevant financial year will not be subject to the requirements under Rules 905 and 906 of the Listing Manual. In seeking such a general annual mandate, the Trustee will appoint an independent financial adviser (without being required to consult the Manager) pursuant to Rule 920(1)(b)(v) of the Listing Manual to render an opinion as to whether the methods or procedures for determining the transaction prices of the transactions contemplated under the annual general mandate are sufficient to ensure that such transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of Keppel DC REIT and the Unitholders.

Both the Property Funds Appendix and the Listing Manual requirements would have to be complied with in respect to a proposed transaction which is *prima facie* governed by both sets of rules. Where matters concerning Keppel DC REIT relate to transactions entered or to be entered into by the Trustee for and on behalf of Keppel DC REIT with a Related Party (either an "interested party" under the Property Funds Appendix or an "interested person" under the Listing Manual) of the Manager or Keppel DC REIT, the Trustee and the Manager are required to ensure that such transactions are conducted in accordance with applicable requirements of the Property Funds Appendix and/or the Listing Manual.

The Manager is not prohibited by either the Property Funds Appendix or the Listing Manual from contracting or entering into any financial, banking or any other type of transaction with the Trustee (when acting other than in its capacity as trustee of Keppel DC REIT) or from being interested in any such contract or transaction, provided that any such transaction shall be on normal commercial terms and is not prejudicial to the interests of Keppel DC REIT and the Unitholders. The Manager shall not be liable to account to the Trustee or to the Unitholders for any profits or benefits or other commissions made or derived from or in connection with any such transaction. The Trustee shall not be liable to account to the Manager or to the Unitholders for any profits or benefits or other commission made or derived from or in connection with any such transaction.

Generally, under the Listing Manual, the Manager, its "connected persons" (as defined in the Listing Manual) and any director of the Manager are prohibited from voting their respective own Units at, or being part of a quorum for, any meeting to approve any matter in which it has a material interest.

CORPORATE SOCIAL RESPONSIBILITY STATEMENT

The Manager believes in being a responsible corporate citizen and will align its business operations and strategy with the sustainability strategy with its Sponsor which focuses on the three key thrusts of Sustaining Growth, Empowering Lives and Nurturing Communities. Going forward, the Manager will work with the Sponsor on initiatives under the framework to create value for its people, community and environment.

THE SPONSOR

Keppel Telecommunications & Transportation Ltd, the Sponsor, is listed on the SGX-ST with operations in Asia-Pacific and Europe. Headquartered in Singapore, Keppel T&T offers integrated services and solutions in two core businesses: logistics and data centres. The logistics division offers one-stop, integrated logistics solutions to help clients manage their entire supply chain, while the data centre division owns, acquires, develops and manages high availability data centre facilities. Keppel T&T also manages a portfolio of investments.

Keppel T&T is also a subsidiary of Keppel Corporation Limited, a leading mainboard listed company in Singapore with core businesses in offshore and marine, infrastructure and property.

Logistics

Through the Sponsor's subsidiaries, Keppel Logistics Pte. Ltd., Keppel Logistics (Foshan) Limited, Keppel Logistics (Hong Kong) Limited, Keppel International Freight Forwarding (Shenzhen) Limited, Keppel Logistics (M) Sdn Bhd, Indo-Trans Keppel Logistics Vietnam Co. Ltd and Keppel Logistics (Australia) Pty Ltd, the Keppel T&T group is able to offer one-stop, integrated logistics services at all points of the supply chain from the inbound movement of raw materials to the delivery of finished goods, including integrated port logistics and the development and operation of logistics parks.

The Sponsor and its subsidiaries operate integrated logistics facilities in Singapore, the People's Republic of China, Hong Kong, Australia, Malaysia, Vietnam and, through an associated company, PT Keppel Puninar Logistics, in Indonesia. They own and manage a total of approximately 1.9 million sq ft of warehouse space in Singapore and approximately 1.8 million sq ft of warehouse space in the People's Republic of China, Australia, Malaysia and Vietnam.

Data Centres

The Sponsor has more than 12 years of track record in owning, designing and managing high quality data centres that support mission-critical computer systems. In order to ensure minimal downtime to these servers, data centres are built and operated to high technical standards, in terms of the provision of reliable power and cooling, water seepage prevention, fire prevention, high levels of physical security, rigorous maintenance, and are connected to land and/or submarine fibre-optic cables for high speed transmission of data. By being involved in designing and building the data centres it manages, the Sponsor, through its subsidiary Keppel Data Centres, offers bespoke data centre suites to customers who require co-location services and manage them to customers' service level requirements.

Keppel Data Centres owns, manages and operates high availability data centres in Singapore and Ireland. As a carrier-neutral data centre operator, Keppel Data Centres provides data centre co-location services, dedicated co-location suites as well as 24-hour technical support to its customers. It currently operates four data centre facilities, S25 and T25 in Singapore, Citadel 100 Data Centre in Dublin, Ireland as well as Gore Hill Data Centre in Sydney, Australia in a joint venture with iseek Communications, iseek-KDC.

Securus Fund

In 2010, the Sponsor through Keppel DC REIT Management Pte. Ltd. (formerly known as Keppel Data Centre Investment Management Pte. Ltd.), established Securus Fund, together with AEPim, which invests in a portfolio of high quality data centre assets. The Sponsor and AEPim are the joint investment managers of Securus Fund. Since its inception, Securus Fund has completed the acquisition of the Private Trust Portfolio, comprising six high quality data centre assets in Australia, the Netherlands, the UK, Ireland and Malaysia. These data centres boast some of the leading international blue chip companies in the IT and managed services industry as customers. Securus Fund currently owns all the Private Trust Units which will be fully redeemed with part of the proceeds from the Offering, the issuance of the Sponsor Units, the KLL Units and the Cornerstone Units, and the Facilities on the Listing Date (see "Ownership of the Units" for further details). As at the date of this Prospectus, the Sponsor and Securus Fund owns a combined portfolio of 47,372 sq m (approximately 500,000 sq ft) of data centre space in Asia-Pacific and Europe.

For its data centre business, the Sponsor intends to focus on two core activities of data centre development and data centre fund management in order to achieve higher returns. Riding on the growth of the data globally, the Sponsor aims to become a leading data centre developer in Asia-Pacific and Europe as well as an established REIT manager in the data centre sector. To this end, the Sponsor, through KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion 70% and 30% respectively, recently developed T27, a fully fitted data centre designed with high specifications in Singapore, which is built to the highest data centre standards to serve blue chip tenants. The data centre, which is currently in the process of obtaining the Certificate of Statutory Completion from the Building and Construction Authority, has already attracted strong customer commitment. The Sponsor will leverage on its data centre expertise to continue to source for, and design, build and develop, new data centres in its target markets of Asia-Pacific and Europe in line with Keppel DC REIT's initial focus. The Sponsor has provided the Sponsor ROFR to Keppel DC REIT in respect of any income-producing real estate which is used primarily for data centre purposes.

The Sponsor will also be undertaking data centre fund management through Keppel DC REIT Management Pte. Ltd., as the manager of Keppel DC REIT. Keppel DC REIT will be supported by the management resources and experience of Keppel T&T. These resources include, among others, the skill sets of Keppel T&T and its specialised design, engineering and technical skillset in the data centre industry for more than 12 years.

Investments

In addition to logistics and data centres, the Sponsor holds stakes in a portfolio of companies, including substantial interests in M1 Limited, SVOA Public Company Limited and Business Online Public Company Limited. The Sponsor plans to divest its non-core network engineering business as it continues to monitor the investment portfolio and identify suitable opportunities with the objective to further enhance shareholders' value.

THE FORMATION AND STRUCTURE OF KEPPEL DC REIT

The Trust Deed is a complex document and the following is a summary only and is qualified in its entirety by, and is subject to, the contents of the Trust Deed. Investors should refer to the Trust Deed itself to confirm specific information or for a detailed understanding of Keppel DC REIT. The Trust Deed is available for inspection during business hours at the principal place of business of the Manager at 18 Cross Street #10-10, China Square Central, Singapore 048423 (prior appointment would be appreciated).

BACKGROUND

Keppel DC REIT was constituted as a private trust known as Securus Data Property Trust on 17 March 2011 pursuant to the SDPT Trust Deed, which was originally entered into between the SDPT Trustee-Managers. The private trust was established to acquire data centre real estate assets with the intention that it may eventually be converted into a listed REIT. To this end, pursuant to the Deed of Appointment and Retirement, the SDPT Trustee-Managers were replaced as trustee-managers of the private trust by the Manager, as manager of Keppel DC REIT and The Trust Company (Asia) Limited, as trustee of Keppel DC REIT, on 24 October 2014. The SDPT Trust Deed was amended by the Deed of Appointment and Retirement dated 24 October 2014, the First Amending and Restating Deed dated 24 October 2014 to, among others, change the name of SDPT to Keppel DC REIT and comply with the requirements of the MAS and the SGX-ST for a listed REIT and the Second Supplemental Deed dated 18 November 2014.

THE TRUST DEED

Keppel DC REIT is a REIT constituted by the Trust Deed and is principally regulated by the SFA and the CIS Code (including the Property Funds Appendix).

The terms and conditions of the Trust Deed shall be binding on each Unitholder (and persons claiming through such Unitholder) as if such Unitholder had been a party to the Trust Deed and as if the Trust Deed contains covenants by such Unitholder to observe and be bound by the provisions of the Trust Deed and an authorisation by each Unitholder to do all such acts and things as the Trust Deed may require the Manager and/or the Trustee to do.

Operational Structure

Keppel DC REIT is established to invest in real estate and real estate-related assets. The Manager must manage Keppel DC REIT so that the principal investments of Keppel DC REIT are real estate and real estate-related assets (including ownership of companies or other legal entities whose primary purpose is to hold or own real estate and real estate-related assets). Keppel DC REIT is a Singapore REIT established with the investment strategy of principally investing, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centre purposes, as well as real estate-related assets, with an initial focus on Asia-Pacific and Europe.

Keppel DC REIT aims to generate returns for its Unitholders by owning, buying and actively managing such properties in line with its investment strategy (including the selling of any property that has reached a stage that offers only limited scope for growth).

Subject to the restrictions and requirements in the Property Funds Appendix and the Listing Manual, the Manager is also authorised under the Trust Deed to invest in investments which need not be real estate.

The Manager may use certain financial derivative instruments for hedging purposes or efficient portfolio management, provided that (i) such financial derivative instruments are not used to gear Keppel DC REIT's overall investment portfolio or are intended to be borrowings of Keppel DC REIT and (ii) the policies regarding such use of financial derivative instruments have been approved by the Board. The Manager presently does not have any intention for Keppel DC REIT to invest in options, warrants, commodities, futures contracts and precious metals.

The Units and Unitholders

The rights and interests of Unitholders are contained in the Trust Deed. Under the Trust Deed, these rights and interests are safeguarded by the Trustee.

Each Unit represents an undivided interest in Keppel DC REIT. A Unitholder has no equitable or proprietary interest in the Deposited Property. A Unitholder is not entitled to the transfer to him of the Deposited Property (or any part thereof) or of any estate or interest in the Deposited Property (or any part thereof). A Unitholder's right is limited to the right to require due administration of Keppel DC REIT in accordance with the provisions of the Trust Deed, including, without limitation, by suit against the Trustee or the Manager.

Under the Trust Deed, each Unitholder acknowledges and agrees that he will not commence or pursue any action against the Trustee or the Manager seeking an order for specific performance or for injunctive relief in respect of the Deposited Property (or any part thereof), including all its Authorised Investments (as defined in the Trust Deed), and waives any rights it may otherwise have to such relief. If the Trustee or the Manager breaches or threatens to breach its duties or obligations to a Unitholder under the Trust Deed, the Unitholder's recourse against the Trustee or the Manager is limited to a right to recover damages or compensation from the Trustee or the Manager in a court of competent jurisdiction, and the Unitholder acknowledges and agrees that damages or compensation is an adequate remedy for such breach or threatened breach.

Unless otherwise expressly provided in the Trust Deed, a Unitholder may not interfere with the rights, powers, authority or discretion of the Manager or the Trustee, exercise any right in respect of the Deposited Property or any part thereof or lodge any caveat or other notice affecting the Deposited Property (or any part thereof), or require that any part of the Deposited Property be transferred to such Unitholder.

No certificate shall be issued to Unitholders by either the Manager or the Trustee in respect of Units issued to Unitholders. For so long as Keppel DC REIT is listed, quoted and traded on the SGX-ST and the Units have not been suspended from such listing, quotation and trading for more than 60 consecutive calendar days or de-listed permanently, the Manager shall pursuant to the Depository Services Terms and Conditions (as defined herein) appoint CDP as the Unit depository for Keppel DC REIT, and all Units issued will be represented by entries in the register of Unitholders kept by the Trustee or the agent appointed by the Trustee in the name of, and deposited with, CDP as the registered holder of such Units.

The Manager or the agent appointed by the Manager shall issue to CDP not more than 10 Business Days after the issue of Units a confirmation note confirming the date of issue and the number of Units so issued and, if applicable, also stating that the Units are issued under a moratorium and the expiry date of such moratorium and for the purposes of the Trust Deed, such confirmation note shall be deemed to be a certificate evidencing title to the Units issued. There are no restrictions under the Trust Deed or Singapore law on a person's right to purchase (or subscribe for) Units and to own Units. The Singapore Code on Take-overs and Mergers applies to REITs. As a result, acquisitions of Units which may result in a change in effective control of Keppel DC REIT will be subject to the mandatory provisions of the Singapore Code on Take-overs and Mergers, such as a requirement to make a general offer for Units.

Issue of Units

The following is a summary of the provisions of the Trust Deed relating to the issue of Units.

Subject to the following sub-paragraphs (1), (2), (3) and (4) below and to such laws, rules and regulations as may be applicable, for so long as Keppel DC REIT is listed, the Manager may issue Units on any Business Day at an issue price equal to the "market price", without the prior approval of the Unitholders. For this purpose, "market price" shall mean:

(i) the volume weighted average price for a Unit for all trades on the SGX-ST, or such other Recognised Stock Exchange on which Keppel DC REIT is listed, in the ordinary course of trading on the SGX-ST or, as the case may be, such other Recognised Stock Exchange, for the period of 10 Business Days (or such other period as may be prescribed by the SGX-ST or relevant Recognised Stock Exchange) immediately preceding the relevant Business Day; or

(ii) if the Manager believes that the calculation in paragraph (i) above does not provide a fair reflection of the market price of a Unit (which may include, among others, instances where the trades on the Units are very low or where there is disorderly trading activity in the Units), an amount as determined by the Manager and the Trustee (after consultation with a stockbroker approved by the Trustee), as being the fair market price of a Unit.

(1) The Manager shall comply with the Listing Rules and all other applicable laws and regulations in determining the issue price, including the issue price for a rights issue on a pro rata basis to all existing Unitholders, the issue price of a Unit issued other than by way of a rights issue offered on a pro rata basis to all existing Unitholders and the issue price for any reinvestment or distribution arrangement.

(2) Where Units are issued as full or partial consideration for the acquisition of an Authorised Investment by Keppel DC REIT in conjunction with an issue of Units to raise cash for the balance of the consideration for the said Authorised Investment (or part thereof) or to acquire other Authorised Investments in conjunction with the said Authorised Investment, the Manager shall have the discretion to determine that the issue price of a Unit so issued as full or partial consideration shall be the same as the issue price for the Units issued in conjunction with an issue of Units to raise cash for the aforesaid purposes.

(3) Where the management fee is paid to the Manager in the form of Units, the Manager or any person which the Manager may designate or nominate (including but not limited to the Manager's subsidiaries) shall be entitled to receive such number of Units as may be purchased with the relevant component of the management fee attributable to the relevant period at an issue price equal to the market price. For this purpose, "market price" shall mean the volume weighted average price for a Unit for all trades on the SGX-ST, or such other Recognised Stock Exchange on which Keppel DC REIT is listed, in the ordinary course of trading on the SGX-ST or, as the case may be, such other Recognised Stock Exchange, for the period of the last 10 Business Days (or such other period as may be prescribed by the SGX-ST or relevant Recognised Stock Exchange) of:

    (A) (in relation to the Base Fee) the relevant financial quarter for which such Base Fee relates to; or

    (B) (in relation to the Performance Fee) the relevant financial year for which such Performance Fee relates to, or if the Manager believes that the foregoing calculation does not provide a fair reflection of the market price of a Unit, means an amount as determined by the Manager (after consultation with a stockbroker approved by the Trustee), and as approved by the Trustee, as being the fair market price of a Unit.

(4) The scope of the general mandate to be given in a general meeting of the Unitholders is limited to the issue of an aggregate number of additional Units which must not exceed 50.0% of the total number of Units in issue, of which the aggregate number of additional Units to be issued other than on a pro rata basis to the existing Unitholders must not exceed 20.0% of the total number of Units in issue as at the date of the approval (see "– Unit Issue Mandate" for further details).

Unit Issue Mandate

On 18 November 2014, Securus Fund approved the issuance of all Units comprised in the Offering, the Sponsor Units, the KLL Units, the Cornerstone Units and the Basis Bay Consideration Units.

By subscribing for the Units under the Offering, investors are (A) deemed to have approved the issuance of all Units comprised in the Offering, the Sponsor Units, the KLL Units, the Cornerstone Units and the Basis Bay Consideration Units and (B) deemed to have given the authority (the "**Unit Issue Mandate**") to the Manager to:

(i) (a) issue Units whether by way of rights, bonus or otherwise; and/or

(b) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Units,

at any time and upon such terms and conditions and for such purposes and to such persons as the Manager may in its absolute discretion deem fit; and

(ii) issue Units in pursuance of any Instrument made or granted by the Manager while the Unit Issue Mandate was in force (notwithstanding that the authority conferred by the Unit Issue Mandate may have ceased to be in force at the time such Units are issued),

provided that:

(A) the aggregate number of Units to be issued pursuant to the Unit Issue Mandate (including Units to be issued in pursuance of Instruments made or granted pursuant to the Unit Issue Mandate) must not exceed 50.0% of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (B) below), of which the aggregate number of Units to be issued other than on a pro rata basis to Unitholders must not exceed 20.0% of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (B) below);

(B) subject to such manner of calculation as may be prescribed by the SGX-ST for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (A) above, the total number of issued Units (excluding treasury Units, if any) shall be based on the number of issued Units (excluding treasury Units, if any) after completion of the Offering and the Redemption, after adjusting for any subsequent bonus issue, consolidation or subdivision of Units;

(C) in exercising the Unit Issue Mandate, the Manager shall comply with the provisions of the Listing Manual for the time being in force (unless such compliance has been waived by the SGX-ST) and the Trust Deed for the time being in force (unless otherwise exempted or waived by the MAS);

(D) (unless revoked or varied by the Unitholders in a general meeting) the authority conferred by the Unit Issue Mandate shall continue in force until (i) the conclusion of the first annual general meeting of Keppel DC REIT or (ii) the date by which first annual general meeting of Keppel DC REIT is required by applicable regulations to be held, whichever is earlier. (However, see the waiver granted by the SGX-ST as disclosed in "General Information – Waivers from the SGX-ST");

(E) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted, in the event of rights, bonus or other capitalisation issues or any other events, the Manager is authorised to issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by the Unit Issue Mandate may have ceased to be in force at the time the Instruments or Units are issued; and

(F) the Manager and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager or, as the case may be, the Trustee may consider expedient or necessary or in the interest of Keppel DC REIT to give effect to the authority conferred by the Unit Issue Mandate.

Suspension of Issue of Units

The Manager or the Trustee may, with the prior written approval of the other and subject to the Listing Manual, or the listing rules of any other relevant Recognised Stock Exchange and the CIS Code, suspend the issue of Units during:

- any period when the SGX-ST or any other relevant Recognised Stock Exchange is closed (otherwise than for public holidays) or during which dealings are restricted or suspended;

- the existence of any state of affairs which, in the opinion of the Manager or (as the case may be) the Trustee, might seriously prejudice the interests of the Unitholders as a whole or the Deposited Property;

- any breakdown in the means of communication normally employed in determining the price of any investments of Keppel DC REIT or the current price thereof on the SGX-ST or any other relevant Recognised Stock Exchange, or when for any reason the prices of any investments of Keppel DC REIT cannot be promptly and accurately ascertained;

- any period when remittance of money which will or may be involved in the realisation of any investments of Keppel DC REIT or in the payment for such investments of Keppel DC REIT cannot, in the opinion of the Manager, be carried out at normal rates of exchange;

- any period where the issuance of Units is suspended pursuant to any order or direction issued by the MAS or any other relevant regulatory authority;

- in relation to any general meeting of Unitholders, the 48-hour period before such general meeting or any adjournment thereof; or

- when the business operations of the Manager or the Trustee in relation to Keppel DC REIT are substantially interrupted or closed as a result of, or arising from nationalisation, expropriation, currency restrictions, pestilence, widespread communicable and infectious diseases, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes, nuclear fusion or fission or acts of God.

Such suspension shall take effect forthwith upon the declaration in writing thereof by the Manager or (as the case may be) the Trustee and shall terminate on the day following the first Business Day on which the condition giving rise to the suspension ceases to exist and no other conditions under which suspension is authorised (as set out above) exists, upon the declaration in writing thereof by the Manager or (as the case may be) the Trustee.

In the event of any suspension while Keppel DC REIT is listed on the SGX-ST, the Manager shall ensure that immediate announcement of such suspension is made through the SGX-ST.

Redemption of Units

The Trust Deed provides that any redemption of Units will be carried out in accordance with the Property Funds Appendix, the rules of the Listing Manual (if applicable) and all other applicable laws and regulations. With respect to any terms which are necessary to carry out such redemption but are not prescribed by the Property Funds Appendix, the rules in the Listing Manual and any laws and regulations, these terms shall be determined by mutual agreement between the Manager and the Trustee.

Save for the Redemption which is expected to be completed on the Listing Date following the listing of the Units on the SGX-ST, for so long as the Units are listed on the SGX-ST, the Unitholders have no right to request the Manager to repurchase or redeem their Units while the Units are listed on the SGX-ST and/or any other Recognised Stock Exchange. It is intended that the Unitholders may only deal in their listed Units through trading on the SGX-ST.

Rights and Liabilities of Unitholders

The key rights of Unitholders include rights to:

- receive income and other distributions attributable to the Units held;

- receive audited accounts and the annual reports of Keppel DC REIT; and

- participate in the termination of Keppel DC REIT by receiving a share of all net cash proceeds derived from the realisation of the assets of Keppel DC REIT less any liabilities, in accordance with their proportionate interests in Keppel DC REIT.

No Unitholder has a right to require that any asset of Keppel DC REIT be transferred to him.

Further, Unitholders cannot give any directions to the Trustee or the Manager (whether at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed or otherwise) if it would require the Trustee or the Manager to do or omit from doing anything which may result in:

- Keppel DC REIT, the Manager or the Trustee, as the case may be, ceasing to comply with applicable laws and regulations; or

- the exercise of any discretion expressly conferred on the Trustee or the Manager by the Trust Deed or the determination of any matter which, under the Trust Deed, requires the agreement of (i) the Trustee, (ii) the Manager, or (iii) both the Trustee and the Manager.

The Trust Deed contains provisions that are designed to limit the liability of a Unitholder to the amount paid or payable for any Unit. The provisions ensure that if the issue price of the Units held by a Unitholder has been fully paid, no such Unitholder, by reason alone of being a Unitholder, will be personally liable to indemnify the Trustee or any creditor of Keppel DC REIT in the event that the liabilities of Keppel DC REIT exceed its assets.

Under the Trust Deed, every Unit carries the same voting rights.

Amendments of the Trust Deed

Approval of Unitholders by an Extraordinary Resolution will be obtained for any amendment of the Trust Deed unless the Trustee certifies, in its opinion, that such amendment:

- does not materially prejudice the interests of Unitholders and does not operate to release to any material extent the Trustee or the Manager from any responsibility to the Unitholders;
- is necessary in order to comply with applicable fiscal, statutory or official requirements (whether or not having the force of law); or
- is made to remove obsolete provisions or to correct a manifest error.

No such amendment shall impose upon any Unitholder any obligation to make any further payments in respect of his Units or to accept any liability in respect thereof.

Notwithstanding any of the above, the Manager and the Trustee may, with the written approval of the competent authorities, alter certain provisions in the Trust Deed relating to the use of derivatives.

Meeting of Unitholders

Under applicable law and the provisions of the Trust Deed, Keppel DC REIT will not hold any meetings for Unitholders unless the Trustee or the Manager convenes a meeting or unless not less than 50 Unitholders or Unitholders representing not less than 10.0% of the total Units issued requests a meeting to be convened. In addition, Keppel DC REIT is required to hold an annual general meeting once in every calendar year and not more than 15 months after the holding of the last preceding annual general meeting. Furthermore, the Trust Deed shall comply with paragraph 4 of the Property Funds Appendix.

A meeting of Unitholders when convened may, by Extraordinary Resolution and in accordance with the provisions of the Trust Deed:

- sanction any modification, alteration or addition to the Trust Deed which shall be agreed by the Trustee and the Manager as provided in the Trust Deed;
- sanction a supplemental deed (including an amending and restating deed) increasing the maximum permitted limit or any change in the structure of the Manager's Management Fees, acquisition fee, divestment fee and development management fee and the Trustee's fee;
- remove the auditors and appoint other auditors in their place;
- remove the Trustee;
- direct the Trustee to take any action pursuant to Section 295 of the SFA (relating to the winding up of Keppel DC REIT); and
- delist Keppel DC REIT after it has been listed.

A meeting of Unitholders may, also by an Ordinary Resolution of Unitholders present and voting at a meeting of Unitholders duly convened and held in accordance with the Trust Deed, vote to remove the Manager (with the Manager and its related parties being permitted to vote).

Any decision to be made by resolution of Unitholders other than the above shall be made by Ordinary Resolution, unless an Extraordinary Resolution is required by the SFA, the CIS Code or the Listing Manual.

Except as otherwise provided for in the Trust Deed, and save for Extraordinary Resolutions (which requires at least 21 days' notice (not inclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given), at least 14 days' notice (not inclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) of every meeting shall be given to the Unitholders in the manner provided in the Trust Deed. Each notice shall specify the place, day and hour of the meeting, and the terms of the resolutions to be proposed. Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolutions in respect of such special business.

The quorum at a meeting shall not be less than two Unitholders present in person or by proxy holding or representing one-tenth in value of all the Units for the time being in issue.

Voting at a meeting shall be by a poll, subject to the requirements of applicable laws and regulations. Unitholders do not have different voting rights on account of the number of votes held by a particular Unitholder. On a poll, every Unitholder has one vote for each Unit of which it is the Unitholder. The Trust Deed does not contain any limitation on non-Singapore resident or foreign Unitholders holding Units or exercising the voting rights with respect to their unitholdings.

Neither the Manager nor any of its Associates shall be entitled to vote or be counted as part of a quorum at a meeting convened to consider a matter in respect of which the Manager or any of its Associates has a material interest save for an Ordinary Resolution duly proposed to remove the Manager, in which case, no Unitholder shall be disenfranchised.

For so long as the Manager is the manager of Keppel DC REIT, the controlling shareholders (as defined in the Listing Manual) of the Manager and of any of its Associates are prohibited from voting or being counted as part of a quorum for any meeting of Unitholders convened to consider a matter in respect of which the relevant controlling shareholders of the Manager and/or of any of its Associates have a material interest.

DECLARATION OF UNITHOLDINGS

Duty of Manager to Make Disclosure

Pursuant to Section 137ZC of the SFA, where the Manager acquires or disposes of interests in Units or debentures or units of debentures of Keppel DC REIT, or the Manager has been notified in writing by, *inter alia*, a Substantial Unitholder or director or Chief Executive Officer of the Manager pursuant to the unitholdings disclosure requirements of the SFA as set out below, the Manager shall announce such information via the SGXNET and in such form and manner as the Authority may prescribe as soon as practicable and in any case no later than the end of the Business Day following the day on which the Manager became aware of the acquisition or disposal or received the notice.

Substantial Unitholdings

Pursuant to Sections 135 to 137B of the SFA (read with Section 137U of the SFA), Substantial Unitholders are required to notify the Manager and the Trustee within two Business Days after becoming aware of their becoming a Substantial Unitholder, any subsequent change in the percentage level of their interest(s) in Units (rounded down to the next whole number) or their ceasing to be a Substantial Unitholder.

Directors and Chief Executive Officer of the Manager

Pursuant to Section 137Y of the SFA, directors and chief executive officer of the Manager are required to, within two Business Days, notify the Manager of their acquisition of interest in Units or of changes to the number of Units which they hold or in which they have an interest.

A director or chief executive officer of the Manager is deemed to have an interest in Units in the following circumstances:

- Where the director or chief executive officer is the beneficial owner of a Unit (whether directly through a direct Securities Account (as defined herein) or indirectly through a depository agent or otherwise).

- Where a body corporate is the beneficial owner of a Unit and the director or chief executive officer is entitled to exercise or control the exercise of not less than 20.0% of the votes attached to the voting shares in the body corporate.

- Where the director's or chief executive officer's (i) spouse or (ii) son, adopted son, stepson, daughter, adopted daughter or step-daughter below the age of 21 years has any interest in a Unit.

- Where the director or chief executive officer, his (i) spouse or (ii) son, adopted son, stepson, daughter, adopted daughter or step-daughter below the age of 21 years:

  – has entered into a contract to purchase a Unit;

  – has a right to have a Unit transferred to any of them or to their order, whether the right is exercisable presently or in the future and whether on the fulfilment of a condition or not;

  – has the right to acquire a Unit under an option, whether the right is exercisable presently or in the future and whether on the fulfilment of a condition or not; or

  – is entitled (otherwise than by reason of any of them having been appointed a proxy or representative to vote at a meeting of Unitholders) to exercise or control the exercise of a right attached to a Unit, not being a Unit of which any of them is the holder.

- Where the property subject to a trust consists of or includes a Unit and the director or chief executive officer knows or has reasonable grounds for believing that he has an interest under the trust and the property subject to the trust consists of or includes such Unit.

THE TRUSTEE

The trustee of Keppel DC REIT is The Trust Company (Asia) Limited. The Trustee was incorporated in Singapore under the Companies Act on 30 December 2005 and it is an indirect, wholly-owned subsidiary of The Trust Company Limited, which is ultimately owned by Perpetual Limited, one of the largest trustees in Australia and is listed on the Australian Securities Exchange. The Trustee is licenced as a trust company under the Trust Companies Act. It is approved to act as a trustee for authorised collective investment schemes under the SFA and is regulated by the MAS. It also holds a capital market services licence for the provision of custodial services for securities. The Trustee acts as trustee to three Singapore listed REITs and several unit trusts, custodian to several private pension funds and private equity funds, and bond trustee to institutional and retail bond issues and supervises over S$17 billion of corporate assets. The ultimate parent company of the Trustee, Perpetual Limited and its controlled entities, currently has in excess of A$480.0 billion of funds under administration across its Corporate Trust fiduciary business.

As at the Latest Practicable Date, the Trustee has a paid-up capital of S$8,474,811 and its place of business is located at 16 Collyer Quay, #26-02, Singapore 049318.

The Trustee is independent of the Manager.

Powers, Duties and Obligations of the Trustee

The Trustee's powers, duties and obligations are set out in the Trust Deed. The powers and duties of the Trustee include:

- acting as trustee of Keppel DC REIT and, in such capacity, safeguarding the rights and interests of the Unitholders, for example, by satisfying itself that transactions it enters into for and on behalf of Keppel DC REIT with a Related Party of the Manager or Keppel DC REIT are conducted on normal commercial terms, are not prejudicial to the interests of Keppel DC REIT and the Unitholders, and in accordance with all applicable requirements under the Property Funds Appendix and/or the Listing Manual relating to the transaction in question;

- holding the assets of Keppel DC REIT on trust for the benefit of the Unitholders in accordance with the Trust Deed; and

- exercising all the powers of a trustee and the powers that are incidental to the ownership of the assets of Keppel DC REIT.

The Trustee has covenanted in the Trust Deed that it will exercise all due care, diligence and vigilance in carrying out its functions and duties, and in safeguarding the rights and interests of Unitholders.

In the exercise of its powers, the Trustee may (on the recommendation of the Manager) and subject to the provisions of the Trust Deed, acquire or dispose of any real or personal property, borrow and encumber any asset.

The Trustee may, subject to the provisions of the Trust Deed, appoint and engage:

- a person or entity to exercise any of its powers or perform its obligations; and

- any real estate agents or managers or service providers, including a Related Party of the Manager on an arm's length basis and on normal commercial terms, in relation to the project management, development, leasing, lease management, marketing, facility management, purchase or sale of, *inter alia*, any of real estate assets and real estate-related assets.

Subject to the Trust Deed and the Property Funds Appendix, the Manager may direct the Trustee to borrow or raise money or obtain other financial accommodation for the purposes of Keppel DC REIT, both on a secured and unsecured basis.

The Trustee must carry out its functions and duties and comply with all the obligations imposed on it as set out in the Trust Deed, the Listing Manual, the SFA, the CIS Code (including the Property Funds Appendix), the Singapore Code on Take-overs and Mergers, any tax ruling and all other relevant laws. It must retain Keppel DC REIT's assets, or cause Keppel DC REIT's assets to be retained, in safe custody and cause Keppel DC REIT's accounts to be audited. Pursuant to the Trust Deed, it can appoint any custodian, joint-custodian or sub-custodian (including, without limitation, any Related Party of the Trustee) in relation to the whole or any part of Keppel DC REIT's assets. It can appoint valuers to value the real estate assets and real estate-related assets of Keppel DC REIT.

The Trustee is not personally liable to a Unitholder in connection with the office of the Trustee except in respect of its own fraud, gross negligence, wilful default, breach of the Trust Deed or breach of trust. Any liability incurred and any indemnity to be given by the Trustee shall be limited to the assets of Keppel DC REIT over which the Trustee has recourse, provided that the Trustee has acted without fraud, gross negligence, wilful default, breach of the Trust Deed or breach of trust. The Trust Deed contains certain indemnities in favour of the Trustee under which it will be indemnified out of the assets of Keppel DC REIT for liability arising in connection with certain acts or omissions. These indemnities are subject to any applicable laws.

Retirement and Replacement

The Trustee may retire or be replaced under the following circumstances:

- The Trustee shall not be entitled to retire voluntarily except upon the appointment of a new trustee (such appointment to be made in accordance with the provisions of the Trust Deed).

- The Trustee may be removed by notice in writing to the Trustee by the Manager:

  – if the Trustee goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Manager) or if a receiver is appointed over any of its assets or if a judicial manager is appointed in respect of the Trustee;

  – if the Trustee ceases to carry on business;

  – if the Trustee fails or neglects after reasonable notice from the Manager to carry out or satisfy any material obligation imposed on the Trustee by the Trust Deed;

  – if an Extraordinary Resolution is passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed, and of which not less than 21 days' notice has been given to the Trustee and the Manager, shall so decide; or

  – if the MAS directs that the Trustee be removed.

Trustee's Fee

The Trustee's fee is presently charged on a scaled basis of up to 0.015% per annum of the value of the Deposited Property, subject to a minimum of S$15,000 per month, excluding out-of-pocket expenses and GST. The actual fee payable will be determined between the Manager and the Trustee from time to time.

Any increase in the rate of the Trustee's fee above the permitted limit or any change in the structure of the Trustee's fee shall be approved by an Extraordinary Resolution at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

TERMINATION OF KEPPEL DC REIT

Under the provisions of the Trust Deed, the duration of Keppel DC REIT shall end on:

- such date as may be provided under written law;
- the date on which Keppel DC REIT is terminated by the Manager in such circumstances as set out under the provisions of the Trust Deed as described below; or
- the date on which Keppel DC REIT is terminated by the Trustee in such circumstances as set out under the provisions of the Trust Deed as described below.

The Manager may in its absolute discretion terminate Keppel DC REIT by giving notice in writing to all Unitholders and the Trustee not less than three months in advance and to the MAS not less than seven days before the termination in any of the following circumstances:

- if any law shall be passed which renders it illegal or in the opinion of the Manager impracticable or inadvisable for Keppel DC REIT to exist;
- if the NAV of the Deposited Property shall be less than S$50.0 million after the end of the first anniversary of the date of the Trust Deed or any time thereafter; and
- if at any time Keppel DC REIT becomes unlisted after it has been listed.

Subject to the SFA and any other applicable law or regulation, Keppel DC REIT may be terminated by the Trustee by notice in writing in any of the following circumstances:

- if the Manager shall go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or if a receiver is appointed over any of its assets or if a judicial manager is appointed in respect of the Manager or if any encumbrancer shall take possession of any of its assets or if it shall cease business and the Trustee fails to appoint a successor manager in accordance with the provisions of the Trust Deed;
- if any law shall be passed which renders it illegal or in the opinion of the Trustee impracticable or inadvisable for Keppel DC REIT to exist; and
- if within the period of three months from the date of the Trustee expressing in writing to the Manager the desire to retire, the Manager shall have failed to appoint a new trustee in accordance with the provisions of the Trust Deed.

The decision of the Trustee in any of the events specified above shall be final and binding upon all the parties concerned but the Trustee shall be under no liability on account of any failure to terminate Keppel DC REIT pursuant to the paragraph above or otherwise. The Manager shall accept the decision of the Trustee and relieve the Trustee of any liability to it and hold it harmless from any claims whatsoever on its part for damages or for any other relief.

Generally, upon the termination of Keppel DC REIT, the Trustee shall, subject to any authorisations or directions given to it by the Manager or the Unitholders pursuant to the Trust Deed, sell the Deposited Property and repay any borrowings incurred on behalf of Keppel DC REIT in accordance with the Trust Deed (together with any interest accrued but remaining unpaid) as well as all other debts and liabilities in respect of Keppel DC REIT before distributing the balance of the Deposited Property to the Unitholders in accordance with their proportionate interests in Keppel DC REIT.

CERTAIN AGREEMENTS RELATING TO KEPPEL DC REIT AND THE PROPERTIES

The agreements discussed in this section are complex documents and the following is a summary only. Investors should refer to the agreements themselves to confirm specific information or for a detailed understanding of Keppel DC REIT. The agreements are available for inspection during business hours at the principal place of business of the Manager at 18 Cross Street #10-10, China Square Central, Singapore 048423 (prior appointment would be appreciated).

RIGHT OF FIRST REFUSAL AGREEMENTS

Sponsor Right of First Refusal Agreement

The Sponsor has on 25 November 2014 granted a right of first refusal to the Trustee for so long as:

- Keppel DC REIT is listed on and quoted for on the Main Board of the SGX-ST;
- Keppel DC REIT Management Pte. Ltd. or any of its related corporations remains the manager of Keppel DC REIT;
- the Sponsor and/or any of its related corporations, alone or in aggregate, remains as a controlling shareholder of the manager of Keppel DC REIT; and
- the Sponsor and/or any of its related corporations, alone or in aggregate, remains as a controlling unitholder of Keppel DC REIT,

("**ROFR Period**").

For the purposes of the Sponsor ROFR:

- a "**controlling shareholder**" means:
  - a person who holds directly or indirectly 15.0% or more of the total number of issued shares of the company; or
  - in fact exercises control over the company;
- a "**controlling unitholder**" in relation to a real estate investment trust means:
  - a person who holds directly or indirectly 15.0% or more of the total number of issued units in the real estate investment trust; or
  - in fact exercises control over the real estate investment trust;
- a "**related corporation**" has the same meaning as ascribed to it in the Companies Act;
- a "**Relevant Entity**" means the Sponsor or any of its existing or future subsidiaries (the "**Sponsor Group**") or future private funds managed by the Sponsor Group, and where such subsidiaries are not wholly-owned by the Sponsor or where the interests in such private funds are not wholly-owned by the Sponsor and their other shareholder(s) or private fund investor(s) is/are third parties (*i.e.* not members of the Sponsor Group), such subsidiaries or private funds will be subject to the Sponsor ROFR only upon obtaining the consent of such third parties, and in this respect, the Sponsor shall use its best endeavours to obtain such consent;

- a "**Relevant Asset**" means any income-producing real estate which is used primarily for data centre purposes. Where such income-producing real estate is held by a Relevant Entity through a single purpose company, vehicle or entity (a "**SPV**") established solely to own such real estate, the term "**Relevant Asset**" shall refer to the shares or equity interests, as the case may be, in that SPV; and

- a "**subsidiary**" shall have the meaning in this letter as its definition in the Companies Act, Chapter 50 of Singapore.

The Sponsor ROFR shall cover any proposed offer by a Relevant Entity to dispose of any interest in any Relevant Asset which is owned by the Relevant Entity ("**Sponsor Proposed Disposal**"). If the Relevant Asset is owned jointly by a Relevant Entity together with one or more third parties and the consent of any of such third parties is required for the Relevant Asset to be offered to Keppel DC REIT or its subsidiaries, the Sponsor shall use its best endeavours to obtain the consent of the relevant third party or parties, failing which the Sponsor ROFR shall not apply to the disposal of such Relevant Asset.

For the avoidance of doubt, the grant by any Relevant Entity of a lease (including a long term lease) over any such Relevant Asset (or any part thereof) for a rent or other service income shall not constitute or be deemed to constitute a Sponsor Proposed Disposal for the purposes of the preceding paragraph. The Sponsor shall issue a written notice to the Trustee in relation to a Sponsor Proposed Disposal ("**Offer Notice**"), which shall serve as an offer to sell the interest in the Relevant Asset to the Trustee on the terms and conditions as set out in the Offer Notice (the "**Sponsor Offer**").

Upon receipt of an Offer Notice, the Trustee shall have 30 calendar days (or such other period as the parties may agree in writing) to give a written notice of its acceptance ("**Acceptance Notice**") of all the terms and conditions of the Sponsor Offer, to the Sponsor, failing which the Trustee shall be deemed to have declined to accept the Sponsor Offer. For the avoidance of doubt, if the Acceptance Notice contains any variation from the terms and conditions of the Offer Notice (including any additional terms and conditions), the Sponsor may at its discretion but is not obliged to, regard such Acceptance Notice as rejection of the Sponsor Offer by the Trustee. Upon receipt of the Acceptance Notice from the Trustee, the Sponsor and the Trustee shall enter into and carry out negotiations in good faith with each other with a view to entering into a binding definitive agreement for the sale and purchase of the Relevant Asset ("**Definitive Agreement**") within 60 calendar days (or such other period as the parties may agree) after receipt of such Acceptance Notice ("**Negotiations Period**"). If the parties come to an agreement on the Sponsor Proposed Disposal, they shall enter into a Definitive Agreement on such terms and conditions as they may agree prior to the expiry of the Negotiations Period. Notwithstanding the transfer restrictions on the Relevant Assets as set out herein, any Relevant Entity shall be entitled to solicit offers from any third party for a Sponsor Proposed Disposal of a Relevant Asset at any time provided that the Relevant Entity shall not enter into any binding agreement with any third party unless the Trustee has failed to exercise the Sponsor Offer.

The Sponsor ROFR:

- is subject to any prior overriding contractual obligations[1] which the Relevant Entity may have in relation to the Relevant Assets and/or the third parties that hold these Relevant Assets;

- excludes the disposal of any interest in the Relevant Assets by a Relevant Entity to a related corporation of such Relevant Entity pursuant to a reconstruction, amalgamation,

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1 As at the Latest Practicable Date, there are no such prior overriding contractual obligations.

restructuring, merger and/or any analogous event or transfer of shares of the Relevant Entity between the shareholders of the Relevant Entity as may be provided in any shareholders agreement; and

- is subject to the applicable laws, regulations and government policies, the Listing Manual of the SGX-ST and any other approval required from any regulatory bodies.

In the event that:

(i) the Trustee indicates in writing to the Relevant Entity that Keppel DC REIT or the subsidiary shall not be purchasing the Relevant Asset or does not give an Acceptance Notice within the prescribed period;

(ii) the Trustee gives an Acceptance Notice that contains any variation from the terms and conditions as set out in the Offer Notice, and such Acceptance Notice is regarded by the Sponsor as a rejection of the Sponsor Offer by the Trustee;

(iii) the Trustee accepts the Sponsor Offer but the parties do not enter into a Definitive Agreement within the Negotiations Period; or

(iv) the Trustee accepts the Sponsor Offer and the parties enter into a Definitive Agreement but the Sponsor Proposed Disposal is not completed within the timeframe as set out in the Definitive Agreement (or such other period as the parties may agree in writing) for any reason other than any default on the part of the Sponsor,

the Trustee shall be deemed not to have exercised the Sponsor ROFR and the Relevant Entity shall be entitled to dispose its interest in the Relevant Asset to a third party on terms and conditions no more favourable to the third party than those offered by the Relevant Entity to the Trustee, provided that if the completion of the disposal of the Relevant Assets by the Relevant Entity does not occur within:

(a) in the case of paragraph (i) above, 12 months from the date upon which the Trustee declines or is deemed to have declined the Sponsor Offer;

(b) in the case of paragraph (ii) above, 12 months from the date of receipt by the Sponsor of the Acceptance Notice;

(c) in the case of paragraph (iii) above, 12 months from the date of expiry of the Negotiations Period; or

(d) in the case of paragraph (iv) above, 12 months from the expiry of the completion period referred to in paragraph (iv),

any proposal to dispose of such Relevant Asset after the aforesaid applicable period shall then remain subject to the Sponsor ROFR.

Australia Right of First Refusal Agreement

iseek Communications has on 25 November 2014 granted a right of first refusal to the Trustee (“**iseek ROFR**”) for a period of 36 months from the date on which the iseek ROFR is entered into. For the purposes of the iseek ROFR:

- a “**Relevant Asset**” means any income-producing real estate located in Australia, which is used primarily for data centre purposes. Such real estate shall include the data centre to be developed on the land located at Lot EP6012, on Cycas lane, Brisbane Airport. Where such income-producing real estate is held by a Relevant Entity through an SPV established solely to hold such real estate, the term "**Relevant Asset**" shall refer to the shares or equity interests, as the case may be, in that SPV; and

- a "**Relevant Entity**" means iseek Communications or any of its existing or future subsidiaries.

The iseek ROFR shall cover any proposed offer by a Relevant Entity to dispose of any interest in any Relevant Asset which is owned by the Relevant Entity ("**iseek Proposed Disposal**"). If the Relevant Asset is owned jointly by a Relevant Entity together with one or more third parties and the consent of any of such third parties is required for the Relevant Asset to be offered to Keppel DC REIT or its subsidiaries, iseek Communications shall use its best endeavours to obtain the consent of the relevant third party or parties, failing which the iseek ROFR shall not apply to the disposal of such Relevant Asset.

The iseek ROFR:

- is subject to any prior overriding contractual obligations[1] which the Relevant Entity may have in relation to the Relevant Assets and/or the third parties that hold these Relevant Assets;

- excludes the disposal of any interest in the Relevant Assets by a Relevant Entity to a related corporation of such Relevant Entity pursuant to a reconstruction, amalgamation, restructuring, merger and/or any analogous event or transfer of shares of the Relevant Entity between the shareholders of the Relevant Entity as may be provided in any shareholders agreement; and

- is subject to the applicable laws, regulations and government policies of Australia; and

- is subject to a conflict of interest test such that the iseek ROFR shall not apply if Keppel DC REIT or any of its subsidiaries is co-investing in the Relevant Asset with a third party who is a competitor of iseek Communications in Australia or where immediately upon the acquisition by the Trust or its subsidiary, the Relevant Asset will be leased to a competitor of iseek Communications in Australia. For the avoidance of doubt, the Trustee, the Trust, the Sponsor and their respective subsidiaries will not be construed as a competitor of iseek Communications in Australia for the purposes of the iseek ROFR.

In the event that:

- the Trustee fails or does not enter into a binding commitment (in the form of a sale and purchase agreement or an option agreement, whether conditional or unconditional) for the purchase of the Relevant Asset within 30 days (or such other period as may be mutually agreed by the Trustee and the Relevant Entity) from the date of the Trustee's receipt of the Written Notice together with the relevant Transaction Documents;

- the Trustee indicates in writing to the Relevant Entity that it shall not be purchasing the Relevant Asset; or

- the proposed acquisition of the Relevant Asset is aborted by the Trustee,

the Trustee shall be deemed to be unable to exercise, or not to have exercised, the iseek ROFR and the Relevant Entity shall be entitled to dispose its interest in the Relevant Asset to a third party on such terms and conditions no more favourable to the third party than those offered by the Relevant Entity to the Trustee, provided that if the completion of the completion of the disposal of

1 As at the Latest Practicable Date, there are no such prior overriding contractual obligations.

the Relevant Asset by the Relevant Entity does not occur within 12 months from the date of the written notice of the iseek Proposed Disposal, any proposal to dispose of such Relevant Asset after the aforesaid 12-month period shall then remain subject to the iseek ROFR unless during such 12-month period the iseek ROFR expires.

STATE LEASE, JTC LEASE AND HDB LEASE

S25 State Lease and JTC Lease

State Lease No. 24740 dated 17 August 2002, as supplemented by a Supplemental Deed dated 24 March 2008 were issued by the President of the Republic of Singapore, as lessor to JTC for S25, for a term of 99 years commencing from 3 September 1982 and expiring on 2 September 2081.

Principal terms of the State Lease No. 24740, as supplemented by a Supplemental Deed dated 24 March 2008 include, among others, the following:

- the land must be used for industrial development on a gross plot ratio not exceeding 2.5 gross and must not be used otherwise save with the prior written consent of the lessor, and such consent may be given on such conditions as the lessor thinks fit. The lessor shall have the right to demand a differential premium, as determined by the lessor in its absolute discretion, in respect of any increase in gross plot ratio or change of density or floor area or change of use which will result in an enhanced value;

- JTC shall not demise, mortgage, charge, assign, sublet, underlet or part with possession of the demised land in whole or in part without the prior written consent of the lessor, except that the consent of the lessor is not required for a mortgage or charge of part or whole of the demised land to any bank licensed under the Banking Act or to any finance company licensed under the Finance Companies Act; and

- the lessor is entitled to exercise the right of re-entry[1] if JTC fails to perform or observe any of the terms and conditions of the S25 State Lease. Upon re-entry, the term of the S25 State Lease will cease but without prejudice to any right of action or remedy that the lessor may have.

A registered Lease No I/48980S dated 29 August 2003 (the "**S25 JTC Lease**") was issued by JTC for a term of 30 years commencing from 1 October 1995 with a further term of 30 years for S25.

Principal terms of the S25 JTC Lease include, among others, the following:

- the term of the lease granted by JTC is 30 years commencing from 1 October 1995;

- JTC has stipulated a minimum fixed investment by the lessee of S$1,000 per square metre of the gross floor area on building and civil works (of which at least 1.5% of the building costs up to a maximum of S$300,000 must be on landscaping) and S$500 per square metre of the property on plant and machinery;

1 The right of re-entry refers to the right of the lessor, to repossess the property and re-enter the premises.

- the property is to be used for the "provision of facility management services including web and application hosting, server co-location and network management services only";

- the lessee shall ensure that the gross plot ratio of the property shall be not less than 2.0 and not more than 2.5;

- the lessee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the property in whole or in part without first obtaining the consent of JTC in writing; and

- in consideration of a minimum investment by the lessee of S$1,000 per square metre of the gross floor area on building and civil works (of which at least 1.5% thereof up to a maximum of S$300,000 must be on landscaping) and S$500 per square metre of the property on plant and machinery and development of the property to a gross plot ratio of not less than 2.0 and not more than 2.5, JTC shall grant to the lessee a further term of 30 years from the expiry of the initial term on the same terms and conditions and containing like covenants as in the S25 JTC Lease, except for the covenant for a further term. The rental payable for the further term shall be at the rate based on the market rent at the commencement of the further term.

S25 is affected by lines of road reserve[1].

T25 State Lease and HDB Lease

State Lease 22210 dated 18 June 1997, as supplemented by a Supplemental Deed dated 27 November 2008 issued by the President of the Republic of Singapore to the HDB for T25, for a term of 99 years commencing from 1 August 1991 and expiring on 31 July 2090.

Principal terms of the State Lease No. 22210 dated 18 June 1997, as supplemented by a Supplemental Deed dated 27 November 2008 include, among others, the following:

- the land must be used for industrial development on a gross plot ratio not exceeding 2.5 gross and must not be used otherwise save with the prior written consent of the lessor, and such consent may be given on such conditions as the lessor thinks fit. The lessor shall have the right to demand a differential premium, as determined by the lessor in its absolute discretion, in respect of any request by the lessee for increase in gross plot ratio or change of density or floor area or change of use;

- HDB shall not demise, mortgage, charge, assign, sublet, underlet or part with possession of the demised land in whole or in part without the prior written consent of the lessor, except that the consent of the lessor is not required for a mortgage or charge of part or whole of the demised land to any bank licensed under the Banking Act or to any finance company licensed under the Finance Companies Act; and

- the lessor is entitled to exercise the right of re-entry[2] if HDB fails to perform or observe any of the terms and conditions of the T25 State Lease. Upon re-entry, the term of the T25 State Lease will cease but without prejudice to any right of action or remedy that the lessor may have;

A registered Lease IA/259026A dated 20 September 2005, as varied by a Variation of Lease IC/290625Q dated 8 July 2011 (the "**T25 HDB Lease**") was issued by HDB for a term of 30 years commencing on 1 August 1991, with an option for a further term of 30 years for T25.

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1 The lines of road reserve have been taken into account for the independent valuations of S25.

2 The right of re-entry refers to the right of the lessor, to repossess the property and re-enter the premises.

Principal terms of the T25 HDB Lease include, among others, the following:

- the term of the lease granted by HDB is 30 years commencing from 1 August 1991;

- the property is to be used for "providing facility management services including web and application hosting, server co-location and network management services, e.g. housing of customers' telecommunications equipment, repair and related service and/or engineering support services for customers only";

- the lessee shall not demise, transfer, assign, mortgage, let, sublet, underlet, license or part with possession of the land or any part thereof in whatsoever manner and shall not effect any form of reconstruction including any form of amalgamation or merger with or takeover by another company, firm, body or party without first obtaining the consent of HDB in writing. Any consent if granted by HDB shall be given on such terms and conditions as HDB may in its entire and unfettered discretion deem fit to impose and shall include (a) full revision of the rental to the prevailing market rate from the date of assignment; (b) payment of such administrative fees as determined by HDB; and

- HDB shall at the written request of the lessee made not less than 12 months before the expiry of the initial term but not earlier than the 28th year of the initial term, grant to the lessee a lease of the land for a further term of 30 years which shall commence from the date immediately following the expiration of the said term on the same terms and conditions and containing like covenants as are contained in the T25 HDB Lease with the exception of the present covenant for renewal and such variations or modifications as shall be imposed by HDB, provided that (a) any demise, transfer, assignment or parting of possession of the land or any part thereof by the lessee in whatsoever manner within 5 years of the commencement of the further term will be approved by HDB only upon payment by the lessee of a fee ("**T25 additional fee**") which shall be equivalent to the value of the buildings and there shall also be a full revision of the rental to the prevailing market rate from the date of assignment and payment of such administrative fee as determined by HDB, provided that the lessee shall not be required to pay the T25 additional fee for any demise, transfer, assignment or parting with possession of the land or any part thereof by the lessee in whatsoever manner after the aforesaid 5 year period; (b) the rental payable for the further term shall be calculated at the rate based on the market rent of the land at the commencement of the further term; (c) there shall be no existing breaches or non-observances of any of the covenants or conditions contained in the T25 HDB Lease on the part of the lessee to be observed or performed.

T25 is affected by lines of road reserve[1].

SALE AND PURCHASE AGREEMENTS

The principal terms of the Sale and Purchase Agreements entered into with the respective vendors are summarised below.

S25 Sale and Purchase Agreement

The Manager as manager of Keppel DC REIT entered into an option agreement dated 25 November 2014 with Digihub (the "**S25 Option Agreement**"). Digihub is a wholly-owned subsidiary of KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion of 70% and 30% respectively. The S25 Option Agreement grants the

1 The lines of road reserve have been taken into account for the independent valuations of T25.

Manager an option which, upon exercise by the Trustee, would constitute a binding contract for the sale and purchase of S25 between Digihub and the Trustee (the "**S25 Purchase Agreement**"). The S25 Purchase Agreement contains, among others, the following terms:

- the sale includes the mechanical and electrical equipment located in S25;

- the purchase price of S25 is S$262,800,000[1];

- on completion, the Trustee will enter into a lease agreement with Digihub for a lease of S25, principal terms of which are summarised below;

- completion is subject to and conditional upon (a) the financing facilities to Keppel DC REIT being available for drawdown on completion date and (b) the listing of the units in Keppel DC REIT and commencement of trading of such units on SGX-ST;

- completion must not be earlier than 14 days and must not be later than 30 days after the date of exercise of the relevant call option or put option;

- Digihub is permitted to enter into, agree to or solicit any new (or renewal) tenancy, lease, licence, co-location agreements or occupation agreements in respect of S25 or any part of it after giving prior written notification to the Trustee, provided such new (or renewal) tenancy, lease, licence, co-location agreements or occupation agreements are entered into, agreed to or solicited in the normal and ordinary course of business of Digihub and all bank guarantees, insurance company guarantees and corporate guarantees (if any) furnished to Digihub are assignable to the Trustee;

- certain limited representations and warranties are made by Digihub such as representations and warranties relating to compliance with laws, litigation, equipment, title, property matters, environmental laws and property tax. Claims for breach of warranties are subject to an aggregate maximum limit, and must be made within 12 months after the completion of the sale and purchase of S25. The maximum aggregate liability of Digihub in respect of the claims shall not exceed the purchase price of S25. If, prior to completion, it is found that there is a breach of warranty by Digihub in any material respect, the Trustee shall be entitled to rescind the S25 Purchase Agreement;[2]

- Digihub is required to set aside and utilise a sum of S$8.0 million ("**S25 Capex Works Sum**") out of the purchase price for S25 to carry out and complete certain capex works to S25 by the date falling 24 months from and including the date of completion of S25. Where the aggregate cost of such capex works is less than the S25 Capex Works Sum, Digihub is required to pay over to the Trustee the difference. Where the aggregate cost of such capex works is more than the S25 Capex Works Sum:

  (a) such amount in excess of the S25 Capex Works Sum shall be borne by the Trustee provided that the Trustee's obligation to pay for the capex works shall be subject to a maximum cap of an amount equivalent to 10% of the S25 Capex Works Sum; and

  (b) all amounts in excess of S$8.8 million shall be at the expense of and shall be borne by Digihub;

1 Excludes upfront land premium payable.

2 The Trustee can decide to rescind the S25 Sale and Purchase Agreement, putting the parties back to the position as if the S25 Sale and Purchase Agreement had not existed, by giving written notice to Digihub.

- if there is material damage prior to completion, the Trustee is entitled to rescind the S25 Purchase Agreement[1], and material damage means damage to or destruction of S25 and/or the mechanical and electrical equipment or any part thereof such that it (1) S25 is rendered unfit for use or occupation or inaccessible for a continuous period of more than 14 days, (2) S25 is rendered unsafe or cannot lawfully be used, (3) there is a reduction of the value of S25 by 5% or more solely by reason of such damage;

- if on or before completion, the government or other competent authority acquires or gives notice of acquisition or intended acquisition affecting (i) any part of the building at S25 or (ii) 3% or more of the land area of S25, the Trustee is entitled to rescind the S25 Purchase Agreement[1];

- Digihub has filed a notice of objection against the assessed annual value of S25 ("**S25 Assessed AV**") for the period from 1 January 2014 to 31 December 2014 ("**S25 Assessed AV Period**"). In the event that Digihub's objection notice application is successful, and IRAS adopts an annual value ("**S25 New Lower AV**") for the S25 Assessed AV Period which is lower than the S25 Assessed AV, the Trustee shall pay Digihub an amount equivalent to the difference between the S25 Assessed AV and the S25 New Lower AV for the S25 Assessed AV Period, multiplied by 12. If, however, Digihub's objection notice applicable is not successful, and IRAS adopts an annual value ("**S25 New Higher AV**") for the S25 Assessed AV Period which is higher than the S25 Assessed AV, Digihub will pay the Trustee an amount equivalent to the difference between the S25 Assessed AV and the S25 New Higher AV for the S25 Assessed AV Period, multiplied by 12.

On execution of the S25 Option Agreement, the Manager paid an option fee of S$1.00 to Digihub pursuant to the terms of the S25 Option Agreement. Digihub shall be entitled to forfeit the entire option fee in the event the S25 Option Agreement is not exercised by the option exercise period or (ii) a written notice is not served by the Manager to Digihub by 31 December 2014 stating that a letter of eligibility has been issued by SGX-ST for the listing and quotation of the units in Keppel DC REIT on the main board of the SGX-ST and the admission of Keppel DC REIT to the official list of the SGX-ST.

By its letter dated 2 December 2014, JTC granted consent for the transfer of S25 to the Trustee on the terms and conditions of the said letter. Such terms and conditions include, inter alia, the following:

- in place of the existing yearly/annual rental scheme in the S25 JTC Lease, the Trustee shall pay to JTC the following:

  (i) (before completion of the sale of S25) a land premium for the remaining initial lease term under the S25 JTC Lease based on the market price prevailing on the date of completion of the sale of S25, excluding the buildings and other structures erected on S25; and

  (ii) an annual rent of $12, which is temporarily waived until such time as JTC may in its absolute discretion determine. The Trustee will be notified in writing should JTC decide to cease the waiver of annual rent;

- in respect of the further term of the S25 JTC Lease:

1 The Trustee can decide to rescind the S25 Sale and Purchase Agreement, putting the parties back to the position as if the S25 Sale and Purchase Agreement had not existed, by giving written notice to Digihub.

(i) a land premium based on the market price for S25, excluding the buildings and other structures erected on it, which shall be determined by JTC on or about the commencement of the further term and paid to JTC at the commencement of the further term or such later date as JTC may require; and

(ii) an annual rent of $12, which is temporarily waived until such time as JTC may in its absolute discretion determine. The Trustee will be notified in writing should JTC decide to cease the waiver of annual rent;

- the Trustee shall take over the remainder of the original lease term from the effective date of legal completion of the sale of S25;

- the Trustee is prohibited from selling, assigning or transferring S25 during the first 10 years starting from the completion of the sale of S25. Thereafter, if the Trustee wishes to sell, assign, transfer, create a trust or part with the possession or occupation of S25, the Trustee must first make a written offer to JTC at the prevailing market rate. If JTC declines the right of first refusal, the Trustee may, subject to JTC's prior written consent, sell, assign, transfer, create a trust or part with the possession or occupation of S25;

- the sale of S25 shall be legally completed within three months from the date of the JTC consent letter;

- as the assignment shall be in the form of a sale and leaseback arrangement, Digihub as the lessee and actual end-user of S25 shall upon completion of the sale of S25, continue to operate in S25 as a subtenant Provided always that Digihub shall occupy 100% of the gross floor area of S25 ("**Anchor GFA**") during the first 10 years starting from the completion of the sale of S25 ("**Compulsory Leaseback Period**");

- the Trustee is permitted, subject always to the condition relating to Anchor GFA and Compulsory Leaseback Period above and subject to JTC's prior written consent, to sublet to other subtenant(s) as may be authorised by JTC for such period as JTC may permit in JTC's absolute discretion ("**Other Sublettings**"), Provided always that after the Compulsory Leaseback Period, the Other Sublettings shall include anchor sub-tenants who shall each fulfil all the anchor sub-tenant criteria as required by JTC. The anchor sub-tenants shall collectively occupy the Anchor GFA, or the balance of the Anchor GFA not occupied by Digihub after the Compulsory Leaseback Period;

- under JTC's prevailing policy, JTC will not require the Trustee to pay to JTC the subletting fee in respect of the subletting to Digihub during the Compulsory Leaseback Period Provided always that Digihub does not during the Compulsory Leaseback Period do the following:

  (i) make an application for conversion under Part IV of the Limited Liability Partnerships Act 2005; or

  (ii) pass any resolutions or do any act which may result in the issuance by the Registrar of Companies of a notice of amalgamation under Part VII of the Companies Act;

- If the subletting to Digihub ceases during the Compulsory Leaseback Period, JTC has the discretion not to permit Other Sublettings in respect of the Anchor GFA during the Compulsory Leaseback Period; and

- there shall in any event not be any legal subdivision of S25.

T25 Sale and Purchase Agreement

The Manager as manager of Keppel DC REIT entered into an option agreement dated 25 November 2014 with Datahub (the "**T25 Option Agreement**"). Datahub is a wholly-owned subsidiary of KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion of 70% and 30% respectively.

The T25 Option Agreement grants the Manager an option which, upon exercise by the Trustee, would constitute a binding contract for the sale and purchase of T25 between Datahub and the Trustee (the "**T25 Purchase Agreement**"). The T25 Purchase Agreement contains, among others, the following terms:

- the sale includes the mechanical and electrical equipment located in T25;

- the purchase price of T25 is S$162,000,000[1];

- on Completion, the Trustee will enter into a lease agreement with Datahub for a lease of T25, principal terms of which are summarised below;

- completion is subject to and conditional upon (a) the financing facilities to Keppel DC REIT being available for drawdown on completion date and (b) the listing of the units in Keppel DC REIT and commencement of trading of such units on SGX-ST;

- completion must not be earlier than 14 days and must not be later than 30 days after the date of exercise of the relevant call option or put option;

- Datahub is permitted to enter into, agree to or solicit any new (or renewal) tenancy, lease, licence, co-location agreements or occupation agreements in respect of T25 or any part of it after giving prior written notification to the Trustee, provided such new (or renewal) tenancy, lease, licence, co-location agreements or occupation agreements are entered into, agreed to or solicited in the normal and ordinary course of business of Datahub and all bank guarantees, insurance company guarantees and corporate guarantees (if any) furnished to Datahub are assignable to the Trustee;

- certain limited representations and warranties are made by Datahub such as representations and warranties relating to compliance with laws, litigation, equipment, title, property matters, environmental laws and property tax. Claims for breach of warranties are subject to an aggregate maximum limit, and must be made within 12 months after the completion of the sale and purchase of T25. The maximum aggregate liability of Datahub in respect of the claims shall not exceed the purchase price of T25. If, prior to completion, it is found that there is a material breach of warranty by Datahub in any material respect, the Trustee shall be entitled to rescind the T25 Purchase Agreement[2];

- if there is material damage prior to completion, the Trustee is entitled to rescind the T25 Purchase Agreement[2], and material damage means damage to or destruction of T25 and/or the mechanical and electrical equipment or any part thereof such that it (1) T25 is rendered unfit for use or occupation or inaccessible for a continuous period of more than 14 days, (2) T25 is rendered unsafe or cannot lawfully be used, (3) there is a reduction of the value of T25 by 5% or more solely by reason of such damage;

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1 Excludes upfront land premium payable.

2 The Trustee can decide to rescind the T25 Sale and Purchase Agreement, putting the parties back to the position as if the T25 Sale and Purchase Agreement had not existed, by giving written notice to Datahub.

- if on or before completion, the government or other competent authority acquires or gives notice of acquisition or intended acquisition affecting (i) any part of the building at T25 or (ii) 3% or more of the land area of T25, the Trustee is entitled to rescind the T25 Purchase Agreement[1]; and

- Datahub has filed a notice of objection against the assessed annual value of T25 ("**T25 Assessed AV**") for the period from 1 January 2014 to 31 December 2014 ("**T25 Assessed AV Period**"). In the event that Datahub's objection notice application is successful, and IRAS adopts an annual value ("**T25 New Lower AV**") for the T25 Assessed AV Period which is lower than the T25 Assessed AV, the Trustee shall pay Datahub an amount equivalent to the difference between the T25 Assessed AV and the T25 New Lower AV for the T25 Assessed AV Period, multiplied by 12. If, however, Datahub's objection notice applicable is not successful, and IRAS adopts an annual value ("**T25 New Higher AV**") for the T25 Assessed AV Period which is higher than the T25 Assessed AV, Datahub will pay the Trustee an amount equivalent to the difference between the T25 Assessed AV and the T25 New Higher AV for the T25 Assessed AV Period, multiplied by 12.

On execution of the T25 Option Agreement, the Manager paid an option fee of S$1.00 to Datahub pursuant to the terms of the T25 Option Agreement. Datahub shall be entitled to forfeit the entire option fee in the event the T25 Option Agreement is not exercised by the option exercise period or (ii) a written notice is not served by the Manager to Datahub by 31 December 2014 stating that a letter of eligibility has been issued by SGX-ST for the listing and quotation of the units in Keppel DC REIT on the main board of the SGX-ST and the admission of Keppel DC REIT to the official list of the SGX-ST.

By its letter dated 16 May 2014, HDB granted consent for the transfer of T25 to the Trustee on the terms and conditions of the said letter. Such terms and conditions include, *inter alia*, the following:

- the sale of T25 shall be completed contemporaneously with the listing of the proposed Keppel DC REIT and in any event not later than three calendar months from the date of the HDB consent letter. HDB has granted Datahub an extension of time till 31 December 2014 to complete the sale of T25;

- the Trustee shall at its own cost and expense, comply with the terms and conditions imposed by the relevant government authorities in connection with the proposed transfer of T25;

- the Trustee shall use T25 as a data centre only in accordance with the terms of the T25 HDB Lease and shall not use T25 for commercial activities or for independent office/commercial use;

- the Trustee shall confine all industrial activities, including storage within a sheltered area and provided with containment activities, where necessary, to prevent pollution. Industrial activities are not allowed in open areas and the Trustee and its permitted tenants/subtenants are not allowed to load/unload or place any articles and goods or spill over of goods/articles onto the common area outside T25's boundary at all times;

- the Trustee shall agree to a conversion from the current rental scheme (whereby a yearly rent is payable under the T25 HDB Lease) to a lump sum premium scheme, whereby in lieu of the yearly rent, the Trustee shall pay an upfront land premium for the balance lease term of the T25 HDB Lease (and GST thereon) to HDB on or before the day of completion of the sale of T25;

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1 The Trustee can decide to rescind the T25 Sale and Purchase Agreement, putting the parties back to the position as if the T25 Sale and Purchase Agreement had not existed, by giving written notice to Datahub.

- the Trustee shall not re-assign or transfer the T25 HDB Lease within three years from the date of completion of the sale of T25;

- the Trustee shall apply to HDB for consent to sublet T25 to Datahub (pursuant to the proposed sale and leaseback transaction) and pay a subletting consent fee to HDB; and

- the Trustee shall pay any differential premium/development charges as imposed by HDB as lessor or the competent authorities in connection with any change of use or intensity of T25 or increase in the gross floor area or gross plot ratio of the buildings and structures of T25 or any alteration or addition works or development or re-development works thereon.

Gore Hill Share Purchase Agreement

Keppel Data Centres (as vendor) and the Trustee (as purchaser) have entered into the Gore Hill Share Purchase Agreement dated 25 November 2014, pursuant to which Keppel Data Centres agrees to sell, and the Trustee agrees to purchase, the entire issued share capital of Boxtel Investments Limited (the " **Gore Hill Sale Shares**"). Concurrently with the sale of the Gore Hill Sale Shares, Keppel Data Centres shall transfer and assign absolutely and unconditionally to the Trustee all its rights, benefits and interest in the balance of the shareholder loan extended by Keppel Data Centres to Boxtel Investments Limited (the "**Outstanding Shareholder Loan**") which remains unpaid and outstanding as at completion. Keppel Data Centres is a wholly-owned subsidiary of the Sponsor.

The Gore Hill Share Purchase Agreement contains, among others, the following terms:

- the aggregate consideration payable under the Gore Hill Share Purchase Agreement (the "**Aggregate Consideration**") shall comprise (a) the consideration for the share capital of Boxtel (the "**Share Consideration**") being equal to the aggregate of (i) 30% of the agreed value of Gore Hill Data Centre of A$189.65 million, (ii) 30% of the consolidated net tangible asset value of Securus Guernsey 2 as at the date of completion, excluding the current book value of Gore Hill Data Centre of A$174.0 million and (iii) the net tangible asset value of Boxtel as at the date of completion and (b) the principal amount of the Outstanding Shareholder Loan together with all accrued but unpaid interest thereon (including default interest) as at the date of completion (the "**Loan Consideration**");

- the Share Consideration and Loan Consideration to be paid by the Trustee to Keppel Data Centres on completion shall be based on a pro-forma completion accounts and pro forma completion statement produced by Keppel Data Centres and shall be adjusted (if necessary) based on the completion accounts and completion statement to be agreed between the parties within 30 days after completion (or, in the absence of agreement, by a third party expert);

- conditions precedent to completion of the sale of the Gore Hill Sale Shares and the assignment of the Outstanding Shareholder Loan, being (a) the passing at a general meeting of Keppel T&T a resolution to approve the sale to the Trustee, (b) the Treasurer of the Commonwealth of Australia issuing a statement that there are no objections in terms of Australia's Foreign Acquisitions and Takeovers Act 1975 (Cwlth) or the Australian Commonwealth Government's Foreign Investment Policy and (c) the listing of the Units in Keppel DC REIT on the SGX-ST;

- certain pre-completion undertakings on the part of Keppel Data Centres, which include undertakings that Boxtel Investments Limited (a) shall carry on its business as a going concern and in the ordinary and usual course, (b) shall not (without the prior written consent of the Trustee) (i) enter into, amend, terminate or exercise an option in relation to any agreement or incur any commitment or (ii) acquire or dispose of any asset or stock;

- certain limited representations and warranties made by Keppel Data Centres as seller on the ownership of the Gore Hill Sale Shares and in relation to certain matters relating to Boxtel Investments Limited, including Boxtel Investments Limited's ownership of 30.0% of the issued share capital of Securus Guernsey 2;

- Keppel Data Centres has undertaken to indemnify the Trustee, or at its option, Boxtel Investments Limited, Securus Guernsey 2, Securus Australia No. 2 Pty Limited or Securus Australia Trust No. 2, in respect of (a) any liability to make a payment of or in respect of taxation on the part of Boxtel Investments Limited, Securus Guernsey 2, Securus Australia No. 2 Pty Limited or Securus Australia Trust No. 2 arising on or before the date of completion and (b) for all reasonable out-of-pocket costs and expenses incurred and payable in connection with a successful claim under this tax indemnity, except that in the event the liability for taxation is incurred by Securus Guernsey 2, Securus Australia No. 2 Pty Limited or Securus Australia Trust No. 2, Keppel Data Centres' liability is limited to 30.0% of the liability for taxation and/or the reasonable out-of-pocket costs and expenses. In all cases, Keppel Data Centres liability under the tax indemnity is subject to a maximum cap which shall be equivalent to the Aggregate Consideration. Claims under the tax indemnity shall be brought within seven years from the date of completion;

- the indemnity excludes (i) any deferred tax liability provided for in the completion accounts, (ii) any tax liability of Boxtel Investments Limited, Securus Guernsey 2, Securus Australia No. 2 Pty Limited or Securus Australia Trust No. 2 arising from the disposal of Gore Hill Data Centre after completion, (iii) any loss or allowance that becomes unavailable to Boxtel Investments Limited, Securus Guernsey 2, Securus Australia No. 2 Pty Limited or Securus Australia Trust No. 2 due to a substantial change in their shareholders or unitholders after completion or (iv) any tax liability which arises as a result of any change in any laws, practices or rates of taxes after the date of the Gore Hill Share Purchase Agreement;

- Keppel Data Centres has undertaken to indemnify the Trustee for retrospective property tax, where if property tax for Gore Hill Data Centre is levied or increased on or before the date of completion, Keppel Data Centres shall pay to the Trustee a sum equivalent to 30.0% of such levy or increase in the property tax subject to a maximum cap which shall be equivalent to the Aggregate Consideration. Claims under the indemnity for retrospective property tax shall be brought within seven years from the date of completion;

- certain limitations on the liability of Keppel Data Centres for breach of its obligations under the agreement (other than the tax indemnity and indemnity for retrospective property tax) including:

  (a) a cap on the maximum aggregate liability of Keppel Data Centres in respect of claims for any breach under the agreement which shall be equal to the Aggregate Consideration. If prior to completion, it is found that there is a material breach of Keppel Data Centres' representations and warranties, the Trustee is entitled to terminate the Gore Hill Share Purchase Agreement at any time;

  (b) Keppel Data Centres shall not be liable in respect of any individual claim (or a series of claims arising from substantially identical facts or circumstances) where the liability agreed or determined in respect of any such claim does not exceed A$5,000 and shall not be liable in respect of any claim unless the aggregate amount of all claims for which Keppel Data Centres would otherwise be liable for exceeds A$50,000;

  (c) In respect of any claim, claims shall be brought within two years from the date of completion; and

- no limitation of any kind whatsoever shall apply in respect of any claim under the warranties to the extent that such claim arises or is increased, as the consequence of, or is delayed as a result of, fraud, wilful misconduct, wilful concealment or gross negligence by Keppel Data Centres, Boxtel Investments Limited or any of their respective directors, officers, employees or agents.

iseek Sale and Purchase Agreement

JPOB Investments Pty Limited, being the iseek Vendor, and Securus Guernsey 1 have entered into a Unit and Share Sale and Purchase Agreement dated 25 November 2014 pursuant to which the iseek Vendor has agreed to sell its shares in Securus Australia No. 1 Pty Limited and its units in the Securus Australia Trust No. 1 to Securus Guernsey 1 (which is a wholly-owned subsidiary of Keppel DC REIT) ("**iseek SPA**").

The iseek SPA contains, among others, the following terms:

- the iseek Vendor agrees to sell three ordinary shares in Securus Australia No. 1 Pty Limited (being 30% of total company shares owned) and 3,550,928 units in Securus Australia Trust No. 1 (being 30% of total trust units owned) ("**Sale Securities**") to Securus Guernsey 1 for the sale consideration;

- the sale consideration is the amount calculated using the following formula:

$$\textbf{SC} = \textbf{A} - (\textbf{30\% x ED}) + (\textbf{30\% x NWC})$$

- For the purposes of the formula:

  (i) "**A**" will be the higher of A$8,400,000 and the amount of A calculated in accordance with the following formula:

$$\mathbf{A = 30\% \times \frac{\text{Valuation of the Property}}{\text{Valuation of Keppel DC REIT portfolio}} \times \text{Enterprise value of Keppel DC REIT at the Listing Date (via book-building and debt at IPO and net of IPO transaction costs)}}$$

  (a) the 'Valuation of the Property' will be the present value of iseek Data Centre, and which will be the average of two independent third party valuations and stated in this Prospectus;

  (b) the 'valuation of the Keppel DC REIT portfolio' will be the aggregate present value of all of the assets of Keppel DC REIT, as determined by the independent third party valuations commissioned for the IPO and stated in this Prospectus;

  (c) the 'Enterprise Value of Keppel DC REIT at the Listing Date' will be an amount equal to the market capitalisation of Keppel DC REIT as at the open of trade on the SGX on the date of listing plus the debt of Keppel DC REIT on the date of listing, less all cash and cash equivalents held by Keppel DC REIT on the date of listing).

  (ii) "**ED**" will be the amount of external debt of Securus Australia Trust No. 1 on completion as shown in the completion accounts that are to be prepared not less than 7 days before completion; and

(iii) "**NWC**" will be the net working capital of Securus Australia Trust No. 1 on completion, and being an amount equal to the sum of all cash, receivables and payables of the Trust as shown in the completion accounts that are to be prepared not less than 7 days before completion.

However, the sale consideration shall not in any circumstances exceed a price equal to 30% multiplied by an amount that is 10% above the average of the two independent third party valuations commissioned for the IPO and stated in this Prospectus.

- the iseek SPA does not come into effect and is not binding until the Treasurer of the Commonwealth of Australia (or his delegate) gives advice, either without conditions or with conditions that are acceptable to Securus Guernsey 1 Limited, that there are no objections under the Foreign Acquisitions and Takeovers Act 1975 (Cth) or Australia's foreign investment policy to the proposed sale of the Sale Securities to Securus Guernsey 1;

- completion of the iseek SPA is conditional upon (a) BAC giving its written consent to the transfer of the Sale Securities to Securus Guernsey 1; (b) the listing of the units in Keppel DC REIT, and its interests quoted, on SGX-ST; and, if required, (c) Standard Chartered Bank giving its written consent to the transfer of the Sale Securities to Securus Guernsey 1;

- Securus Guernsey 1 has the power to appoint directors to the board of iseek Facilities Pty Ltd with effect from completion, subject to the constitution of iseek Facilities Pty Ltd. From completion, one of the current directors of iseek Facilities Pty Ltd will retire;

- the iseek Vendor remains the owner of, and bears all risk in connection with, the Sale Securities until completion under the iseek SPA. Subject to completion occurring, the risk in connection with the Sale Securities passes to Securus Guernsey 1 from completion under the iseek SPA;

- certain limited representations and warranties are made by the iseek Vendor such as representations and warranties relating to compliance with laws and title to the Sale Securities. Securus Guernsey 1 can only make a claim in relation to breach of a warranty if it notifies the iseek Vendor within 12 months of completion;

- Securus Guernsey 1 may terminate the iseek SPA at any time before completion by notice in writing if (a) any warranty made by the iseek Vendor is not true, is misleading or breached; (b) if the iseek Vendor is insolvent or (c) if a material adverse change occurs (namely, an effect reasonably expected to involve an adverse financial impact of more than A$5,400,000 on the business, financial condition or results of operation of Securus Australia Trust No. 1);

- the iseek Vendor may terminate the iseek SPA at any time before completion by notice in writing if (a) any representation or warranty made by Securus Guernsey 1 is not true, is misleading or breached; or (b) Securus Guernsey 1 is insolvent.

2014 Basis Bay Share Sale Agreement

The Trustee, in its capacity as trustee of Keppel DC REIT, entered into a share sale agreement dated 25 November 2014 with the Basis Bay Vendor (the "**2014 Basis Bay Share Sale Agreement**"). The 2014 Basis Bay Share Sale Agreement contains, among others, the following terms:

- The Basis Bay Vendor agrees to sell and the Trustee agrees to purchase 1,295,230 ordinary shares of RM1.00 each in Basis Bay Capital Management Sdn Bhd, representing 19.0% of the issued and paid up share capital of Basis Bay Capital Management Sdn Bhd (the "**Basis Bay Sale Shares**");

- The purchase price ("**purchase consideration**") for the Basis Bay Sale Shares shall be calculated based on the following formula:

purchase consideration = A – (20% x ED) + 19% x NWC

Where:

"**A**" is the amount calculated in accordance with the following formula:

19% x (VP / V S-REIT) x EV S-REIT

Where:

VP is the present value of the Property (as defined below), which will be the average of the two independent third-party valuations commissioned for the IPO and stated in this Prospectus;

V S-REIT is the aggregate present value of all of the assets of Keppel DC REIT, as determined by the independent third-party valuations commissioned for the IPO and stated in this Prospectus (and where an asset is the subject of two independent third-party valuations, the value of the asset will be the average of the two valuations); and

EV S-REIT is the enterprise value of Keppel DC REIT specified in the completion accounts, and being an amount equal to:

- the market capitalisation of Keppel DC REIT as at the open of trade on the SGX-ST on the date of its listing on the SGX-ST; plus
- the debt of Keppel DC REIT as at the date of its listing on the SGX-ST; less
- cash and cash equivalents held by Keppel DC REIT as at the date of its listing on the SGX-ST; and

ED is the amount of the external debt of Basis Bay Capital Management Sdn Bhd as at the completion date.

NWC is the net working capital of Basis Bay Capital Management Sdn Bhd on completion date and being an amount equal to the sum of all current assets (excluding capitalised debt costs) and current liabilities (excluding short term loan) as shown in the completion accounts.

Provided that the purchase consideration shall not in any circumstances exceed the maximum purchase consideration. If the purchase consideration as calculated results in a sum that exceeds the maximum purchase consideration, then the purchase consideration will be the maximum purchase consideration, where:

"**maximum purchase consideration**" means the amount equal to 19% multiplied by an amount that is 10% above the average of the two independent third-party valuations of Basis Bay Data Centre commissioned for the IPO as stated in this Prospectus.

- The purchase consideration shall be paid and satisfied by the allotment and issue to the Basis Bay Vendor (or its nominee) of the Basis Bay Consideration Units which are to be derived in the following manner:

$$\text{Basis Bay Consideration Units} = \frac{\text{purchase consideration}}{\text{Offering Price}}$$

Provided that where the number derived is not a whole number, the number of Consideration Units to be issued shall be rounded downwards to the nearest whole number and any balance sum which is not satisfied by the issue of the Consideration Units due to such rounding down, shall be paid in cash by the Trustee to the Basis Bay Vendor at completion.

- Completion of the sale and purchase of the Basis Bay Sale Shares at the purchase consideration will be on the basis that:

  (i) Basis Bay Capital Management Sdn Bhd is the registered and beneficial owner of the land held under individual title H.S.(D) 7130, PT 12162, Mukim of Dengkil, District of Sepang, State of Selangor Darul Ehsan together with building erected thereon and has the full legal right to deal with the property subject to the conditions of title and restrictions in interest applicable to the said land;

  (ii) the Basis Bay Vendor has good title to the Basis Bay Sale Shares and the Basis Bay Sale Shares will be free from any encumbrances as at the completion date;

  (iii) the relevant agreements entered between the existing customers and/or sub-tenants of Basis Bay Services and Basis Bay Services in relation to Basis Bay Data Centre will remain valid, existing and effective notwithstanding the completion; and

  (iv) the Basis Bay Lease and the supplemental agreement to the Basis Bay Lease which would be entered into by Basis Bay Services and Basis Bay Capital Management Sdn Bhd will remain valid, existing and effective notwithstanding the completion.

- Completion is subject to and conditional upon (a) the listing of the Units in Keppel DC REIT on the SGX-ST and (b) the supplemental agreement to the Basis Bay Lease being executed between Basis Bay Capital Management Sdn Bhd and Basis Bay Services;

- Upon completion, the Basis Bay Vendor, the Trustee and Basis Bay Capital Management Sdn Bhd shall enter into the Basis Bay Shareholder's Agreement (as defined herein) to amend and vary the original shareholder's agreement and the rights, obligations and commercial expectations of the shareholders of Basis Bay Capital Management Sdn Bhd to reflect the new shareholding proportion of 1% which will be held by the Basis Bay Vendor and 99% which will be held by Keppel DC REIT on the Listing Date; and

- Certain limited representations and warranties are made by the Basis Bay Vendor such as representations and warranties relating to compliance with laws, litigation and title and ownership of the Basis Bay Sale Shares. If at any time after completion and up to twelve (12) months from completion, it should transpire that any of the representations and warranties given by the Basis Bay Vendor is untrue in a material respect and which, if capable of rectification, has not been rectified by the Basis Bay Vendor within thirty (30) days from the date of its receipt of a written notice from the Trustee requiring it to do so, then, the Trustee shall be entitled to damages and any other remedy available to the Trustee at law.

Almere Data Centre Sale and Purchase Agreement

Borchveste and Securus Almere B.V. entered into a sale and purchase agreement on 11 April 2013, pursuant to which Borchveste sold the Almere Data Centre to Securus Almere B.V. under, amongst others, the following terms:

- the property sold consists of the plot of land located at Almere, locally known as Rondebeltweg 62 on the '*Sallandsekant*' business park in Almere, registered with the Land Registry as municipality of Almere, section P number 7108, measuring approximately 79 ares and 30 centiares, and the building erected thereon, consisting of industrial space, measuring a total of approximately 11,000 sq m GFA, approximately 5,000 sq m GFA "data room" and approximately 6,000 sq m GFA subordinate and support space, including office space, other space and business-related and certain building-related systems/installations (including data centre plant and equipment) as well as 41 parking spaces, with appurtenances, subject to the Ground Lease for the benefit of Borchveste;

- the purchase price is €76,210,996 (S$124,002,912), excluding any VAT and purchaser's cost;

- on completion, the parties will enter into (*inter alia*) a deed of transfer to transfer the title and to establish the Ground Lease for the benefit of Borchveste, with continuation of the lease agreement between Borchveste as lessor and the underlying tenant as lessee;

- completion is subject to the condition precedent that the lease agreement between Borchveste and the underlying tenant has not been affected;

- Borchveste during the period that the Ground Lease is in place shall not enter into any obligations other than which are provided for in the respective sale and purchase agreement, deed of transfer and establishment of the Ground Lease and/or the underlying lease agreement with underlying tenant;

- certain representations and warranties are made by Borchveste such as representations and warranties relating to authority, no-conflicts with other obligations, the property, environment, rights *in rem*[1], qualitative obligations and attachments, public law aspects, charges and costs, and lease, including the warranty that Borchveste shall comply with all obligations under the lease agreement between Borchveste and the underlying tenant during the initial term of such lease agreement (*i.e.* until 31 August 2028 or so much earlier as the lease ends). After such date, Borchveste shall no longer be obliged to comply with the obligations under the underlying lease;

- in case the Ground Lease ends, Securus Almere B.V. shall fully uphold any lease agreement which has been entered into with its approval (including the lease agreement between Borchveste and the underlying tenant), and comply with the obligations under such lease agreement;

- certain representations and warranties are made by Securus Almere B.V. such as representations and warranties relating to non-conflict with other obligations and that it will use the property sold for purposes for which a complete or almost complete (90% or more) right to deduction of tax in pursuance of article 15 of the Dutch Turnover Tax Act 1968 (*Wet op de omzetbelasting 1968*) exists;

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1 The vendor has provided various warranties regarding rights in rem including that (a) no obligations entailed by a particular title within the meaning of article 6:252 of the Dutch Civil Code exist other than as set out in the Almere Deed of Transfer and the Ground Lease, (b) that no other easements or servitudes exist than those recorded in the public registers as of the date of the agreement, (c) that Almere Data Centre is sold free of mortgages and attachments or any registration thereof and that (d) no covenants in any subsequent transfer need to be imposed upon Keppel DC REIT as the purchaser (see also "Overview of Relevant Laws and Regulations in Australia, Malaysia, the UK, Netherlands and Ireland – Relevant Laws and Regulations in the Netherlands – Real Estate Law – Types of Entitlement to Real Estate" for further details on what are rights in rem).

- as there is an environmental permit available for the (operation of the) property sold as well as the adjacent premises jointly in the name of Borchveste, it is agreed that Borchveste shall request the competent authorities to, and do its utmost to arrange that, the environmental permit (or a new environmental permit) shall only relate to (the operation of the) the property sold and not to the adjacent premises or alternatively shall be split between the property sold and the adjacent premises. Borchveste shall indemnify Securus Almere B.V. for any costs and damages incurred by Securus Almere B.V. as a result of (enforcement) measures that may be imposed by the competent authorities due to issues relating to the adjacent premises and the environmental permit still relating to the property sold and the adjacent premises;

- under the condition precedent of the termination of the Ground Lease, Borchveste shall transfer to Securus Almere B.V. at completion, to the extent possible, all transferable rights of indemnification and all other rights that Borchveste has vis-à-vis its legal predecessors and/or third parties, including contractors, subcontractors and suppliers, in respect of the property sold to the extent that such rights are not transferred by operation of law;

- during the period that Securus Almere B.V. is the owner of the property sold, it shall comply with the right of first refusal of the underlying tenant as set out in the lease agreement between Borchveste and the underlying tenant;

- establishment of a first right of mortgage on the Ground Lease as a security for the payment of the ground rent under the Ground Lease for the benefit of Securus Almere B.V., or alternatively if so required, for the benefit of the financing bank of Securus Almere B.V. as (third party) security for its obligations vis-à-vis the financing bank;

- establishment of a first right of pledge on the on the rent payments under the lease agreement between Borchveste and the underlying tenant for the benefit of Securus Almere B.V., or alternatively if so required, for the benefit of the financing bank of Securus Almere B.V. as (third party) security for its obligations vis-à-vis the financing bank;

- certain agreements with an aim to safeguard power for the Almere Data Centre as well as for the adjacent premises;

- a seller's guarantors clause, pursuant to which Reggeborgh Vastgoed Investments B.V. and Volkerwessels Bouw & Vastgoedontwikkeling B.V.,[1] two Dutch private companies with limited liability, are liable by way of separate and independent obligation, with Borchveste towards Securus Almere B.V. with respect to any and all rightful claims that Securus Almere B.V. may have against Borchveste in connection with or resulting from the sale and purchase agreement and the fulfilment of the obligations resulting from the Ground Lease. The guarantee will be limited to a total maximum amount of €3,710,996 (S$6,038,162) (comprising a liability limit of €2,167,204 (S$3,526,258) by Reggeborgh Vastgoed Investments B.V. and a liability limit of €1,543,762 (S$2,511,855) by Volkerwessels Bouw & Vastgoedontwikkeling B.V.) as per the date of completion, which amount is to be increased annually to a total maximum of €5,000,000 (S$8,135,500) (comprising a liability limit of €2,920,000 (S$4,751,132) by Reggeborgh Vastgoed Investments B.V. and a liability limit of €2,080,000 (S$3,384,368) by Volkerwessels Bouw & Vastgoedontwikkeling B.V.); and

- completion took place on or around 18 April 2013 by execution of a notarial deed of transfer.

1 Reggeborgh Vastgoed Investments B.V. and Volkerwessels Bouw & Vastgoedontwikkeling B.V. are the shareholders of Borchveste.

Almere Deed of Transfer

Pursuant to the Almere Deed of Transfer executed on 17 April 2013, Borchveste has transferred the title of the property sold to Securus Almere B.V. under retention of a Ground Lease in favour of itself. Consequently, the Ground Lease has been established in favour of Borchveste.

Leasehold term and intended use

- The Ground Lease has been established for a maximum period of twenty (20) years with no option to renew and/or extend and will therefore by operation of law end ultimately on 17 April 2033.

Ground Rent

- Pursuant to the Almere Deed of Transfer, parties have agreed to an initial annual ground rent of €5,814,899.00 (S$9,461,422) to be increased with VAT. The ground rent has to be paid in twelve equal monthly terms.

- In case of non-payment or a shortage in the amount of rent to be received by Borchveste, Securus Almere B.V. may take over the position of Borchveste towards the lessee in that respect.

Termination

- Borchveste is only entitled to terminate the Ground Lease unilaterally in the event that the lease agreement between Borchveste (as the lessor) and the underlying tenant (as the lessee) ends and the lessee has not used the option to renew or extend the lease agreement.

- Securus Almere B.V. may terminate the Ground Lease unilaterally in the following circumstances:

  (i) if Borchveste seriously fails in the observance of any obligation resulting from the leasehold conditions;

  (ii) if Borchveste does not pay the ground rent for two consecutive years; or

  (iii) if Borchveste has applied for moratorium of payments or has been declared bankrupt.

- In case of a premature termination of the Ground Lease due to a termination by Securus Almere B.V., Securus Almere B.V. is obliged to accept (take over) the lease agreement concluded by Borchveste with the underlying tenant and therefore has to comply with all rights and obligations arising thereof as lessor. In that respect an indemnification in favour of Borchveste is included in the Almere Deed of Transfer.

- In case of a termination of the Ground Lease, Borchveste is not entitled to remove the buildings and appurtenances; additionally Securus Almere B.V. is not obliged to reimburse the value thereof to Borchveste.

Transfer, encumbrance and such like

- According to the Almere Deed of Transfer, Borchveste is, without prior written consent of Securus Almere B.V., not entitled to, amongst others, transfer the Ground Lease, encumber the Ground Lease with a right of mortgage, enter into other lease agreements and/or amend the lease agreement.

- Borchveste is however obliged to cooperate in the establishment of a right of mortgage for the benefit of financers of Securus Almere B.V. at the first request of Securus Almere B.V.

Access, insurance, damages and changes to the property

According to the Almere Deed of Transfer the following provisions also apply to the Ground Lease:

- Borchveste is, insofar as possible, obliged to grant (i) Securus Almere B.V. and/or the persons appointed by Securus Almere B.V. access to the property if Securus Almere B.V. wishes to carry out a valuation of the property or wishes to carry out works in, on or to the property, (ii) the financers of Securus Almere B.V. access to the property upon their request, all this subject to the provisions on this matter as mentioned in the lease agreement;

- Securus Almere B.V. is obliged to, also on behalf of Borchveste as entitled and interested party, take out and maintain a building insurance (including third-party liability insurance) for the reinstatement value of the property under regular conditions for Dutch insurance companies. If, contrary to the aforementioned, the insurer states that Borchveste is obligated to take out the insurance, Borchveste is required to do so, also on behalf of Securus Almere B.V. as co-insured party and Borchveste must ensure that the premiums are paid by Securus Almere B.V. by forwarding the relevant invoices in a timely manner or by making sure that Securus Almere B.V. reimburses Borchveste for the premiums paid by Borchveste after receipt of proof of payment;

- Securus Almere B.V. is vis-a-vis Borchveste not liable for any damage to or loss of the property unless Borchveste proves that Securus Almere B.V., or the persons who were granted access by Securus Almere B.V. to the property – with the exception of the lessee or persons affiliated with the lessee – or its staff and the persons for whom Securus Almere B.V. is liable is/are to blame or can be accused of negligence in the matter unless and insofar as this damage is eligible for compensation under the aforementioned insurance;

- Borchveste has indemnified Securus Almere B.V. for penalties that are imposed on Securus Almere B.V. due to actions or negligence of Borchveste. Securus Almere B.V. has indemnified Borchveste for penalties that are imposed on Borchveste due to actions or negligence of Securus Almere B.V;

- Borchveste is, without prior written consent of Securus Almere B.V., which consent will not be withheld or delayed on unreasonable grounds, not allowed to make and/or effect any changes, modifications and/or additions in, on or to the property, insofar as:

  (i) they diminish the quality of the property in the broadest sense, including its sustainability, all to Securus Almere B.V.'s reasonable opinion;

  (ii) they have consequences which are of a construction nature to Securus Almere B.V.'s reasonable opinion;

  (iii) they affect the architectonic appearance of the exterior of the property;

  (iv) they, to Securus Almere B.V.'s reasonable opinion have a negative effect, as determined by objective standards, on the lettability or investment value of the property;

  (v) a permit and/or a change to a permit already issued is required; or

  (vi) they, to Securus Almere B.V.'s reasonable opinion, lead directly or indirectly to an increase in company costs, including maintenance costs or repair costs, for the property.

Contrary to the aforementioned, Borchveste does not require Securus Almere B.V.'s prior consent for making and/or effectuating changes, modifications and/or additions in, on and/or to the property which the lessee is entitled to make pursuant to a lease agreement without prior consent from the lessor.

Easements and other material provisions

In the Almere Deed of Transfer, reference is made to several easements in favour of and at the burden of the property regarding:

(i) general regulations at the burden as well as and in favour of the property concerning the actual condition of the building on the property and the use of the infrastructure on the property, including:

- an easement regarding the light and view;
- an easement regarding drainage of rainwater;
- an easement regarding the right of overhang; and
- an easement regarding the use of access roads, speedgates, supply area's and the joint catwalk to the entrance at the front of the building(s);

The maintenance works regarding the aforementioned (infrastructural) works will be carried out after consultation between the two parties entitled to both relevant properties, the risk and expenses will be for both parties jointly;

(ii) a specific regulation at the burden of and in favour of the property concerning the energy/power supply situated on the property, regarding the obligation to tolerate the attachment of the transformer situated on the neighbouring plot using cables wires and all other necessary works in order to be able to use this transformer as a back-up energy/power supply source in case of emergency. The owner of the relevant transformer (currently Securus Almere B.V. regarding the transformer situated on the property and Borchveste Almere 2 B.V. regarding the transformer situated on the neighbouring plot) will be obligated to maintain and if necessary renew the transformer on its expense.

The establishment of the aforementioned easements has taken place without any remuneration being due.

The owner of the relevant transformer will be obligated to maintain and if necessary renew the transformer on its account.

(iii) The Almere Deed of Transfer also refers to a deed of transfer executed on 29 June 2007 by a civil-law notary in Almere, which deed refers to several provisions pursuant to a sale and purchase agreement and a part of the General Conditions 1999 of the Municipality Almere ("*Algemene Voorwaarden 1999 betreffende de verkoop van onroerende zaken door de gemeente Almere*") which were applicable and at the time and which include – amongst others – the following provisions:

- an obligation to tolerate public facilities to be affixed, maintained and/or renewed on the property without any right to remuneration. This obligation is included in the deed as a qualitative obligation as referred to in article 6:252 of the Dutch Civil Code ("*kwalitatieve verplichting*");

- an obligation to make a payment to the Municipality of Almere if and insofar the gross floor area is extended (this provision expires on 27 June 2017);

- a general penalty clause, applicable if an obligation arising from the sale and purchase agreement and the applicable part of the General Conditions 1999 of the Municipality Almere is not complied with, unless a specific penalty clause is applicable in that respect;

- an obligation to include articles stipulated in the sale and purchase agreement as a qualitative obligation as referred to in article 6:252 of the Dutch Civil Code in the deed of transfer as a consequence of which legal successors are bound by the obligation; and

- an obligation to impose certain obligations arising from the sale and purchase agreement and at least aforementioned penalty clause to each new entitled party to the property by way of perpetual clause;

The aforementioned easements and other material provisions are also applicable to the Ground Lease.

Encumbrance with mortgages/liens

The Ground Lease is encumbered with:

(a) a right of mortgage in favour of Securus Almere B.V. as established by a notarial deed of mortgage registered with the Land Registry on 18 April 2013 in register Mortgages 3 volume 65021 number 48; and

(b) a second ranking right of mortgage in favour of ING Bank N.V., as established by a deed of mortgage registered with the Land Registry on 18 April 2013 in register Mortgages 3 volume 65021 number 73.

The bare ownership to the property is also encumbered with a right of mortgage in favour of ING Bank N.V.

2014 Citadel 100 Share Purchase Agreement

Keppel Data Centres (as vendor) and Securus C100 Pte. Ltd. (as purchaser) have entered into a share (and loan capital) purchase agreement pursuant to which Keppel Data Centres has agreed to sell its shares in Citadel 100 to Securus C100 Pte. Ltd. ("**2014 Citadel 100 Share Purchase Agreement**"). Keppel Data Centres is a wholly-owned subsidiary of the Sponsor.

The 2014 Citadel 100 Share Purchase Agreement contains, among others, the following terms:

- Keppel Data Centres as absolute legal and beneficial owner of 500 B Ordinary Shares in the capital of Citadel 100, representing 50% of the issued share capital of Citadel 100 ("**C100 Sale Shares**") shall sell the C100 Sale Shares and all its right and entitlement in the loan capital of Citadel 100 (the "**Loan Capital**") such right and entitlement representing 50% of the Loan Capital (the "**Seller's Loan Capital**") and Securus C100 Pte. Ltd. shall purchase the Sale Shares and the Seller's Loan Capital free from any encumbrance and together with all accrued benefits and rights, for the consideration stated;

- the aggregate consideration payable in respect of the C100 Sale Shares and the Seller's Loan Capital shall be the aggregate of (i) 50% of the agreed value of the Citadel 100 Data Centre such agreed value being €63,175,000 and (ii) 50% of the net tangible asset value of Citadel 100 (excluding the value of property plant and equipment and Loan Capital), as at the date of completion;

- the consideration payable in respect of the C100 Sale Shares shall be the aggregate consideration less €10,706,514 being the amount of the Seller's Loan Capital and the consideration payable in respect of the Seller's Loan Capital shall be €10,706,514 being the amount of the Seller's Loan Capital;

- the consideration to be paid by Securus C100 Pte. Ltd to Keppel Data Centres on completion shall be based on a pro-forma balance sheet produced by Keppel Data Centres and shall be adjusted (if necessary) based on completion accounts agreed between the parties within 30 days after completion (or, in the absence of agreement, by a third party expert);

- Keppel Data Centres and Securus C100 Pte. Ltd. acknowledge and agree that all distributable reserves accrued by Citadel 100 as at the date immediately preceding the completion date if any will be distributed to Keppel Data Centres and Securus C100 Pte. Ltd. in equal proportions, to the extent that there are cash resources available to fund such distributions and having regard to the cash flow, working capital and investment needs of Citadel 100;

- completion of the purchase of the C100 Sale Shares and the Seller's Loan Capital from Keppel Data Centres is conditional upon, among others, (a) the passing of a resolution at a general meeting of Keppel T&T of a resolution to approve, among others, the sale of the C100 Sale Shares and the Seller's Loan Capital to Securus C100 Pte. Ltd. and (b) the listing of the Units and commencement of trading of such Units on the SGX-ST;

- certain limited warranties are made by Keppel Data Centres as seller such as representations and warranties relating to incorporation, authority to enter into the 2014 Citadel 100 Share Purchase Agreement and title to the C100 Sale Shares and the Loan Capital. Securus C100 Pte. Ltd. can only make a claim in relation to breach of a warranty if it gives Keppel Data Centres written notice of the claim, specifying in reasonable detail to the extent reasonably available the legal and factual basis of the claim and the evidence relied on;

- certain limited warranties are also made by Securus C100 Pte. Ltd. as purchaser such as representations and warranties relating to incorporation and authority to enter into the 2014 Citadel 100 Share Purchase Agreement;

- certain limitations on the liability of Keppel Data Centres for claims under the warranties including:

  (a) Keppel Data Centre's liability for claims under the warranties shall expire on the second anniversary of completion save in respect of any claim which has been notified to Keppel Data Centres, in writing, prior to that date;

  (b) the maximum aggregate liability of Keppel Data Centres for all claims under the warranties, shall not exceed an amount equal to the aggregate of the consideration received by Keppel Data Centres together with the costs and expenses of enforcement;

- no limitation of any kind whatsoever shall apply in respect of any claim under the warranties to the extent that such claim arises from, or is delayed as a result of, any fraudulent act, fraudulent omission, wilful concealment or wilful misconduct of the party against whom the claim is made or its directors, officers, employees or agents or of Citadel 100, its directors, officers, employees or agents save in the case of a fraudulent act or omission or wilful concealment or wilful misconduct of Citadel 100, its directors, officers, employees or agents of which such party was not aware;

- Keppel Data Centres indemnifies Securus C100 Pte. Ltd., or at its option Citadel 100, against any tax liability of Citadel 100 and all reasonable out of pocket costs and expenses of enforcement, arising from any event or transaction, occurring on or before completion, save that Keppel Data Centres shall only be liable in respect of claims notified to it within 7 years of completion and the amount of such liability shall be limited to 50% of the liability and subject to a maximum cap equal to the aggregate consideration payable under the 2014 Citadel 100 Share Purchase Agreement;

- the indemnity excludes (i) any deferred tax liability provided for in the completion accounts, (ii) any tax liability arising from the disposal of the Citadel 100 Data Centre after completion, (iii) any loss or allowance that becomes unavailable due to the change in ownership/business of Citadel 100 or (iv) any tax liability which arises as a result of any change in any laws, practices or rates of taxes after the date of the 2014 Citadel 100 Share Purchase Agreement;

- upon completion, the shareholders agreement relating to Citadel 100 Datacenters Limited entered into by Keppel Data Centres, Securus C100 Pte. Ltd. and Citadel 100 on 8 April 2013 will be terminated with immediate effect, and the parties will duly execute a termination agreement for this purpose; and

- at completion, Keppel Data Centre and Securus C100 Pte. Ltd. shall execute a written shareholders' resolution adopting new Articles of Association for Citadel 100 in such form as Securus C100 Pte. Ltd. may require, to come into effect on registration of the transfer of the C100 Sale Shares.

LEASE AGREEMENTS

S25 Lease Agreement

On completion of the sale and purchase of S25, the Trustee will enter into a lease ("**S25 Lease Agreement**") for S25 with Digihub for 10 years with an option to renew for a further term of 5 years. Digihub is a wholly-owned subsidiary of KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion of 70% and 30% respectively.

The principal terms of the S25 Lease Agreement include, inter alia, the following:

- the term of the S25 Lease Agreement is for 10 years commencing from completion, and Digihub will be given an option to renew the S25 Lease Agreement for a further 5 years subject to JTC's consent and the compliance of any regulatory requirement by the Trustee and at such revised rent and on terms and conditions as may be mutually agreed between the parties;

- Digihub is required to pay rent on a quarterly basis, in arrears, on the date falling 14 days after the end of each quarterly period. Such rent shall comprise:

  (i) a fixed rent of S$5 million for the first year, with an annual escalation of 3%; and

  (ii) a variable rent computed in respect of each financial year, based on an amount equivalent to 99% of the Cash EBITDA Amount[1] in relation to each financial year (or such larger amount as the parties may agree in writing);

[1] "**Cash EBITDA Amount**" refers to the total cash revenue received by Digihub in a financial year less operating expenses less the fixed rent for S25 in a financial year.

- the Cash EBITDA Amount for each financial year will be computed based on the total cash revenue received by Digihub from the customers and tenants under the tenancies and co-location agreements during such financial year, less all the operating cash expenses paid by Digihub and the facility manager in the maintenance, management, operation and marketing of S25 as well as provision of turnkey facility management services in respect of S25, less the fixed rent for that financial year;

- the quantum of the variable rent will be adjusted at the end of each financial year based on the agreed computation of the variable rent or an expert's determination on the Cash EBITDA Amount for that financial year;

- in the event the Cash EBITDA Amount for each financial year (before deducting the fixed rent for that financial year) is a negative amount, the Trustee will reimburse Digihub an amount equivalent to such negative amount;

- the Trustee shall provide (or procure that the facility manager for S25 provide) to Digihub the S25 FM Quarterly Accounts no later than 14 days before the end of each quarterly period (or such other period as may be agreed by the parties), which will include a summary statement, together with a full breakdown of the operating cash expenses incurred in respect of S25 for the preceding quarterly period;

- Digihub will provide Digihub's consolidated S25 Quarterly Accounts to the Trustee no later than 7 days before the end of each quarterly period (or such other period as may be agreed by the parties), which, in addition to the items included in the S25 FM Quarterly Accounts, will also include (a) a computation of rent for the preceding quarter analysed into the fixed rent, Cash EBITDA Amount and variable rent components, (b) a summary statement, together with a full breakdown of all the total cash revenue received for the preceding quarterly period, including details of any downtime, accidents, meetings with and feedback from end-users and details of all Customer Service Credits;

- the quarterly payment of the rent payable by Digihub to the Trustee for the preceding quarterly period shall be made on the basis of the computation shown in the S25 Quarterly Accounts received by the Trustee from Digihub;

- each of the Trustee and Digihub is entitled to request for additional information and documents from the other party for the purpose of calculating the variable rent;

- the Trustee will furnish to Digihub the annual accounts to be prepared by the facility manager and provided to the Trustee in accordance with the S25 Facility Management Agreement (the "**S25 FM Financial Year Accounts**") no later than 150 days after the end of each financial year, which will include a summary statement, together with a full breakdown of the total operating cash expenses incurred for the preceding financial year;

- Digihub will provide Digihub's consolidated financial year accounts to be prepared by Digihub and provided to the Trustee in accordance with the S25 Lease Agreement (the "**S25 Financial Year Accounts**") to the Trustee no later than 180 days after the end of each financial year, which, in addition to the items included in the S25 FM Financial Year Accounts, will also include (a) a computation of rent for the preceding financial year analysed into the fixed rent, Cash EBITDA Amount and variable rent components, (b) a summary statement, together with a full breakdown of all the total cash revenue received for the preceding financial year;

- adjustments to the variable rent will be made at the end of each financial year, which shall be based on the agreed computation of the variable rent or an expert's determination on the Cash EBITDA Amount for that financial year;

- if at anytime during the term of the S25 Lease Agreement, the S25 Facility Management Agreement is terminated and Digihub no longer remains as the facility manager for S25, then Digihub shall, with effect from the date of termination of the S25 Facility Management Agreement, pay to the Trustee, on a quarterly basis on each rent payment date, an amount equivalent to the total operating cash expenses incurred by the replacement facility manager;

- the Trustee shall furnish (or procure that the facility manager for S25 furnishes) to Digihub the S25 FM Annual Budget no later than 150 days (or such other date as may be mutually agreed between the parties) prior to the beginning of each financial year, which will include (a) the operating cash expenses and annual plans for the operation, maintenance and management of S25 for that financial year; (b) the estimated capital expenditure for S25 for that financial year; (c) the estimated costs of all project consultants and experts required to be appointed in respect of any works carried or to be carried out at S25 for that financial year; (d) the proposed construction costs for refurbishment, retrofitting and renovation works and payment schedule of the project management fee payable by the Trustee to the facility manager under the S25 Facility Management Agreement (if any);

- Digihub shall furnish Digihub's consolidated S25 Annual Budget to the Trustee no later than 120 days (or such other date as may be mutually agreed between the parties) prior to the beginning of each financial year, which in addition to the items included in the S25 FM Annual Budget, will also include (a) the proposed parameters to be satisfied prior to Digihub entering into any new tenancy, lease, licence, co-location agreements or occupation agreements in respect of S25; (b) the estimated profit and loss and cash flow projection including the operating expenses for S25;

- the Trustee will provide to Digihub certain services, including (a) the provision of data centre infrastructure to support S25 for the permitted use; (b) facilities management, maintenance services and routine preventive maintenance in respect of S25; (c) quality of service at certain stipulated service levels. In the provision of these services to Digihub, the Trustee may appoint a facility manager to carry out and perform such services or any part thereof on the Trustee's behalf and the facility manager may provide these services directly to Digihub;

- the initial facility manager to be appointed by the Trustee to assume the Trustee's facility management services and maintenance responsibilities for S25 on the commencement date of the S25 Lease Agreement is Digihub;

- Digihub is required to take out and maintain insurance policies (specifically an industrial special risks insurance policy, business interruption risk policy and a comprehensive public liability insurance policy) with an insurance company or companies in Singapore approved by the Trustee and on terms and conditions to be approved by the Trustee in the joint names of the Trustee and Digihub;

- if the premises are destroyed or damaged such that the premises cannot be used for the period of one month or more or is rendered inaccessible due to the destruction or damage, Digihub will not be liable to pay rent for such period. However if the destroyed or damaged premises is only partly usable for the period of one month or more, Digihub's liability to pay rent will be reduced in proportion to the reduction in their usability. For the avoidance of doubt, Digihub is not entitled to a reduction of rent or to terminate the S25 Lease Agreement if, inter alia, the damage or destruction to the premises is caused by any act, omission, default or negligence of Digihub;

- if the building erected on S25 is destroyed or damaged and the Trustee decides that such destruction or damage makes it impracticable or impossible to reinstate or rebuild the building on S25 within a period of 12 months from the occurrence of the damage or destruction, the Trustee shall within a period of 60 days after such destruction or damage has occurred, give written notice to Digihub whether it intends to rebuild or not. If the Trustee decides not to rebuild, either the Trustee or Digihub may terminate the S25 Lease Agreement without compensation. If the Trustee decides to rebuild and if the rebuilding period exceeds 60 days, Digihub shall be entitled to terminate the S25 Lease Agreement without compensation;

- the Trustee may sell or assign its interest under the S25 Lease Agreement, but such assignment or transfer shall be subject to the terms of the S25 Lease Agreement;

- Digihub is not entitled to assign the S25 Lease Agreement without the prior written consent of the Trustee;

- Digihub is permitted to sublet, license or part with or share possession or occupation of any part of S25 subject to (a) Digihub obtaining the prior written consent of the Trustee and (b) Digihub obtaining the prior written approval of JTC and other competent authorities;

- Digihub shall obtain the Trustee's prior written consent before Digihub enters into any tenancy, lease, licence, co-location agreement or occupation agreement with the tenants and/or customers. Where the term (including any option to renew) of a proposed new (or renewal) tenancy, lease, licence, co-location agreement or occupation agreement expires beyond the term of the S25 Lease Agreement, such tenancy, lease, licence, co-location agreement or occupation agreement and all security deposit bank guarantees (if any) must be assignable to the Trustee;

- the Trustee shall pay the property tax and land rent imposed by the relevant authority on S25 in respect of any period during the term of the S25 Lease Agreement;

- the Trustee is responsible for maintaining the structural parts of the building on S25 and the capital expenditure relating to S25, including the mechanical and electrical equipment located in S25;

- the Trustee shall indemnify Digihub from and against all losses, damages, claims, demands, proceedings, actions, costs, expenses, interest, liabilities and penalties suffered or incurred by Digihub under or in respect of all the tenancies, leases, licences, co-location agreements or occupation agreements entered between Digihub and the tenants and/or customers (including without limitation any liabilities incurred by Digihub as a result of an early termination of the S25 Lease Agreement due to a government acquisition, termination by JTC of the S25 JTC Lease or due to the Trustee deciding not to rebuild S25 in the event S25 is destroyed or damaged): (i) except to the extent that such liability resulted from or is caused by the wilful default or gross negligence of Digihub, its employees or agents in complying with the provisions of the S25 Lease Agreement; or (ii) where such losses, damages, claims, demands, proceedings, actions, costs, expenses, interest, liabilities and penalties (including any Customer Service Credit payments incurred and payable by Digihub) result from any matter or event which occurred, related to or is referable to the period prior to the commencement date of the S25 Lease Agreement.

- Digihub's indemnity to the Trustee under the S25 Lease Agreement is subject to certain limitations e.g. Digihub shall not be liable for any consequential, special, indirect, incidental, punitive or exemplary loss, loss of profits or damage; the Trustee shall use all reasonable efforts to prevent or reduce to a minimum and mitigate the extent of such losses; any indemnity obligations payable by Digihub will be net of any insurance proceeds available to the Trustee and Digihub is required to reimburse the Trustee for all losses, damages, claims, demands, proceedings, actions, costs, expenses, interest, liabilities and penalties (including any Customer Service Credit payments incurred and payable by Digihub) which result from any matter or event which occurred, related to or is referable to the period prior to the commencement date of the S25 Lease Agreement;

- on the date of expiry or earlier determination of the term of the S25 Lease Agreement ("**S25 Handover Date**"), Digihub shall execute in favour of the Trustee and the Trustee shall accept an assignment of all of Digihub's rights, benefits and covenants under all the existing contracts which are subsisting as at the S25 Handover Date. Digihub shall be entitled to require the Trustee to enter into a novation agreement with Digihub and each relevant customer in respect of any contract which is subsisting as at the S25 Handover Date;

- stamp duty on the S25 Lease Agreement is payable by the Trustee; and

- the Trustee grants to Digihub a call option and Digihub grants to the Trustee a put option in respect of the renewal of the S25 Lease Agreement for a further term of five (5) years ("**S25 Further Term**") commencing on the day immediately following the date of expiry of the term of the S25 Lease Agreement. To exercise the call option, Digihub shall serve on the Trustee, during the period of 6 months from the first day of the eighth year of the term of the S25 Lease Agreement (the "**S25 Call Option Period**"), a written notice of Digihub's intention to exercise the call option. To exercise the put option, the Trustee shall serve on Digihub, during the period of 6 months from the day immediately following the expiry of the S25 Call Option Period, a written notice of the Trustee's intention to exercise the put option. Upon the exercise of the call option by Digihub or the exercise of the put option by the Trustee (as the case may be), the parties shall enter into a new lease in respect of the S25 Further Term, subject to JTC's consent and the compliance of any regulatory requirement by the Trustee and provided that at the time of Digihub's written notice or the Trustee's written notice (as the case may be), there shall not be any existing breach or non-observance of any covenants on the part of Digihub to be observed at any time during the lease term or at the time of the expiry of the S25 Lease Agreement.

T25 Lease Agreement

On completion of the sale and purchase of T25, the Trustee will enter into a lease ("**T25 Lease Agreement**") for T25 with Datahub for 10 years with an option to renew for a further term of 5 years. Datahub is a wholly-owned subsidiary of KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion of 70% and 30% respectively.

The principal terms of the T25 Lease Agreement include, inter alia, the following:

- the term of the T25 Lease Agreement is for 10 years commencing from Completion, and Datahub will be given an option to renew the T25 Lease Agreement for a further five years subject to HDB's consent and the compliance of any regulatory requirement by the Trustee and at such revised rent and on terms and conditions as may be mutually agreed between the parties;

- Datahub is required to pay rent on a quarterly basis, in arrears, on the date falling 14 days after the end of each quarterly period. Such rent shall comprise:

  (i) a fixed rent of S$3 million for the first year, with an annual escalation of 3%; and

  (ii) a variable rent computed in respect of each financial year, based on an amount equivalent to 99% of the Cash EBITDA Amount[1] in relation to each financial year (or such larger amount as the parties may agree in writing);

- the Cash EBITDA Amount for each financial year will be computed based on the total cash revenue received by Datahub from the customers and tenants under the tenancies and co-location agreements during such financial year, less all the operating cash expenses paid by Datahub and the facility manager in the maintenance, management, operation and marketing of T25 as well as provision of turnkey facility management services in respect of T25, less the fixed rent for that financial year;

- the quantum of the variable rent will be adjusted at the end of each financial year based on the agreed computation of the variable rent or an expert's determination on the Cash EBITDA Amount for that financial year;

- in the event the Cash EBITDA Amount for each financial year (before deducting the fixed rent for that financial year) is a negative amount, the Trustee will reimburse Datahub an amount equivalent to such negative amount;

- the Trustee shall provide (or procure that the facility manager for T25 provide) to Datahub the T25 FM Quarterly Accounts no later than 14 days before the end of each quarterly period (or such other period as may be agreed by the parties), which will include a summary statement, together with a full breakdown of the operating cash expenses incurred in respect of T25 for the preceding quarterly period;

- Datahub will provide Datahub's consolidated T25 Quarterly Accounts to the Trustee no later than 7 days before the end of each quarterly period (or such other period as may be agreed by the parties), which, in addition to the items included in the T25 FM Quarterly Accounts, will also include (a) a computation of rent for the preceding quarter analysed into the fixed rent, Cash EBITDA Amount and variable rent components, (b) a summary statement, together with a full breakdown of all the total cash revenue received for the preceding quarterly period, including details of any downtime, accidents, meetings with and feedback from end-users and details of all Customer Service Credits;

- the quarterly payment of the rent payable by Datahub to the Trustee for the preceding quarterly period shall be made on the basis of the computation shown in the T25 Quarterly Accounts received by the Trustee from Datahub;

- each of the Trustee and Datahub is entitled to request for additional information and documents from the other party for the purpose of calculating the variable rent;

- the Trustee will furnish to Datahub the annual accounts to be prepared by the facility manager and provided to the Trustee in accordance with the T25 Facility Management Agreement (the "**T25 FM Financial Year Accounts**") no later than 150 days after the end of each financial year, which will include a summary statement, together with a full breakdown of the total operating cash expenses incurred for the preceding financial year;

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1 "**Cash EBITDA Amount**" refers to the total cash revenue received by Datahub in a financial year less operating expenses less the fixed rent for T25 in a financial year.

- Datahub will provide Datahub's consolidated financial year accounts to be prepared by Datahub and provided to the Trustee in accordance with the T25 lease Agreement (the "**T25 Financial Year Accounts**") to the Trustee no later than 180 days after the end of each financial year, which, in addition to the items included in the T25 FM Financial Year Accounts, will also include (a) a computation of rent for the preceding financial year analysed into the fixed rent, Cash EBITDA Amount and variable rent components, (b) a summary statement, together with a full breakdown of all the total cash revenue received for the preceding financial year;

- adjustments to the variable rent will be made at the end of each financial year, which shall be based on the agreed computation of the variable rent or an expert's determination on the Cash EBITDA Amount for that financial year;

- if at anytime during the term of the T25 Lease Agreement, the T25 Facility Management Agreement is terminated and Datahub no longer remains as the facility manager for T25, then Datahub shall, with effect from the date of termination of the T25 Facility Management Agreement, pay to the Trustee, on a quarterly basis on each rent payment date, an amount equivalent to the total operating cash expenses incurred by the replacement facility manager;

- the Trustee shall furnish (or procure that the facility manager for T25 furnishes) to Datahub the T25 FM Annual Budget no later than 150 days (or such other date as may be mutually agreed between the parties) prior to the beginning of each financial year, which will include (a) the operating cash expenses and annual plans for the operation, maintenance and management of T25 for that financial year; (b) the estimated capital expenditure for T25 for that financial year; (c) the estimated costs of all project consultants and experts required to be appointed in respect of any works carried or to be carried out at T25 for that financial year; (d) the proposed construction costs for refurbishment, retrofitting and renovation works (if any) and payment schedule of the project management fee payable by the Trustee to the facility manager under the T25 Facility Management Agreement (if any);

- Datahub shall furnish Datahub's consolidated T25 Annual Budget to the Trustee no later than 120 days (or such other date as may be mutually agreed between the parties) prior to the beginning of each financial year, which in addition to the items included in the T25 FM Annual Budget, will also include (a) the proposed parameters to be satisfied prior to Datahub entering into any new tenancy, lease, licence, co-location agreements or occupation agreements in respect of T25; (b) the estimated profit and loss and cash flow projection including the operating expenses for T25;

- the Trustee will provide to Datahub certain services, including (a) the provision of data centre infrastructure to support T25 for the permitted use; (b) facilities management, maintenance services and routine preventive maintenance in respect of T25; (c) quality of service at certain stipulated service levels. In the provision of these services to Datahub, the Trustee may appoint a facility manager to carry out and perform such services or any part thereof on the Trustee's behalf and the facility manager may provide these services directly to Datahub;

- the initial facility manager to be appointed by the Trustee to assume the Trustee's facility management services and maintenance responsibilities for T25 on the commencement date of the T25 Lease Agreement is Datahub;

- Datahub is required to take out and maintain insurance policies (specifically an industrial special risks insurance policy, business interruption risk policy and a comprehensive public liability insurance policy) with an insurance company or companies in Singapore approved by the Trustee and on terms and conditions to be approved by the Trustee in the joint names of the Trustee and Datahub;

- if the premises are destroyed or damaged such that the premises cannot be used for the period of one month or more or is rendered inaccessible due to the destruction or damage, Datahub will not be liable to pay rent for such period. However if the destroyed or damaged premises is only partly usable for the period of one month or more, Datahub's liability to pay rent will be reduced in proportion to the reduction in their usability. For the avoidance of doubt, Datahub is not entitled to a reduction of rent or to terminate the T25 Lease Agreement if, inter alia, the damage or destruction to the premises is caused by any act, omission, default or negligence of Datahub;

- if the building erected on T25 is destroyed or damaged and the Trustee decides that such destruction or damage makes it impracticable or impossible to reinstate or rebuild the building on T25 within a period of 12 months from the occurrence of the damage or destruction, the Trustee shall within a period of 60 days after such destruction or damage has occurred, give written notice to Datahub whether it intends to rebuild or not. If the Trustee decides not to rebuild, either the Trustee or Datahub may terminate the T25 Lease Agreement without compensation. If the Trustee decides to rebuild and if the rebuilding period exceeds 60 days, Datahub shall be entitled to terminate the T25 Lease Agreement without compensation;

- the Trustee may sell or assign its interest under the T25 Lease Agreement, but such assignment or transfer shall be subject to the terms of the T25 Lease Agreement;

- Datahub is not entitled to assign the T25 Lease Agreement without the prior written consent of the Trustee;

- Datahub is permitted to sublet, license or part with or share possession or occupation of any part of T25 subject to (a) Datahub obtaining the prior written consent of the Trustee and (b) Datahub obtaining the prior written approval of HDB and other competent authorities;

- Datahub shall obtain the Trustee's prior written consent before Datahub enters into any tenancy, lease, licence, co-location agreement or occupation agreement with the tenants and/or customers. Where the term (including any option to renew) of a proposed new (or renewal) tenancy, lease, licence, co-location agreement or occupation agreement expires beyond the term of the T25 Lease Agreement, such tenancy, lease, licence, co-location agreement or occupation agreement and all security deposit bank guarantees (if any) must be assignable to the Trustee;

- the Trustee shall pay the property tax and land rent imposed by the relevant authority on T25 in respect of any period during the term of the T25 Lease Agreement;

- the Trustee is responsible for maintaining the structural parts of the building on T25 and the capital expenditure relating to T25, including the mechanical and electrical equipment located in T25;

- the Trustee shall indemnify Datahub from and against all losses, damages, claims, demands, proceedings, actions, costs, expenses, interest, liabilities and penalties suffered or incurred by Datahub under or in respect of all the tenancies, leases, licences, co-location agreements or occupation agreements entered between Datahub and the tenants and/or customers (including without limitation any liabilities incurred by Datahub as a result of an early termination of the T25 Lease Agreement due to a government acquisition, termination by HDB of the T25 HDB Lease or due to the Trustee deciding not to rebuild T25 in the event T25 is destroyed or damaged): (i) except to the extent that such liability resulted from or is caused by the wilful default or gross negligence of Datahub, its employees or agents in complying with the provisions of the T25 Lease Agreement; or (ii) where such losses, damages, claims, demands, proceedings, actions, costs, expenses, interest, liabilities and penalties (including any Customer Service Credit payments incurred and payable by Datahub) result from any matter or event which occurred, related to or is referable to the period prior to the commencement date of the T25 Lease Agreement.

- Datahub's indemnity to the Trustee under the T25 Lease Agreement is subject to certain limitations e.g. Datahub shall not be liable for any consequential, special, indirect, incidental, punitive or exemplary loss, loss of profits or damage; the Trustee shall use all reasonable efforts to prevent or reduce to a minimum and mitigate the extent of such losses; any indemnity obligations payable by Datahub will be net of any insurance proceeds available to the Trustee and Datahub is required to reimburse the Trustee for all losses, damages, claims, demands, proceedings, actions, costs, expenses, interest, liabilities and penalties (including any Customer Service Credit payments incurred and payable by Datahub) which result from any matter or event which occurred, related to or is referable to the period prior to the commencement date of the T25 Lease Agreement;

- on the date of expiry or earlier determination of the term of the T25 Lease Agreement ("**T25 Handover Date**"), Datahub shall execute in favour of the Trustee and the Trustee shall accept an assignment of all of Datahub's rights, benefits and covenants under all the existing contracts which are subsisting as at the T25 Handover Date. Datahub shall be entitled to require the Trustee to enter into a novation agreement with Datahub and each relevant customer in respect of any contract which is subsisting as at the T25 Handover Date;

- stamp duty on the T25 Lease Agreement is payable by the Trustee;

- the Trustee grants to Datahub a call option and Datahub grants to the Trustee a put option in respect of the renewal of the T25 Lease Agreement for a further term of five years ("**T25 Further Term**") commencing on the day immediately following the date of expiry of the term of the T25 Lease Agreement. To exercise the call option, Datahub shall serve on the Trustee, during the period of 6 months from the first day of the eighth year of the term of the T25 Lease Agreement (the "**T25 Call Option Period**"), a written notice of Datahub's intention to exercise the call option. To exercise the put option, the Trustee shall serve on Datahub, during the period of 6 months from the day immediately following the expiry of the T25 Call Option Period, a written notice of the Trustee's intention to exercise the put option. Upon the exercise of the call option by Datahub or the exercise of the put option by the Trustee (as the case may be), the parties shall enter into a new lease in respect of the T25 Further Term, subject to HDB's consent and the compliance of any regulatory requirement by the Trustee and provided that at the time of Datahub's written notice or the Trustee's written notice (as the case may be), there shall not be any existing breach or non-observance of any covenants on the part of Datahub to be observed at any time during the lease term or at the time of the expiry of the T25 Lease Agreement.

FACILITY MANAGEMENT AGREEMENTS

S25 Facility Management Agreement

On completion of the sale and purchase of S25, the Trustee will enter into a facility management agreement with Digihub ("**S25 Facility Management Agreement**") where Digihub will be appointed as a facility manager to inter alia provide certain facilities management and maintenance services ("**S25 Services**") to the Trustee at S25. Digihub is a wholly-owned subsidiary of KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion of 70% and 30% respectively.

The principal terms of the S25 Facility Management Agreement include, inter alia, the following:

- the term of the S25 Facility Management Agreement shall commence on and from the commencement date of the S25 Facility Management Agreement and shall be for a period of 10 years or until terminated in accordance with the terms of the Facility Management Agreement. In the event the S25 Lease Agreement is renewed for a further term of five years, the S25 Facility Management Agreement shall also be automatically renewed for a further term of five years on the same terms;

- the facility manager will be entitled to facility management fee ("**S25 FM Fee**") of an amount equivalent to 4% of the Cash EBITDA Amount in respect of each financial year;

- the Trustee will pay the S25 FM Fee to the facility manager on a quarterly basis and will be calculated based on the Trustee's computation of the Cash EBITDA Amount shown in the S25 Quarterly Accounts received by the Trustee from Digihub (as tenant under the S25 Lease Agreement) for that preceding quarterly period;

- the facility manager will be entitled to the following project management fees (if not prohibited by the Property Funds Appendix or if otherwise permitted by the MAS) for the refurbishment, retrofitting and renovation works on S25:

  (i) where the construction costs are S$2.0 million or less, a fee of 3.0% of the construction costs;

  (ii) where the construction costs exceed S$2.0 million but do not exceed S$20.0 million, a fee of 2.0% of the construction costs or S$60,000, whichever is the higher;

  (iii) where the construction costs exceed S$20.0 million but do not exceed S$50.0 million, a fee of 1.5% of the construction costs or S$400,000, whichever is the higher; and

  (iv) where the construction costs exceed S$50.0 million, a fee of not more than 1.5% of the construction costs;

- the S25 Facility Management Agreement shall terminate if the S25 Lease Agreement is terminated for any reason whatsoever in accordance with its terms;

- the facility manager shall carry out the S25 Services and comply with all reasonable directions given by the Trustee or its duly authorised representative to the extent that they are not inconsistent with the terms of the S25 Facility Management Agreement;

- the facility manager shall provide the quality of service at service levels to be achieved under the S25 Facility Management Agreement. Upon the expiry or termination of the S25 Facility Management Agreement, the facility manager will, unless otherwise agreed by the Trustee, return the management of S25 with the systems and procedures therein in good working condition and capable of supporting on-going operations of S25, fair wear and tear excepted;

- the facility manager shall provide the Trustee with regular reports as described in the S25 Facility Management Agreement. In particular, the facility manager will bring to the attention of the Trustee anything that may, in the opinion of the facility manager, delay or disrupt the performance of any of the S25 Services. In the event that the Trustee shall reasonably require any other reports or documents relating to S25 and/or the S25 Services to be provided by the facility manager, the facility manager shall provide the Trustee with such reports;

- the facility manager shall take reasonable steps to ensure that personnel engaged by it for the performance of the S25 Services (or any part thereof) are suitably qualified, experienced and competent to perform the tasks entrusted to them;

- the Trustee shall give the facility manager and all personnel engaged by it access to S25 in order to enable the S25 Services to be performed in accordance with the S25 Facility Management Agreement;

- the Trustee will have the right to inspect S25 as may be reasonably required by the Trustee and review the reports set out in the S25 Facility Management Agreement and any other reports or documents provided or to be provided by the facility manager pursuant to the S25 Facility Management Agreement provided that the Trustee provides the facility manager prior written notice (save in the case of an emergency where no notice shall be required). If any inspection or review indicates that there has been any non-compliance with the S25 Facility Management Agreement, the facility manager will promptly cure the non-compliance within such reasonable time as is required by the facility manager and agreed by the Trustee;

- the facility manager shall keep proper documentation and reports in relation to the S25 Services and the facility management of S25, including proper maintenance records of all plant and equipment as well as maintain a comprehensive asset register;

- the facility manager shall, inter alia, (i) keep the whole of S25 clean and tidy; (ii) keep S25 (including both the interior and exterior of the building on S25 and the surrounding grounds) in good and tenantable repair and condition (fair wear and tear excepted) (including repairs of a structural nature, repairs and maintenance of mechanical and electrical installations and equipment and replacements of mechanical and electrical installations and servicing of lifts); (iii) immediately make good, to the reasonable satisfaction of the Trustee, any damage caused to S25 by Digihub (as tenant), its employees, agents, independent contractors or any permitted occupier; (iv) maintain all of the Trustee's and Digihub's (as tenant) plant and machinery at S25 in good working order and condition and to be responsible for all repair, maintenance, replacements or overhauls thereof; (v) be responsible for the maintenance and management of S25; (vi) ensure that the building on S25 is secured; and (vii) ensure that all debris, sewerage, waste and garbage in S25 are disposed of at the Facility Manager's cost and expenses, regularly;

- the facility manager must not make any alterations or additions to or affecting the structure or exterior of the building at S25 or carry out works involving the hacking of the floors or the structural columns and beams of the building at S25 without the prior written consent of the Trustee and (where necessary) JTC and other relevant authorities. Costs of all alterations, additions or improvements made in or to S25 (including all costs of qualified persons or project consultants) which is provided for in the approved annual budget (or if the expenditure is not within the annual budget, with the approval of the Trustee), shall be borne by the Trustee;

- the Trustee may terminate the S25 Facility Management Agreement at any time by giving written notice to the facility manager if the facility manager commits a material breach of the S25 Facility Management Agreement and the facility manager fails to remedy the breach within a reasonable period which shall not be longer than 120 days of its receipt of a written notice from the Trustee requiring it to do so, taking into account the nature and extent of the breach, and identifying the breach required to be remedied, provided always that such breach is not caused by or attributable to any act or omission on the part of the Trustee. Where the service levels are not met due to scheduled maintenance and or other reasonable operational requirements (including without limitation, emergencies) such failure does not constitute a material breach of the Facility Management Agreement or service level failure;

- in the event of a breach or non-compliance by the facility manager of its obligations under the S25 Facility Management Agreement, which results in the Trustee being in default or in breach of its obligations to Digihub (as tenant under the S25 Lease Agreement) and which in turn results in the payment of Customer Service Credits by Digihub (as tenant under the S25 Lease Agreement) to the tenants and/or customers, the Facility Manager shall pay the Trustee on demand, an amount equivalent to the total aggregate value of all the Customer Service Credits paid to the tenants and/or customers in that financial year, subject to a cap ("**S25 Cap**") of an amount equivalent to 1% of the Cash EBITDA Amount in that financial year (such amounts as determined by the Trustee shall be final and conclusive, save for manifest error) (the "**S25 Customer Service Credits Payment**"). The S25 Cap will be reset in each financial year;

- the facility manager may terminate the S25 Facility Management Agreement if the Trustee commits a material breach of its obligations under the S25 Facility Management Agreement or commits any other material breach of the S25 Facility Management Agreement and the Trustee fails to remedy the breach within a reasonable period, which shall not be longer than 120 days of its receipt of a written notice from the facility manager requiring it to do so, taking into account the extent and nature of the breach, and identifying the breach required to be remedied, provided always that such breach is not caused by or attributable to any default on the part of the facility manager;

- upon termination of the S25 Facility Management Agreement for any reason whatsoever, the facility manager shall cease all S25 Services and subject to its receipt of all payments (if any) due to it from the Trustee pursuant to the terms of the S25 Facility Management Agreement up to the date of termination, arrange an orderly hand-over of the management of S25 to the Trustee or to another contractor or facility manager appointed by the Trustee. The management of S25 shall be handed over with its systems and procedures in good working condition and capable of supporting/operating an on-going data centre business, fair wear and tear excepted;

- the facility manager shall submit to the Trustee for approval not later than 150 days prior to the beginning of each financial year (or such other date as may be mutually agreed between the parties), an annual budget for the Property for that financial year, which will include (a) the operating cash expenses and annual plans for the operation, maintenance and management of S25 for that financial year; (b) the estimated capital expenditure for S25 for that financial year; (c) the estimated costs of all project consultants and experts required to be appointed in respect of any works carried or to be carried out at S25 for that financial year; (d) the proposed construction costs for refurbishment, retrofitting and renovation works and payment schedule of the project management fee payable by the Trustee to the facility manager under the S25 Facility Management Agreement (if any);

- the facility manager shall submit to the Trustee and Digihub (as tenant under the S25 Lease Agreement) quarterly accounts no later than 14 days before the end of each quarterly period (or such other period of time as is agreed by the parties acting reasonably), such quarterly accounts to include a summary statement, together with a full breakdown of the operating cash expenses incurred in respect of S25 for the preceding quarterly period;

- the facility manager shall furnish to the Trustee and Digihub (as tenant under the S25 Lease Agreement) an audited financial year accounts within 150 days after the end of each financial year (or such other date as may be mutually agreed between the parties), which will include a summary statement, together with a full breakdown of the total operating cash expenses incurred for the preceding financial year;

- the facility manager shall indemnify the Trustee and hold the Trustee harmless from and against all losses, damages, claims, demands, proceedings, actions, costs, expenses, interest, liabilities and penalties ("**S25 Losses**") which the Trustee may suffer or incur resulting from or to the extent caused by, any wilful default or gross negligence by the facility manager, its employees or agents, in complying with the provisions of the S25 Facility Management Agreement (the "**S25 Indemnity**");

- the facility manager's liability for breach or non-compliance of its obligations under the S25 Facility Management Agreement is limited to the S25 Customer Service Credits Payment and the S25 Indemnity;

- neither the facility manager nor the Trustee shall assign any of its interests or rights under the S25 Facility Management Agreement without the prior written consent of the other party save for (i) an assignment by the Trustee to a replacement trustee and (ii) an assignment/transfer by the Trustee of all its rights, title and benefits under the S25 Facility Management Agreement to a new owner/transferee of S25, and in either of the above events, the prior written consent of the facility manager for any such assignment/transfer by the Trustee is not required;

- the facility manager shall be entitled to sub-contract any of the S25 Services but subcontracting shall not relieve the facility manager of any of its obligations to the Trustee under the S25 Facility Management Agreement;

- the facility manager shall deliver to the Trustee no later than 1 month before the date of expiry of the term of the S25 Facility Management Agreement or the date of termination of the S25 Facility Management Agreement (the "**S25 Termination Date**"), a list of service contracts in respect of S25 which are assignable (the "**S25 Service Contracts**"). The Trustee shall, no later than seven days of receipt of the list of Service Contracts, furnish to the facility manager a list of the S25 Service Contracts which the Trustee wishes to take over on the S25 Termination Date; and

- on the S25 Termination Date, the facility manager shall assign and the Trustee shall accept the assignment of all the facility manager's rights and benefits under the S25 Service Contracts with effect from (and including) the S25 Termination Date.

T25 Facility Management Agreement

On completion of the sale and purchase of T25, the Trustee will enter into a facility management agreement with Datahub ("**T25 Facility Management Agreement**") where Datahub will be appointed as a facility manager to inter alia provide certain facilities management and maintenance services ("**T25 Services**") to the Trustee at T25. Datahub is a wholly-owned subsidiary of KDCH, a joint venture company held indirectly by the Sponsor and Keppel Land Limited in the proportion of 70% and 30% respectively.

The principal terms of the T25 Facility Management Agreement include, inter alia, the following:

- the term of the T25 Facility Management Agreement shall commence on and from the commencement date of the T25 Facility Management Agreement and shall be for a period of 10 years or until terminated in accordance with the terms of the T25 Facility Management Agreement. In the event the T25 Lease Agreement is renewed for a further term of 5 years, the T25 Facility Management Agreement shall also be automatically renewed for a further term of 5 years on the same terms as the T25 Facility Management Agreement;

- the facility manager will be entitled to facility management fee ("**T25 FM Fee**") of an amount equivalent to 4% of the Cash EBITDA Amount in respect of each financial year;

- the Trustee will pay the T25 FM Fee to the facility manager on a quarterly basis and will be calculated based on the Trustee's computation of the Cash EBITDA Amount shown in the T25 Quarterly Accounts received by the Trustee from Datahub (as tenant under the T25 Lease Agreement) for that preceding quarterly period;

- the facility manager will be entitled to the following project management fees (if not prohibited by the Property Funds Appendix or if otherwise permitted by the MAS) for the refurbishment, retrofitting and renovation works on T25:

  (i) where the construction costs are S$2.0 million or less, a fee of 3.0% of the construction costs;

  (ii) where the construction costs exceed S$2.0 million but do not exceed S$20.0 million, a fee of 2.0% of the construction costs or S$60,000, whichever is the higher;

  (iii) where the construction costs exceed S$20.0 million but do not exceed S$50.0 million, a fee of 1.5% of the construction costs or S$400,000, whichever is the higher; and

  (iv) where the construction costs exceed S$50.0 million, a fee of not more than 1.5% of the construction costs;

- the T25 Facility Management Agreement shall terminate if the T25 Lease Agreement is terminated for any reason whatsoever in accordance with its terms;

- the facility manager shall carry out the T25 Services and comply with all reasonable directions given by the Trustee or its duly authorised representative to the extent that they are not inconsistent with the terms of the T25 Facility Management Agreement;

- the facility manager shall provide the quality of service at service levels to be achieved under the T25 Facility Management Agreement. Upon the expiry or termination of the T25 Facility Management Agreement, the facility manager will, unless otherwise agreed by the Trustee, return the management of T25 with the systems and procedures therein in good working condition and capable of supporting on-going operations of T25, fair wear and tear excepted;

- the facility manager shall provide the Trustee with regular reports as described in the T25 Facility Management Agreement. In particular, the facility manager will bring to the attention of the Trustee anything that may, in the opinion of the facility manager, delay or disrupt the performance of any of the T25 Services. In the event that the Trustee shall reasonably require any other reports or documents relating to T25 and/or the T25 Services to be provided by the facility manager, the facility manager shall provide the Trustee with such reports;

- the facility manager shall take reasonable steps to ensure that personnel engaged by it for the performance of the T25 Services (or any part thereof) are suitably qualified, experienced and competent to perform the tasks entrusted to them;

- the Trustee shall give the facility manager and all personnel engaged by it access to T25 in order to enable the T25 Services to be performed in accordance with the T25 Facility Management Agreement;

- the Trustee will have the right to inspect T25 as may be reasonably required by the Trustee and review the reports set out in the T25 Facility Management Agreement and any other reports or documents provided or to be provided by the facility manager pursuant to the T25 Facility Management Agreement provided that the Trustee provides the facility manager prior written notice (save in the case of an emergency where no notice shall be required). If any inspection or review indicates that there has been any non-compliance with the T25 Facility Management Agreement, the facility manager will promptly cure the non-compliance within such reasonable time as is required by the facility manager and agreed by the Trustee;

- the facility manager shall keep proper documentation and reports in relation to the T25 Services and the facility management of T25, including proper maintenance records of all plant and equipment as well as maintain a comprehensive asset register;

- the facility manager shall, *inter alia*, (i) keep the whole of T25 clean and tidy; (ii) keep T25 (including both the interior and exterior of the building on T25 and the surrounding grounds) in good and tenantable repair and condition (fair wear and tear excepted) (including repairs of a structural nature, repairs and maintenance of mechanical and electrical installations and equipment and replacements of mechanical and electrical installations and servicing of lifts); (iii) immediately make good, to the reasonable satisfaction of the Trustee, any damage caused to T25 by Datahub (as tenant), its employees, agents, independent contractors or any permitted occupier; (iv) maintain all of the Trustee's and Datahub's (as tenant) plant and machinery at T25 in good working order and condition and to be responsible for all repair, maintenance, replacements or overhauls thereof; (v) be responsible for the maintenance and management of T25; (vi) ensure that the building on T25 is secured; and (vii) ensure that all debris, sewerage, waste and garbage in T25 are disposed of at the Facility Manager's cost and expenses, regularly;

- the facility manager must not make any alterations or additions to or affecting the structure or exterior of the building at T25 or carry out works involving the hacking of the floors or the structural columns and beams of the building at T25 without the prior written consent of the Trustee and (where necessary) HDB and other relevant authorities. Costs of all alterations, additions or improvements made in or to T25 (including all costs of qualified persons or project consultants) which is provided for in the approved annual budget (or if the expenditure is not within the annual budget, with the approval of the Trustee), shall be borne by the Trustee;

- the Trustee may terminate the T25 Facility Management Agreement at any time by giving written notice to the facility manager if the facility manager commits a material breach of the T25 Facility Management Agreement and the facility manager fails to remedy the breach within a reasonable period which shall not be longer than 120 days of its receipt of a written notice from the Trustee requiring it to do so, taking into account the nature and extent of the breach, and identifying the breach required to be remedied, provided always that such breach is not caused by or attributable to any act or omission on the part of the Trustee. Where the service levels are not met due to scheduled maintenance and or other reasonable operational requirements (including without limitation, emergencies) such failure does not constitute a material breach of the T25 Facility Management Agreement or service level failure;

- in the event of a breach or non-compliance by the facility manager of its obligations under the T25 Facility Management Agreement, which results in the Trustee being in default or in breach of its obligations to Datahub (as tenant under the T25 Lease Agreement) and which in turn results in the payment of Customer Service Credits by Datahub (as tenant under the T25 Lease Agreement) to the tenants and/or customers, the facility manager shall pay the Trustee on demand, an amount equivalent to the total aggregate value of all the Customer Service Credits paid to the tenants and/or customers in that financial year, subject to a cap ("**T25 Cap**") of an amount equivalent to 1% of the Cash EBITDA Amount in that financial year (such amounts as determined by the Trustee shall be final and conclusive, save for manifest error) (the "**T25 Customer Service Credits Payment**"). The T25 Cap will be reset in each financial year;

- the facility manager may terminate the T25 Facility Management Agreement if the Trustee commits a material breach of its obligations under the T25 Facility Management Agreement or commits any other material breach of the T25 Facility Management Agreement and the Trustee fails to remedy the breach within a reasonable period, which shall not be longer than 120 days of its receipt of a written notice from the facility manager requiring it to do so, taking into account the extent and nature of the breach, and identifying the breach required to be remedied, provided always that such breach is not caused by or attributable to any default on the part of the facility manager;

- upon termination of the T25 Facility Management Agreement for any reason whatsoever, the facility manager shall cease all T25 Services and subject to its receipt of all payments (if any) due to it from the Trustee pursuant to the terms of the T25 Facility Management Agreement up to the date of termination, arrange an orderly hand-over of the management of T25 to the Trustee or to another contractor or facility manager appointed by the Trustee. The management of T25 shall be handed over with its systems and procedures in good working condition and capable of supporting/operating an on-going data centre business, fair wear and tear excepted;

- the facility manager shall submit to the Trustee for approval not later than 150 days prior to the beginning of each financial year (or such other date as may be mutually agreed between the parties), an annual budget for the Property for that financial year, which will include (a) the operating cash expenses and annual plans for the operation, maintenance and management of T25 for that financial year; (b) the estimated capital expenditure for T25 for that financial year; (c) the estimated costs of all project consultants and experts required to be appointed in respect of any works carried or to be carried out at T25 for that financial year; (d) the proposed construction costs for refurbishment, retrofitting and renovation works and payment schedule of the project management fee payable by the Trustee to the facility manager under the T25 Facility Management Agreement (if any);

- the facility manager shall submit to the Trustee and Datahub (as tenant under the T25 Lease Agreement) quarterly accounts no later than 14 days before the end of each quarterly period (or such other period of time as is agreed by the parties acting reasonably), such quarterly accounts to include a summary statement, together with a full breakdown of the operating cash expenses incurred in respect of T25 for the preceding quarterly period;

- the facility manager shall furnish to the Trustee and Datahub (as tenant under the T25 Lease Agreement) an audited financial year accounts within 150 days after the end of each financial year (or such other date as may be mutually agreed between the parties), which will include a summary statement, together with a full breakdown of the total operating cash expenses incurred for the preceding financial year;

- the facility manager shall indemnify the Trustee and hold the Trustee harmless from and against all losses, damages, claims, demands, proceedings, actions, costs, expenses, interest, liabilities and penalties ("**T25 Losses**") which the Trustee may suffer or incur resulting from or to the extent caused by, any wilful default or gross negligence by the facility manager, its employees or agents, in complying with the provisions of the T25 Facility Management Agreement (the "**T25 Indemnity**");

- the facility manager's liability for breach or non-compliance of its obligations under the T25 Facility Management Agreement is limited to the T25 Customer Service Credits Payment and the T25 Indemnity;

- neither the facility manager nor the Trustee shall assign any of its interests or rights under the T25 Facility Management Agreement without the prior written consent of the other party save for (i) an assignment by the Trustee to a replacement trustee and (ii) an assignment/transfer by the Trustee of all its rights, title and benefits under the T25 Facility Management Agreement to a new owner/transferee of T25, and in either of the above events, the prior written consent of the facility manager for any such assignment or transfer by the Trustee is not required;

- the facility manager shall be entitled to sub-contract any of the T25 Services but subcontracting shall not relieve the facility manager of any of its obligations to the Trustee under the T25 Facility Management Agreement;

- the facility manager shall deliver to the Trustee no later than 1 month before the date of expiry of the term of the T25 Facility Management Agreement or the date of termination of the T25 Facility Management Agreement (the "**T25 Termination Date**"), a list of service contracts in respect of T25 which are assignable (the "**T25 Service Contracts**"). The Trustee shall, no later than seven days of receipt of the list of T25 Service Contracts, furnish to the Facility Manager a list of the T25 Service Contracts which the Trustee wishes to take over on the T25 Termination Date; and

- on the T25 Termination Date, the facility manager shall assign and the Trustee shall accept the assignment of all the facility manager's rights and benefits under the T25 Service Contracts with effect from (and including) the T25 Termination Date.

SHAREHOLDERS' AGREEMENTS

Basis Bay Shareholders' Agreement (as supplemented)

In connection with the 2014 Basis Bay Share Sale Agreement, the Trustee, the Basis Bay Vendor and Basis Bay Capital Management Sdn Bhd will enter into a supplemental shareholders' agreement to amend and supplement the shareholders' agreement dated 15 June 2012 entered into between the same parties to amend and vary the rights, obligations and commercial expectations of the shareholders of Basis Bay Capital Management Sdn Bhd to reflect the new shareholding proportion of 1% which will be held by the Basis Bay Vendor and 99% which will be held by Keppel DC REIT (the "**Basis Bay Shareholders' Agreement**") on the Listing Date.

The key terms of the Basis Bay Shareholders' Agreement (as supplemented) include, inter alia, the following:

- all of the profits of Basis Bay Capital Management Sdn Bhd which are available for distribution after making provision for (i) reserves which are required to meet the expenses and (ii) anticipated expenses of Basis Bay Capital Management Sdn Bhd and any payment obligation arising from any finance or credit facilities, shall subject to the Malaysian Companies Act 1965, be distributed to the shareholders on a quarterly basis for every financial year of Basis Bay Capital Management Sdn Bhd;

- Keppel DC REIT shall have full and unfettered discretion to determine the number of directors constituting the board of directors of Basis Bay Capital Management Sdn Bhd and to nominate all such directors including the chairman;

- a shareholder at a general meeting of Basis Bay Capital Management Sdn Bhd shall be entitled to one vote for each share registered in the name of the said shareholder;

- if Basis Bay Capital Management Sdn Bhd proposes to allot and issue new shares or any securities convertible into shares, each shareholder shall be given the first right of refusal in the subscription for such number of new shares or securities in proportion to its then shareholding in the issues and paid-up share capital of Basis Bay Capital Management Sdn Bhd;

- subject to the terms therein, the shareholders shall be entitled to sell, assign, transfer, mortgage, charge, dispose of, encumber or otherwise deal with the whole or any part of the shares of Basis Bay Capital Management Sdn Bhd held by such shareholder without the consent of the other;

- if Keppel DC REIT proposes to transfer the entire of its interest in Basis Bay Capital Management Sdn Bhd to a third-party purchaser, the Basis Bay Vendor has the option to require Keppel DC REIT, on a best effort basis, to procure the third-party purchaser to purchase the Basis Bay Vendor's interest on the same terms as those offered to Keppel DC REIT. If Keppel DC REIT is unable to procure the third-party purchaser to do so for any reason whatsoever, Keppel DC REIT shall be entitled to proceed with the transfer of any of its shares to the third party purchaser; and

- if any dispute cannot be settled by way of negotiation between the shareholders within the prescribed time, such dispute shall be referred to arbitration before the Kuala Lumpur Regional Centre for final and binding settlement of the dispute.

OVERVIEW OF RELEVANT LAWS AND REGULATIONS IN AUSTRALIA, MALAYSIA, THE UK, THE NETHERLANDS AND IRELAND

RELEVANT LAWS AND REGULATIONS IN AUSTRALIA

General

The laws of Australia have their source in both government legislation and regulation (at the Commonwealth, state and local government levels) and the general law developed by the courts, as follows:

- **Commonwealth/Federal:** The Commonwealth Government has power derived from the Federal Constitution to legislate in relation to specific areas including corporations, trade and commerce, taxation, banking and foreign investment. For example, the Corporations Act 2001 is the legislation that governs financial services licensing and foreign company registration.

- **State and Territory:** Subject to Commonwealth laws, the states and territories make laws which apply to their own jurisdiction. It is the state-based legislation that covers many general property matters, including land title and environmental matters.

- **Local Government:** Local governments (or councils) provide governance for communities at a more local level, including on environmental aspects, permitted uses of land and building approvals. There are usually many local government areas and bodies within a capital city of each state and territory.

- **Courts:** Legislation is supported by case law (known as common law) which is developed through decisions of the courts. The system of binding precedent requires the courts to consider the precedent established in earlier cases, and in this way Australian real property law is progressively developed and adapted.

Real Property

Registered Land

Australia operates a system of land registration known as the Torrens system. Under this system, legal title to property is perfected by the act of registration. This means that on a sale of Torrens system land, the buyer obtains legal title on registration of the transfer, rather than on execution of the instrument of transfer. Most, but not all, of the land in Australia is Torrens system land.

Each state or territory maintains a property registry, which is a state government-run public repository of information on property tenure. Although the rules, requirements and forms differ across the states and territories, the register contains title information and details of registered interests affecting Torrens system land. Examples of registered interests include easements, restrictive covenants, mortgages and leases.

Title to Torrens system land is recorded on a certificate of title which is issued by and kept at the registry. A duplicate certificate of title is issued to the registered owner in most states and territories[1].

1 In Queensland, the register is electronic and no duplicate certificate of title is issued.

In Australia, the Torrens system is underpinned by a principle known as “indefeasibility”. Registration of title provides indefeasibility *i.e.* once a transfer or grant of title to the land is registered, then as a general rule, the title cannot be defeated by other unregistered interests. This means that a buyer of land acquires its interest subject to earlier registered interests but free from all unregistered interests (even if the buyer knew about those unregistered interests), other than a number of statutory and equitable exceptions. The exact scope of these exceptions varies between the various states and territories, but generally includes fraud, short-term leases, easements, misdescription of boundaries and, sometimes, adverse possession.

Legislation in most states and territories provides for compensation to be payable to persons who suffer loss as a result of the operation of the system, for instance where fraud occurs or there is an error or omission in the registry.

In practical terms, the effect of indefeasibility of title is that a buyer of property in Australia can generally rely on the certificate of title as evidence of title. Time and expense does not need to be incurred in investigating title beyond the register, other than in respect of the specific exceptions and which are not always of themselves possible to investigate. Title insurance is generally not obtained as part of property acquisitions in Australia, where the subject property is Torrens system land.

Unregistered Land

Not all land in Australia is registered and so the Torrens system of title by registration does not always apply. The two main types of unregistered land are:

- unalienated Crown land (that is, land owned by the Commonwealth, a state or a territory that has not previously been the subject of a grant of title); and

- land falling under the old pre-registration system (known as “general law” land).

If land of either type is the subject of an investment, additional due diligence is undertaken as there is no registered title to rely on.

Leases/Tenancies in Australia

Lease terms and conditions in Australia are subject to market standards and practice, and there are also terms implied by legislation and common law. In particular, there is a large body of retail tenancy legislation which has been developed to protect retail tenants, especially smaller specialty tenants. Generally the parties cannot contract out of these provisions.

The leasing practice differs in the various states and territories in relation to registration. Generally speaking, short term leases to tenants in possession do not need to be registered to grant an indefeasible leasehold title. In all jurisdictions except Victoria and South Australia (where it is one year or less), a short term lease means a lease of three years or less.

In all jurisdictions (except Victoria), registration of a lease (other than a short term lease) is required to give indefeasible leasehold title. The exception is Victoria where a lease to a tenant who is in possession grants an indefeasible leasehold title regardless of the term. As a result, leases are rarely registered in Victoria.

Compulsory Acquisition

The Lands Acquisition Act 1989 of Australia provides specific powers to the Australian Commonwealth Government to acquire interests in land and also provides a regime designed to protect an owner's interests when the Australian Commonwealth Government wants to acquire the owner's interest in land. Similar state and territory based regimes apply in respect of compulsory acquisitions of interests in land by state and territory governments.

For compulsory acquisitions of property in Australia, the amount of compensation to which a person is entitled is such amount as, having regard to all relevant matters, will compensate the person for the acquisition. In assessing the amount of compensation, regard is had to matters, including but not limited to:

- the market value of the land;
- any financial advantage, additional to market value, to the person incidental to the person's ownership of the interest;
- any loss, injury, damage or reasonable expenses incurred as a direct result of the acquisition; and
- reasonable legal or professional costs.

Building Code

The Building Code of Australia has been given the status of regulation by all Australian states and territories. It contains technical provisions for the design and construction of buildings and other structures, covering such matters as structure, fire resistance, access and egress, services and equipment, and energy efficiency as well as certain aspects of health and amenity.

Technical based assessment methods are used to determine whether a building (or part of a building) complies with the relevant code performance requirements. Such assessment is usually performed by building engineers or other building technical consultants.

Planning and Environmental

Planning Controls

Control of land use is heavily regulated through statutory planning instruments. Each state and territory has its own system of zoning land which designates permissible and prohibited uses. The planning instruments are extensive, covering not only permissible land uses but also design limitations, height controls, impacts on native vegetation, impact of other natural hazards and heritage, among other matters.

Planning Approvals

Under the various state and territory planning instruments, many land uses and developments will need to obtain planning approvals. Approvals are most often granted by the local council, and for some larger projects, approvals can be granted by the state government. The planning approvals can be very detailed and include conditions governing the built form, hours of operations, amenity impacts and payment of development contributions to the authorities. Without the relevant planning approval, there is a risk that the use of land may not be permitted to continue, or building works may need to be rectified or demolished. Planning controls or conditions may also limit future development of the Properties.

Any proposed new development will be required to undergo an assessment process under the planning and/or environmental legislation of the relevant state. There are generally appeal rights to state courts in relation to decisions arising out of the assessment process. Obtaining approvals can take some time, although there is sometimes a streamlined process available for major projects.

Commonwealth Environmental Requirements

The main Commonwealth environmental legislation is the Environmental Protection and Biodiversity Conservation Act 1999 which regulates actions that have or are likely to have a significant impact on one of the following: world heritage properties; national heritage places; wetlands of international importance; listed threatened species and ecological communities; migratory species protected under international agreements; Commonwealth marine areas; the Great Barrier Reef marine park; nuclear actions including uranium mines; and actions that will affect the land owned by the Commonwealth.

In these cases, additional approval is required from the Australian Government. Carrying out such activities without a required approval is a serious offence.

However, the majority of environmental regulation in Australia is carried out at the level of the state government, as set out below.

Environmental Licences

State-based environmental protection legislation requires that specified activities that have adverse environmental impact will require a licence. Licensing is most often related to management of waste and industrial-type premises but can include other premises which are deemed to have an impact on the environment. These licences will govern many aspects of environmental regulation at a site and generally require annual fees, ongoing monitoring of emissions and annual reporting.

Offences

Under the state environmental protection legislation, it is an offence to pollute air, water, or land without a licence. Most of these offences are strict liability, meaning that there are very limited defences.

Pollution incidents are often prosecuted by the Environment Protection Authority (the "**EPA**") resulting in fines and restitution orders, and more rarely imprisonment.

Contamination

Certain levels of soil and groundwater contamination will require notification to the EPA. Each state's EPA can also order clean-up of contaminated sites. Typically, the EPA will order the current owner of a site to carry out clean up. That owner may then seek to bring court proceedings to recover the clean-up costs against the original polluter, assuming the original polluter can be found. Clean-up of contaminated sites and groundwater can run into millions of dollars. A polluter will always remain responsible for its contamination, including any contamination that the person or company had caused on sites it has now vacated or sold.

Existence of Native Title Rights

In Australia, the rights and interests of indigenous inhabitants in their traditional land, in accordance with their own laws and customs, are protected at common law and under legislation. These rights are referred to as "native title".

To date, there have only been a small number of native title claims that have been determined by the Federal Court to hold native title, however there is a large number of native title claims that have been registered by the National Native Title Tribunal and attract native title procedural rights.

Extinguishment of Native Title Rights

Native title is extinguished if an inconsistent grant of an interest in the land to people other than the native title holders was granted prior to 23 December 1996. Such grants include the grant of freehold land and most forms of leases. It is also possible for native title to be extinguished in the same manner after 23 December 1996 if the procedures in the Native Title Act are followed. It is relatively unusual for native title to be an issue on city-centre sites.

Heritage

There is legislative protection of items of Australian heritage. Where real estate is listed on a heritage register or otherwise affected, restrictions may be placed on any development which would affect the heritage items.

Specific indigenous heritage legislation exists to protect sites and objects of significance to indigenous people. Indigenous heritage sites may exist on land that is not the subject of native title. Consent of the relevant Minister may be required if use of the land may disturb or destroy Aboriginal sites. The Commonwealth legislation provides for emergency (and permanent) declarations in the event that state legislation fails to protect a significant Aboriginal site.

Occupational health and safety

State and territory laws impose strict obligations on companies to ensure the health, safety and welfare of employees and other people in the workplace or affected by the company’s undertaking. A breach of these obligations means that the company and its managers and directors are exposed to prosecutions and significant monetary penalties.

There are now also positive duties of due diligence on officers (including directors) and senior managers for compliance with obligations, and the primary duty for safety is shifting to the “person conducting a business or undertaking”. Officers should be familiar with OHS obligations, codes of practice and site risks. There should be a robust and comprehensive safety management system complying with industry standards.

Regulation of Foreign Investment in Australian Property

Foreign investment in Australia is regulated principally by the Foreign Acquisitions and Takeovers Act 1975 and Australia’s Foreign Investment Policy (“**Policy**”). The Australian Treasurer administers the FATA and the Policy with the advice and assistance of the Foreign Investment Review Board. There are specific circumstances where foreign investors can purchase residential property in Australia. However, outside these circumstances those purchases are prohibited unless they have been notified to the Treasurer and a statement of no objections (which is commonly referred to as FIRB approval), obtained. Investments in non-residential property also require the prior issue of a statement of no objections.

Notification is required to be provided to the Australian Treasurer and FIRB approval obtained in respect of the acquisition by a foreign person of an interest in Australian urban land. Relevantly, an interest in Australian urban land includes a unit in an Australian urban land trust estate. The Australian Treasurer has powers under FATA to make adverse orders in respect of an acquisition if he considers it to be contrary to Australia’s national interest. The obligation to notify and obtain a prior statement of no objection is upon the acquirer of the interest.

Persons Who May Be Required to Make a Notification

Under Australia's foreign investment regime, it is the responsibility of any person (including, without limitation, nominees and trustees) who is:

- a natural person not ordinarily resident in Australia;
- a corporation in which a natural person not ordinarily resident in Australia ("**Non-Australian Resident**"), or a foreign corporation ("**Non-Australian Corporation**"), holds a controlling interest (15.0% or more held solely or with associates);
- a corporation in which two or more persons, each of whom is either a Non-Australian Resident or a Non-Australian Corporation, hold an aggregate controlling interest (40.0% or more including associated interests);
- a trustee of a trust estate in which a Non-Australian Resident or Non-Australian Corporation holds a substantial interest (15.0% or more solely or with associates) of the corpus or income of the trust estate;
- a trustee of a trust estate in which two or more persons, each of whom is either a Non-Australian Resident or a Non-Australian Corporation, hold in aggregate a substantial interest (40.0% or more including associated holdings) of the corpus or income of the trust estate;
- a foreign government, their agencies or related entities (for example, state-owned enterprises and sovereign wealth funds); or
- an entity in which a government, their agency or related entity: from a single foreign country has an aggregate direct or indirect interest of 15% or more; or from more than one foreign country have an aggregate direct or indirect interest of 40% or more,

to ascertain if they may be required to notify and obtain FIRB approval from the Australian Treasurer in respect of their investment.

What Constitutes an Acquisition of an Interest in Australian Urban Land?

"**Australian Urban Land**" is broadly defined (in essence, all land not used for primary production purposes) and covers more land than its natural meaning might otherwise suggest.

What notification is required for an acquisition of an interest in Australian urban land?

The FATA defines an interest in Australian Urban Land to include:

- a legal or equitable interest in Australian Urban Land, other than an interest under a lease or licence or in a unit in a unit trust estate;
- an interest in a share in a company that owns Australian urban land, being a share that entitles the holder to a right to occupy a dwelling of a kind known as a flat or home unit situated on the land;
- an interest as lessee or licensee in a lease or licence giving rights to occupy Australian urban land where the term of the lease or licence (including any extension) is reasonably likely, at the time the interest is acquired, to exceed five years;

- an interest in an arrangement involving the sharing of profits or income from the use of, or dealings in, Australian urban land;
- an interest in a share in an Australian urban land corporation;
- an interest in a unit in an Australian urban land trust estate; or
- if the trustee of an Australian urban land trust estate is a corporation – an interest in a share in that corporation.

What is an AULTE?

An Australian urban land trust estate is a unit trust estate and the value of so much of its total assets as consists of interests in Australian urban land exceeds 50.0% of the value of its total assets.

An AULTE may not necessarily be a trust formed in Australia. It may be formed anywhere. It is the composition of the assets of the trust that will make it an AULTE for the purposes of the Australian foreign investment regime.

The acquisition of a single unit in an AULTE is notifiable under the FATA unless an exemption applies or if an applicable approval is already held by a foreign person.

The FIRB has announced that no action will be taken in respect of acquisitions by a foreign person (that is not a foreign government investor) of interests in Australian urban land trust estates where:

- the interest is less than 10% and the trust is listed and has a predominantly non-residential property portfolio of office, retail, industrial or specialised properties or a mix of these; or
- the interest is less than 5% and the trust is public, with at least 100 unit holders and its developed residential real estate assets that have been acquired from non-associates are less than 10% of the target trust's real estate assets.

If the Australian Treasurer considers the acquisition of an interest in an AULTE as contrary to the national interest, the FATA provides power to the Australian Treasurer to make adverse orders in respect of the acquisition.

The acquisition of an interest in an AULTE may be notifiable under Policy, even if the acquisition is not subject to notification and prior approval under the FATA.

What notification is required for an acquisition of an interest in an AULTE?

An application is made by a foreign person to the Australian Treasurer through the FIRB.

Notification under the FATA is made using prescribed forms. A notice under Section 26A of the FATA is required in the case of the acquisition of an interest in an AULTE. A cover letter setting out the proposal including the parties supports the formal notice.

Where an application is made under Policy only, the covering letter is submitted without any prescribed forms.

Under FATA, the Australian Treasurer has a period of 30 days in which to make a decision on an application and a further 10 days to notify the applicant of the decision made. This period may be extended for a further period of up to 90 days if the Australian Treasurer is of the view additional time is required.

Regulation of Companies

Ordinarily, companies trade with limited liability. However, a company's directors and any holding company may be liable for debts incurred at a time when the company is insolvent and there are reasonable grounds for suspecting it is insolvent or would become insolvent. Further, in certain circumstances, a company director may also be liable for any outstanding tax-related liabilities of the company.

Companies are subject to a large range of corporate governance requirements and guidelines in Australia and in the case of unlisted proprietary companies, they primarily arise from the Corporations Act. ASIC is responsible for overseeing the operation of and compliance with this law.

A proprietary company must have at least one director who is ordinarily resident in Australia and it must have a registered office in Australia.

The directors of a company may delegate any of their powers to another director, a committee of directors, an employee of the company, or any other person.

Directors' duties in Australia are prescribed by legislation, in particular the Corporations Act, and an extensive body of case law (common law). As fiduciaries, directors owe stringent duties:

- to act honestly;
- to exercise care and diligence;
- to act in good faith in the best interests of the company and for a proper purpose;
- not to improperly use their position or company information; and
- to disclose their material personal interests and avoid conflicts of interest.

Directors have duties regarding financial and other reporting and disclosure and can be liable under various laws including for breaches of fund raising, anti-money laundering, environmental, trade practices, privacy, and occupational health and safety laws. If the company they manage is in financial distress, there are additional duties and issues which the directors must address with particular care and consideration.

All companies are required to prepare annual accounts and large proprietary companies (those with revenue above A$25.0 million or gross assets above A$12.5 million) must have their annual accounts audited.

Data Security

Australian privacy law regulates the collection, storage, use and disclosure of personal information by organisations carrying on business in Australia, and the rights of individuals to access information held about them. Special rules apply to:

- the use and disclosure of credit information by credit providers and credit reporting agencies;
- the collection and use of tax file numbers;
- the collection of sensitive information, including information about health, race, sexual preference, criminal record, and religion or political affiliation; and
- sending personal information outside Australia.

An organisation subject to the Privacy Act 1988 (Cth) must also publish a privacy policy, and establish complaints handling and access procedures.

Australian privacy laws are based on the same OECD directive in which comparable schemes in other jurisdictions are based. There are a number of broad exemptions under the Privacy Act, such as an employee records exemption and an exemption for small businesses. The EU does not recognise the Australian data regime as providing EU-equivalent protection and, as a result, EU data cannot be transferred into Australia without taking additional steps (such as a contractual undertaking).

Intellectual Property

The principal forms of intellectual property protection available in Australia are trade marks, designs, patents and copyright. All of these forms of protection are governed by legislation. The common law also provides remedies against a person passing off goods or services as those of another, as well as protection for confidential information or trade secrets.

Trade marks

Trade marks and service marks can be registered in Australia under the Trade Marks Act 1995 (Cth). Trade marks can be obtained for names, logos, aspects of packaging, shapes, colours, sounds and scents. Initial registration is for 10 years, renewable for a further 10 year term. As the application process can take between 6 to 12 months, intending traders should consider applying to register their trade marks as far in advance as possible. Australia is a signatory to a number of international trade mark conventions. Accordingly, if an application for registration of a trade mark is made in Australia within 6 months of an application by the same person in a convention country, the applicant can claim the convention country filing date as the priority date.

Trade marks, names and brands may also be protected under the common law doctrine of passing off and under the Competition and Consumer Act 2010 (Cth), which prohibits corporations from engaging in misleading or deceptive conduct in trade or commerce. In both cases, it is necessary to establish a reputation for the particular trade mark.

The Intellectual Property Laws Amendment (Raising the Bar) Act 2011 recently came into effect. The Act has a significant impact on Australian patent and trade mark practice in Australia, amending patent, trade mark and other intellectual property laws.

The reforms to trade mark law include:

- making it easier to obtain registration of a trade mark by reinstating the presumption of registrability;

- reducing the delays in the opposition process, including by contracting timeframes for some milestones;

- imposing harsher penalties designed to deter counterfeiting activities;

- creating new summary offences for drawing, or programming a device to draw, a registered trade mark if it is likely to be used for an offence, and for possessing a die, block, computer or other device or instrument if it is likely to be used for an offence; and

- granting courts discretion to award additional damages for trade mark infringement.

Patents

Patents for inventions can be granted under the Patents Act 1990 (Cth) for a period of 20 years, conferring an exclusive right to exploit the invention during that time. In order to qualify for standard patent protection, an invention must be novel, inventive and useful. The Patents Act also recognises innovation patents, which are intended for less important inventions and have a lower inventive threshold. The innovation patent has a term of eight years and cannot be extended. Australia is a member of the Paris Convention and the Patent Co-operation Treaty, which are both designed to facilitate international patent applications.

The reforms made by the Intellectual Property Laws Amendment (Raising the Bar) Act 2011 to patent law include:

- raising the threshold for inventive step (by expanding the common general knowledge to include worldwide common general knowledge and by removing the requirement that prior art information would have been 'ascertained, understood and regarded as relevant' by a person skilled in the relevant art);

- replacing the requirement of utility with a new requirement that an invention disclose a 'specific, substantial and credible' use;

- inserting the requirement that a patent specification disclose the invention in a manner which is clear and complete enough for the invention to be performed by a person skilled in the relevant art, rather than the requirement that a complete specification 'describe the invention fully';

- replacing the requirement that claims of a patent be 'fairly based' on the specification with a new requirement that they be 'supported by' the specification; and

- inserting an exemption to patent infringement for activities undertaken for the sole purpose of research, and extending the existing exemption for acts done for the purpose of obtaining regulatory approval to non-pharmaceutical patents.

Copyright

Copyright is protected under the Copyright Act 1968 (Cth). Registration is not required. Australia is a signatory to the Berne Convention for the Protection of Literary and Artistic Works (Berne Convention). Therefore, works created in other countries which are also signatories will be treated as if created in Australia for the purposes of Australian copyright protection, and Australian copyright law will apply to those works. Computer programs are protected by copyright as are literary works, while circuit layouts are protected by the Circuit Layouts Act 1989 (Cth).

In Australia, moral rights laws (the right of attribution and non-derogation) are also protected under the Copyright Act.

Designs

Designs are protected under the Designs Act 2003 (Cth). Designs relate to the overall visual appearance of a product including features of shape, configuration, pattern and ornamentation. In order to register a design in Australia, it must be new and distinctive. New means that the design has not been publicly used in Australia nor published in a document in or outside of Australia before the application date. Distinctive means substantially different in overall appearance to other designs already in the public domain.

A design can be registered for a period of five years and can be renewed for a further five years. Convention priority can be claimed for designs filed internationally six months prior to the application date in Australia.

RELEVANT LAWS AND REGULATIONS IN MALAYSIA

The following sets out a brief overview of the Malaysian legal framework relevant to Keppel DC REIT in relation to foreign investment in real estate and data centres in Malaysia. The summaries below are not exhaustive and are based on applicable laws and regulations in Malaysia as at the date of this Prospectus.

Company Law

Under the Companies Act 1965 of Malaysia, the following types of companies may be incorporated in Malaysia:

- a company limited by shares;
- a company limited by guarantee; and
- an unlimited company.

A company limited by shares is the commonly used corporate vehicle; and the maximum liability of a member is limited to the extent of the capital amount subscribed by such member. Private companies shall not have more than fifty (50) members and every company shall have at least two (2) directors who are resident in Malaysia. A resident need not be a Malaysian citizen.

The directors' duties include:

(a) exercising their powers for a proper purpose and in good faith in the best interests of the company;

(b) exercising reasonable care, skill and diligence with:

    (i) the knowledge, skill and experience which may reasonably be expected of a director having the same responsibilities; and

    (ii) any additional knowledge, skill and experience which the director in fact has; and

(c) disclosing their material personal interests so as to avoid any conflicts of interest circumstances.

The directors are responsible for the accounting and other records in the company. All transactions must be recorded in the accounting and other records within 60 days of completion and such records shall be kept for seven years after the completion of the transactions or operations to which they relate. The directors are obliged to present a set of financial statements to the shareholders at the general meeting of the company no later than eighteen months after its incorporation date and subsequently at least once in every calendar year at intervals not more than fifteen months. Every set of financial statements shall relate to the period since the preceding account (or in the case of the first account, since the incorporation of the company) made up to a date not more than six months before the general meeting.

Generally, all dividends payable to shareholders of any company must be paid out of profits only.

Regulations with respect to Foreign Investment

Rules or regulations with regard to foreign investments in real estate and data centres

Section 433B and Section 433E of the National Land Code 1965 generally prescribe that any acquisition of lands by non-citizens and foreign companies shall require the prior written approval of the State Authority.

Under Section 433A of the National Land Code 1965 a "foreign company" is defined as, inter alia:

(a) a company, corporation, society, association or other body incorporated outside Malaysia or an unincorporated society, association or other body which under the law of its place of origin may sue or be sued, or hold property in the name of the secretary or other officer of the body or association duly appointed for that purpose and which does not have its head office or principal place of business in Malaysia (as defined in the Companies Act 1965 of Malaysia);

(b) a Malaysian incorporated company with 50% or more of its voting shares being held by a non-citizen, or by a foreign company referred to in (a) above, or by both, at the time of the proposed acquisition of any land or any interest therein or at the time of the execution of the instrument or deed in respect of any alienated land or any interest therein, as the case may be; or

(c) a Malaysian incorporated company with 50% or more of its voting shares being held by a company referred to in paragraph (b) above, or by a company referred to in paragraph (b) together with a non-citizen or a foreign company referred to in (a) above, at the time of the proposed acquisition of land or any interest therein or at the time of the execution of the instrument or deed in respect of any alienated land or any interest therein, as the case may be.

Also, for the acquisition of properties (except residential units), approval of the Economic Planning Unit of the Prime Minister's Department ("**EPU**") is required in respect of the following:

- direct acquisition of property valued at RM20.0 million and above, resulting in the dilution in the ownership of property held by Bumiputera interest and/or Government agency(ies); and

- indirect acquisition of property by other than Bumiputera interest, through acquisition of shares, resulting in a change of control of the company owned by Bumiputera interest and/or Government agency, of which more than 50% of the total assets of such company comprise of property(ies) and such property(ies) is/are valued at more than RM20.0 million.

In the case of Peninsular Malaysia, "Bumiputera" is defined in the EPU's Guidelines on Acquisition of Properties as a Malay individual or an aborigine of Peninsular Malaysia.

Rules or regulations governing foreign exchange and dividend distribution to foreign investors

Under the Foreign Exchange Administration Rules issued by the Central Bank of Malaysia, *i.e.* Bank Negara Malaysia ("**BNM**"), non-residents are free to invest in any form of ringgit assets either as direct or portfolio investments and they are free to remit out divestment proceeds, profits, dividends or any income arising from investments in Malaysia. Repatriation, however, must be made in a foreign currency.

Property Law

The landholding system practiced in Malaysia is based on the Torrens System which is a system of titles and interests by registration save for the state of Sabah which practices an alternative form of land system. The following account provides a general overview of the land system in Peninsular Malaysia *i.e.* the Malaysian Torrens System. For purposes of information, lands in Peninsular Malaysia can also be held under customary tenure. This landholding is recognised under Section 4(2)(a) of the National Land Code 1965 but will not be the subject of the explanation below as it is not a common occurrence.

Under the Federal Constitution of Malaysia, land matters belong to the purview of the States and each State has absolute control over the lands located within their territories.

Under the Torrens system, the registers kept by the relevant land authorities reflect all the facts material to the title in a land, including but not limited to express conditions and restrictions-in-interest on the land, the current registered owner, the existing chargee to which the land is charged to and the encumbrances on the title. The register acts as a "curtain" in the sense that, in any transaction between the registered owner and any potential purchaser, the latter will be concerned only with the information contained in the register and nothing else. The purchaser can safely rely on the information revealed in the register.

There are two ways in which an individual may acquire title to a land.

First, is by way of alienation by the State Authority either for a term of years or in perpetuity. Secondly, is by way of transfer of land between individuals. A short account setting out the acquisition of land by way of transfer between individuals is provided below.

The power to transfer is given to every registered proprietor of alienated land. Any alienated land or any undivided share in any alienated land are capable of being transferred. When the mandatory procedures relating to form and registration of transfer (as discussed below) have been complied with, the title of the transferor shall pass to and vest in the transferee upon the registration of such transfer.

Process of Transfer

The transfer of land must be affected by an instrument of transfer in the form of Form 14A (as prescribed under the National Land Code 1965 which also prescribes the instruments for other land dealings as well). The legal title will pass to and vest in the transferee upon registration of the transfer. Unless and until the instrument of transfer is duly registered, the instrument shall not be effective to operate any transfer of the title to any alienated land.

The effect to registration is that it confers on the transferee (inter alia) a seal of indefeasibility where the transferee, when named as the registered proprietor on the title to the property is afforded a "shield of protection" against any adverse claim. Implicitly, this concept denotes a guarantee by the State to the registered proprietor that his title is unimpeachable, unchallengeable and unquestionable save for any other claims endorsed on the title.

Procedure

There are certain procedures and formalities that must be complied with before any dealing can be accepted for registration. Among these important requirements, the following must be observed:

(i) the prescribed instrument of dealing must be used;

(ii) the instrument must contain a full description of the parties and a proper description of the land affected;

(iii) the instrument must be properly executed and attested; and

(iv) it must be adequately stamped as required under the Stamp Ordinance (1949) and then presented together with the prescribed fees and all necessary documents as required under Section 294 for registration.

Transfers may arguably be imperfect by way of failure to register a transfer. However, failure to register any of the dealings does not affect the contractual operation of any transactions. Therefore, even if the requirement of registration has not been complied with, a particular transaction is still regarded as good as contract. Subsequently, parties to a non-registered transaction shall not be entitled to claim any rights under the National Land Code 1965 but he can still seek for remedies under the law of contract.

The effect of registration is that it confers an indefeasibility of title to the registered proprietor of the land. However, there are situations where even with registration, the title is defeasible and may be open to attack for example in circumstances listed in Section 340(2) of the National Land Code 1965 *i.e.* in cases where:

(i) there is an element of fraud or misrepresentation;

(ii) registration obtained by forgery, or by an insufficient or void instrument; or

(iii) title or interest was unlawfully acquired through purported exercise of any power or authority conferred by law.

When a title or interest is found to be defeasible, it may be set aside. Nonetheless, Section 340(3) of the National Land Code 1965 gives a protection to a bona fide purchaser, as explained in the case of **Subramaniam and Sandrakasan (2005) 6 MLJ 120** wherein it was held, "*if a title is acquired by any of the means provided in Section 340(2), then the title of the acquirer is liable to be set aside in the hands of the acquirer and all those to whom he transfers the land except a bona fide purchaser for valuable consideration*".

Leases

Leases are governed under by the National Land Code 1965, specifically within Part 15, Section 221(2) therein. This statute provides that a lease is established only if the term exceeds three years. The maximum term of a lease is ninety-nine years. Any tenures less than three years are known as tenancies in Malaysia.

There are no provisions that restrict or regulate the terms in lease arrangements. However, Section 230 and 231 of the National Land Code 1965 provide for certain terms to be implied in every lease in the absence of any express provision in the lease agreement. Such implied terms include, but are not limited to:

- the recipient of the lease *i.e.* the lessee shall pay all taxes in respect of demised property except rent due to State Authority or any other outgoings which are to be borne exclusively by the grantor of the lease *i.e.* the lessor;

- the lessee shall maintain the demised property;

- the lessee shall permit the lessor reasonable access to the property for purpose of examining its condition; and

- the lessee cannot sublet the property to third parties, unless consented by the lessor.

Section 227(1) of the National Land Code 1965 states that the interest of the lessee shall take effect upon the registration of the lease on the title. Tenancies require no registration. Although it is not mandatory for parties to register a lease, it is strongly recommended. Courts have held that the position of an unregistered lessee is inferior to a person who holds a registered lease.

However Malaysian law also recognises the concept of "equitable leases" whereby even if the lease was not registered, this does not automatically invalidate such lease and a lease agreement which has been entered into between the lessor and the lessee is still regarded as a good enforceable agreement.

Compulsory Acquisition

Article 13 of the Federal Constitution provides that no person may be deprived of his property save in accordance with law. No law may provide for the compulsory acquisition or use of property without adequate compensation.

In Malaysia, the Land Acquisition Act 1960 ("**LAA**") and the National Land Code 1965 empower the respective state governments to compulsorily acquire privately owned landed properties without having to procure their prior consent or agreement. Section 3(1) of the LAA provides that the state authority may acquire the land for public purposes, for the economic development of Malaysia or for the purposes of mining or for agricultural, recreational, residential, commercial or industrial reasons. Such public purposes would generally include building hospitals, public schools, colleges and universities, military camps and bases, roads, highways and causeways, ports and public utilities infrastructure.

The state authority is subjected to certain conditions before it may proceed to issue a compulsory acquisition notice. The state authority is required to issue a project proposal, the relevant layout plan and land acquisition plan and a preliminary government evaluation report of the land in question to the State Economic Planning Unit, who shall consider the application on the following aspects:

- public interest;

- the capacity and capability of the applicant to carry out the purpose for which the land is to be acquired;

- the feasibility of the project; and

- the development approval granted to the registered proprietor.

The State Economic Planning Unit will then forward its recommendations to the *Jawatankuasa Khas Pengambilan Tanah* (Special Committee for Land Acquisitions) which has to power to approve or reject the application.

In the event the state authority wishes to acquire privately owned land, a declaration must be published by Gazette and adequate compensation must be paid to any "person interested" *i.e.* every person claiming an interest in the compensation to be made pursuant to the acquisition of land under the LAA (but excludes a tenant at will who occupies the land on a month to month basis without a formal tenancy agreement or without a lease).

The Land Administrator shall make full enquiry into the value of the lands and assess the amount of compensation which in his opinion is appropriate but his assessment must be guided by the principles relating to compensation as contained under the First Schedule of the LAA (see further down below). The Land Administrator may obtain a written opinion on the value of the lands from a valuer prior to making an award. Section 14 of the LAA confers power to the Land Administrator to award such compensation. The owner of the land may rely on Section 37 of the LAA to object, in the event the land owner feels the compensation is inadequate or unfair. The land owner also has rights to be compensated in the event the authorities have caused damage to the land in the process of the acquisition.

Among the factors that will be taken into consideration for the purposes of determining the compensation to be paid to the owner are provided under the First Schedule of the LAA and which include, inter alia:

(i) market value of the property;

(ii) any likely increase in the value of the remaining land of the landowner/person interested which may accrue from the use of the land acquired;

(iii) damages sustained upon taking possession of the land (by reason of severing the acquired land from the remaining land) by the Authority;

(iv) damages sustained by reason of the acquisition injuriously affecting the landowner's other property (whether movable or immovable);

(v) the reasonable expenses in consequence of the acquisition *viz* moving residence or place of business; and

(vi) any undertaking by the state authority or the government or person or corporation on whose behalf the land is to be acquired, to construct or erect roads, drains, walls, fences or other facilities benefiting any part of the land which is not acquired. This is subject to the proviso that the undertaking is clear and enforceable.

Planning Regulation (specifically with regard to property and data centres)

There are no specific planning regulation requirements which are applicable in respect of data centres. Data centre buildings are usually required to comply with all planning permission and building requirements as established under the relevant building laws such as the Town and Country Planning Act 1976 as well as the Street Drainage and Building Act 1974.

In general, town and country planning in Malaysia is carried out at four levels:

(i) at the Federal level, the Town and Country Development Department for Peninsular Malaysia is based under the Ministry of Urban Wellbeing, Housing and Local Government and advises the Federal Government in all planning matters as well as utilisation and development of land and is also responsible for formulating and administering national policies relating to town planning. The Federal Government is also advised by a body known as the National Physical Planning Council on matters relating to town and country planning within the framework of national policy and formulates the National Physical Plan which is, inter alia, a written statement formulating strategic policies for the purpose of determining general directions and trends of the physical development of Malaysia;

(ii) at the regional level, the Regional Planning Committee coordinates land use and infrastructure planning for areas covering more than one state within Peninsular Malaysia and its primary functions are to, inter alia, advise the relevant state planning committees and local planning authorities within the region pertaining to development plans appropriate for the region in accordance with the national policy and to establish policies and devise a comprehensive regional plan to guide and co-ordinate development as well as the provision of infrastructure and facilities for the region;

(iii) at the state level, the respective state governments/authorities are given the authority to plan on the use and development of land and in that regard are responsible for preparing the "structure plans" in their respective states; and

(iv) finally at the local level, the local authorities are given the power to prepare a "local plan" for any part of its area for the purposes of town and country planning.

Section 18 of the Town and Country Planning Act 1976 ("**TCPA**") provides that "No person shall use or permit to be used any land or building otherwise than in conformity with the local plan". Further thereto, Section 19 of the TCPA states that "no person, other than the local authorities, shall, commence, undertake, or carry out any development unless planning permission in respect of the development has been granted to him under Section 22 TCPA".

The party who submits the plan must comply with several requirements stipulated by the local authorities and government departments such as zoning requirement, strategic policies and policies set by the government. Applications for planning permissions will require the relevant documents and plans expressly referred under the relevant sections of the TCPA including a development proposal report which sets out, inter alia, the application's development concept and justification, the description of the land including its physical environment, topography and natural features and the particulars of the building to be developed. Applications are submitted to the local authorities who in general are given power to either grant or refuse any applications for planning permissions.

In addition to the TCPA, there are other standard legislations which may be applicable in respect of development loping of any land and/or building, for example, the Street, Drainage and Building Act 1974 ("**DBA**"), Sewerage Services Act 1993 ("**SSA**"), and rules set by National Board of Electricity.

Furthermore, where an entity is granted MSC Malaysia status, such entity may be expected to operate in compliance with certain additional conditions such as:

(a) locating its MSC Malaysia operations within MSC Malaysia designated cybercities which include Cyberjaya, Technology Park Malaysia, UPM-MTDC Incubation Centre I, Menara KL, Penang Cybercity 1, Kulim High Tech Park as well as the Petronas Twin Towers within six (6) months from the date of MSC Malaysia status approval; and

(b) comply with MSC Malaysia environmental guidelines as stipulated in the Environmental Guidelines for MSC Malaysia Investor's Guide, the Physical Planning Guidelines for MSC Malaysia September 2000 and the Urban Design Guidelines for Cyberjaya September 2000.

Environmental Regulation (specifically with regard to property and data centres)

Malaysian environmental laws are mainly governed by Environmental Quality Act 1974 ("**EQA**"). The Department of Environment ("**DOE**") was established specifically to implement this statute.

The general environmental prohibitions under the EQA include the following:

(i) restriction on pollution of the atmosphere;

(ii) restriction on noise pollution;

(iii) restriction on pollution of soil;

(iv) prohibition on pollution of inland waters;

(v) prohibition of discharge of wastes into Malaysia waters; and

(vi) prohibition of open burning.

If one is found guilty of the any of above prohibitions/restrictions, a monetary punishment and/or imprisonment may be imposed on the person who committed the offence.

Section 31A of the EQA also confers powers on the Minister of the DOE or Director General to issue a prohibition order to the owner or occupier of any plant to prevent its continued operation and release of environmentally hazardous substances. Also, as part of the EQA, the following rules and regulations were also introduced by the DOE to control industrial emissions from buildings:

(a) Environmental Quality (Clean Air) Regulations 1978; and

(b) Environmental Quality (Compounding of Offenses) Rules 1978.

Under Part 2 of the Environmental Quality (Clean Air) Regulations, 1978, there are various approvals and licenses to be applied for by the owner or occupier of a property meant for industrial or trade purposes to Director General in setting up their building. These include the installation of industrial facilities, erection or installation of an incinerator, carrying out open burning under Section 13 of the aforesaid Regulations, the permission to discharge dark smoke from the property and compliance with air impurities regulations under Part V of EQA 1974 (Clean Air) Regulations.

Furthermore, where an entity is granted with MSC Malaysia status, such entity may be expected to operate in compliance with MSC Malaysia environmental guidelines as stipulated in the Environmental Guidelines for MSC Malaysia Investor's Guide, the Physical Planning Guidelines for MSC Malaysia September 2000 and the Urban Design Guidelines for Cyberjaya September 2000.

Data Centres

There are no specific laws or regulations which have been formally legislated or passed to specifically cover the construction or governance of data centres in Malaysia. Generally, data centres in Malaysia come under the umbrella of the relevant existing Malaysian laws and any approach of data centre-specific issues will be based on current legislation.

In respect of general multimedia operations and policies, the Multimedia Development Corporation ("**MDeC**") which is incorporated under the Malaysian Companies Act 1965 has a role in advising the Malaysian Government on legislation and policies and is also involved in administering "MSC Malaysia" which is Malaysia's national information and communications technology ("**ICT**") initiative which is "designed to attract world-class technology companies while grooming the local ICT industry".

MDeC basically oversees and administers the applications and granting of "MSC Malaysia Status" which is a form of recognition by the Malaysian Government for ICT and ICT-facilitated businesses which "develop or use multimedia technologies to produce and enhance their products and services". "MSC Malaysia Status" is awarded to three (3) types of business entities:

(i) private limited locally incorporated;

(ii) institutions of Higher Learning; and

(iii) incubators.

The grant of MSC Malaysia Status entitles qualified entities to a set of incentives, rights and privileges under the MSC Malaysia Bill of Guarantees ("**MSC Bill of Guarantees**") which may be subject to requirements under any relevant local laws and regulations and any other terms and conditions that may be imposed by the Malaysian Government and/or MDeC. Currently the ten points under the MSC Bill of Guarantees are as follows:

(a) To provide a world-class physical and information infrastructure.

(b) To allow unrestricted employment of local and foreign knowledge workers.

(c) To ensure freedom of ownership by exempting companies with MSC Malaysia Status from local ownership requirements.

(d) To give the freedom to source capital globally for MSC Malaysia infrastructure, and the right to borrow funds globally.

(e) To provide competitive financial incentives, including Pioneer Status (100% tax exemption) for up to ten years or an Investment Tax Allowance for up to five years and no duties on the importation of multimedia equipment.

(f) To become a regional leader in Intellectual Property Protection and Cyberlaws.

(g) To ensure no censorship of the Internet.

(h) To provide globally competitive telecommunications tariffs.

(i) To tender key MSC Malaysia infrastructure contracts to leading companies willing to use MSC Malaysia as their regional hub.

(j) To provide a high-powered implementation agency to act as an effective one-stop super shop.

In addition to the above, existing cyberlaws governing information and communications technology ("**ICT**") may be applicable when dealing with data centre-related businesses or issues. For example, the Communications and Multimedia Act 1998 ("**CMA**") creates a system of licenses and defines the roles and responsibilities of those providing communication and multimedia services. The CMA also provides for the existence of the Communication and Multimedia

Commission (the roles and powers of which are more clearly defined by the Communications and Multimedia Commission Act 1998) as a new regulatory authority to oversee the ICT industry. Currently it appears that data centres in general need not obtain either a class licence or individual licence (as respectively defined under the CMA) unless the data centre provides a service or facility which is listed under any specific regulation or order made under or pursuant to the CMA.

Also, the Malaysian Communications and Multimedia Commission Act 1998 provides for the establishment of the Malaysian Communications and Multimedia Commission which "shall have all the functions imposed on it under the communications and multimedia laws" including advising the relevant Minister on all matters concerning national policy objectives for communications and multimedia activities, implementing and enforce the provisions of communications and multimedia laws and supervising and monitoring communications and multimedia activities.

In addition, data centre providers may have to be aware of the Electronic Commerce Act 2006 which seeks "to provide for legal recognition of electronic messages in commercial transactions, the use of the electronic messages to fulfil legal requirements and to enable and facilitate commercial transactions through the use of electronic means".

RELEVANT LAWS AND REGULATIONS IN ENGLAND AND WALES

General

Statute governs the majority of real estate law in England and Wales, although common law still plays an important role in interpreting statutes and determining equitable interests in real estate. There are no differences in the law applicable to England and Wales (shortened to simply England in this overview), but both Scotland and Northern Ireland have different legal systems.

Although the terms real estate and real property are understood in England, it is more usual to refer to land or property, and this overview will use those terms.

Under English law, there are only three types of ownership interest in land. They are freehold, leasehold and commonhold:

(i) *Freehold land*

Freehold land is owned outright forever. The land may be subject to or have the benefit of rights and covenants, such as rights of way over adjoining land, or covenants restricting use or development.

Freehold land may also be subject to a lease, in which case there are two owners of the land: one owns the freehold and is called the freeholder, landlord or lessor; the other owns the lease and is called the tenant or lessee. The right of occupation belongs to the tenant.

(ii) *Leasehold land*

A lease grants ownership of property for a stated period of time, so leasehold land is owned by the tenant for the length of the lease. A lease exists at the same time as the freehold: the freehold lasts forever and is subject to the lease for the period of the lease.

A lease may be granted either for a premium or at an annual rent, or a combination of both and will commonly contain restrictions on what the leasehold owner (or tenant) can do with the property.

(iii) Commonhold

This is a form of condominium ownership, where ownership is split into a number of units. This form of land ownership is not common in England and where it is, it relates to residential property.

An owner of land has full rights to deal with the land as he likes, subject to any laws or agreements to the contrary. For example the owner of land may buy, sell, lease, build, demolish and change the use, though in practice he may find that in the case of leasehold land he needs his landlord's consent to do these things, and in the case of building, demolition and changing the use he also needs the consent of local Government planning authorities in the form of a planning permission. Other consents may also be needed.

Ownership of land gives the right to occupy the land, although where a lease exists that right belongs to the tenant, not the landlord.

No restriction on who may hold land

Any person over the age of 18, of whatever nationality, may buy and sell freehold land without restriction and may buy or sell UK-incorporated entities owning freehold land without restriction. Similarly, any corporate entity, wherever it is established, may hold and dispose of freehold land provided it has the corporate power to do so. This is subject to any applicable UK, EU or United Nations sanctions in force at any time.

Leases in more detail

A tenant can grant a lease out of his own leasehold interest, called a sublease or underlease, although this will sometimes require the consent of the tenant's landlord. A chain of leases can be created in this way to meet the requirements of investors and occupiers. The right to occupation belongs to the owner of the lowest lease in the chain. Leases fall into two broad types, investment leases and occupational leases.

An investment lease is one which an investor would buy for its actual or potential income stream, so it will typically be a lease for 125 years or more either without a rent or at a very low rent. The owner of such a lease owns the value in the property.

An occupational lease is one under which a tenant who does not want to participate in the risks and rewards of long-term investment would occupy, so it will typically be a lease for somewhere between five and 25 years at a rent equal to the full annual rental value of the property. Occupational leases will not normally acquire any significant value and the owner of such a lease merely pays rent for the right to occupy. The lease will contain details of the rent and the rights and obligations of the landlord and the tenant to each other.

There are very few provisions implied by law into a lease of commercial property, so the practice is to set out all the terms in the lease itself. This can result in leases being lengthy documents. Even though there are a number of standard principles which one expects to see in a lease, there is no standard wording, so leases require careful negotiation by experienced lawyers.

Occupational leases normally contain restrictions on the tenant's ability to dispose of the lease, underlet, demolish, alter or extend the property and restrictions on the uses to which the tenant can put the property. For example, the use might be restricted to offices. In most cases these restrictions are imposed to protect the value of the landlord's interest, since it is the landlord and not the tenant who owns the valuable interest in an occupational lease. However, there is a balance to be struck since if the landlord seeks to restrict the tenant more than is normal in the market he will find that the rent achieved, either initially or on rent review, is lower than the market rent.

The position is different for investment leases where it is the tenant who owns the valuable interest in the property. There tend to be many fewer restrictions on tenants in investment leases, and those that are included tend to be lighter.

Most leases contain a statement that if the tenant fails to pay rent or is in breach of its obligations the landlord may terminate the lease. Termination in those circumstances is called forfeiture. There are statutory restrictions on the landlord's right to forfeit a lease.

The Land Registration System

Ownership of land and the majority of the rights and burdens which affect it, must be registered at the Land Registry, a government agency. The vast majority of the property in England is registered, including nearly all property in the city of London. When properties change ownership, they must be registered if they are not already registered.

The registers contain details of:

- the property, both by description and by reference to a plan;
- the owner;
- the price paid by the owner;
- rights which benefit the property;
- any restrictions on its use;
- any security held over it (mortgages); and
- any registrable leases which the property is subject to.

Anyone can obtain copies of the registers and any documents referred to in them although commercially sensitive information can be withheld from copies of leases, mortgages and other documents. The price paid for the property by the owner cannot be withheld. Some matters are not included in the registers. Examples are the rights of actual occupiers of property, leases for seven years or less and matters falling within the province of the relevant local authority, such as town and country planning (zoning) matters and road improvement schemes.

It is also often difficult to identify the extent of adjoining land over which there are mutual rights or obligations. The registers are therefore not complete records of all interests in or burdens on the relevant land. A registered title is guaranteed by the Land Registry, subject to any matters entered on the registers and to matters not covered by the registration system. Registration of a lease, when title to the freehold interest in the property has not been registered, will be subject to any matters affecting the freehold at the time when the lease was granted.

Contractual formalities

English law requires that an agreement for the purchase, lease or mortgage of land and buildings must:

- be in writing;
- contain all matters expressly agreed;
- be signed by all the parties; and
- be contained in one document, although terms may be incorporated by reference to other documents.

Buying land is a two-stage process. The first stage ends with a contract to acquire the land. It is not itself an immediate transfer of ownership, but commits the buyer to buy and the seller to sell the property. The second stage ends with payment of the price and the transfer of ownership. It is possible (but not usual) for the two stages to be concluded simultaneously.

(i) The contract

On conclusion of negotiations, a formal contract (the detailed terms of which will have been agreed during the negotiating period) will be signed by the buyer and seller. A deposit is usually paid on signature of the contract and where paid it is usually 5 or 10 per cent of the purchase price. The balance is paid when the property is transferred to the buyer, usually within the following three to six weeks: a process known as completion. There are no formal rules or requirements as to the timing of completion and the buyer is free to negotiate a longer or shorter period before completion.

The contract will provide for the terms on which the ownership of the property transfers from the seller to the buyer. These will include provisions for collection of any arrears of rent, for management matters, for disputes with tenants (if any) current at the date of the contract or arising between the date of the contract and the date of completion, and for the continuation, if desired, of maintenance contracts, employment of caretakers or other staff and other similar matters.

A contract may be conditional on the fulfilment of agreed conditions such as obtaining planning permission for development or change of use. Any such conditions are a matter for negotiation. Unlike in some jurisdictions, raising finance would not be a normal condition.

(ii) Completion of the purchase

On completion of the purchase, the buyer pays the purchase price (or the balance of it, if a deposit had been paid) and title to the property is transferred to the buyer. The formal document of transfer is then recorded at the Land Registry by the buyer's lawyers. The buyer's title to the property dates back to the completion of the purchase, once registration formalities have been completed. The buyer is free to dispose of, and receive income from, the property at any time following completion of the purchase, whether or not registration at the Land Registry has been completed.

It is not necessary in England for documents relating to land to be notarised.

Planning (Zoning)

With few exceptions, the construction of any building or structure in England requires approval from the local Government planning authority before it is carried out, as does a material change of use of the land or building. The approval is called a planning permission and may be subject to conditions which will be binding on all future owners and occupiers.

In areas of architectural or historic interest, and for individual buildings of particular merit, there is much tighter control over how land or the buildings on it can be altered or used. Additional consents can be required in these cases called conservation area consents and listed building consents, which, again, may be subject to conditions.

An investor would expect that a building which he is intending to buy has all necessary permissions but, nevertheless, will need to make sure that no development has been carried out without permission and no condition has been breached before committing himself to the purchase – not least because local authorities have a range of enforcement powers including significant criminal penalties which can be levied against the current owner notwithstanding that it may not have been that owner who carried out the unauthorised development or use. This will be especially important where a building is listed as there is no statutory time limit on listed building enforcement action.

The local planning authority may require payments to be made towards local infrastructure either via an agreement entered into before the grant of planning permission or through a local development tax called the Community Infrastructure Levy. Agreement will need to be reached with the seller as to who is to be responsible for these payments.

Contaminated land and environmental liability

The contaminated land regime in England provides for strict and retrospective liability for the remediation of contaminated land. This raises the prospect that innocent owners or occupiers of land may find themselves liable to criminal fines and penalties (and/or civil damages) for contamination liabilities pre-dating their period of ownership or occupation of the land.

In order to manage risks of liability, environmental surveys are usually carried out by experienced technical environmental consultants prior to the land being purchased. The types of survey available include:

(a) an assessment of potential contaminants and other potential environmental risks based on analysis of past and current site use carried out by reference to current and historic publicly available registers, plans and records (a Desktop Survey);

(b) a Desktop Survey and a site visit which does not involve intrusive investigations (a Phase I Survey); and

(c) a Desktop Survey and intrusive investigations such as taking soil and water samples (a Phase II Survey).

Where contamination is identified, an appropriate remediation strategy will need to be designed. Appropriate remediation should render the site fit for its current use. Site assessment and remediation can be an expensive, time consuming and complex process involving liaison with the relevant regulatory authorities. In addition, not all sites are deemed suitable for remediation, particularly if the costs may exceed the value of the land after development. Legal advice may be provided in relation to the best potential legal remedies and/or measures that can be put in place to minimise risks. In addition, legal assistance may be provided to explore the availability of commercial insurance for identified environmental risks.

Flood risk

Due to the increase in flooding in recent years, insurers are now using more detailed flood risk information to assess a site and raising premiums for higher risk sites. Therefore, prior to land being purchased, specific flooding reports should be considered for higher risk sites. These reports will identify whether further investigation and/or potential flood risk mitigation measures are required and such issues may need to be taken into account during the transaction negotiations.

Compulsory purchase

Local planning authorities, utility companies and certain public bodies have statutory powers enabling the compulsory purchase of land for certain specified purposes. A compulsory purchase order is prepared and notice serves on all persons with an interest in the affected land. Where objections are lodged a public enquiry is held to determine whether the order should be confirmed. If it is confirmed then the land can be acquired. Compensation is payable to all persons with an interest in the affected property.

Transfer taxes

In common with the tax systems everywhere, the UK tax system is complex. The following is a very brief guide to transfer taxes relating to property and is not and does not purport to be an overview of all direct and indirect taxation.

Stamp Duty Land Tax ("**SDLT**") is payable on land transactions. All land transactions are subject to SDLT, unless then transaction in question benefits from a specified relief. The amount of SDLT payable will depend on the consideration for the land. For example, for commercial property transferred in consideration of £500,000 or more, the buyer must pay SDLT of 4% of the consideration.

Stamp Duty (instead of SDLT) is payable on the transfer of shares in a company save where the transfer benefits from a specified relief (e.g. intra group relief). The Stamp Duty rate is 0.5%.

Both SDLT and Stamp Duty are payable within 30 days of the effective date of the relevant transfer.

RELEVANT LAWS AND REGULATIONS IN THE NETHERLANDS

Company Law

Pursuant to Dutch international private law, a corporation is governed by the law of the state in which, under its incorporation documents or deed of establishment, it has its corporate seat or registered office, or, in the absence thereof, its external centre of activities. A corporation's governing law covers not just establishment, but also the internal regulation of the corporation and all subject matters related thereto. Therefore, Dutch corporate governance for example, only applies to listed companies that have their official seat in the Netherlands.

However, pursuant to the Dutch Pro Forma Foreign Companies Act (*Wet op de formeel buitenlandse vennootschappen*), a non-Dutch company that qualifies as a 'pro forma-foreign company' is subject to certain provisions of Dutch company law relating *inter alia* to registration, distributions, annual accounts and director liability. A 'pro forma-foreign company' is a capital company (corporation) with legal personality incorporated under a law other than Dutch law, which conducts its business entirely or virtually entirely in the Netherlands without having any further real tie with the State under whose law it was incorporated.

Real Estate Law

The territory of the Netherlands is divided into plots of land, known as land registry parcels or cadastral plots (*kadastrale percelen*), each of which is recorded separately in the public registers of the Land Registry. In respect of each cadastral plot, the public registers contain the names of the subjects with an entitlement to such cadastral plot. Those subjects may be individuals, legal entities governed by public law such as municipalities (*gemeenten*) and provinces (*provincies*) and legal entities governed by private law, such as public companies (*naamloze vennootschappen*) and private limited liability companies (*besloten vennootschappen met beperkte aansprakelijkheid*). Also recorded in the Land Registry is the nature of the entitlement, legal restrictions that apply to the entitlement, restricted rights and whether the cadastral plot is subject to an attachment or right of mortgage.

Types of Entitlement to Real Estate

Real estate is 'immovable property'. The Dutch Civil Code defines 'immovable' as: the land, the unextracted minerals therein, the plants and shrubs attached to the land, as well as the buildings and works permanently attached to the land be it directly or by attachment to other buildings or works. Everything else is deemed 'movable'.

The rights vested in real estate can be either a 'right *in rem*' (*zakelijk recht*) or a 'personal right' (*persoonlijk recht*).

Rights *in rem* are absolute: they apply to all persons and entities holding legal rights and the vesting and transfers of a right *in rem* can be recorded in the public registers of the Land Registry. Furthermore, the legislature has determined that the vesting or transfer of such rights must be effected by a notarial deed executed before a Dutch civil law notary, and be perfected by the subsequent registration of a certified copy thereof in the public registers of the Land Registry.

Dutch law draws a distinction between ownership and various types of rights *in rem*. The most comprehensive right to real estate is the (unencumbered) right of ownership. Some other rights *in rem* regarding real estate are derived from, or share significant features with, the right of ownership. These include the right of leasehold (also commonly referred to as ground lease), the right created by virtue of easement and the right of mortgage.

In contrast to rights *in rem*, personal rights have only relative effect: they can only be exercised against one or several certain person(s). The right to tenancy on the basis of a contractual lease is a personal right although it has certain features of an absolute effect: *i.e.* the lessee can exercise its right against the subsequent owners (and vice versa).

Ownership

Ownership (*eigendom*) is the most comprehensive right to real estate. The owner has exclusive right of use, and may dispose of or encumber the real estate at its sole discretion.

Public law does contain limitations to the right of use, such as zoning plan conditions, environmental legislation, building regulations and tolerance obligations in connection with maintenance of public underground cables, pipes and the like, registrations within the meaning of the Soil Protection Act (*Wet Bodembescherming*) and restricted rights as referred to in the Public Works (Removal of Impediments in Private Law) Act (*Belemmeringenwet Privaatrecht*).

Since the implementation of the Disclosure of Impediments under Public Law in respect of Real Estate Act (*Wet kenbaarheid publiekrechtelijke beperkingen*), the Dutch Government is obliged to register, among others, the aforementioned limitations in the public registers of the Land Registry, this in order to inform third parties about the public limitations regarding a real estate.

Right of Leasehold

A right of leasehold (*erfpacht*), also commonly referred to as a ground lease, is the right to hold and use the real estate owned by another party, usually against payment of a periodic remuneration called the ground rent (*erfpachtcanon*). The right of leasehold itself may be vested for a definite period or perpetually whereby the conditions which apply to the right of leasehold (e.g. the amount of the ground rent) may be adjusted from time to time. The vesting of a right of leasehold is effected by the registration of a certified copy of the relevant notarial deed, executed before a Dutch civil law notary, in the public registers of the Land Registry. A right of leasehold is a right *in rem* and is to be distinguished from a lease, which is a personal right. The right of use of the leasehold tenant is not only valid for the soil but for all that the soil comprises according to Dutch law such as, among others, the buildings and works that are permanently joined to the land. The leasehold tenant does not own buildings and works it constructs in or on the soil. The (bare) owner of the land is the legal owner of any such building as a result of the principle of vertical accession (*verticale natrekking*). In many cases, upon termination of the right of leasehold, the leasehold tenant is entitled to remuneration by the landowner for any buildings the leasehold tenant has constructed. Alienation of the right of leasehold may be subject to approval of the landowner, and limitations may be imposed on the leasehold tenant regarding the use of the real estate.

Easements

An easement (*erfdienstbaarheid*) is a burden with which an immovable property (the serving land: *dienend erf*) is encumbered for the benefit of another immovable property (the dominant land: *heersende erf*). It is a dependent right that passes with the ownership of the property and cannot be disposed of separately from that property. The encumbrance should consist of the obligation 'to tolerate' or 'to refrain from certain actions' although it can also pertain to supporting maintenance or construction obligations. Easements can be created by establishment and by prescription. Establishment is effected by the registration of a certified copy of a notarial deed designated for that purpose in the public registers.

Right of Mortgage

The right of mortgage acts as security for a creditor against the fulfilment of the debtor's financial obligations. The right of mortgage entitles the creditor/mortgagee to dispose of the real estate on which it has been granted such right by public sale, and to exercise a preferred claim over other creditors to the proceeds thereof in the event of the debtor failing to meet its obligations. Such public sale may be held without any court order. This is known as a right of summary execution (*recht van parate executie*). With the consent of the court, a sale by the mortgagee can also take place privately (*onderhandse verkoop*).

The right of mortgage is not separately transferable; it is related to the debtor's payment obligation. The right of mortgage is vested by registering a certified copy of the relevant notarial deed, executed before a Dutch civil law notary, in the public registers of the Land Registry.

Purchase, Sale and Transfer of Real Estate

According to Dutch law, a seller is obliged to provide information to a prospective buyer concerning the legal aspects and actual condition of the real estate; however, it is also in the buyer's interest to verify this information and to examine whether further enquiries are to be made.

The sale and purchase agreement can be registered in the public registers of the Land Registry. Upon registration, attachments or a sale to a third-party by the seller within a time frame of six months starting from the date of registration of the sale and purchase contract cannot affect the pre-recorded right of the purchaser. This provides the purchaser with some additional security.

If the real estate is leased, the seller should inform the purchaser of the contents of the present lease(s). The seller's rights and obligations vis-à-vis the lessee pass automatically to the purchaser when the transfer of ownership is effected.

Lease Law

On 1 August 2003, new legislation on commercial leases came into force. This legislation is incorporated in articles 7:201 up to and including 7:310 Dutch Civil Code. The new lease legislation applies to already existing leases at the time of enforcement as well as to leases concluded after 1 August 2003. Already existing claims and pending legal proceedings regarding leases at the time of enforcement of the new Dutch lease legislation remain subject to the former Rent Act 1950 (*Huurwet 1950*).

According to Dutch law, a lease is a contract with the following elements:

(a) the lessor provides the lessee with the use of its property; and

(b) the lessee pays a consideration for that use.

Leases are classified as agreements that constitute personal rights only. A lease does not provide or constitute any right *in rem*. Dutch lease legislation does not permit the use of lease interests as a third-party security. Rights of a lessee under a lease cannot be encumbered, pledged or assigned.

The Dutch lease legislation distinguishes:

(i) private housing lease;

(ii) retail lease (the lease of commercial space to be used for retail, hotels, restaurants etc., that are open to the public); and

(iii) industrial lease of other types of commercial space (e.g. office space, factories, warehouses, banks, etc.).

The applicable mandatory regime differs for each type of lease. The primary use of the real estate usually determines the category.

Spatial Planning and Environmental Law

Zoning plan

The general legal framework for spatial planning is embodied in the Spatial Planning Act (*Wet ruimtelijke ordening*) ("**SPA**"). A zoning plan creates a spatial separation between burdensome areas such as industry and sensitive areas such as residential areas.

This zoning is also reflected in legislation pertaining to particular sectors, such as the Noise Abatement Act (*Wet geluidhinder*) and the External Safety (Establishments) Decree (*Besluit externe veiligheid inrichtingen*), as well as circulars and policy rules such as laid down in the Association of Dutch Municipalities (*Vereniging van Nederlandse Gemeenten*) brochure, 'Industry and Environmental Zoning' (*Bedrijven en Milieuzonering*).

Environmental Permitting (General Provisions) Act

All permit requirements (including exemptions from the zoning plan) are, as of October 2010, regulated by the Environmental Permitting (General Provisions) Act (*Wet algemene bepalingen omgevingsrecht*) ("**GPA**"). Whereas previously anyone who wanted to develop real estate or erect or change an industrial facility had to deal with a range of different permits and exemptions, the new GPA replaces all these systems with a single permit, known as the environmental permit (*omgevingsvergunning*).

Fire-safety

Pursuant to the Environmental Permitting Decree (*Besluit omgevingsrecht*), the occupation and use of buildings in which commercial night-time accommodation is provided to more than ten persons or the number of persons specified in the relevant building regulation, would require an environmental permit of fire-safe use. This is also the case if day-time accommodation is provided to more than ten persons under the age of ten or to more than ten persons with a physical or mental handicap.

Waste water discharge permit

In the event of there being discharge of wastewater from the property onto surface water, a wastewater discharge permit by virtue of the Water Act (*Waterwet*) is required. Though the Water Act has not been integrated in the GPA, the GPA does contain regulations with regard to the coordination of the environmental permit and the wastewater discharge permit.

Environmental Impact Statement ("EIS")

Pursuant to the Decree on Environmental Impact Statements (*Besluit milieu-effectrapportage*), an EIS may be required either prior to the determination of a spatial plan that allows for the erection of an industrial facility or in advance of the application for an environmental permit for such facility. The requirement for an EIS could also arise from the Provincial Environmental Policy (*Provinciale Milieu-Verordening*). A Provincial Environmental Policy may contain criteria other than those found in the aforementioned decree which may result in the requirement for an EIS.

Birds and Habitat Directive, Natura 2000 areas

Pursuant to the Birds Directive and the Habitats Directive, both of which were implemented pursuant to the Nature Conservation Act of 1998 and the Flora and Fauna Act, the Government of the Netherlands has designated certain areas as Special Protection Areas under the Birds Directive and Special Areas of Conservation under the Habitat Directive, the so called "Natura 2000 areas".

Any plan or project likely to have a significant impact on these areas in terms of the deterioration of the natural habitats or the habitats of species as well as the disturbance of the species for which the areas have been designated are subject to an appropriate assessment of implications for the area. The competent authorities will only agree to the plan or project after having ascertained that the plan or project will not adversely affect the integrity of the area concerned.

Soil and Groundwater Pollution

Pursuant to the Soil Protection Act (*Wet bodembescherming*), a person or entity holding:

(a) rights *in rem* (*zakelijke rechten*), e.g. an owner (*eigenaar*) or leasehold tenant (*erfpachter*); or

(b) personal rights (*persoonlijke rechten*) (e.g. lessee),

may be ordered by the competent authority to investigate and/or to take temporary control measures in respect of seriously polluted property which it uses or has used in the course of conducting its business. In addition, the owner or leasehold tenant of a seriously polluted property, as well as any person who polluted the property, may be ordered to carry out additional soil investigations or – depending on the risks of the pollution – to remediate the property. The competent authority may also decide that use of the property be restricted due to the presence of certain types of pollution.

Asbestos

Pursuant to the Working Conditions Decree, asbestos-containing materials in new constructions and renovations have been prohibited since 1993. However, there is no general legal requirement to remove asbestos, unless the presence of asbestos forms a risk to employees. However reconstruction and demolishing works involving the removal of asbestos are bound to strict legal requirements in order to prevent human exposure to asbestos.

Dutch Data Protection Act

The Dutch Data Protection Act ("**DDPA**") provides requirements governing the (partially) computerised processing of personal data in relation to the activities of a data controller (the entity or person that determines the means and purposes of processing of the collected personal data) in the Netherlands. For the purposes of the DDPA:

- "Personal data" means all data relating to an identified or identifiable natural person, including name, (e-mail) address, date of birth, etc.

- "Processing" personal data concerns, among others, the collection, storing, arranging, saving, using, modifying, transferring, making available and deleting of such data. These activities must comply with the requirements set forth in the DDPA (see below).

- The "data controller" is the natural person, legal person, administrative body or any other entity which, alone or in conjunction with others, determines the purpose of and means for processing personal data. The DDPA sets forth obligations for a data controller.

- The "data processor" is the person or body which processes personal data for the data controller, without coming under the direct authority of that party.

- The "data subject" is the person to whom the personal data relates.

Two situations trigger the applicability of the DDPA (pursuant to Article 4):

(i) the data controller has an establishment (this can be either a branch, or a legal entity) in the Netherlands and that establishment processes personal data in the context of its own activities; and

(ii) the data controller has no establishments in the EU, and uses automated or non-automated means in the Netherlands to process personal data.

RELEVANT LAWS AND REGULATIONS IN IRELAND

Company Law

The principal rules governing the operation and conduct of Irish companies are set out in the Companies Acts 1963 to 2013[1]. The primary corporate vehicle used in Ireland is the private limited company. The principal attraction of the private limited company is that shareholders' liability for the company's debts is limited to the amount they agreed to pay for their shares. Shares in Irish private limited companies must be issued with a par, or nominal, value, which value can be any amount, and in any currency. Irish private limited companies are subject to capital maintenance rules, the principle rule being that they cannot make dividends or distributions except out of their "profits available for distribution" (as defined in section 45 of the Companies (Amendment) Act 1983). They can also, subject to certain formalities being observed, redeem and/or repurchase their shares out of profits available for distribution.

Every Irish company must have at least two directors and a company secretary. A private company must have at least one shareholder; a public company must have at least seven shareholders. A corporate entity may act as company secretary but the directors must be natural persons. Otherwise, there is a requirement that Irish companies have at least one director who is resident in a member state of the European Economic Area; alternatively the Company must post an insurance bond to the value of €25,395. Subject to certain exceptions, Irish companies are obliged to publicly file their financial statements with the Companies Registration Office.

The internal rules of an Irish company are its articles of association, which represents a contract between all of the company's shareholders, and also between all of the company's shareholders and the company. Every Irish private limited company must have an objects clause in its memorandum of association (which clause may be amended by the company's shareholders) and a company is not permitted to act outside those specified objects.

Finally, the day-to-day management of any foreign (*i.e.* non-Irish) company which has a registered branch in Ireland will be regulated by the laws of the foreign country where that company was incorporated, with some branch filing requirements to be made in Ireland.

Regulation of Foreign Investment

There are a number of EU and Irish restrictions on "financial transfers" between Ireland and other specified countries and/or persons, entities or bodies identified in connection with EU counter-terrorism measures. Financial transfers are broadly defined and include all transfers which would be movements of capital or payments within the meaning of the treaties governing the EU. Dividends, or interest payments, payments on redemption or purchase of shares, debentures or other securities in an Irish incorporated company, and payments on a liquidation of an Irish incorporated company would fall within this definition.

There are no general Irish rules prohibiting payment of dividends/the making of distributions to foreign investors.

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1 A proposed new act, the Companies Consolidation Act, is currently going through Irish parliament. Once enacted, this will consolidate and amend the Companies Acts 1963 to 2013.

Systems of Land Holding

There are two separate systems for recording transactions in relation to property in Ireland:

- the Registry of Deeds system operated by the Registry of Deeds; and

- the Registration of Title system operated by the Land Registry.

Both systems are under the control and management of the Property Registration Authority. The two systems are mutually exclusive in the sense that in a particular transaction relating to land the title will be either "unregistered" (*i.e.* the title is not yet registered in the Land Registry and so the Registry of Deeds system applies); or "registered" (*i.e.* the title has been registered in the Land Registry and so the Registry of Deeds system is irrelevant.

When a title is accepted for registration in the Land Registry the original title documents are retained and permanently filed. A folio is opened in respect of the property and generally it is not necessary to refer to the original title documents again. A certified copy of this folio can be obtained with or without a copy of the map outlining the property.

The title shown on the folio (opened in respect of the property upon the registration of title) is guaranteed by the Irish State, which is bound to indemnify any person who suffers loss through a mistake made by the Land Registry. A purchaser can, therefore, accept the folio as evidence of title without having to read the relevant deeds.

The Registry of Deeds provides for the registration of documents only and is not proof of title to a property but does give priority to a registered deed. The Registry of Deeds has no responsibility for the effectiveness or validity of the deed.

Tenure/Title

Since the commencement of the Land and Conveyancing Law Reform Act 2009 (the "**2009 Act**"), the only ownership interests in real property are:

- freehold where the freehold owner owns all the property (property and buildings); and

- leasehold where the leasehold title is based on the lease contract which specifies a period of ownership of the property and often restricts the use of the property by the tenant. A business tenant can acquire a statutory right to a new tenancy in certain circumstances. An ownership interest under a lease can be held and would normally be a lease at a nominal rent for a term of 500 or 999 years.

Registration of a Transfer

A contract for sale is negotiated and agreed between a buyer and seller of property and then signed. To complete the sale, the seller will deliver a deed of assurance and the original title documents to the buyer in exchange for payment. The buyer must then pay the appropriate stamp duty on the deed to the Revenue Commissioners.

The buyer will then arrange for the deed of assurance to be lodged for registration in the Land Registry. Where title to the property is unregistered title, a first registration application to the Land Registry is required since registration in the Land Registry is now compulsory in Ireland.

Leases

Lease terms in Ireland are subject to market standards and practice. Commercial leases are freely negotiated and there is no template lease.

There are however, some terms implied by legislation. For example under landlord and tenant legislation, any attempt to impose a total ban on assigning or subletting is not permitted and is interpreted as a ban on assignment/subletting without the landlord's consent. The lease provisions regarding rent review are subject to negotiation between the parties. However, the 2009 Act provides that for leases executed after 28 February 2010 there is a ban on upwards only rent reviews.

Though generally landlords and tenants cannot contract out of applicable legislation, commercial tenants may however elect to waive their rights under certain provisions. For example, a commercial tenant in continuous occupation of a property for business purposes for five years or more may renounce any statutory rights of renewal it may be entitled to.

Registration of a lease secures priority for the lease. It does not secure any other benefit, and, in particular, does not affect the substantive validity of the lease itself. In the case of registered land (including buildings), the lease will be registered in the Land Registry. If the unexpired term of the lease exceeds twenty one years, the lease will be registered by the opening of a new leasehold folio and the lease will also be registered as a burden on the Landlord's Folio. Where the unexpired term is less than twenty one years, the lease can be registered as a burden on the Landlord's folio only. The registration of the lease as a burden is not compulsory.

If the land is unregistered, the lease will be registered in the Registry of Deeds. This will not provide the tenant with proof of leasehold title to the property but it does give priority to the lease over subsequent claims.

The Commercial Leases Database contains publicly available details of the terms of commercial leases. The tenant under a commercial lease granted on or after 3 April 2012 must submit certain information to the Property Services Regulatory Authority on creation of a lease, on each rent review and when the tenant ceases to have an interest in the lease.

Planning Regulations

Ireland has a comprehensive system for controlling land use and planning. The general principle is that all development, whether of "works" or "material change of use", must secure prior planning permission. Planning permission is applied for from the Local Planning Authority. In the case of Citadel 100 Data Centre, the Planning Authority is the Planning Department of South Dublin County Council.

Before planning permission is granted for any development, the local planning policies and objectives for that particular rotation must support the proposed development. Critically the zoning must be favourable and the development applied for must be one which is "permitted in principle" or at least "open for consideration".

The planning system has generous public participation rights in Ireland, meaning that notification of any planning application must be advertised in the local newspapers and third parties have the right to make third-party observations/objections.

Compulsory Acquisition

Local authorities and various state bodies have statutory powers enabling them to issue compulsory purchase orders ("**CPO**" or "**CPOs**") for certain specified purposes. The various acts governing CPOs are inter-related and complex.

Once a CPO is drawn up, notice is served on all parties with an interest in the relevant property. Where objections are lodged, a public enquiry is held to determine if the order should be confirmed. After the expiry of the objection period, the CPO is operative, the acquiring authority serves a Notice to Treat on the affected parties and discussions commence regarding the level of compensation available. On reaching agreement the compensation is paid, otherwise the matter may be referred by either party to a property arbitrator to assess compensation.

The amount of compensation that an affected party is entitled to is such amount as, having regard to all relevant matters, will compensate that party for the acquisition so that they will be left in the same financial position after the CPO as they were prior to the process. In assessing the compensation, regard is had to matters, including but not limited to:

- the market value of the land;
- diminution in value of retained lands, if any;
- any financial advantage incidental to the person's ownership of the land;
- disturbance;
- loss of profits or goodwill;
- loss or depreciation of stock in trade;
- any loss, damage, injury or reasonable expenses incurred as a result of the acquisition; and
- reasonable legal or professional costs.

Environmental Regulation

In Ireland, environmental laws are found in legislation/statute or, alternatively, as part of the common law. Common law rules relevant to environmental protection include e.g. rules relating to nuisance. However, by far the greater proportion of environmental regulation is found in legislation/statute. In general terms environmental laws can be divided into:

- general environmental laws, which impose general obligations to avoid causing "environmental pollution". An example is the main Environmental Statute in Ireland – the Environmental Protection Agency Act 1992;
- a range of statutes requiring businesses/corporations to hold an appropriate environmental licence or permit or other authorisation (depending on the type of activity involved);
- specific environmental statutes that control more specific aspects of environmental impact/control such as laws concerned with:
  - the waste regime;
  - laws in relation to air pollution;

- laws dealing with emissions to water (*i.e.* water pollution protection); and

- laws dealing with emissions and soil/land contamination.

Some of these environmental legislations are applicable to data centres due to the nature of data centre operations. For example, legislations controlling waste electrical and related equipment must be observed and such electrical waste must only be handed over to licenced waste companies. Legislation on cooling gases (fluoridated/ozone depleting gases) ensure that data centres must observe a particular regime of inspection and management of such gases; environmental noise regulations require periodic noise inspection and control measures to be taken by data centres. Legislation regarding environmental licences and permits may require for example a greenhouse gas emissions permit to be held if there is any fossil fuel combustion (e.g. diesel boiler) above a certain size threshold of activity carried on at the data centre.

In general terms, the types of offences most applicable to data centres would be offences for breaching regulations relating to noise, air emission limits etc. However, of their nature, the environmental impact of data centres tends to be of a low order (such as rectifiable noise issues) so that there is little or no history in Ireland of data centres proving problematic from the perspective of environmental regulation.

Only the most serious cases of environmental breach and damage are prosecuted in the High Court. Typically offences involving an installation like a data centre would tend to be dealt with at the lowest Court level *i.e.* the District Court level, where fines are generally of the order of €5,000 (and where Court costs tend not to exceed €20,000 to €30,000).

Laws and Regulations specific to Data Centres

Ireland does not have a regulatory regime that specifically applies to data centres or their operations.

On the basis that a data centre operator:

- does not have access, or potential access in the event of emergency or otherwise, to any of the data contained on customers' servers/storage systems located at the data centre, a data centre operator does not have any obligations under Irish data protection law with regard to any personal data passing through the relevant servers contained in the data centre; and

- does not apply a mark-up in respect of the supply of electricity to its customers,

no additional regulatory requirements will apply to the relevant data centre or its operations.

In terms of planning, design, construction and operation of data centres, the operator must comply with the relevant planning permission(s) issued by the local planning authority or the planning appeal board (*An Bord Pleanála*) and related conditions including those of a build related, operational and/or financial nature.

A data centre operator also needs to comply with regulations and other requirements under the relevant Building Control legislation and all other consents, approvals, or licenses required in connection with the data centre from all competent local authorities ranging from the fire safety certificate, the building energy rating certificate and disability access certificate. Where applicable, landlord consent may be required for certain activities or requirements.

It is also expected that the operator will comply with health and safety legislation during both construction and operation of the centre as well as applicable employment legislation.

It would also generally be expected although not mandatory that the operator obtains International Organisation for Standardisation ("**ISO**") standards, typically in relation to information, security, quality, energy management and codes of practice such as Leadership in Energy and Environment Design.

A data centre operator will require an agreement with utility entities for the primary services including electricity and water. Separately the operator may require an agreement with a telecom/fibre network provider.

TAXATION

The following summary of certain tax consequences in Singapore, Australia, Malaysia, UK, the Netherlands, Ireland, BVI and Guernsey of the purchase, ownership and disposition of the Units is based upon laws, regulations, rulings and decisions now in effect, all of which are subject to change (possibly with retroactive effect). The summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Units and does not purport to apply to all categories of investors, some of which may be subject to special rules. Investors should consult their own tax advisers concerning the application of Singapore, Australia, Malaysia, UK, the Netherlands, Ireland, BVI and Guernsey tax laws to their particular situations as well as any consequences of the purchase, ownership and disposition of the Units arising under the laws of any other tax jurisdictions.

Keppel DC REIT has obtained the Tax Rulings from the IRAS and MOF in respect of the Singapore taxation of certain income from the Singapore Properties and the Properties located outside Singapore derived by Keppel DC REIT and/or its Singapore Subsidiaries.

SINGAPORE TAXATION

Taxation of Keppel DC REIT

Keppel DC REIT has obtained the Tax Transparency Ruling from the IRAS and the Foreign Sourced Income Tax Exemption Ruling from the MOF (collectively, the "**Tax Rulings**") in respect of the Singapore taxation of certain income from the Singapore Properties and Properties located overseas respectively. In accordance with the Tax Rulings, the Singapore taxation consequences for Keppel DC REIT, its Singapore Subsidiaries and that of the Unitholders are described below.

Taxable income of Keppel DC REIT

Except as detailed in the paragraphs below, the Trustee will be subject to Singapore income tax at the prevailing corporate tax rate on taxable income of Keppel DC REIT.

The current Singapore corporate tax rate is 17.0%.

Specified Taxable Income of Keppel DC REIT

Keppel DC REIT has obtained the Tax Transparency Ruling from the IRAS in respect of the Specified Taxable Income. Such income includes rent and income from or ancillary to the management or holding of the Singapore Properties but not gains from the disposal of the Singapore Properties or its subsidiaries.

Subject to the terms and conditions of the Tax Transparency Ruling, the Trustee will not be taxed on Specified Taxable Income distributed to the Unitholders in the year in which the income was derived. Instead, the Trustee and the Manager will undertake to deduct income tax at the prevailing corporate tax rate from distributions made to Unitholders out of such Specified Taxable Income. However, to the extent that the beneficial owner is a Qualifying Unitholder (as defined herein), the Trustee and the Manager will make the distributions without deducting any income tax. Also, to the extent that the beneficial owner is a Qualifying Foreign Non-Individual Unitholder (as defined herein), the Trustee and the Manager will undertake to deduct income tax at the reduced rate of 10.0% for distributions made up to 31 March 2015, unless otherwise extended.

A Qualifying Unitholder[1] refers to a Unitholder who is:

- an individual;
- a company incorporated and tax resident in Singapore;
- a branch in Singapore of a company incorporated outside Singapore that has obtained IRAS' approval for distributions to be made by Keppel DC REIT to it without deduction of tax; or
- body of persons (excluding partnerships) incorporated or registered in Singapore, including:
  - (i) a charity registered under the Charities Act, Chapter 37 of Singapore or established by an Act of Parliament;
  - (ii) a town council;
  - (iii) a statutory board;
  - (iv) a co-operative society registered under the Co-operative Societies Act, Chapter 62 of Singapore; and
  - (v) a trade union registered under the Trade Unions Act, Chapter 333 of Singapore.

A Qualifying Foreign Non-Individual Unitholder is a person other than an individual not resident in Singapore for Singapore income tax purposes and:

- who does not have a permanent establishment in Singapore; or
- who carries on an operation in Singapore through a permanent establishment in Singapore, where the funds used by that person to acquire the Units are not obtained from that operation in Singapore.

To obtain distributions free of tax deduction at source, or at the reduced rate of 10.0%, Qualifying Unitholders or Qualifying Foreign Non-Individual Unitholders must disclose their respective tax status in a prescribed form provided by the Trustee and the Manager.

Where the Units are held in joint names, the Trustee and the Manager will deduct income tax from the distributions made out of Keppel DC REIT's Specified Taxable Income at the prevailing corporate tax rate, unless all the joint owners are individuals.

Where the Units are held through a nominee, the Trustee and the Manager will deduct income tax from the distributions made out of Keppel DC REIT's Specified Taxable Income at the prevailing corporate tax rate unless:

- the nominee can demonstrate that the Units are held for beneficial owners who are Qualifying Unitholders for which the Trustee and the Manager would not deduct any tax from the distributions. The nominee should make a declaration of the status of the beneficial owners of the Units and provide certain particulars of the beneficial owners of the Units to the Trustee and the Manager in a prescribed form provided by the Trustee and the Manager. Where the Units are held through more than 1-tier of nominees, the Trustee/Manager must obtain confirmation from the ultimate beneficiaries that they are Qualifying Unitholders. If the ultimate beneficiaries do not provide a confirmation of their status, the Trustee/Manager must

1 Does not include a person acting in the capacity of a trustee.

withhold tax on the distribution. The nominee should also maintain adequate and sufficient information and documentation to verify and be satisfied with the identity of the beneficial owners; and

- the nominee can demonstrate that the Units are held for beneficial owners who are Qualifying Foreign Non-Individual Unitholders, for which the Trustee and the Manager would deduct/withhold tax at the reduced tax rate of 10.0% from the distributions made up to 31 March 2015 (unless otherwise extended). The nominee should make a declaration of the status of the beneficial owners of the Units and provide certain particulars of the beneficial owners of the Unit to the Trustee and the Manager in a prescribed form provided by the Trustee and the Manager. Where the Unit are held through more than 1-tier of nominees, the Trustee/Manager must obtain confirmation from the ultimate beneficiaries that they are Qualifying Foreign Non-Individual Unitholders. If the ultimate beneficiaries do not provide a confirmation of their status, the Trustee/Manager must withhold tax on the distribution. The nominee should also maintain adequate and sufficient information and documentation to verify and be satisfied with the identity of the beneficial owners.

Keppel DC REIT will distribute 100.0% of its Specified Taxable Income for Forecast Year 2015 and Projection Year 2016. Thereafter, Keppel DC REIT will distribute at least 90.0% of its Specified Taxable Income on a semi-annual basis. Any amount of the Specified Taxable Income not distributed will be assessed to Singapore income tax at the prevailing corporate tax rate, and the tax assessed will be collected from the Trustee on such amount. In the event of any subsequent distribution made out of such after tax Specified Taxable Income retained by Keppel DC REIT, the Trustee and the Manager will not have to make a further deduction of income tax from the distribution made.

The application of the Tax Transparency Ruling is conditional upon the Trustee and the Manager fulfilling certain terms and conditions including distribution of at least 90.0% of Specified Taxable Income by the Trustee to the Unitholders in the year in which the income is derived by the Trustee. The Trustee and the Manager are required to take all reasonable steps necessary to safeguard the IRAS against tax leakages and to comply with all administrative requirements to ensure ease of tax administration.

Notwithstanding the aforesaid, the Specified Taxable Income as computed by the IRAS may be different from that determined by the Manager for distribution purposes. To ease tax compliance and governance, in the event that the amount finally agreed with the IRAS is different from the amount of Specified Taxable Income determined by the Manager for distribution purposes, the difference will be added to or deducted from the Specified Taxable Income of the Trustee for the next distribution immediately after the difference has been agreed with the IRAS ("**Rollover Income Adjustments**").

This arrangement is accepted based on the understanding that:

(i) at least 90.0% of the difference has to be distributed to the Unitholders;

(ii) the shortfall in distribution is not material;

(iii) no major issue that would cause undue delay in reaching the agreement with the IRAS is envisaged; and

(iv) the IRAS reserves the right to review such arrangement as and when needed.

The IRAS has expressly reserved the rights to review, amend and revoke the Tax Transparency Ruling either in part or in whole at any time.

(See "Risk Factors – Risks Relating to an Investment in the Units" for further details.)

Tax Exempt Income of Keppel DC REIT

Foreign-sourced income

Keppel DC REIT has obtained the Foreign-Sourced Income Tax Exemption Ruling from the MOF in respect of certain income (such as interest income and dividend income as the case may be) arising from the Properties located outside Singapore and derived by Keppel DC REIT and/or its Singapore Subsidiaries.

Pursuant to this ruling, the Trustee will be exempt from Singapore income tax on certain income such as dividend and interest income received from its offshore subsidiaries (*i.e.* Securus Guernsey 1, Securus Guernsey 2, Boxtel Investment Limited and Basis Bay Capital Management Sdn Bhd[1], (collectively, the "**Direct Offshore Subsidiaries**")), as the case may be, up to 31 March 2015[2] (unless otherwise extended). Such income will be regarded as Tax Exempt Income of Keppel DC REIT. The Foreign-Sourced Income Tax Exemption is granted subject to certain conditions.

Singapore-sourced dividends

Dividend income received by Keppel DC REIT from its Singapore Subsidiaries will not be subject to Singapore income tax in the hands of the Trustee. They will also be regarded as Tax Exempt Income of Keppel DC REIT.

Return of Capital to Keppel DC REIT

Any return of capital received by Keppel DC REIT from its Singapore Subsidiaries or Direct Offshore Subsidiaries is capital in nature and hence, is not taxable in the hands of the Trustee.

Disposal Gains of Keppel DC REIT

Singapore does not impose tax on capital gains. In the event that the Trustee disposes of the Singapore Properties, shares in the Singapore Subsidiaries and/or Direct Offshore Subsidiaries, any gains arising from the disposal will not be subject to Singapore income tax unless the gains are considered income of a trade or business. If the gains are considered to be trading gains and derived in or received or deemed received in Singapore, such gains will be assessed to tax, currently at 17.0%.

Singapore Stamp Duty

In the event of a change in the Trustee, any document effecting the appointment of a new trustee and the transfer of trust assets from the incumbent trustee to the new trustee will not be subject to stamp duty.

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1 Keppel DC REIT is expected to hold a 99.0% interest in Basis Bay Data Centre with the Basis Bay Vendor holding the remaining 1.0% interest on the Listing Date.

2 Where the foreign income received in Singapore by the Trustee is in respect of any overseas property which:–

(a) is acquired, directly or indirectly, by the Trustee or its wholly-owned Singapore resident subsidiary on or before 31 March 2015; and

(b) continues to be beneficially owned, directly or indirectly, by the Trustee or its wholly-owned Singapore resident subsidiary in paragraph (a), after 31 March 2015,

such foreign income received in Singapore after 31 March 2015 will continue to be granted the tax exemption, so long as all the qualifying conditions for the tax exemption are met.

By virtue of the Stamp Duty (Real Estate Investment Trust) (Remission) Rules 2010, stamp duty on any contract or agreement or instrument executed prior to or on 31 March 2015 relating to the transfer on sale of Singapore immovable properties, or 100% of the issued share capital of a Singapore incorporated company that was set up to hold and holds directly or indirectly immovable property situated outside Singapore, will be remitted. As such, stamp duty will be remitted for the transfer of the Singapore Properties to Keppel DC REIT.

Singapore Property Tax

Keppel DC REIT is liable to pay property tax at the prevailing tax rate of the annual value of the Singapore Properties. The annual value is the gross amount at which the Properties can reasonably be expected to be let from year to year, having regard to the fact that all outgoings and maintenance are borne by the landlord. The current property tax rate is 10.0%.

Singapore GST

GST Registration of Keppel DC REIT

Keppel DC REIT could be registered for GST in Singapore on the basis that it would derive rental income from the leasing of the Singapore Properties, which constitutes a taxable supply for GST purposes.

Recovery of GST incurred by Keppel DC REIT

Once GST-registered, Keppel DC REIT would be allowed to claim the GST incurred on its business expenses (such as offering-related and routine operating expenses) for the making of taxable supplies except for certain disallowed expenses and subject to the normal input tax recovery rules.

In addition, in the Singapore Budget 2008, the Minister for Finance announced an enhanced concession for Singapore listed REITs to claim the GST incurred:

- on the setting up of their various tiers of special purpose vehicles that hold non-residential properties; and

- by their special purpose vehicles on the acquisition and holding of non-residential properties.

The GST remission has a qualifying period of up to 31 March 2015 and is subject to meeting certain qualifying conditions. Keppel DC REIT could therefore recover the GST incurred on the acquisition and holding of non-residential properties which it indirectly holds, under the enhanced concession.

Taxation of Singapore Subsidiaries

Taxable income of Singapore Subsidiaries

Except as detailed in the paragraphs below, the Singapore Subsidiaries of Keppel DC REIT will be subject to Singapore income tax at the prevailing corporate tax rate on taxable income of the Singapore Subsidiaries.

The current Singapore corporate tax rate is 17.0%.

Tax Exempt Income of Keppel DC REIT or Singapore Subsidiaries

Foreign-sourced income

Keppel DC REIT has obtained the Foreign-Sourced Income Tax Exemption Ruling from the MOF in respect of certain income (such as interest income and dividend income as the case may be) arising from the Properties located outside Singapore and derived by Keppel DC REIT and/or its Singapore Subsidiaries.

Pursuant to this ruling, the Singapore Subsidiaries will be exempt from Singapore income tax on certain income such as dividend and interest income received from their offshore subsidiaries (*i.e.* Citadel 100 Datacenters Limited, Securus Netherlands B.V. and Greenwich View Place Limited, collectively, "**Indirect Offshore Subsidiaries**"), as the case may be, up to 31 March 2015[1] (unless otherwise extended). The Foreign-Sourced Income Tax Exemption is granted subject to certain conditions.

Return of Capital to Singapore Subsidiaries

Any return of capital received by Singapore Subsidiaries from the Indirect Overseas Subsidiaries is capital in nature and hence, is not taxable in the hands of the Singapore Subsidiaries.

Disposal Gains of Singapore Subsidiaries

Singapore does not impose tax on capital gains. In the event that Singapore Subsidiaries dispose of their shares in Indirect Overseas Subsidiaries, any gains arising from the disposal will not be subject to Singapore income tax unless the gains are considered income of a trade or business. If the gains are considered to be trading gains and derived in or received or deemed received in Singapore, they will be assessed to tax, currently at 17.0%.

To provide upfront certainty on gains derived from the disposal of certain shareholdings, the IRAS has introduced a safe harbour rule with the effect from 1 June 2012. Under the safe harbour rule, gains derived by Singapore Subsidiaries from disposal of ordinary shares in Indirect Overseas Subsidiaries would not be taxable, if immediately prior to the date of sale, Singapore Subsidiaries had held a minimum shareholding of 20% of the ordinary shares in the Indirect Overseas Subsidiaries for a continuous period of at least 24 months.

The above exemption would apply to qualifying disposals made during the 5-year period from 1 June 2012 to 31 May 2017.

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1 Where the foreign income received in Singapore by the Singapore Subsidiaries is in respect of any overseas property which:–

(a) is acquired, directly or indirectly, by the Trustee or its wholly-owned Singapore resident subsidiary on or before 31 March 2015; and

(b) continues to be beneficially owned, directly or indirectly, by the Trustee or its wholly-owned Singapore resident subsidiary in paragraph (a), after 31 March 2015,

such foreign income received in Singapore after 31 March 2015 will continue to be granted the tax exemption, so long as all the qualifying conditions for the tax exemption are met.

Singapore GST

GST Registration of Singapore Subsidiaries

The Singapore Subsidiaries will not be eligible for GST registration in Singapore on the basis that they will not be making any taxable supplies. However, in the event that they subsequently undertake activities which involve the making of taxable supplies, they may be eligible for GST registration.

TAXATION OF UNITHOLDERS

Distributions out of Keppel DC REIT's taxable income

Unitholders will not be subject to Singapore income tax on distributions made out of Keppel DC REIT's income that has been taxed at the Trustee level. Accordingly, distributions made by Keppel DC REIT out of its taxable income (e.g. distributions made out of after tax Specified Taxable Income not distributed by Keppel DC REIT or out of gains or profits taxed as trading gains to the Unitholders) will not be subject to any tax deduction at source. No tax credit will be given to any Unitholder on the tax payable by the Trustee on such Taxable Income.

Distributions out of Keppel DC REIT's Specified Taxable Income

Individuals who hold the Units as Investment Assets

Individuals who hold the Units as investment assets (excluding individuals who hold such Units through a partnership in Singapore) are exempt from Singapore income tax on the distributions made out of Specified Taxable Income by Keppel DC REIT, regardless of the individuals' nationality or tax residence status.

Individuals who hold the Units as Trading Assets or through a Partnership in Singapore

Individuals who hold the Units as trading assets or through a partnership in Singapore are subject to Singapore income tax on the gross amount of distributions that are made out of Keppel DC REIT's Specified Taxable Income. Such distributions must be declared in the income tax returns of these individuals and will be taxed in the hands of these individuals at their applicable income tax rates.

Non-individuals other than Qualifying Foreign Non-Individual Unitholders

Non-individual Unitholders are subject to Singapore income tax on the gross amount of distributions that are made out of Keppel DC REIT's Specified Taxable Income, unless specifically exempted, irrespective of whether or not tax has been deducted from the distributions by the Manager and the Trustee.

Where tax has been deducted at source, the tax deducted is not a final tax. Non-individual Unitholders can offset tax deducted at source against their Singapore income tax liabilities.

Qualifying Foreign Non-Individual Unitholders

Qualifying Foreign Non-Individual Unitholders will be subject to final tax at the reduced rate of 10.0% for distributions made out of Keppel DC REIT's Specified Taxable Income up to 31 March 2015, unless otherwise extended.

Distributions out of Keppel DC REIT's Tax Exempt Income

Unitholders will not be subject to Singapore income tax on distributions made out of Keppel DC REIT's Tax Exempt Income. No tax will be deducted at source on such distributions.

Distributions out of Keppel DC REIT's capital receipts

Unitholders will not be subject to Singapore income tax on distributions made by Keppel DC REIT out of its capital receipts, such as return of capital from the Singapore Subsidiaries and Direct Offshore Subsidiaries. No tax will be deducted at source on such distributions.

For Unitholders who hold the Units as trading or business assets and are liable to Singapore income tax on gains arising from the disposal of the Units, the amount of such distributions will be applied to reduce the cost of the Units for the purpose of calculating the amount of taxable trading gain when the Units are disposed of. If the amount exceeds the cost of the Units, the excess will be subject to tax as a trading income of such Unitholders.

Distributions out of Keppel DC REIT's disposal gains

Distributions of Keppel DC REIT made by the Trustee out of gains or profits arising from a disposal of the Singapore Properties, shares in Singapore Subsidiaries and shares in Direct Offshore Subsidiaries that have been confirmed by the IRAS as capital gains will not be taxable in the hands of the Unitholders since the gains or profits do not form part of the statutory income of the Trustee of Keppel DC REIT.

Disposal of the Units

Singapore does not impose tax on capital gains. Any gains on disposal of the Units are not liable to tax provided the Units are not held as trading assets. Where the Units are held as trading assets of a trade or business carried on in Singapore, any gains on disposal of the Units are liable to Singapore income tax at the applicable tax rate.

Singapore GST

Issue and Transfer of the Units

The issue or transfer of ownership of a unit under any unit trust in Singapore is exempt from GST. Hence, Unitholders would not incur any GST on the subscription of the Units. The subsequent disposal of the Units by a GST-registered Unitholder through the SGX-ST or to another person belonging in Singapore is regarded as an exempt supply and not subject to GST. The disposal or transfer of the Units to another person belonging outside Singapore would constitute zero-rated supplies for Singapore GST purposes.

Recovery of GST incurred by Unitholders

Generally, services such as legal fee, brokerage, handling and clearing charges rendered by a GST-registered person to Unitholders belonging in Singapore in connection with their purchase and sale of the Units would be subject to GST at the prevailing standard-rate of 7.0%. Similar services rendered to Unitholders belonging outside Singapore could be zero-rated when certain conditions are met.

For Unitholders belonging in Singapore who are registered for GST, any GST on expenses incurred in connection with the subscription/acquisition or disposal of the Units is generally not recoverable as input tax credit from the IRAS unless certain conditions are satisfied. These GST-registered Unitholders should seek the advice of their tax advisers on these conditions.

Singapore Stamp Duty

The sale, purchase and transfer of the Units is not subject to stamp duty in Singapore.

AUSTRALIA TAXATION

Income Tax

Subject to the meeting of certain qualifying conditions, Securus Australia Trust No. 1 and Securus Australia Trust No. 2 will be treated as flow-through entities for Australian income tax purpose. Securus Australia Trust No. 1 and Securus Australia Trust No. 2 are not subject to Australian income tax. Securus Australia Trust No. 1 and Securus Australia Trust No. 2's taxable income from iseek Data Centre and Gore Hill Data Centre respectively will effectively be allocated to their unitholders in proportion to the unitholders' interests in the trusts' distributable income.

Withholding Tax

The distributions from the Securus Australia Trust No. 1 and Securus Australia Trust No. 2 to Securus Guernsey 1 and Securus Guernsey 2 respectively will be subject to withholding tax. The applicable withholding tax rate for non-resident unitholders that are companies is 30.0%. Distributions of cash in excess of taxable income, commonly referred to as "tax deferred distributions" which reflect mainly non-cash tax deductible items e.g., depreciation deductions, are not subject to tax in the hands of the unitholders. Instead, the tax cost base of the trust units will be reduced.

Land Tax

Land tax is an annual tax computed based on the taxable value of the land at stepped land tax rates that vary from state to state, currently in the range of 1.5% to 2.0% in relevant states. The taxable value of the land is determined by the relevant local government authorities. Australian land tax rates and/or thresholds are generally subject to change each year and updated information should be obtained when considering the land tax liability each year.

For Guernsey tax matters, please refer to "Taxation – Guernsey Taxation" for further details.

MALAYSIA TAXATION

Corporate Income Tax

Basis Bay Capital Management Sdn Bhd has been awarded the MSC Malaysia status, effective from 16 October 2008. The grant of the MSC status is subject to continued compliance by Basis Bay Capital Management Sdn Bhd of the conditions contained in the conditions of grant of the MSC status.

As a MSC status company, Basis Bay Capital Management Sdn Bhd was granted an investment tax allowance ("**ITA**") incentive of 100% on qualifying capital expenditure incurred within a period of 5 years to be offset against 100% of statutory income for each year of assessment. The ITA incentive was effective from 14 August 2009 to 13 August 2014. Any unutilised ITA can be carried forward to set off against future profits.

Basis Bay Capital Management Sdn Bhd will qualify as a tax resident in Malaysia if the management and control of its business or affairs is exercised in Malaysia during the basis period for a year of assessment. All income accruing in or derived from Malaysia by Basis Bay Capital

Management Sdn Bhd after deducting relevant tax-deductible expenses, industrial building allowances, capital allowances and ITA, will be subject to Malaysian income tax at the prevailing corporate income tax rate of 25% (24% from Year of Assessment 2016).

Withholding Tax

Malaysia does not impose withholding tax on dividends. Dividends paid by Basis Bay Capital Management Sdn Bhd to Keppel DC REIT will not be subject to withholding tax in Malaysia.

Interest on shareholder loan (where applicable) paid or credited to Keppel DC REIT, is generally subject to Malaysian withholding tax at the rate of 15% on the gross amount. The rate of withholding tax may be reduced to 10% under the Singapore-Malaysia tax treaty.

Property Tax

Property tax (in the form of assessment and quit rent) is payable annually by property owners.

Assessment is payable to the local municipal council. Assessment is calculated based on a percentage of the annual rental value as prescribed by the local municipal council. The assessment rate for the Malaysia Property for the year 2013 was 8.4% on annual rental value of the Malaysia Property as prescribed by the local municipal council.

Quit rent is payable to State Government. Quit rent is calculated based on the size of the land area. The applicable quit rent for the Malaysia Property for the year 2013 was approximately RM0.77 per square meter of the Malaysia Property.

UNITED KINGDOM TAXATION

Corporate Income Tax

Greenwich View Place Limited will be subject to UK income tax on the net rental income arising to the UK property at 20% under the non-resident landlord scheme ("**NRLS**"). This is on the basis that Greenwich View Place Limited is registered for NRLS and is managed and controlled from outside of the UK and holds the property for investment purposes.

Withholding Tax

Dividends paid by Greenwich View Place Limited to Securus GVP Pte. Ltd. should not be subject to UK withholding tax under domestic laws.

Interest paid by Greenwich View Place Limited to Securus GVP Pte. Ltd. should not be subject to withholding tax, unless the interest is considered to be UK sourced.

If the interest is deemed to be UK sourced, then withholding tax of 20% would apply. The rate of withholding tax may be reduced to 5% under the UK-Singapore tax treaty.

Property Tax

The UK does not have property taxes for commercial property.

For Guernsey tax matters, please refer to "Taxation – Guernsey Taxation" for further details.

NETHERLANDS TAXATION

Corporate Income Tax

For Dutch tax purposes, Securus Netherlands B.V. and Securus Almere B.V. are treated as a "fiscal unity" (*i.e.* the two entities file a tax return as one entity as if only one entity exists). As the parent of the fiscal unity, Securus Netherlands B.V. will file a consolidated tax return for both Securus Netherlands B.V. and Securus Almere B.V. and would be subject to Dutch corporate income tax on the taxable profits derived from Almere Data Centre at the corporate income tax rate, currently at 20% for the first EUR 200,000 of taxable amount and 25% for taxable amount exceeding EUR 200,000. The corporate tax assessment is issued to Securus Netherlands B.V., but all members of the fiscal unity are jointly and severally liable for the amount of taxes due. Dividends paid by Securus Almere B.V. to Securus Netherlands B.V. would be disregarded as they are paid and received by companies included in the same fiscal unity consolidation.

Withholding Tax

Dividend distributions made by Securus Netherlands B.V. to Securus Netherlands 1 Pte. Ltd. are in principle subject to 15% withholding tax in the Netherlands, unless requirements under the Singapore-Netherlands tax treaty are met. The rate of 15% may be reduced to 0% under the Singapore-Netherlands tax treaty on the premise that Securus Netherlands 1 Pte. Ltd. owns 25% or more of the shares in Securus Netherlands B.V. and the dividends are remitted to Singapore.

Interest payments made by Securus Almere B.V. to Securus Netherlands 2 Pte. Ltd. would be exempt from withholding tax in the Netherlands under domestic laws, unless the loan is treated as equity or quasi equity. In that case, dividend withholding tax may be levied on the payments.

Property Tax

The municipal tax authorities will levy real estate taxes on property owners. The applicable taxable base is normally assessed under the Dutch Act on Real Estate Valuation (Wet waardering onroerende zaken or "WOZ" value). Rates differ each year. The applicable real estate tax in relation to Almere Data Centre based on 2014 assessment is approximately 0.2644% of the WOZ value.

IRELAND TAXATION

Corporate Income Tax

Citadel 100 would be subject to Irish corporation tax on its trading income at the standard rate of corporate tax, currently at 12.5%, after deducting relevant expenses and capital allowances and adding back any specifically disallowed items (e.g. non-staff entertainment, depreciation/amortisation). If Citadel 100 earns rental income from the property then this is liable to the 25% rate of corporation tax in Ireland.

Withholding Tax

Dividends paid by Citadel 100 to Securus C100 Pte. Ltd. would be exempt from withholding tax in Ireland under the Singapore-Ireland tax treaty.

Interest payment made by Citadel 100 to Securus C100 Pte. Ltd. which are physically received by Securus C100 Pte. Ltd. in Singapore (*i.e.*, paid to a Singapore bank account of Securus C100 Pte. Ltd.) should be exempt from Irish domestic withholding tax. On the other hand, where the interest is not paid onshore into Singapore, Securus C100 Pte. Ltd. may rely on the Singapore-Ireland tax treaty for a withholding tax rate of 5% to be applied on the interest income.

Property Tax

Commercial property rates are a local property tax payable on the occupation of commercial and industrial properties by the occupier.

The applicable rates are determined every year by the local authorities as a multiple of the rateable value of the property. The multiplier rate in South Dublin for 2014 is 0.162.

BVI TAXATION

There is no BVI income tax that will be applicable to Boxtel Investments Limited. There is also no BVI withholding tax applicable on dividends. In this regard, dividend payments made by Boxtel Investments Limited should not be subject to withholding tax in BVI.

GUERNSEY TAXATION

There is no Guernsey income tax, withholding tax and property tax applicable to Securus Guernsey 1, Securus Guernsey 2 and Greenwich View Place Limited.

PLAN OF DISTRIBUTION

The Manager is making an offering of 261,138,000 Units (representing 29.6% of the total number of Units in issue after the Offering) for subscription at the Offering Price under the Placement Tranche and the Public Offer. 207,375,000 Units will be offered under the Placement Tranche and 53,763,000 Units will be offered under the Public Offer. Units may be re-allocated between the Placement Tranche and the Public Offer at the discretion of the Joint Bookrunners (in consultation with the Manager, subject to the minimum holding and distribution requirements of the SGX-ST) in the event of an excess of applications in one and a deficit in the other.

The Public Offer is open to members of the public in Singapore. Under the Placement Tranche, the Manager intends to offer the Units by way of an international placement through the Joint Bookrunners to investors, including institutional and other investors in Singapore and elsewhere, in reliance on Regulation S. Subject to the terms and conditions set forth in the underwriting agreement entered into between the Joint Bookrunners, the Manager, the Sponsor and Keppel DC Investment Holdings Pte. Ltd. on 5 December 2014 (the "**Underwriting Agreement**"), the Manager is expected to effect for the account of Keppel DC REIT the issue of, and the Joint Bookrunners are expected to severally (and not jointly or jointly and severally) subscribe, or procure subscribers for 551,454,000 Units, in the proportions set forth opposite their respective names below.

Joint Bookrunners	Number of Units
DBS Bank Ltd.	181,979,820
Standard Chartered Securities (Singapore) Pte. Limited	181,979,820
Credit Suisse (Singapore) Limited	110,290,800
Deutsche Bank AG, Singapore Branch	38,601,780
Goldman Sachs (Singapore) Pte.	38,601,780
Total	**551,454,000**

The Units will be offered at the Offering Price. The Offering Price per Unit in the Placement Tranche and the Public Offer will be identical. The Joint Bookrunners have agreed to subscribe or procure subscription for 551,454,000 Units at the Offering Price, less the Underwriting, Selling and Management Commission (as defined herein) to be borne by Keppel DC REIT.

The Manager, the Sponsor and Unit Lender have agreed in the Underwriting Agreement to indemnify the Joint Bookrunners against certain liabilities, to the extent permitted by law. The indemnity under the Underwriting Agreement provides that where the indemnification is unavailable to or insufficient to hold harmless the Joint Bookrunners, then each indemnifying party shall contribute to the amount paid or payable by the Joint Bookrunners as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Manager or the Sponsor, as the case may be, on the one hand and the Joint Bookrunners on the other from the offering of the Units. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then each indemnifying party shall contribute to such amount paid or payable by the Joint Bookrunners in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Manager or the Sponsor, as the case may be, on the one hand and the Joint Bookrunners on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Manager or the Sponsor, on the one hand and the Joint Bookrunners on the other shall be deemed to be in the same proportion as the total net proceeds from the Offering (before deducting expenses) received by the Manager or the Sponsor, as the case may be, bear to the total underwriting discounts and commissions received by the Joint Bookrunners, in each case as set forth in the table above. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Manager or the Sponsor on the one hand or the Joint Bookrunners on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. No Joint Bookrunner shall be required to contribute any amount in excess of the amount by which the total price at which the Units underwritten by it and distributed to the public were offered to investors exceeds the amount of any damages which such Joint Bookrunners has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. The Underwriting Agreement will also provide for the obligations of the Joint Bookrunners to subscribe or procure the subscription for the Units in the Offering subject to certain conditions contained in the Underwriting Agreement.

The Underwriting Agreement may be terminated by the Joint Bookrunners at any time prior to issue and delivery of the Units upon the occurrence of certain events including, among others, certain force majeure events pursuant to the terms of the Underwriting Agreement.

Subscribers of the Units may be required to pay brokerage (and if so required such brokerage will be up to 1% of the Offering Price) and applicable stamp duties, taxes and other similar charges (if any) in accordance with the laws and practices of the country of subscription in addition of the Offering Price.

Each of the Joint Financial Advisers, Joint Global Coordinators, Joint Bookrunners and their associates may engage in transactions with, and perform services for, the Trustee, the Manager, the Sponsor and Keppel DC REIT in the ordinary course of business and have engaged, and may in the future engage, in commercial banking, investment banking transactions and/or other commercial transactions with the Trustee, the Manager, the Sponsor and Keppel DC REIT, for which they have received or made payment of, or may in the future receive or make payment of, customary compensation.

Each of the Joint Financial Advisers, Joint Global Coordinators, Joint Bookrunners and their associates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers in the ordinary course of business, and such investment and securities activities may involve securities and instruments, including Units. The Joint Financial Advisers, Joint Global Coordinators, Joint Bookrunners and their associates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to their clients that they acquire, long and/or short positions in such securities and instruments.

OVER-ALLOTMENT AND STABILISATION

The Unit Lender has granted the Over-Allotment Option to the Joint Bookrunners for the purchase of up to an aggregate of 17,659,000 Units at the Offering Price. The number of Units subject to the Over-Allotment Option will not be more than 6.8% of the number of Units under the Placement Tranche and the Public Offer. The Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager), in consultation with the other Joint Bookrunners, may exercise the Over-Allotment Option in full or in part, on one or more occasions, only from the Listing Date but no later than the earlier of (i) the date falling 30 days from the Listing Date; or (ii) the date when the Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager) has bought, on the SGX-ST, an aggregate of 17,659,000 Units, representing 6.8% of the total number of Units in the Offering, to undertake stabilising actions to purchase up to an aggregate of 17,659,000 Units (representing 6.8% of the total number of Units in the Offering), at the Offering Price. In connection with the Over-Allotment Option, the Stabilising Manager and the Unit Lender have entered into a unit lending agreement dated 5 December 2014 (the "**Unit Lending Agreement**") pursuant to which the Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager) may borrow up to an aggregate of 17,659,000 Units from the Unit Lender for the purpose of facilitating settlement of the over-allotment of Units in connection with the Offering. The Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager) will re-deliver to the Unit Lender such number of Units which have not been purchased pursuant to the exercise of the Over-Allotment Option.

In connection with the Offering, the Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager) may, in consultation with the other Joint Bookrunners and at its discretion, over-allot or effect transactions which stabilise or maintain the market price of the Units at levels which might not otherwise prevail in the open market. However, there is no assurance that the Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager) will undertake stabilising action. Such transactions may be effected on the SGX-ST and in other jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulations, including the SFA and any regulations hereunder. Any profit after expenses derived, or any loss sustained as a consequence of the exercise of the Over-Allotment Option or the undertaking of any stabilising activities shall be for the account of the Joint Bookrunners.

None of the Manager, the Sponsor, the Unit Lender, the Joint Financial Advisers, the Joint Global Coordinators, the Joint Bookrunners or the Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager) makes any representation or prediction as to the magnitude of any effect that the transactions described above may have on the price of the Units. In addition, none of the Manager, the Sponsor, the Unit Lender, the Joint Financial Advisers, the Joint Global Coordinators, the Joint Bookrunners or the Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager) makes any representation that the Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager) will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice (unless such notice is required by law). The Stabilising Manager will be required to make a public announcement via SGXNET in relation to the total number of Units purchased by the Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager), not later than 12 noon on the next trading day of the SGX-ST after the transactions are effected. The Stabilising Manager will also be required to make a public announcement through the SGX-ST in relation to the cessation of stabilising action and the number of Units in respect of which the Over-Allotment Option has been exercised not later than 8.30 a.m. on the next trading day of the SGX-ST after the cessation of stabilising action.

LOCK-UP ARRANGEMENTS

The Sponsor

Subject to the exceptions described below, the Sponsor has agreed with the Joint Bookrunners that it will not, without the prior written consent of the Joint Bookrunners (such consent not to be unreasonably withheld or delayed), for the Lock-up Period, directly or indirectly:

- offer, sell, contract to sell, grant any option, grant security over, encumber or otherwise dispose of, any or all of its effective interest in the Lock-up Units (or any securities convertible into or exchangeable for any such Lock-up Units or part thereof or which carry rights to subscribe for or purchase any such Lock-up Units or part thereof);

- enter into a transaction (including a derivative transaction) with a similar economic effect to the foregoing;

- deposit any or all of its effective interest in the Lock-up Units (or any securities convertible into or exchangeable for any such Lock-up Units or part thereof or which carry rights to subscribe for or purchase any such Lock-up Units or part thereof) in any depository receipt facility;

- enter into a transaction which is designed or which may reasonably be expected to result in any of the above; or

- publicly announce any intention to do any of the above.

The restrictions described in the preceding paragraph do not apply to prohibit the Sponsor from being able to:

- create a charge over the Lock-up Units or otherwise grant security over or create any encumbrance over the Lock-up Units, provided that such charge, security or encumbrance can only be enforced after the Lock-up Period;

- enter into any unit lending arrangement with the Joint Bookrunners or any sale or transfer of any of the Lock-up Units by the Unit Lender pursuant to the exercise of the Over-Allotment Option granted by the Unit Lender to the Joint Bookrunners; or

- transfer such Lock-up Units to and between any wholly-owned subsidiaries of the Sponsor provided that the Sponsor has procured that such subsidiary has executed and delivered to the Joint Bookrunners an undertaking to the effect that it will undertake to comply with the foregoing restrictions, to remain in effect for the unexpired period of the Lock-up Period.

If, for any reason, the Offering is not completed by 31 December 2014, the lock-up arrangements described above will be terminated.

For the avoidance of doubt:

(i) any equivalent Units returned to the Unit Lender pursuant to any unit lending arrangement with the Joint Bookrunners shall be subject to the restrictions set out in this letter agreement as if they were Lock-up Units; and

(ii) the Units held by Securus Fund which are expected to be fully redeemed in cash by the Manager on the Listing Date will not be subject to the lock-up arrangements described above.

Keppel DC Investment Holdings Pte. Ltd.

Subject to the exceptions described below, Keppel DC Investment Holdings Pte. Ltd. has agreed with the Joint Bookrunners that it will not, without the prior written consent of the Joint Bookrunners (such consent not to be unreasonably withheld or delayed), for the Lock-up Period, directly or indirectly:

- offer, sell, contract to sell, grant any option, grant security over, encumber or otherwise dispose of, any or all of its Lock-up Units (or any securities convertible into or exchangeable for any such Lock-up Units or part thereof or which carry rights to subscribe for or purchase any such Lock-up Units or part thereof);

- enter into a transaction (including a derivative transaction) with a similar economic effect to the foregoing;

- deposit any or all of its Lock-up Units (or any securities convertible into or exchangeable for any such Lock-up Units or part thereof or which carry rights to subscribe for or purchase any such Lock-up Units or part thereof) in any depository receipt facility;

- enter into a transaction which is designed or which may reasonably be expected to result in any of the above; or

- publicly announce any intention to do any of the above.

The restrictions described in the preceding paragraph do not apply to prohibit Keppel DC Investment Holdings Pte. Ltd. from being able to:

- create a charge over the Lock-up Units or otherwise grant security over or create any encumbrance over the Lock-up Units, provided that such charge, security or encumbrance can only be enforced after the Lock-up Period;

- enter into any unit lending arrangement with the Joint Bookrunners or any sale or transfer of any of the Lock-up Units by the Unit Lender pursuant to the exercise of the Over-Allotment Option granted by the Unit Lender to the Joint Bookrunners; or

- transfer such Lock-up Units to and between wholly-owned subsidiaries of the Sponsor provided that the Sponsor has procured that such subsidiary has executed and delivered to the Joint Bookrunners an undertaking to the effect that it will undertake to comply with the foregoing restrictions, to remain in effect for the unexpired period of the Lock-up Period.

If, for any reason, the Offering is not completed by 31 December 2014, the lock-up arrangements described above will be terminated. For the avoidance of doubt, any Units returned to the Unit Lender pursuant to the Unit Lending Agreement with the Joint Bookrunners shall be subject to the lock-up arrangements described above.

Keppel Land Limited

Subject to the exceptions described below, Keppel Land Limited has agreed with the Joint Bookrunners that it will not, without the prior written consent of the Joint Bookrunners (such consent not to be unreasonably withheld or delayed), for the Lock-up Period, directly or indirectly:

- offer, sell, contract to sell, grant any option, grant security over, encumber or otherwise dispose of, any or all of its effective interest in the Lock-up Units (or any securities convertible into or exchangeable for any such Lock-up Units or part thereof or which carry rights to subscribe for or purchase any such Lock-up Units or part thereof);

- enter into a transaction (including a derivative transaction) with a similar economic effect to the foregoing;

- deposit any or all of its effective interest in the Lock-up Units (or any securities convertible into or exchangeable for any such Lock-up Units or part thereof or which carry rights to subscribe for or purchase any such Lock-up Units or part thereof) in any depository receipt facility;

- enter into a transaction which is designed or which may reasonably be expected to result in any of the above; or

- publicly announce any intention to do any of the above.

The restrictions described in the preceding paragraph do not apply to prohibit Keppel Land Limited from being able to:

- create a charge over the Lock-up Units or otherwise grant security over or create any encumbrance over the Lock-up Units by Keppel Land Limited, provided that such charge, security or encumbrance can only be enforced after the Lock-up Period; or

- transfer such Lock-up Units to and between any wholly-owned subsidiaries of Keppel Land Limited, provided that Keppel Land Limited has procured that such subsidiary has executed and delivered to the Joint Bookrunners an undertaking to the effect that it will undertake to comply with the foregoing restrictions, to remain in effect for the unexpired period of the Lock-up Period.

If, for any reason, the Offering is not completed by 31 December 2014, the lock-up arrangements described above will be terminated.

The Manager

Subject to the exceptions described below, the Manager has agreed with the Joint Bookrunners that it will not (and will not cause or permit Keppel DC REIT to), for the Lock-up Period, directly or indirectly, without the prior written consent of the Joint Bookrunners (such consent not to be unreasonably withheld or delayed):

- offer, issue, sell, contract to issue or sell, grant any option, grant security over, encumber or otherwise dispose of, any Units (or any securities convertible into or exchangeable for Units or part thereof or which carry rights to subscribe for or purchase Units or part thereof);

- enter into a transaction (including a derivative transaction) with a similar economic effect to the foregoing;

- deposit any or all of its Units (or any securities convertible into or exchangeable for Units or part thereof or which carry rights to subscribe for or purchase Units or part thereof) in any depository receipt facility;

- enter into a transaction which is designed or which may reasonably be expected to result in any of the above; or

- publicly announce any intention to do any of the above.

The restrictions described in the preceding paragraph do not apply to prohibit the Manager during the Lock-up Period, from being able to issue:

- the Units to be issued under the Offering;

- the Sponsor Units;

- the KLL Units;

- the Cornerstone Units;

- the Basis Bay Consideration Units; and

- the Units to be issued to the Manager in payment of any fees payable to the Manager under the Trust Deed.

If, for any reason, the Offering is not completed by 31 December 2014, the lock-up arrangements described above will be terminated.

For the avoidance of doubt:

(i) the restrictions described in the paragraphs above do not prohibit the Manager from selling, contracting to sell, granting security over, encumbering or otherwise disposing of any Units issued to them in satisfaction of any fees payable to the Manager under the Trust Deed; and

(ii) the Units held by Securus Fund which are expected to be fully redeemed in cash by the Manager on the Listing Date will not be subject to the lock-up arrangements described above.

DBS Bank Ltd.

Subject to the exceptions described below, DBS Bank Ltd. has agreed with the Joint Financial Advisers that it will not, without the prior written consent of the Joint Financial Advisers (such consent not to be unreasonably withheld or delayed), for the Lock-up Period, directly or indirectly:

- offer, sell, contract to sell, grant any option to purchase, grant security over, encumber or otherwise dispose of any or all of the Lock-up Units (namely, the 26,881,000 Cornerstone Units held by DBS Bank Ltd.) (or any securities convertible into or exchangeable for any such Lock-up Units or part thereof or which carry rights to subscribe for or purchase any such Lock-up Units or part thereof);

- enter into a transaction (including any derivative transaction) with a similar economic effect to the foregoing;

- deposit any or all of the Lock-up Units (or any securities convertible into or exchangeable for any such Lock-up Units or part thereof or which carry rights to subscribe for or purchase any such Lock-up Units or part thereof) in any depository receipt facility;

- enter into a transaction which is designed or which may reasonably be expected to result in any of the above; or

- publicly announce any intention to do any of the above.

The restrictions described in the preceding paragraph do not apply to prohibit DBS Bank Ltd. from being able to:

- create a charge over the Lock-up Units or otherwise grant security over or create any encumbrance over the Lock-up Units, provided that such charge, security or encumbrance can only be enforced after the Lock-up Period; or

- transfer such Lock-up Units to and between wholly-owned subsidiaries of DBS Bank Ltd. provided that DBS Bank Ltd. has procured that such subsidiary has executed and delivered to the Joint Financial Advisers an undertaking to the effect that it will undertake to comply with the foregoing restrictions, to remain in effect for the unexpired period of the Lock-up Period.

If, for any reason, the Offering is not completed by 31 December 2014, the lock-up arrangements described above will be automatically terminated.

SGX-ST LISTING

Keppel DC REIT has received a letter of eligibility from the SGX-ST for the listing and quotation of the Units on the Main Board of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any statements or opinions made or reports contained in this Prospectus. Admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Offering, Keppel DC REIT, the Manager or the Units. It is expected that the Units will commence trading on the SGX-ST on a "ready" basis on or about 12 December 2014, 2:00 p.m..

Prior to this Offering, there has been no trading market for the Units. There can be no assurance that an active trading market will develop for the Units, or that the Units will trade in the public market subsequent to this Offering at or above the Offering Price (see "Risk Factors – Risks Relating to an Investment in the Units – The Units have never been publicly traded and the listing of the Units on the Main Board of the SGX-ST may not result in an active or liquid market for the Units" for further details).

ISSUE EXPENSES

The estimated amount of the expenses in relation to the Offering and the issuance of Cornerstone Units of S$22.6 million (assuming that the Over-Allotment Option is exercised in full) includes the Underwriting, Selling and Management Commission, professional and other fees and all other incidental expenses in relation to the Offering and the issuance of Cornerstone Units, which will be borne by Keppel DC REIT. A breakdown of these estimated expenses is as follows:

	(S$'000)
Professional and other fees(1)	10,042
Underwriting, Selling and Management Commission(2)	11,326
Miscellaneous Offering expenses(3)	1,185
Total estimated expenses of the Offering and issuance of the Cornerstone Units	**22,553**

Notes:

(1) Includes debt upfront fees, solicitors' fees and fees for the Reporting Auditors, the Independent Tax Adviser (as defined herein), the Independent Valuers and other professionals' fees and other expenses.

(2) Such commission represent a maximum of 2% of the total proceeds of the Offering and the proceeds raised from the issuance of Cornerstone Units assuming the Over-Allotment Option is exercised in full.

(3) Includes cost of prospectus production, road show expenses and certain other expenses incurred or to be incurred in connection with the Offering.

DISTRIBUTION AND SELLING RESTRICTIONS

None of the Manager, the Sponsor, the Joint Financial Advisers, the Joint Global Coordinators or the Joint Bookrunners have taken any action, or will take any action, in any jurisdiction other than Singapore that would permit a public offering of Units, or the possession, circulation or distribution of this Prospectus or any other material relating to the Offering in any jurisdiction other than Singapore where action for that purpose is required.

Accordingly, each purchaser of the Units may not offer or sell, directly or indirectly, any Units and may not distribute or publish this Prospectus or any other offering material or advertisements in connection with the Units in or from any country or jurisdiction except in compliance with any applicable rules and regulations of such country or jurisdiction.

Each purchaser of the Units is deemed to have represented and agreed that it will comply with the selling restrictions set out below for each of the following jurisdictions:

Australia

This Prospectus and the offer is only made available in Australia to persons to whom a disclosure document is not required to be given under either Chapter 6D or Chapter 7.9 of the Australian Corporations Act 2001 (Cth) ("**Corporations Act**"). This Prospectus is not a prospectus, product disclosure statement or any other form of formal "disclosure document" for the purposes of Australian law, and is not required to, and does not, contain all the information which would be required in a disclosure document under Australian law. It is made available to you on the basis that you are a professional investor or sophisticated investor for the purposes of Chapter 6D, and a wholesale client for the purposes of Chapter 7.9, of the Corporations Act.

If you acquire the Units in Australia then you:

(a) represent and warrant that you are a professional or sophisticated investor;

(b) represent and warrant that you are a wholesale client; and

(c) agree not to sell or offer for sale any Units in Australia within 12 months from the date of their issue under the Offering, except in circumstances where:

    (i) disclosure to investors would not be required under either Chapter 6D or Chapter 7.9 of the Corporations Act; or

    (ii) such sale or offer is made pursuant to a disclosure document which complies with either Chapter 6D or Chapter 7.9 of the Corporations Act.

This Prospectus has not been and will not be lodged or registered with the Australian Securities and Investments Commission or ASX Limited or any other regulatory body or agency in Australia. The persons referred to in this Prospectus may not hold Australian Financial Services licences. No cooling off regime will apply to an acquisition of any interest in Keppel DC REIT.

This Prospectus does not take into account the investment objectives, financial situation or needs of any particular person. Accordingly, before making any investment decision in relation to this Prospectus, you should assess whether the acquisition of any interest in Keppel DC REIT is appropriate in light of your own financial circumstances or seek professional advice.

Bahrain

This Prospectus has not been approved by the Central Bank of Bahrain ("**CBB**") and the regulations of the CBB do not apply. No offer will be made in Bahrain to the public to purchase Units and this Prospectus will not be issued to, or made available to, the public generally in Bahrain. The CBB takes no responsibility for the performance of the Units nor for the correctness of any statements or representation made by the Joint Bookrunners.

Brunei

This Prospectus has not been delivered to, licensed or permitted by the authority as designated under the Brunei Darussalam Mutual Funds Order 2001 nor has it been registered with the Registrar of Companies. This Prospectus is for informational purposes only and does not constitute an invitation or offer to the public. As such it must not be distributed or redistributed to and may not be relied upon or used by any person in Brunei other than the person to whom it is directly communicated, (i) in accordance with the conditions of section 21(3) of the International Business Companies Order 2000, or (ii) whose business or part of whose business is in the buying and selling of shares within the meaning of section 308(4) of the Companies Act, Cap. 39.

Dubai International Financial Centre

This Prospectus relates to a fund which is not subject to any form of regulation or approval by the Dubai Financial Services Authority (the "**DFSA**"). The DFSA has no responsibility for reviewing or verifying this Prospectus or other documents in connection with Keppel DC REIT. Accordingly, the DFSA has not approved this Prospectus or any other associated documents nor taken any steps to verify the information set out in this Prospectus, and has no responsibility for it.

The Units to which this Prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence on the Units. If you do not understand the contents of this Prospectus you should consult an authorised financial adviser. This Prospectus is intended for distribution only to persons of a specific type defined in the DFSA's Rules as Professional Clients and must not, therefore, be delivered to, or relied on by, any other type of persons including retail investors.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), an offer to the public of any Units which are the subject of the Offering contemplated by this Prospectus may not be made in that Relevant Member State except that an offer to the public in that Relevant Member State of any Units may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

(a) to any legal entity which is a qualified investor as defined under the Prospectus Directive;

(b) to fewer than 100, or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the Joint Bookrunners for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Units shall result in a requirement for the REIT Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an offer to the public in relation to any Units in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offering and any Units to be offered so as to enable an investor to decide to purchase any Units, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, and the expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression 2010 PD Amending Directive means Directive 2010/73/EU.

Hong Kong

The contents of this Prospectus have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the Offering. If you are in any doubt about any of the contents of this Prospectus, you should obtain independent professional advice. This Prospectus has not been approved by the Securities and Futures Commission in Hong Kong.

Accordingly, no person shall issue or possess for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Units, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Units which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance.

Indonesia

This Prospectus may not be distributed directly or indirectly in Indonesia or to any Indonesian entity or Indonesian citizen (person), and the Joint Bookrunners, may not offer or sell, directly or indirectly, any Units in Indonesia or to any Indonesian entity or Indonesian citizen (person), in a manner constituting a public offering on the Units under the Indonesian Capital Market Law and the applicable regulations of the Otoritas Jasa Keuangan (Financial Services Authority) previously known as Badan Pengawas Pasar Modal dan Lembaga Keuangan (Capital Market and Financial Institution Supervisory Agency).

This Prospectus may not be distributed in Indonesia and the Units may not be offered to more than 100 Indonesian parties and/or sold to more than 50 Indonesian parties wherever they are domiciled, or to Indonesian residents in a manner which constitutes a public offer under the Law Number 8 of 1995 regarding Capital Markets.

Japan

The Units have not been and will not be registered under the Financial Instruments and Exchange Law of Japan ("**FIEL**") or the Investment Trust and Investment Corporation Law of Japan (the "**ITICL**"). Accordingly, the Units are not being offered or sold, directly or indirectly, in Japan or to, or for the account of or benefit of, any resident of Japan (which means any person resident in Japan including any corporation or other entity organized under the laws of Japan), or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the account of or benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL and the ITICL and other relevant laws and regulations of Japan.

Korea

A registration statement for the offering and sale of the Units has not been filed under the Financial Investment Services and Capital Markets Act ("**FSCMA**").

Each purchaser of the Units hereunder will be deemed to have represented and agreed as follows:

(a) the Units may not be offered, sold or delivered, directly or indirectly, in Korea or to, or for the account or benefit of, any resident of Korea (as such term is defined under the Foreign Exchange Transaction Law and Regulation of Korea and its Enforcement Decree), except as otherwise permitted under applicable Korean laws and regulations; and

(b) it understands that the Units will, unless otherwise agreed by the Issuer, bear a legend substantially to the following effect:

A REGISTRATION STATEMENT FOR THE OFFERING AND SALE OF THE UNITS HAS NOT BEEN FILED UNDER THE FINANCIAL INVESTMENT SERVICES AND CAPITAL MARKETS ACT (THE "FSCMA"). ACCORDINGLY, THE UNITS MAY NOT BE OFFERED, SOLD OR DELIVERED, DIRECTLY OR INDIRECTLY, IN KOREA OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY RESIDENT OF KOREA (AS SUCH TERM IS DEFINED UNDER THE FOREIGN EXCHANGE TRANSACTION LAW AND REGULATION OF KOREA AND ITS ENFORCEMENT DECREE), EXCEPT AS OTHERWISE PERMITTED UNDER APPLICABLE KOREAN LAWS AND REGULATIONS.

Malaysia

No approval from the Securities Commission of Malaysia ("**SC**") has been applied for or will be obtained for the offer or invitation in respect of the Offering under the Capital Markets and Services Act 2007. Neither has a prospectus been or will be registered with the SC in connection with the Offering in Malaysia. Accordingly, this Prospectus or any amendment or supplement hereto or any other offering document in relation to Keppel DC REIT may not be distributed in Malaysia directly or indirectly for the purpose of any offer of the Units and no person may offer for subscription or purchase any of the Units directly or indirectly to anyone in Malaysia.

For Residents of the Sultanate of Oman

The information contained in this Prospectus neither constitutes a public offer of securities in the Sultanate of Oman as contemplated by the Commercial Companies Law of Oman (Royal Decree 4/74) or the Capital Market Law of Oman (Royal Decree 80/98), nor does it constitute an offer to sell, or the solicitation of any offer to buy Non-Omani securities in the Sultanate of Oman as contemplated by Article 139 of the Executive Regulations of the Capital Market Law (issued by Decision No. 1/2009). Additionally, this Prospectus is not intended to lead to the conclusion of a contract for the sale or purchase of securities. The recipient of this Prospectus represents that it is a financial institution and is a sophisticated investor (as described in Article 139 of the Executive Regulations of the Capital Market Law) and that its officers/employees have such experience in business and financial matters that they are capable of evaluating the merits and risks of investments.

People's Republic of China

The Units may not be offered or sold, and will not be offered or sold to any person in the People's Republic of China (excluding Hong Kong, Macau and Taiwan, the "**PRC**") as part of the initial distribution of the Units, except pursuant to applicable laws and regulations of the PRC. This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities in the PRC to any person to whom it is unlawful to make the offer or solicitation in the PRC.

The Manager makes no representation that this Prospectus may be lawfully distributed, or that any Units may be lawfully offered, in compliance with any applicable registration or other requirements in the PRC, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Manager which would permit a public offering of any Units or distribution of this Prospectus in the PRC. Accordingly, the Units are not being offered or sold within the PRC by means of this Prospectus or any other document. Neither this Prospectus nor any advertisement or other offering material may be distributed or published in the PRC, except under circumstances that will result in compliance with any applicable laws and regulations.

Qatar

This Prospectus is not intended to constitute an offer, sale or delivery of shares, units in a collective investment scheme, stapled securities or other securities under the laws of the State of Qatar including the rules and regulations of the Qatar Financial Centre Authority ("**QFCA**") or the Qatar Financial Centre Regulatory Authority ("**QFCRA**") or equivalent laws of the Qatar Central Bank ("**QCB**"). This Prospectus has not been lodged or registered with, or reviewed or approved by the QFCA, the QFCRA, the QCB or the Qatar Financial Markets Authority ("**QFMA**") and is not otherwise authorised or licensed for distribution in the State of Qatar or the Qatar Financial Centre ("**QFC**"). The information contained in this Prospectus does not, and is not intended to, constitute a public or general offer or other invitation in respect of shares, units in a collective investment scheme or other securities in the State of Qatar or the QFC. The Units will not be admitted or traded on the Qatar Exchange.

Saudi Arabia

This Prospectus may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations issued by the Capital Market Authority.

The Capital Market Authority does not make any representation as to the accuracy or completeness of this Prospectus, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Prospectus. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this Prospectus you should consult an authorised financial adviser.

Any investor in the Kingdom of Saudi Arabia who acquires the Units pursuant to the offering should note that the offer of Units is a private placement to sophisticated investors under Article 10 of the "Offer of Securities Regulations" as issued by the Board of the Capital Market Authority resolution number 2-11-2004 dated 4 October 2004, as amended by the Board of the Capital Market Authority resolution number 1-28-2008 dated 18 August 2008 (the "**KSA Regulations**").

The Units to be issued have not and will not be offered or sold in the Kingdom of Saudi Arabia other than in compliance with the KSA Regulations, through an Authorised Person (as defined in the Glossary of Defined Terms Used in the Regulations and Rules of the Capital Market Authority) and following a notification to the Capital Market Authority under the KSA Regulations.

Investors should be aware that the offer of the Units is subject to the restrictions on secondary market activity of offers of privately placed securities as set out in Article 17 of the KSA Regulations.

Switzerland

The Units may not be publicly offered, distributed or re-distributed on a professional basis in or from Switzerland and neither this Prospectus nor any other solicitation for investments in Trust may be communicated or distributed in Switzerland in any way that could constitute a public offering within the meaning of Articles 1156/652a of the Swiss Code of Obligations ("**CO**"). This Prospectus may not be copied, reproduced, distributed or passed on to others without the Joint Bookrunners' prior written consent. This document is not a prospectus within the meaning of Articles 1156/652a of the CO and Trust will not be listed on the SIX Swiss Exchange. Therefore, this Prospectus may not comply with the disclosure standards of the CO and/or the listing rules (including any prospectus schemes) of the SIX Swiss Exchange set forth in art. 27 et seq. of the SIX Listing Rules. In addition, it cannot be excluded that Trust could qualify as a foreign collective investment scheme pursuant to Article 119 of the Swiss Federal Act on Collective Investment Schemes, as amended ("**CISA**"). Keppel DC REIT will not be licensed for offering to non-qualified investors in and from Switzerland. The distribution of Units in Switzerland will be exclusively made to, and directed at, regulated qualified investors (the "**Regulated Qualified Investors**"), as defined in Article 10(3)(a) and (b) of the Swiss Collective Investment Schemes Act of 23 June 2006, as amended ("**CISA**"). Accordingly, Keppel DC REIT has not been and will not be registered with the Swiss Financial Market Supervisory Authority ("**FINMA**") and no Swiss representative or paying agent have been or will be appointed in Switzerland. This Prospectus and/or any other offering materials relating to the Units may be made available in Switzerland solely to Regulated Qualified Investors.

Taiwan

The offering of the securities has not been and will not be registered with the Financial Supervisory Commission of Taiwan, the Republic of China pursuant to relevant securities laws and regulations and may not be offered or sold in Taiwan, the Republic of China through a public offering or in circumstance which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan, the Republic of China that requires a registration or approval of the Financial Supervisory Commission of Taiwan, the Republic of China. No person or entity in Taiwan, the Republic of China has been authorised to offer or sell the securities in Taiwan, the Republic of China.

The Netherlands

In the Netherlands, the Units are and will only be offered, as part of their initial distribution or at any time thereafter, to natural or legal persons that are "qualified investors" within the meaning of section 1:1 of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht). Otherwise, the Units are not and will not be offered in the Netherlands.

United Arab Emirates (excluding the Dubai International Financial Centre)

In accordance with the provisions of the United Arab Emirates ("UAE") Securities and Commodities Authority's ("**SCA**") Board Decision No. 37 of 2012 (as amended by SCA Board Decision No. 13 of 2013), the units in Keppel DC REIT to which this Prospectus relates may only be promoted in the UAE as follows:

(a) without the prior approval of SCA, only in so far as the promotion is directed to:

   (i) financial portfolios owned by federal or local governmental agencies;

   (ii) entities whose main purpose, or one of their purposes, is to invest in securities, provided that such entities would only invest in the Fund for their own account and not for the accounts of their clients; and

   (iii) duly licensed investment managers with the power to make investment decisions; and

(b) with the prior approval of the SCA, by way of:

   (i) private placement by persons authorised to do so by the UAE Central Bank or the SCA, subject to a minimum subscription amount per individual investor of five hundred thousand UAE Dirhams (AED 500,000) or one million UAE Dirhams (AED 1,000,000) where the fund has been established in a free zone outside the UAE) – which minimum subscription amount does not apply if a duly licensed investment manager subscribes for the account of a client for whom that investment manager undertakes discretionary portfolio management, or if the investor is involved in a saving and investments plan on a periodic basis with equal monthly or quarterly payments for a period not less than two years and for a total amount per plan of at least seventy five thousand UAE Dirhams (AED 75,000) or the equivalent in foreign currencies; or

(ii) institutional private placement by licensed representative offices subject to a minimum subscription amount per individual institutional investor of ten million UAE Dirhams (AED 10,000,000).

Any approval of the SCA to the promotion of the Units in the UAE does not represent a recommendation to purchase or invest in Keppel DC REIT. The SCA has not verified this Prospectus or other documents in connection with Keppel DC REIT and the SCA may not be held liable for any default by any party involved in the operation, management or promotion of Keppel DC REIT in the performance of their responsibilities and duties, or the accuracy or completeness of the information in this Prospectus.

The Units to which this Prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective investors should conduct their own due diligence on the Units. If you do not understand the contents of this Prospectus, you should consult an authorised financial advisor.

The United Kingdom

Keppel DC REIT is an unregulated collective investment scheme for the purposes of the Financial Services and Markets Act 2000 ("**FSMA**"). The promotion of Units in Keppel DC REIT and distribution of this Prospectus in the United Kingdom is accordingly restricted by law.

Where the person distributing this Prospectus is a person not authorised under FSMA, this Prospectus is being issued in the United Kingdom only to: (a) persons who are "investment professionals" falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**FPO**"); (b) persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the FPO; (c) certified sophisticated investors falling within Article 50(1)(a) to (b) of the FPO; or (d) persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as "**relevant persons**").

This document and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this document or any of its contents. Any relevant person (and in particular any certified sophisticated investor) seeking to rely on this Prospectus is warned that buying Units may expose him to a significant risk of losing all the property he invested. If a relevant person is in doubt about the Units he should consult a person authorised under FSMA who specialises in advising on such investments.

This Prospectus does not constitute an offer document or an offer of transferable securities in the United Kingdom to which section 85 of FSMA applies and should not be considered as a recommendation that any person should subscribe for or purchase any of the Units. The Units will not be offered or sold to any person in the United Kingdom except in circumstances which have not resulted and will not result in an offer to the public in contravention of section 85(1) of FSMA. This Prospectus has been prepared on the basis that all offers of Units will be made to an exemption under section 86 of FSMA.

United States

The Units have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except in a transaction that is exempt from, or not subject to, the registration requirements of the Securities Act. The Units are being offered and sold outside of the United States in reliance on Regulation S (terms used in this paragraph that are defined in Regulation S are used herein as defined therein).

Transfer Restrictions

Because the following restrictions will apply to the Placement Tranche, purchasers are advised to consult their own legal counsel prior to making any offer, resale, pledge or transfer of the Units.

Each purchaser of the Units outside the United States pursuant to Regulation S (other than investors in Singapore), by accepting delivery of this offering document and the Units, will be deemed to have represented, agreed and acknowledged that:

(a) it is authorised to consummate the purchase of the Units in compliance with all applicable laws and regulations;

(b) it acknowledges (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer acknowledges) that the Units have not been and will not be registered under the Securities Act;

(c) it certifies that either (i) it is, or at the time the Units are purchased will be, the beneficial owner of the Units and it is located outside the United States (within the meaning of Regulation S); or (ii) it is a broker-dealer acting on behalf of its customer and its customer has confirmed to it that (A) such customer is, or at the time the Units are purchased pursuant to Regulation S will be, the beneficial owner of the Units and (B) such customer is located outside the United States (within the meaning of Regulation S);

(d) it agrees (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer agrees) that it (or such customer) will not offer, sell, pledge or otherwise transfer the Units other than in accordance with any applicable laws of the states or territories of the United States and any other jurisdiction, including Singapore;

(e) it is eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Units, and will comply with such laws, rules, regulations, guidelines and approvals in any sale, pledge or transfer of the Units;

(f) it acknowledges that the Manager, the Sponsor, the Joint Financial Advisers, the Joint Global Coordinators, the Joint Bookrunners and their respective representatives, agents, affiliates and nominees will rely upon the truth and accuracy of the foregoing representations, agreements and acknowledgments and agrees that, if any of such representations, agreements and acknowledgments deemed to have been made by virtue of its purchase of the Units are no longer accurate, it will promptly notify the Manager, and if it is acquiring any Units as a fiduciary or agent for one or more accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, agreements and acknowledgments on behalf of each such account; and

(g) it is relying on this offering document and not on any other information or representation concerning Keppel DC REIT or the Units and none of the Manager nor any other person responsible for this offering document or any part of it, nor the Sponsor or the Joint Financial Advisers, the Joint Global Coordinators and the Joint Bookrunners, will have any liability for any such other information or representation.

Any resale, pledge or other transfer, or attempted resale, pledge or other transfer, made other than in compliance with the above stated restrictions, will not be recognised by the Manager.

General

Each applicant for Units in the Offering will be deemed to have represented and agreed that it is relying on this Prospectus and not on any other information or representation not contained in this Prospectus and none of Keppel DC REIT, the Manager, the Sponsor, the Joint Financial Advisers, the Joint Global Coordinators, the Joint Bookrunners or any other person responsible for this Prospectus or any part of it will have any liability for any such other information or representation.

CLEARANCE AND SETTLEMENT

INTRODUCTION

A letter of eligibility has been obtained from the SGX-ST for the listing and quotation of the Units. For the purpose of trading on the SGX-ST, a board lot for the Units will comprise 1,000 Units.

Upon listing and quotation on the SGX-ST, the Units will be traded under the electronic book-entry clearance and settlement system of CDP. All dealings in and transactions of the Units through the SGX-ST will be effected in accordance with the terms and conditions for the operation of Securities Accounts, as amended from time to time.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its account-holders and facilitates the clearance and settlement of securities transactions between account-holders through electronic book-entry changes in the Securities Accounts maintained by such accountholders with CDP.

It is expected that the Units will be credited into the Securities Accounts of applicants for the Units within four Market Days after the closing date for applications for the Units.

CLEARANCE AND SETTLEMENT UNDER THE DEPOSITORY SYSTEM

The Units will be registered in the name of CDP or its nominee and held by CDP for and on behalf of persons who maintain, either directly or through depository agents, Securities Accounts with CDP. Persons named as direct Securities Account holders and depository agents in the depository register maintained by CDP will be treated as Unitholders in respect of the number of Units credited to their respective Securities Accounts.

Transactions in the Units under the book-entry settlement system will be reflected by the seller's Securities Account being debited with the number of Units sold and the buyer's Securities Account being credited with the number of Units acquired and no transfer stamp duty is currently payable for the transfer of Units that are settled on a book-entry basis.

Units credited to a Securities Account may be traded on the SGX-ST on the basis of a price between a willing buyer and a willing seller. Units credited into a Securities Account may be transferred to any other Securities Account with CDP, subject to the terms and conditions for the operation of Securities Accounts and a S$10.00 transfer fee payable to CDP. All persons trading in the Units through the SGX-ST should ensure that the relevant Units have been credited into their Securities Account, prior to trading in such Units, since no assurance can be given that the Units can be credited into the Securities Account in time for settlement following a dealing. If the Units have not been credited into the Securities Account by the due date for the settlement of the trade, the buy-in procedures of the SGX-ST will be implemented.

CLEARING FEE

A clearing fee for the trading of Units on the SGX-ST is payable at the rate of 0.0325% of the transaction value, subject to a maximum of S$600.00 per transaction save for transactions worth S$1.5 million or more. The clearing fee, deposit fee and unit withdrawal fee may be subject to the prevailing GST.

Dealings in the Units will be carried out in Singapore dollars and will be effected for settlement in CDP on a scripless basis. Settlement of trades on a normal "ready" basis on the SGX-ST generally takes place on the third Market Day following the transaction date. CDP holds securities on behalf of investors in Securities Accounts. An investor may open a direct account with CDP or a sub-account with any CDP depository agent. A CDP depository agent may be a member company of the SGX-ST, bank, merchant bank or trust company.

EXPERTS

KPMG LLP, the Reporting Auditors, were responsible for preparing the Reporting Auditors' Report on the Profit Forecast and Profit Projection and the Reporting Auditors' Report on the Unaudited Pro Forma Financial Information found in Appendix A and Appendix B of this Prospectus respectively.

KPMG Services Pte. Ltd., the Independent Tax Adviser, was responsible for preparing the Independent Taxation Report found in Appendix D of this Prospectus.

Colliers International Consultancy & Valuation (Singapore) Pte. Ltd. and Cushman & Wakefield VHS Pte. Ltd., being two of the Independent Valuers, were responsible for preparing the Independent Property Valuation Summary Reports for S25, T25 and Basis Bay Data Centre found in Appendix E of this Prospectus. Colliers International New Zealand Limited and Cushman & Wakefield VHS Pte. Ltd., being two of the Independent Valuers, were responsible for preparing the Independent Property Valuation Summary Reports for Gore Hill Data Centre and iseek Data Centre found in Appendix E of this Prospectus. CBRE Limited and Colliers International New Zealand Limited, being two of the Independent Valuers, were responsible for preparing the Independent Property Valuation Summary Reports for Almere Data Centre and Citadel 100 Data Centre. CBRE Limited and Jones Lang LaSalle Limited, being two of the Independent Valuers, were responsible for preparing the Independent Property Valuation Summary Report for GV7 Data Centre.

BroadMedia Consulting Ltd., the Independent Market Research Consultant, was responsible for preparing the Independent Property Market Research Report found in Appendix F of this Prospectus.

The Independent Tax Adviser, the Independent Valuers and the Independent Market Research Consultants have each given and have not withdrawn their written consents to the issue of this Prospectus with the inclusion herein of their names and their respective write-ups and reports and all references thereto in the form and context in which they respectively appear in this Prospectus, and to act in such capacity in relation to this Prospectus.

None of Allen & Gledhill LLP, King & Wood Mallesons, Loyens & Loeff N.V., Norton Rose Fulbright (Asia) LLP, William Fry, Zain & Co, WongPartnership LLP, Shearman & Sterling LLP and Shook Lin & Bok LLP, makes, or purports to make, any statement in this Prospectus and none of them is aware of any statement in this Prospectus which purports to be based on a statement made by it and it makes no representation, express or implied, regarding, and takes no responsibility for, any statement in or omission from this Prospectus.

REPORTING AUDITORS

KPMG LLP, the Reporting Auditors, has given and has not withdrawn their consent to the issue of this Prospectus for the inclusion herein of:

- their name;
- the Reporting Auditors' Report on the Unaudited Pro Forma Financial Information; and
- the Reporting Auditors' Report on the Profit Forecast and Profit Projection,

in the form and context in which they appear in this Prospectus, and references to its name and such reports in the form and context which they appear in this Prospectus and to act in such capacity in relation to this Prospectus.

GENERAL INFORMATION

RESPONSIBILITY STATEMENT BY THE DIRECTORS

(1) The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Prospectus and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Prospectus constitutes full and true disclosure of all material facts about the Offering, Keppel DC REIT and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Prospectus misleading, and the Directors are satisfied that the Profit Forecast and Profit Projection contained in "Profit Forecast and Profit Projection" have been stated after due and careful enquiry. Where information in the Prospectus has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Prospectus in its proper form and context.

MATERIAL BACKGROUND INFORMATION

(2) There are no legal or arbitration proceedings pending or, so far as the Directors are aware, threatened against the Manager the outcome of which, in the opinion of the Directors, may have or have had during the 12 months prior to the date of this Prospectus, a material adverse effect on the financial position of the Manager.

(3) There are no legal or arbitration proceedings pending or, so far as the Directors are aware, threatened against Keppel DC REIT the outcome of which, in the opinion of the Directors, may have or have had during the 12 months prior to the date of this Prospectus, a material adverse effect on the financial position (on a pro forma basis) of Keppel DC REIT.

(4) The name, age and address of each of the Directors are set out in "The Manager and Corporate Governance – Directors of the Manager". A list of the present and past directorships of each Director and executive officer of the Manager over the last five years preceding the Latest Practicable Date is set out in Appendix H, "List of Present and Past Principal Directorships of Directors and Executive Officers".

(5) There is no family relationship among the Directors and executive officers of the Manager.

(6) None of the Directors or executive officers of the Manager is or was involved in any of the following events:

(i) at any time during the last 10 years, an application or a petition under any bankruptcy laws of any jurisdiction filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within two years from the date he ceased to be a partner;

(ii) at any time during the last 10 years, an application or a petition under any law of any jurisdiction filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within two years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency;

(iii) any unsatisfied judgment against him;

(iv) a conviction of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose;

(v) a conviction of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach;

(vi) at any time during the last 10 years, judgment been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part;

(vii) a conviction in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust;

(viii) disqualification from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust;

(ix) any order, judgment or ruling of any court, tribunal or governmental body permanently or temporarily enjoining him from engaging in any type of business practice or activity;

(x) to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:

    (a) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere;

    (b) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere;

    (c) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or

    (d) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,

    in connection with any matter occurring or arising during the period when he was so concerned with the entity or business trust; or

(xi) the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Authority or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere.

MATERIAL CONTRACTS

(7) The dates of, parties to, and general nature of every material contract which Keppel DC REIT has entered into within the two years preceding the date of this Prospectus (not being contracts entered into in the ordinary course of the business of Keppel DC REIT) are as follows:

(i) the Trust Deed;

(ii) the ROFRs;

(iii) the Sale and Purchase Agreements;

(iv) the Keppel Lease Agreements;

(v) the Sponsor Facility Management Agreements;

(vi) the Sponsor Subscription Agreement;

(vii) the KLL Subscription Agreement;

(viii) the Cornerstone Subscription Agreements; and

(ix) the Basis Bay Shareholders' Agreement (as supplemented).

DOCUMENTS FOR INSPECTION

(8) Copies of the following documents are available for inspection during business hours at the principal place of business of the Manager at 18 Cross Street #10-10, China Square Central, Singapore 048423, for a period of six months from the date of this Prospectus (prior appointment would be appreciated):

(i) the material contracts referred to in paragraph 7 above, save for the Trust Deed (which will be available for inspection for so long as Keppel DC REIT is in existence);

(ii) the Reporting Auditors' Report on the Profit Forecast and Profit Projection as set out in Appendix A of this Prospectus;

(iii) the Reporting Auditors' Report on the Unaudited Pro Forma Financial Information as set out in Appendix B of this Prospectus;

(iv) the Independent Taxation Report as set out in Appendix D of this Prospectus;

(v) the Independent Property Valuation Summary Reports as set out in Appendix E of this Prospectus as well as the full valuation reports for each of the Properties;

(vi) the Independent Property Market Research Report set out in Appendix F of this Prospectus;

(vii) the written consents of the Reporting Auditors, the Independent Valuers, the Independent Market Research Consultants and the Independent Tax Adviser (see "Experts" and "Reporting Auditors" for further details);

(viii) the Sponsor Subscription Agreement;

(ix) the KLL Subscription Agreement;

(x) the Cornerstone Subscription Agreements; and

(xi) the Depository Services Terms and Conditions.

CONSENTS OF THE JOINT FINANCIAL ADVISERS AND ISSUE MANAGERS, JOINT GLOBAL COORDINATORS AND JOINT BOOKRUNNERS AND UNDERWRITERS

(9) DBS Bank Ltd. and Standard Chartered Securities (Singapore) Pte. Limited, have each given and not withdrawn its written consent to being named in this Prospectus as a Joint Financial Adviser and Issue Manager to the Offering.

(10) DBS Bank Ltd., Standard Chartered Securities (Singapore) Pte. Limited and Credit Suisse (Singapore) Limited have each given and not withdrawn its written consent to being named in this Prospectus as a Joint Global Coordinator to the Offering.

(11) DBS Bank Ltd., Standard Chartered Securities (Singapore) Pte. Limited, Credit Suisse (Singapore) Limited, Deutsche Bank AG, Singapore Branch and Goldman Sachs (Singapore) Pte., have each given and not withdrawn its written consent to being named in this Prospectus as a Joint Bookrunner and Underwriter to the Offering.

WAIVERS FROM THE SGX-ST

(12) The Manager has obtained from the SGX-ST waivers from compliance with the following listing rules under the Listing Manual:

(i) Rule 404(3), which relates to restrictions on investments subject to compliance with the CIS Code;

(ii) Rule 404(5), which requires the management company to be reputable and have an established track record in managing investments;

(iii) Rule 407(4), which requires the submission of the financial track record of the investment manager and investment adviser and persons employed by them;

(iv) Rule 409(3), which requires the annual accounts of the annual accounts of Keppel DC REIT for each of the last three financial years to be submitted to the SGX-ST together with the application to the SGX-ST for the listing of Keppel DC REIT;

(v) Rule 609(b), which requires the disclosure in this Prospectus of the pro forma income statement or statement of comprehensive income of Keppel DC REIT for the latest three financial years and for the most recent interim period as if Keppel DC REIT had been in existence at the beginning of the period reported on, as well as the pro forma statement of financial position as at the date to which the most recent pro forma income statement or statement of comprehensive income has been made up;

(vi) Rule 705(2)(b) for the period ended 31 December 2014 which requires Keppel DC REIT to announce the financial statements for each of the first three quarters of its financial year immediately after the figures are available, but in any event not later than 45 days after the quarter end. Instead, Keppel DC REIT will be announcing its first quarter results from Listing Date to 31 March 2015; and

(vii) Rule 701(1) and 701(2) for the period ended 31 December 2014 which set out the requirements for the holding of annual general meetings and the issuance of annual reports. Instead, Keppel DC REIT will be releasing its annual report for the period from Listing Date to 31 December 2015.

WAIVERS FROM THE MAS

(13) The MAS has granted the Manager waivers from compliance with the following:

(i) Paragraph 11.1(c)(ii) of the Property Funds Appendix on the condition that Keppel DC REIT discloses in its future annual reports the top 10 customers together with their respective percentage rental contribution to the total rental income of Keppel DC REIT on an unnamed basis by way of descriptors and in a random order such that the descriptors cannot be matched to any particular percentage rental contribution that is disclosed;

(ii) Paragraph 4.1(c) of the Property Funds Appendix in respect of the first annual general meeting of Keppel DC REIT after listing, on the condition that this annual general meeting is held within 18 months of the date of authorisation of Keppel DC REIT;

(iii) Paragraph 6.4(a) of the Property Funds Appendix and Regulation 8(2)(a)(iii) of the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 ("**CIS Regulations**") for the purposes/in respect of the redemption of the Private Trust Units and the issuance of Units in connection with the IPO, subject to the following conditions:

(a) the Keppel Group's investment in Keppel DC REIT immediately after the IPO does not fall below its current 35% level under any circumstances;

(b) the purchase consideration for the disposal of the Keppel Group's interest in the properties to Keppel DC REIT will not be higher than the two independent valuations commissioned by the Manager and the Trustee;

(c) the valuation of the properties mentioned in sub-paragraph 13(iii)(b) above of this paragraph for purposes of computing Keppel DC REIT's NAV as at Listing Date is not higher than the two independent valuations commissioned by the Manager and the Trustee; and

(d) appropriate disclosures are made in the prospectus that the IPO Units are issued at a premium to the NAV as at Listing Date per Unit of Keppel DC REIT, and the percentage of such premium and how such NAV is derived; and

(iv) Paragraph 51 of the Third Schedule to the CIS Regulations, to the extent that Paragraph 51 of the Third Schedule prohibits the disclosure of pro forma financial information relating to Keppel DC REIT, subject to the following conditions:

(a) the pro forma financial information relating to Keppel DC REIT is prepared in compliance with the requirements of paragraphs 23 to 34 in Part IX of the Fifth Schedule to the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005, as may be applicable; and

(b) the Manager and its directors shall ensure that the exemption and the condition imposed by the Authority as set out in sub-paragraph 13(iv)(b) above of this paragraph are disclosed in the prospectus in relation to the proposed offer of units in Keppel DC REIT.

MISCELLANEOUS

(14) The financial year end of Keppel DC REIT is 31 December. The annual audited financial statements of Keppel DC REIT will be prepared and sent to Unitholders within four months of the financial year-end and at least 14 days before the annual general meeting of the Unitholders.

(15) A full valuation of each of the real estate assets held by Keppel DC REIT will be carried out at least once a year in accordance with the Property Funds Appendix. Generally, where the Manager proposes to issue new Units (except in the case where new Units are being issued in payment of the Manager's management fees) or to redeem existing Units, a valuation of the real properties held by Keppel DC REIT must be carried out in accordance with the Property Funds Appendix. The Manager or the Trustee may at any other time arrange for the valuation of any of the real properties held by Keppel DC REIT if it is of the opinion that it is in the best interest of Unitholders to do so.

(16) While Keppel DC REIT is listed on the SGX-ST, investors may check the SGX-ST website http://www.sgx.com for the prices at which Units are being traded on the SGX-ST. Investors may also check one or more major Singapore newspapers such as *The Straits Times* and *The Business Times*, for the price range within which Units were traded on the SGX-ST on the preceding day.

(17) The Manager does not intend to receive soft dollars (as defined in the CIS Code) in respect of Keppel DC REIT. Save as disclosed in this Prospectus, unless otherwise permitted under the Listing Manual, neither the Manager nor any of its Associates will be entitled to receive any part of any brokerage charged to Keppel DC REIT, or any part of any fees, allowances or benefits received on purchases charged to Keppel DC REIT.

(18) There is no benchmark applicable to Keppel DC REIT as it is a real estate investment trust to be listed on the SGX-ST.

GLOSSARY

GLOSSARY OF TECHNICAL TERMS

Biometric Access	:	A security system which authenticates an operator using physical characteristics, *i.e.*, facial recognition, fingerprint scans, retinal scans, iris recognition and hand geometry
Cloud Computing	:	Cloud computing is a model for enabling convenient, on-demand network access to a shared pool of configurable computing resources, such as networks, servers, storage applications and services that can be rapidly provisioned and released with minimal management effort or service provider interaction. This cloud model promotes availability and is comprised of five essential characteristics, three service models and four deployment models
Co-location	:	The practice of locating critical technology assets in an off-site data centre which specialises in managing the critical power and cooling infrastructure required to support computer operations
Gaseous Suppression	:	Fire suppression system which uses inert gases and chemical agents to extinguish a fire
ICT	:	Information and computer technologies
kW	:	Kilowatt
M&E	:	Mechanical and electrical
petabyte	:	10^{15} bytes
T50 Fibre Optic Network	:	A 44km multi-duct fibre optic cable system broadband ring which surrounds Dublin and connects the city's business districts and parks
UPS	:	Uninterruptible power system, a data centre component which provides continuous power supply in the case of problems with the local power grid
zettabyte	:	10^{21} bytes

GLOSSARY OF GENERAL TERMS

%	:	Per centum or percentage
2014 Basis Bay Share Sale Agreement	:	The share sale agreement dated 25 November 2014 between Keppel DC REIT and the Basis Bay Vendor in respect of 19% of the issued share capital of Basis Bay Capital Management Sdn Bhd (which directly holds Basis Bay Data Centre)
2014 Citadel 100 Share Purchase Agreement	:	The share (and loan capital) purchase agreement dated 25 November 2014 between Securus C100 Pte. Ltd. and Keppel Data Centres in respect of 50% of the issued share capital and loan capital of Citadel 100 (which directly holds Citadel 100 Data Centre)
3Q2013	:	The nine-month period from 1 January 2013 to 30 September 2013
3Q2014	:	The nine-month period from 1 January 2014 to 30 September 2014
Adjustments	:	Adjustments which are charged or credited to the consolidated statements of total return of Keppel DC REIT for the relevant financial year or the relevant distribution period (as the case may be), including (i) differences between cash and accounting Gross Revenue, (ii) unrealised income, including property revaluation gains, and reversals of impairment provisions, (iii) deferred tax charges/credits in respect of building capital allowance and accelerated tax depreciation, (iv) negative goodwill, (v) differences between cash and accounting finance costs, (vi) realised gains on the disposal of properties and disposal/settlement of financial instruments, (vii) the portion of the Management Fee that is paid or payable in the form of Units, (viii) costs of any public or other offering of Units or convertible instruments that are expensed but are funded by proceeds from the issuance of such Units or convertible instruments, (ix) depreciation and amortisation in respect of the Properties and their ancillary machines, equipment and other fixed assets, (x) adjustment for amortisation of rental incentives and (xi) other non-cash gains and losses (as deemed appropriate by the Manager)
AEP	:	AEP Capital Limited
AEPim	:	AEP Investment Management Pte. Ltd.
Aggregate Leverage	:	The total borrowings and deferred payments (if any) as a percentage of the Deposited Property
AIFMD	:	Alternative Investment Fund Managers Directive 2011/61/EU of the European Parliament and of the European Council
Airport Lease	:	The head lease from the Commonwealth to BAC of the land comprising the broader Export Park Precinct of Brisbane Airport (of which the iseek Data Centre is a part)

Airports Act	:	Airports Act 1996 and the Airports (Transitional) Act 1996 of Australia
Almere Deed of Transfer	:	The deed of transfer dated 17 April 2013 between Borchveste and Securus Almere B.V. in respect of the transfer of Almere Data Centre
Anchor GFA	:	The requirement by JTC, in relation to Digihub operating as a sub-tenant in S25, that Digihub occupy 100% of the gross floor area of S25
Application Forms	:	The printed application forms to be used for the purpose of the Offering and which form part of this Prospectus
Application List	:	The list of applicants subscribing for Units which are the subject of the Public Offer
Appraised Value	:	The average of the two independent valuations conducted by the respective Independent Valuers for each Property
Associate	:	Has the meaning ascribed to it in the Listing Manual
ATM	:	Automated teller machine
Audit and Risk Committee	:	The audit and risk committee of the Board
AULTE	:	Australian Urban Land Trust Estate
Authority or **MAS**	:	Monetary Authority of Singapore
BAC	:	Brisbane Airport Corporation Pty Limited
BAC Lease	:	The lease agreement between iseek Facilities Pty Ltd and BAC in relation to iseek Data Centre
Base Fee	:	0.5% per annum of the value of Keppel DC REIT's Deposited Property
Basis Bay Consideration Units	:	The 4,790,852 Units to be issued to the Basis Bay Vendor (or its nominee) as full satisfaction of the purchase consideration for the acquisition of the Basis Bay Minority Interest
Basis Bay Lease	:	Master lease granted by Basis Bay Capital Management Sdn Bhd, a subsidiary of Keppel DC REIT, to Basis Bay Services over Basis Bay Data Centre
Basis Bay Minority Interest	:	19% of the issued share capital of Basis Bay Capital Management Sdn Bhd which holds Basis Bay Data Centre
Basis Bay Sale Shares	:	1,295,230 ordinary shares of RM 1.00 each in Basis Bay Capital Management Sdn Bhd, representing 19.0% of the issued and paid up share capital of Basis Bay Capital Management Sdn Bhd
Basis Bay Services	:	Basis Bay Services MSC Sdn Bhd

Basis Bay Shareholders' Agreement	:	The agreement between shareholders of Basis Bay Capital Management Sdn Bhd dated 15 June 2012 to be amended and supplemented by the supplemental shareholders' agreement to be entered into by the shareholders of Basis Bay Capital Management Sdn Bhd in connection with the 2014 Basis Bay Share Sale Agreement to amend and vary their rights, obligations and commercial expectations to reflect the new shareholding proportion of 1% which will be held by the Basis Bay Vendor and 99% which will be held by Keppel DC REIT on the Listing Date
Basis Bay Vendor	:	E-Basis Bay Sdn Bhd
Board	:	The board of directors of the Manager
Borchveste	:	Borchveste Almere B.V.
BroadGroup or **Independent Market Research Consultant**	:	BroadMedia Consulting Ltd.
Business Day	:	Any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore and the SGX-ST is open for trading
BVI	:	British Virgin Islands
C100 Sale Shares	:	500 B ordinary shares in the capital of Citadel 100, representing 50% of the issued share capital of Citadel 100
C&W	:	Cushman & Wakefield VHS Pte. Ltd., being one of the Independent Valuers of S25, T25, Gore Hill Data Centre, iseek Data Centre and Basis Bay Data Centre
CAGR	:	Compounded annual growth rate
Cash EBITDA Amount	:	In relation to each financial year, means the total cash revenue received by Digihub or Datahub (as the case may be) from the underlying customers and tenants less the operating cash expenses paid by Digihub or Datahub (as the case may be) in the maintenance, management, operation and marketing of S25 or T25 respectively as well as provision of turnkey facility management services, less the fixed rent for that financial year
CBRE	:	CBRE Limited, being one of the Independent Valuers of Almere Data Centre, Citadel 100 Data Centre and GV7 Data Centre
CDP	:	The Central Depository (Pte) Limited
CIS Code	:	The Code on Collective Investment Schemes issued by the MAS
Citadel 100	:	Citadel 100 Datacenters Limited

Citadel Landlord	:	Dali Properties Limited (formerly known as Citywest Business Park Limited)
Citadel Lease	:	Lease over Citadel 100 Data Centre dated 1 November 2001 between the Citadel Landlord, Citadel 100 and Metromedia Fiber Network Inc for a term of 25 years commencing on 12 July 2001
Citadel Reversionary Lease	:	Reversionary lease over Citadel 100 Data Centre dated 10 February 2011 between the Citadel Landlord and Citadel 100 for a term of 14 years and nine months commencing on 12 July 2026
CMS Licence	:	Capital markets services licence for REIT management
Co-location Arrangement	:	Agreements entered into with the various end-users regarding the provision of co-location space in the Properties to these end-users
Colliers	:	Colliers International Consultancy & Valuation (Singapore) Pte. Ltd., being one of the Independent Valuers of S25, T25 and Basis Bay Data Centre, or (as the case may be) Colliers International New Zealand Limited, being one of the Independent Valuers of iseek Data Centre, Almere Data Centre and Citadel 100 Data Centre
Committed Occupancy	:	Occupancy rate based on all current leases and co-location arrangements in respect of the Properties, including legally binding letters of offer which have been accepted for vacant units
Commonwealth	:	Commonwealth of Australia
Companies Act	:	Companies Act, Chapter 50 of Singapore
Compulsory Leaseback Period	:	First 10 years starting from completion of the sale of S25
Cornerstone Investors	:	The cornerstone investors being AEW Asia Pte Ltd, DBS Bank Ltd., DBS Bank Ltd. (on behalf of certain private banking clients), Eastspring Investments (Singapore) Limited, Fortress Capital Asset Management (M) Sdn Bhd, Mr Gordon Tang, Mr Lim Chap Huat, Myriad Asset Management Limited (on behalf of Myriad Opportunities Master Fund Limited) and Wellington Management Company, LLP (on behalf of various investment advisory clients)
Cornerstone Subscription Agreements	:	The subscription agreements entered into between the Manager and the Cornerstone Investors to subscribe for the Cornerstone Units
Cornerstone Units	:	The 290,316,000 Units to be issued to the Cornerstone Investors
CPF	:	Central Provident Fund

Customer Service Credits	:	Rental rebates or service credits which the owner of a data centre has to pay to end-users pursuant to the respective co-location arrangement if the owner, as provider of the co-location space in question, fails to meet certain service level commitments as specified in the co-location arrangement
Deed of Appointment and Retirement	:	The supplemental deed of appointment of trustee and manager and retirement of trustee-managers dated 24 October 2014 pursuant to which the Trustee replaced the SDPT Trustee-Managers as trustee of SDPT and the Manager replaced the SDPT Trustee-Manager as manager of SDPT
Deposited Property	:	All the assets of Keppel DC REIT, including the Properties and all the authorised investments of Keppel DC REIT held or deemed to be held in accordance with the Trust Deed
Depository Services Terms and Conditions	:	The CDP's depository services terms and conditions in relation to the deposit of the Units in CDP
Direct Offshore Subsidiaries	:	Offshore subsidiaries directly held by Keppel DC REIT, which includes: • Securus Guernsey 1, incorporated in Guernsey which is holding iseek Facilities Pty Ltd through Securus Australia Trust No. 1. iseek Facilities Pty Ltd is the Australian company holding iseek Data Centre in Australia; • Securus Guernsey 2, incorporated in Guernsey which holds Gore Hill Data Centre in Australia indirectly through Securus Australia Trust No. 2; • Boxtel Investments Limited, incorporated in BVI, which holds 30.0% shareholdings in Securus Guernsey 2; and • 99.0% of Basis Bay Capital Management Sdn Bhd, incorporated in Malaysia which holds the Basis Bay Data Centre in Malaysia
Distributable Income	:	The amount calculated by the Manager for a financial year (based on the audited financial statements of Keppel DC REIT for that financial year) as representing the consolidated audited net profit after tax of Keppel DC REIT and its SPVs for the financial year, as adjusted to eliminate the effects of Adjustments
Double-net lease	:	In the case of Keppel DC REIT, a lease where the tenant pays for rent, is responsible for facilities management, and satisfies at least one of the Property-Related Expenses

DPU	:	Distribution per Unit
EBITDA	:	Earnings before interest, taxes, depreciation and amortisation
EU	:	European Union
Exempted Agreements	:	The Trust Deed, the Sponsor ROFR, the Sponsor Sale and Purchase Agreements, the Sponsor Facility Management Agreements, the iseek-KDC Facility Management Agreement and the Keppel Lease Agreements
Existing Private Fund Investors	:	The Sponsor (held through its wholly-owned subsidiary), AEP, Perbadanan Tabung Amanah Islam Brunei (and its subsidiaries, Darussalam Holdings Sdn Bhd and Insurans Islam TAIB Sdn Bhd) and Yayasan Sultan Haji Hassanal Bolkiah
Extraordinary Resolution	:	A resolution proposed and passed as such by a majority consisting of 75.0% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed
Facilities	:	The Term Loan Facilities and the Revolving Credit Facility
FATA	:	Australian Foreign Acquisitions and Takeovers Act 1975
Fee Arrangements	:	The fees arrangements with the facility managers of the Properties, the Manager and the Trustee
FIRB	:	Foreign Investment Review Board
FIRB Approval	:	Requirement under the FATA for a foreign person (and its associates) or a foreign government investor (including existing Unitholders) that acquires any interest in an AULTE to notify through FIRB a prior statement of no objections to such investment
First Amending and Restating Deed	:	The amending and restating deed dated 24 October 2014 entered into between the Trustee and the Manager
Forecast Year 2015 or **FY2015**	:	1 January 2015 to 31 December 2015
Foreign-Sourced Income Tax Exemption Ruling	:	The tax rulings issued by the MOF on the exemption of dividend income and interest income received by Keppel DC REIT from Direct Offshore Subsidiaries and by Singapore Subsidiaries from Indirect Offshore Subsidiaries
FRS	:	Singapore Financial Reporting Standards
FY	:	Financial year ended or, as the case may be, ending 31 December
FY2013	:	1 January 2013 to 31 December 2013

FY2014	:	1 January 2014 to 31 December 2014
GFA	:	Gross floor area
Gore Hill Lease	:	The lease arrangement entered into by Securus Australia No. 2 Pty Limited, in its capacity as trustee of Securus Australia Trust No. 2 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date), with one tenant of Gore Hill Data Centre in relation to a portion of the premises at Gore Hill Data Centre
Gore Hill Sale Shares	:	The entire issued share capital of Boxtel Investments Limited
Gore Hill Share Purchase Agreement	:	The share purchase agreement with Keppel Data Centres in respect of the acquisition of 100% of the issued share capital of Boxtel Investments Limited (which indirectly holds 30% of the interest in Gore Hill Data Centre) by Keppel DC REIT
Gross Rental Income	:	Net rental income under the respective leases and co-location arrangements for the Properties, recognised on a straight-line basis over the committed term of the lease and co-location arrangement
Gross Revenue	:	Consists of Gross Rental Income and other income earned from the Properties, including car parking revenue, electricity recoveries and income derived from certain capital works undertaken on behalf of its customers
Ground Lease	:	Ground lease arrangement between Securus Almere B.V. as landlord and Borchveste as the leasehold tenant of Almere Data Centre established pursuant to the execution of the Almere Deed of Transfer
GST	:	Goods and Services Tax
GV7 Lease	:	The lease arrangement entered into by Greenwich View Place Limited (which is a wholly-owned subsidiary of Keppel DC REIT) with the tenant in relation to GV7 Data Centre
HDB	:	Housing Development Board of Singapore
Income Tax Act	:	Income Tax Act, Chapter 134 of Singapore
Independent Tax Adviser	:	KPMG Services Pte. Ltd.
Independent Valuers	:	CBRE, Colliers, C&W and JLL

Indirect Offshore Subsidiaries	:	Offshore subsidiaries indirectly held by Keppel DC REIT through its Singapore Subsidiaries, which includes: • Citadel 100, incorporated in Ireland which operates Citadel 100 Data Centre in Ireland. Citadel 100 is held by Securus C100 Pte. Ltd., a Singapore subsidiary of Keppel DC REIT; • Securus Netherlands B.V., incorporated in the Netherlands which is holding Almere Data Centre in Netherlands indirectly through Securus Almere B.V., a 100% owned Dutch subsidiary. Securus Netherlands B.V. is held by Singapore Netherlands 1 Pte. Ltd., a Singapore subsidiary of Keppel DC REIT; and • Greenwich View Place Limited, incorporated in Guernsey which is holding GV7 Data Centre in the UK. Greenwich View Place Limited is held by Securus GVP Pte. Ltd., a Singapore subsidiary of Keppel DC REIT
Instruments	:	Offers, agreements or options that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Units
Interested Person	:	Has the meaning ascribed to it in the Listing Manual
Interested Person Transaction	:	Has the meaning ascribed to it in the Listing Manual
IPO	:	Initial public offering
IPO Portfolio	:	The initial portfolio of Properties held by Keppel DC REIT as at the Listing Date
IPO Portfolio Minority Interests	:	30% of Gore Hill Data Centre and iseek Data Centre, 19% of Basis Bay Data Centre and 50% of Citadel 100 Data Centre
IRAS	:	Inland Revenue Authority of Singapore
Ireland	:	Republic of Ireland
iseek Communications	:	iseek Communications Pty Ltd
iseek Lease	:	Co-location arrangement entered into by Securus Australia No. 1 Pty Limited, in its capacity as trustee of Securus Australia Trust No. 1 (which will be a wholly-owned subsidiary of Keppel DC REIT at the Listing Date), with iseek Communications in relation to iseek Data Centre
iseek Proposed Disposal	:	Any proposed offer by a Relevant Entity to dispose of any interest in any Relevant Asset which is owned by the Relevent Entity as covered by the iseek ROFR

iseek ROFR	:	Right of first refusal provided by iseek Communications to Keppel DC REIT
iseek SPA	:	The unit and share sale and purchase agreement dated 25 November 2014 entered into between iseek Vendor and Securus Guernsey 1 pursuant to which iseek Vendor has agreed to sell its shares in Securus Australia No. 1 Pty Limited and its units in the Securus Australia Trust No. 1 to Securus Guernsey 1 (which is a wholly-owned subsidiary of Keppel DC REIT)
iseek Vendor	:	JPOB Investments Pty Ltd
iseek-KDC	:	iseek-KDC Services Pty Limited
IT	:	Information technology
JLL	:	Jones Lang Lasalle Limited, being one of the Independent Valuers of GV7 Data Centre
Joint Bookrunners and Underwriters or **Joint Bookrunners**	:	DBS Bank Ltd., Standard Chartered Securities (Singapore) Pte. Limited, Credit Suisse (Singapore) Limited, Deutsche Bank AG, Singapore Branch and Goldman Sachs (Singapore) Pte.
Joint Financial Advisers and Issue Managers or **Joint Financial Advisers**	:	DBS Bank Ltd. and Standard Chartered Securities (Singapore) Pte. Limited
Joint Global Coordinators	:	DBS Bank Ltd., Standard Chartered Securities (Singapore) Pte. Limited and Credit Suisse (Singapore) Limited
JTC	:	JTC Corporation
KDCH	:	Keppel Data Centres Holding Pte. Ltd.
Keppel Data Centres	:	Keppel Data Centres Pte. Ltd.
Keppel DC REIT	:	A real estate investment trust established in Singapore and constituted by the Trust Deed
Keppel Lease Agreements	:	The S25 Lease Agreement and the T25 Lease Agreement
Keppel Leases	:	The S25 Lease and T25 Lease
Keppel Lessees	:	The S25 Lessee and the T25 Lessee
Keppel T&T or **Sponsor**	:	Keppel Telecommunications & Transportation Ltd
KLL Subscription Agreement	:	The subscription agreement between the Manager and DC REIT Holdings Pte. Ltd., a wholly-owned subsidiary of Keppel Land Limited, a related corporation of the Sponsor, dated 26 November 2014 to subscribe for the KLL Units

KLL Units	:	The 43,264,000 Units subscribed by DC REIT Holdings Pte. Ltd., a wholly-owned subsidiary of Keppel Land Limited, a related corporation of the Sponsor
Latest Practicable Date	:	18 November 2014, being the latest practicable date prior to the lodgment of this Prospectus with the MAS
Lenders	:	DBS Bank Ltd., SCB and Royal Bank of Scotland PLC, Singapore Branch
Lettable Area	:	Area to be let out under lease arrangements and co-location space to be provided under co-location arrangements for which Rental Income is payable
Listing Date	:	The date of admission of Keppel DC REIT to the Official List of the SGX-ST
Listing Manual	:	The Listing Manual of the SGX-ST
Lock-up Period	:	The period commencing from the date of issuance of the Units until the date falling 180 days after the Listing Date (both dates inclusive)
Lock-up Units	:	The Units which are held by the Sponsor, any other entity which is wholly-owned by the Sponsor, Keppel Land Limited and DBS Bank Ltd. which are subject to the lock-up arrangement
Management Fee or **Manager's Management Fee**	:	Base Fee and Performance Fee
Manager	:	Keppel DC REIT Management Pte. Ltd., in its capacity as manager of Keppel DC REIT
Market Day	:	A day on which the SGX-ST is open for trading in securities
MNCs	:	Multinational corporations
MOF	:	Ministry of Finance
MSC	:	Multimedia Super Corridor
NAV	:	Net asset value
Net Property Income or **NPI**	:	Gross Revenue less property expenses
Offering	:	The offering of 261,138,000 Units by the Manager for subscription at the Offering Price under the Placement Tranche and the Public Offer
Offering Price	:	The subscription price of each Unit under the Offering of S$0.93 per Unit
Offering Units	:	The Units to be issued pursuant to the Offering

Ordinary Resolution	:	A resolution proposed and passed as such by a majority being greater than 50.0% of the total number of votes cast for and against such resolution at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed
Over-Allotment Option	:	An option granted by the Unit Lender to the Joint Bookrunners to purchase from the Unit Lender up to an aggregate of 17,659,000 Units at the Offering Price, solely to cover the over-allotment of Units (if any)
Participating Banks	:	DBS Bank Ltd. (including POSB), Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited (and its subsidiary, Far Eastern Bank Limited)
Performance Fee	:	3.5% per annum of Keppel DC REIT's Net Property Income (as defined in the Trust Deed) in the relevant financial year (calculated before accounting for the Performance Fee in that financial year)
Placement Tranche	:	The international placement of Units to investors, including institutional and other investors in Singapore other than the Sponsor and the Cornerstone Investors, pursuant to the Offering
Private Trust Portfolio	:	100% of GV7 Data Centre and Almere Data Centre, 80% of Basis Bay Data Centre, 70% of iseek Data Centre and Gore Hill Data Centre and 50% of Citadel 100 Data Centre
Private Trust Units	:	165,000,000 Units, being the total number of Units in issue as at the date of this Prospectus
Profit Forecast	:	The forecast results for the Forecast Year 2015
Profit Projection	:	The projected results for the Projection Year 2016
Projection Year 2016 or **FY2016**	:	1 January 2016 to 31 December 2016
Properties	:	The properties which will be held by Keppel DC REIT directly or indirectly on the Listing Date, and "**Property**" means any one of them
Property Funds Appendix	:	Appendix 6 of the CIS Code issued by the MAS in relation to real estate investment trusts
Property-Related Expenses	:	The four following property-related expenses: (i) property tax, (ii) expenses for day-to-day maintenance including cleaning, security, utilities, servicing of lifts and other M&E items, (iii) expenses for building insurance, and (iv) expenses for "end of life" replacement of the M&E equipment
Public Offer	:	The offering to the public in Singapore of 53,763,000 Units

Qualifying Foreign Non-Individual Unitholders	:	A person other than an individual not resident in Singapore for Singapore income tax purposes and who does not have a permanent establishment in Singapore or who carries on an operation in Singapore through a permanent establishment in Singapore, where the funds used by that person to acquire the Units are not obtained from that operation in Singapore
Qualifying Unitholders	:	A Unitholder who is an individual, a company incorporated and tax resident in Singapore, a branch in Singapore of a company incorporated outside Singapore that has obtained IRAS' approval for distributions to be made by Keppel DC REIT to it without deduction of tax or a body of persons (excluding partnerships) incorporated or registered in Singapore
Recognised Stock Exchange	:	Any stock exchange of repute in any part of the world
Redemption	:	The redemption of the Private Trust Units in full by the Manager at the Offering Price to take place on the Listing Date
Regulation S	:	Regulation S under the Securities Act
REIT	:	Real estate investment trust
Related Party	:	Refers to an interested person and/or, as the case may be, an interested party
Related Party Transactions	:	"Interested person transactions" in the Listing Manual and "interested party transactions" in the Property Funds Appendix
Rental Income	:	Comprises (1) net rental income (after rent rebates and provisions for rent-free periods, where applicable), without adjustment for the straight-lining impact over the term of the lease and (2) net income accruing from co-location arrangements, without adjustment for the straight-lining impact over the term of the co-location arrangements
Reporting Auditors	:	KPMG LLP
Revolving Credit Facility	:	The one-year revolving credit facility of S$35.0 million
Rollover Income Adjustments	:	In relation to the Tax Transparency Ruling, means the addition or deduction of the difference from the Specified Taxable Income for the next distribution in the event that the amount finally agreed with the IRAS is different from the amount of Specified Taxable Income determined by the Trustee for distribution purposes
S$ or **Singapore dollars and cents**	:	Singapore dollars and cents, the lawful currency of the Republic of Singapore
S25 Annual Budget	:	The annual budget to be prepared by Digihub and provided to the Trustee in accordance with the S25 Lease Agreement

S25 Assessed AV	:	The assessed annual value of S25
S25 Assessed AV Period	:	The period from 1 January 2014 to 31 December 2014
S25 Call Option Period	:	The 6 month period from the first day of the eighth year of the term of the S25 Lease Agreement
S25 Cap	:	The cap on the S25 Customer Service Credits Payment
S25 Capex Works Sum	:	Sum of S$8.0 million required to be set aside by Digihub to carry out and complete certain capex works to S25
S25 Customer Service Credits Payment	:	The amount equivalent to the total aggregate value of all the Customer Service Credits paid to the end-users of S25 in a financial year which the facility manager shall pay to the Trustee on demand under the S25 Facility Management Agreement
S25 Facility Management Agreement	:	The facility management agreement to be entered into between the Trustee and Datahub on completion of the sale and purchase agreement of S25
S25 FM Annual Budget	:	The annual budget to be prepared by the facility manager for S25 and provided to the Trustee in accordance with the S25 Facility Management Agreement
S25 FM Fee	:	The facility management fee which the facility manager of S25 is entitled to under the S25 Facility Management Agreement
S25 FM Financial Year Accounts	:	The annual accounts to be prepared by the facility manager and provided to the Trustee in accordance with the S25 Facility Management Agreement
S25 FM Quarterly Accounts	:	The quarterly accounts to be prepared by the facility manager for S25 and provided to the Trustee in accordance with the S25 Facility Management Agreement
S25 Further Term	:	A further term of five year commencing on the day immediately following the date of expiry of the term of the S25 Lease Agreement which is the subject of the call option which the Trustee has granted to Digihub and the put option which Digihub has granted to the Trustee
S25 Handover Date	:	The date of expiry or earlier determination of the term of the S25 Lease Agreement
S25 Indemnity	:	The indemnity provided by the facility manager in relation to the S25 Losses
S25 JTC Lease	:	Registered Lease No I/48980S dated 29 August 2003
S25 Lease	:	The lease arrangement between Keppel DC REIT and the S25 Lessee in relation to S25 granted pursuant to the S25 Lease Agreement

S25 Lease Agreement	:	The lease agreement to be entered into between the Trustee and Digihub on completion of the Sale and Purchase Agreement for S25
S25 Lessee or **Digihub**	:	Keppel Digihub Ltd.
S25 Losses	:	The losses, damages, claims, demands, proceedings, actions, costs, expenses, interest, liabilities and penalties which the Trustee may suffer or incur resulting from or to the extent caused by, any wilful default or gross negligence by the facility manager, its employees or agents, in complying with the provisions of the S25 Facility Management Agreement
S25 New Higher AV	:	The higher annual value which IRAS may adopt if Digihub's objection notice is not successful
S25 New Lower AV	:	The lower annual value which IRAS may adopt if Digihub's objection notice is successful
S25 Quarterly Accounts	:	The quarterly accounts to be prepared by Digihub and provided to the Trustee in accordance with the S25 Lease Agreement
S25 Sale and Purchase Agreement	:	The sale and purchase agreement between Keppel DC REIT and Keppel Digihub Ltd. in respect of S25
S25 Service Contracts	:	The list of service contracts in respect of S25 which are assignable
S25 Services	:	The facilities management and maintenance services which Digihub will provide pursuant to the S25 Facility Management Agreement
S25 Termination Date	:	The date of expiry of the term of the Facility Management Agreement or the date of termination of the S25 Facility Management Agreement
Sale and Purchase Agreements	:	The Sponsor Sale and Purchase Agreements, the iseek SPA, the 2014 Basis Bay Share Sale Agreement, the Almere Data Centre Sale and Purchase Agreement and the Almere Deed of Transfer
SARS	:	Severe Acute Respiratory Syndrome
SCB	:	Standard Chartered Bank, Singapore Branch
SDPT	:	Securus Data Property Trust
SDPT Private Trust Distribution	:	The distribution to Securus Fund of an aggregate amount based on the Manager's best estimate of Keppel DC REIT's remaining net income (net of tax payable thereon by Keppel DC REIT) for the period from 1 October 2014 to the day immediately preceding the Listing Date (including for the avoidance of doubt the fair value gains)

SDPT Trust Deed	:	Deed of trust constituting SDPT dated 17 March 2011 as amended by a first supplemental deed of trust dated 24 October 2014
SDPT Trustee-Managers	:	AEPim and Keppel Data Centre Investment Management Pte. Ltd. (now known as Keppel DC REIT Management Pte. Ltd.)
Second Supplemental Deed	:	The second supplemental deed of trust dated 18 November 2014 entered into between the Trustee and the Manager
Securities Account	:	Securities account or sub-account maintained by a Depositor (as defined in Section 130A of the Companies Act) with CDP
Securities Act	:	U.S. Securities Act of 1933, as amended
Securities and Futures Act or **SFA**	:	Securities and Futures Act, Chapter 289 of Singapore
Securus Fund	:	Securus Data Property Fund Pte. Ltd.
Settlement Date	:	The date and time on which the Units are issued as settlement under the Offering
SGX-ST	:	Singapore Exchange Securities Trading Limited
Singapore Properties	:	S25 and T25
Singapore Subsidiaries	:	Wholly-owned Singapore resident subsidiaries of Keppel DC REIT, comprising Securus C100 Pte. Ltd., Securus Netherlands 1 Pte. Ltd., Securus Netherlands 2 Pte. Ltd. and Securus GVP Pte. Ltd.
SITA	:	Income Tax Act, Chapter 134 of Singapore
Specified Taxable Income	:	Taxable Income which has been granted tax transparency treatment under Section 43(2A) of the Income Tax Act in accordance with the Tax Transparency Ruling
Sponsor Facility Management Agreements	:	The facility management agreements entered into by Keppel DC REIT with Digihub and Datahub in respect of S25 and T25 respectively
Sponsor Proposed Disposal	:	Any proposed offer by a Relevant Entity to dispose of any interest in any Relevant Asset which is owned by the Relevant Entity as covered by the Sponsor ROFR
Sponsor ROFR	:	Right of first refusal provided by the Sponsor to Keppel DC REIT
Sponsor Sale and Purchase Agreements	:	The S25 Sale and Purchase Agreement, the T25 Sale and Purchase Agreement, the Gore Hill Share Purchase Agreement and the 2014 Citadel 100 Share Purchase Agreement

Sponsor Subscription Agreement	:	The subscription agreement between the Manager and Keppel DC Investment Holdings Pte. Ltd., a wholly-owned subsidiary of the Sponsor, dated 26 November 2014 to subscribe for the Sponsor Units
Sponsor Units	:	The 283,421,148 Units subscribed by Keppel DC Investment Holdings Pte. Ltd., a wholly-owned subsidiary of the Sponsor
SPV	:	Special purpose vehicle
sq ft	:	Square feet
sq m	:	Square metres
Stabilising Manager	:	Credit Suisse (Singapore) Limited
Sub-division	:	The sub-division of the Units held by Securus Fund as soon as practicable after the registration of this Prospectus
Substantial Unitholder	:	Any Unitholder with an interest in one or more Units constituting not less than 5.0% of all Units in issue
T25 Additional Fee	:	The additional fee to be paid by the lessee to obtain the approval of HDB for any demise, transfer, assignment or parting of possession of the land or any part thereof by the lessee within five years of the commencement of the additional term
T25 Annual Budget	:	The annual budget to be prepared by Datahub and provided to the Trustee in accordance with the T25 Lease Agreement
T25 Assessed AV	:	The assessed annual value of T25
T25 Assessed AV Period	:	The period from 1 January 2014 to 31 December 2014
T25 Call Option Period	:	The 6 month period from the first day of the eighth year of the term of the T25 Lease Agreement
T25 Cap	:	The cap on the T25 Customer Service Credits Payment
T25 Customer Service Credits Payment	:	The amount equivalent to the total aggregate value of all the Customer Service Credits paid to the end-users of T25 in a financial year which the facility manager shall pay to the Trustee on demand under the T25 Facility Management Agreement
T25 Facility Management Agreement	:	The facility management agreement to be entered into between the Trustee and Datahub on completion of the sale and purchase agreement of T25
T25 FM Annual Budget	:	The annual budget to be prepared by the facility manager for T25 and provided to the Trustee in accordance with the T25 Facility Management Agreement

T25 FM Fee	:	The facility management fee which the facility manager of T25 is entitled to under the T25 Facility Management Agreement
T25 FM Financial Year Accounts	:	The annual accounts to be prepared by the facility manager and provided to the trustee in accordance with the T25 Facility Management Agreement
T25 FM Quarterly Accounts	:	The quarterly accounts to be prepared by the facility manager for T25 and provided to the Trustee in accordance with the T25 Facility Management Agreement
T25 Further Term	:	a further term of five (5) year commencing on the day immediately following the date of expiry of the term of the T25 Lease Agreement which is the subject of the call option which the Trustee has granted to Datahub and the put option which Datahub has granted to the Trustee
T25 Handover Date	:	date of expiry or earlier determination of the term of the T25 Lease Agreement
T25 HDB Lease	:	Registered Lease IA/259026A dated 20 September 2005
T25 Indemnity	:	The indemnity provided by the facility manager in relation to the T25 Losses
T25 Lease	:	The lease arrangement in relation to T25 between Keppel DC REIT and the T25 Lessee granted pursuant to the T25 Lease Agreement
T25 Lease Agreement	:	The lease agreement to be entered into between the Trustee and Datahub on completion of the Sale and Purchase Agreement for T25
T25 Lessee or **Datahub**	:	Keppel Datahub Pte. Ltd.
T25 Losses	:	The losses, damages, claims, demands, proceedings, actions, costs, expenses, interest, liabilities and penalties which the Trustee may suffer or incur resulting from or to the extent caused by, any wilful default or gross negligence by the facility manager, its employees or agents, in complying with the provisions of the T25 Facility Management Agreement
T25 New Higher AV	:	The higher annual value which IRAS may adopt if Datahub's objection notice is not successful
T25 New Lower AV	:	The lower annual value which IRAS may adopt if Datahub's objection notice is successful
T25 Quarterly Accounts	:	The quarterly accounts to be prepared by Datahub and provided to the Trustee in accordance with the T25 Lease Agreement
T25 Sale and Purchase Agreement	:	The sale and purchase agreement between Keppel DC REIT and Datahub in respect of T25

T25 Termination Date	:	The date of expiry of the term of the Facility Management Agreement or the date of termination of the T25 Facility Management Agreement
T25 Service Contracts	:	The list of service contracts in respect of T25 which are assignable
T25 Services	:	The facilities management and maintenance services which Datahub will provide pursuant to the T25 Facility Management Agreement
Tax Rulings	:	The Tax Transparency Ruling and the Foreign Sourced Income Tax Exemption Rulings
Tax Transparency Ruling	:	The tax ruling issued by the IRAS on the taxation of Keppel DC REIT and its Unitholders in respect of its Specified Taxable Income
Taxable Income	:	Income ascertained to be chargeable to tax in accordance with the provisions of the Income Tax Act, after deduction of allowable expenses and applicable tax allowances
Term Loan Facilities	:	The term loan facilities of four to five years of approximately S$295.0 million
Triple-net lease	:	In the case of Keppel DC REIT, a lease where the tenant pays for rent, is responsible for facilities management, and satisfies all of the Property-Related Expenses
Trust Deed	:	The SDPT Trust Deed, as amended by the Deed of Appointment and Retirement, the First Amending and Restating Deed and the Second Supplemental Deed, and as may be amended, varied or supplemented from time to time
Trustee	:	The Trust Company (Asia) Limited, in its capacity as trustee of Keppel DC REIT
UK	:	The United Kingdom
Unaudited Pro Forma Financial Information	:	Unaudited pro forma consolidated financial information of Keppel DC REIT and its subsidiaries
Underwriting Agreement	:	The underwriting agreement entered into between the Sponsor, the Manager, Keppel DC Investment Holdings Pte. Ltd. and the Joint Bookrunners on 5 December 2014
Underwriting, Selling and Management Commission	:	The underwriting, selling and management commission payable to the Joint Bookrunners for their services in connection with the Offering Units and Cornerstone Units
Unit(s)	:	An undivided interest in Keppel DC REIT as provided for in the Trust Deed

Unit Issue Mandate	:	The general mandate for the Manager to issue Units within certain limits until (i) the conclusion of the first annual general meeting of Keppel DC REIT or (ii) the date by which first annual general meeting of Keppel DC REIT is required by applicable regulations to be held, whichever is earlier
Unit Lender	:	Keppel DC Investment Holdings Pte. Ltd.
Unit Lending Agreement	:	The unit lending agreement entered into between the Stabilising Manager (or any of its affiliates or other persons acting on behalf of the Stabilising Manager) and the Unit Lender in connection with the Over-Allotment Option on 5 December 2014
Unit Registrar	:	Boardroom Corporate & Advisory Services Pte. Ltd.
United States or **U.S.**	:	United States of America
Unitholder(s)	:	The registered holder for the time being of a Unit including persons so registered as joint holders, except that where the registered holder is CDP, the term "Unitholder" shall, in relation to Units registered in the name of CDP, mean, where the context requires, the depositor whose Securities Account with CDP is credited with Units
WALE	:	Weighted average lease expiry

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Prospectus to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any reference to a time of day in this Prospectus is made by reference to Singapore time unless otherwise stated.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding.

Information contained in the Manager's website and the Sponsor's website does not constitute part of this Prospectus.

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REPORTING AUDITORS' REPORT ON THE PROFIT FORECAST AND PROFIT PROJECTION

Keppel DC REIT Management Pte. Ltd.
(in its capacity as Manager of Keppel DC REIT)
18 Cross Street #10-10
China Square Central
Singapore 048423

The Trust Company (Asia) Limited
(in its capacity as Trustee of Keppel DC REIT)
16 Collyer Quay
#26-02
Singapore 049318

5 December 2014

Dear Sirs

Letter from the Reporting Auditors on the Profit Forecast for the Year Ending 31 December 2015 and Profit Projection for the Year Ending 31 December 2016

This letter has been prepared for inclusion in the prospectus (the "**Prospectus**") to be issued in connection with the offering of units in Keppel DC REIT ("**Keppel DC REIT**") at the offering price of S$0.93 per Unit (the "**Offering**").

The directors of Keppel DC REIT Management Pte. Ltd. (the "**Directors**") are responsible for the preparation and presentation of the forecast statement of total return for the year ending 31 December 2015 (the "**Profit Forecast**") and the year ending 31 December 2016 (the "**Profit Projection**") as set out on page 138 of the Prospectus, which have been prepared on the basis of the assumptions set out on pages 139 to 148 of the Prospectus.

We have examined the Profit Forecast and Profit Projection of the Keppel DC REIT as set out on page 138 of the Prospectus in accordance with Singapore Standard on Assurance Engagements 3400 *The Examination of Prospective Financial Information*. The Directors are solely responsible for the Profit Forecast and Profit Projection including the assumptions set out on pages 139 to 148 of the Prospectus on which they are based.

Profit Forecast

Based on our examination of the evidence supporting the relevant assumptions, nothing has come to our attention which causes us to believe that these assumptions do not provide a reasonable basis for the Profit Forecast. Further, in our opinion the Profit Forecast, so far as the accounting policies and calculations are concerned, is properly prepared on the basis of the assumptions, is consistent with the accounting policies set out on pages C-19 to C-29 of the Prospectus, and is presented in accordance with the applicable presentation principles of Recommended Accounting Practice (RAP) 7 *Reporting Framework for Unit Trusts* (but not all the required disclosures) issued by the Institute of Singapore Chartered Accountants (ISCA), which is the framework to be adopted by Keppel DC REIT in the preparation of its financial statements.

Profit Projection

The Profit Projection is intended to show a possible outcome based on the stated assumptions. As the length of the period covered by the Profit Projection extends beyond the period covered by the Profit Forecast, the assumptions used in the Profit Projection (which include hypothetical assumptions about future events which may not necessarily occur) are more subjective than would be appropriate for a profit forecast. The Profit Projection does not therefore constitute a profit forecast.

Based on our examination of the evidence supporting the relevant assumptions, nothing has come to our attention which causes us to believe that these assumptions do not provide a reasonable basis for the Profit Projection. Further, in our opinion the Profit Projection, so far as the accounting policies and calculations are concerned, is properly prepared on the basis of the assumptions, is consistent with the accounting policies set out on pages C-19 to C-29 of the Prospectus, and is presented in accordance with the applicable presentation principles of RAP 7 (but not all the required disclosures), which is the framework to be adopted by Keppel DC REIT in the preparation of its financial statements.

Events and circumstances frequently do not occur as expected. Even if the events anticipated under the hypothetical assumptions occur, actual results are still likely to be different from the Profit Forecast and Profit Projection since other anticipated events frequently do not occur as expected and the variation may be material. The actual results may therefore differ materially from those forecasted and projected. For the reasons set out above, we do not express any opinion as to the possibility of achievement of the Profit Forecast and Profit Projection.

Attention is drawn, in particular, to the risk factors set out on pages 58 to 100 of the Prospectus which describe the principal risks associated with the Offering, to which the Profit Forecast and Profit Projection relate and the sensitivity analysis of the Profit Forecast and Profit Projection set out on pages 148 to 150 of the Prospectus.

Yours faithfully

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore

(Partner-in-charge: Jeya Poh Wan S/O K. Suppiah)

REPORTING AUDITORS' REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

Keppel DC REIT Management Pte. Ltd.
(in its capacity as Manager of Keppel DC REIT)
18 Cross Street #10-10
China Square Central
Singapore 048423

The Trust Company (Asia) Limited
(in its capacity as Trustee of Keppel DC REIT)
16 Collyer Quay
#26-02
Singapore 049318

5 December 2014

Dear Sirs

Letter from the Reporting Auditors on the compilation of Unaudited Pro Forma Financial Information

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Keppel DC REIT (the "**Keppel DC REIT**") by Keppel DC REIT Management Pte Ltd (the "**Manager**"). The unaudited pro forma financial information of Keppel DC REIT and its subsidiaries (the "**Pro Forma Group**") consists of the unaudited pro forma statements of financial position as at 30 September 2014 and Listing Date, the unaudited pro forma statements of total return for the year ended 31 December 2012 and 31 December 2013, the unaudited pro forma statements of total return for the nine months ended 30 September 2013 and 30 September 2014, the unaudited pro forma statement of cash flows for the year ended 31 December 2013 and for the nine months ended 30 September 2014, and related notes (the "**Unaudited Pro Forma Financial Information**") as set out on pages C-1 to C-49 of the prospectus (the "**Prospectus**") to be issued in connection with the offering of units in Keppel DC REIT (the "**Offering**"). The Unaudited Pro Forma Financial Information of Keppel DC REIT has been prepared for illustrative purposes only and are based on certain assumptions, after certain adjustments made by the Manager. The applicable criteria (the "**Criteria**") on the basis of which the Manager has compiled the Unaudited Pro Forma Financial Information are described in Section B of Appendix C.

The Unaudited Pro Forma Financial Information assumes the completion of the following transactions (the "**Transactions**")

(a) the acquisition of two data centres in Singapore, being S25 and T25;

(b) the acquisition of the remaining interest of two data centres in Australia, being Gore Hill Data Centre in Sydney and iseek Data Centre in Brisbane;

(c) the acquisition of an additional 19% interest of one data centre in Malaysia, being Basis Bay Data Centre in Selangor; and

(d) the acquisition of the remaining interest of one data centre in Europe, being Citadel 100 Data Centre in Dublin, Ireland.

The Unaudited Pro Forma Financial Information has been compiled by the Manager to illustrate the impact of:

(a) the financial position of Pro Forma Group as at 30 September 2014 and Listing Date had it entered into the Transactions, under the same terms as set out in the Prospectus, on 30 September 2014 and Listing Date;

(b) the total return of Pro Forma Group for the year ended 31 December 2012 and 31 December 2013, had it been in place and had the Transactions been undertaken on 1 January 2012, under the same terms set out in the Prospectus;

(c) the total return of Pro Forma Group for the nine months ended 30 September 2013 and 30 September 2014, had it been in place and had the Transactions been undertaken on 1 January 2012, under the same terms set out in the Prospectus;

(d) the cash flows of Pro Forma Group for the year ended 31 December 2013 and nine months ended 30 September 2014, had it been in place and had the Transactions been undertaken on 1 January 2013, under the same terms as set out in the Prospectus.

The dates on which the Transactions described above are assumed to have been undertaken, are hereinafter collectively referred to as the **Relevant Dates**.

As part of this process, information about the Pro Forma Group's financial position, total return and cash flows have been extracted by the Manager from the following financial statements:

- the audited financial statements of Securus Data Property Trust and its subsidiaries for the years ended 31 December 2012 and 31 December 2013;
- the audited financial statements of Keppel Datahub Pte. Ltd. and Keppel Digihub Ltd for the years ended 31 December 2012 and 31 December 2013;
- the audited financial statements of Citadel 100 Datacentres Limited for the years ended 31 December 2012 and 31 December 2013;
- the unaudited financial statements of Securus Data Property Trust and its subsidiaries for the nine months ended 30 September 2013 and 30 September 2014;
- the unaudited financial statements of Keppel Datahub Pte. Ltd. and Keppel Digihub Ltd for the nine months ended 30 September 2013 and 30 September 2014; and
- the unaudited financial statements of Citadel 100 Datacentres Limited for the nine months ended 30 September 2013 and 30 September 2014.

The aforementioned financial statements are hereinafter collectively referred to as the **Relevant Financial Statements**. The auditors' report on the Relevant Financial Statements have not been published.

The Manager's responsibility for the pro forma financial information

The Manager is responsible for compiling the Unaudited Pro Forma Financial Information on the basis of the Criteria.

Reporting Auditors' responsibility

Our responsibility is to express an opinion about whether the Unaudited Pro Forma Financial Information has been compiled, in all material respects, by the Manager on the basis of the Criteria.

We conducted our engagement in accordance with Singapore Standard on Assurance Engagements (SSAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the Institute of Singapore Chartered Accountants (ISCA). This standard requires that the Reporting Auditors comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Manager has compiled, in all material respects, the Unaudited Pro forma Financial Information on the basis of the Criteria.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of a pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at the Relevant Dates would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been compiled, in all material respects, on the basis of the Criteria involves performing procedures to assess whether the Criteria used by the Manager in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those Criteria; and

- the Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the Reporting Auditors' judgement, having regard to his understanding of the nature of Keppel DC REIT, event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been compiled:

   (i) from the information in the Relevant Financial Statements and is presented in accordance with the relevant presentation principles of Recommended Accounting Practice (RAP) 7 *Reporting Framework for Unit Trusts* issued by ISCA;

   (ii) in a manner consistent with the accounting policies adopted by the Pro Forma Group; and

   (iii) on the basis of the Criteria stated in Section B of Appendix C of the Unaudited Pro Forma Financial Information.

(b) each material adjustment made to the information used in the preparation of the Unaudited Pro Forma Financial Information is appropriate for the purpose of preparing such financial information.

This letter has been prepared for inclusion in the Prospectus of Keppel DC REIT to be issued in connection with the initial public offering of the units by Keppel DC REIT.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore

(Partner-in-charge: Jeya Poh Wan S/O K. Suppiah)

UNAUDITED PRO FORMA FINANCIAL INFORMATION

A INTRODUCTION

The Unaudited Pro Forma Financial Information has been prepared for inclusion in the prospectus (the "**Prospectus**") to be issued in connection with the proposed listing of Keppel DC REIT ("**Keppel DC REIT**") on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

Securus Data Property Trust was constituted as a private trust on 17 March 2011 pursuant to a deed of trust dated 17 March 2011 (as amended by a first supplemental deed of trust dated 24 October 2014) (the "**SDPT Trust Deed**"). The SDPT Trust Deed was amended by a supplemental deed of appointment of trustee and manager and retirement of trustee-managers dated 24 October 2014 and an amending and restating deed dated 24 October 2014 to, amongst others, change the name of SDPT to "Keppel DC REIT" and comply with the requirements of the MAS and the SGX-ST for a listed REIT and a second supplemental deed dated 18 November 2014. Keppel DC REIT is a Singapore real estate investment trust established with the investment strategy of principally investing, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centre purposes, as well as real estate-related assets, with an initial focus on Asia-Pacific and Europe. The Manager's key objectives are to provide unitholders of Keppel DC REIT ("**Unitholders**") with regular and stable distributions and to achieve long-term growth in distribution per Unit ("**DPU**") and net asset value ("**NAV**") per Unit, while maintaining an appropriate capital structure.

On the date of Keppel DC REIT's admission to the Official List of the SGX-ST (the "**Listing Date**"), it will acquire the following:

- two data centres in Singapore, being S25 and T25;
- remaining interests of two data centres in Australia, being Gore Hill Data Centre in Sydney and iseek Data Centre in Brisbane;
- an additional 19% interest of one data centre in Malaysia, being Basis Bay Data Centre in Selangor; and
- remaining interest of one data centre in Europe, being Citadel 100 Data Centre in Dublin, Ireland.

The acquisitions as described above are collectively referred to as the "Acquisitions".

The above properties, together with two data centres in Europe, being GV7 Data Centre in London, UK and Almere Data Centre, Amsterdam, the Netherlands, are hereinafter collectively referred to as the "Properties".

In connection with the Acquisitions, Keppel DC REIT is making an offering of 261,138,000 new Units (the "**Offering**") at an offering price of S$0.93 per Unit (the "**Offering Price**"). The Offering consists of (i) an international placement of 207,375,000 Units to investors, including institutional and other investors in Singapore, and (ii) an offering of 53,763,000 Units to the public in Singapore.

Concurrently with, but separate from the Offering, Keppel DC Investment Holdings Pte. Ltd., a wholly-owned subsidiary of Keppel T&T (the "**Sponsor**"), will receive an aggregate of 283,421,148 units (the "**Sponsor Subscription Units**", together with the Unit issued on the constitution of Keppel DC REIT, the "**Sponsor Units**") on the Listing Date.

Concurrently with, but separate from the Offering, DC REIT Holdings Pte. Ltd., a wholly-owned subsidiary of Keppel Land Limited, a related corporation of the Sponsor, will receive an aggregate of 43,264,000 Units (the "**KLL Units**") at the Offering Price.

In addition, concurrently with, but separate from the Offering, cornerstone investors have entered into a subscription agreement to subscribe for an aggregate of 290,316,000 Units (the "**Cornerstone Units**") at the Offering Price.

B BASIS OF PREPARATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

The Unaudited Pro Forma Financial Information set out in this report has been prepared for illustrative purposes only and based on certain assumptions, after making certain adjustments, and shows the Unaudited Pro Forma Statements of Financial Position of Keppel DC REIT and its subsidiaries (the "**Pro Forma Group**") as at 30 September 2014 and the assumed listing date of 31 October 2014 (the "**Listing Date**"), the Unaudited Pro Forma Statements of Total Return of the Pro Forma Group for the years ended 31 December 2012 and 31 December 2013, and for the nine months ended 30 September 2013 and 30 September 2014, and the Unaudited Pro Forma Statements of Cash Flows of the Pro Forma Group for the year ended 31 December 2013 and for the nine months ended 30 September 2014.

The Unaudited Pro Forma Statements of Financial Position as at 30 September 2014 and Listing Date reflects the financial position of the Pro Forma Group had it been in place and had the Acquisitions been completed on 30 September 2014 and Listing Date, respectively, pursuant to the terms set out in the Prospectus.

The Unaudited Pro Forma Statements of Total Return for the years ended 31 December 2012 and 31 December 2013 and the nine-month periods ended 30 September 2013 and 30 September 2014 reflect the financial performance of the Pro Forma Group had it been in place and had the Acquisitions been completed on 1 January 2012, pursuant to the terms set out in the Prospectus.

The Unaudited Pro Forma Statements of Cash Flows for the year ended 31 December 2013 and for the nine months ended 30 September 2014 reflects the cash flows of the Pro Forma Group had it been in place and had the Acquisitions been completed on 1 January 2013, pursuant to the terms set out in the Prospectus.

The Unaudited Pro Forma Statements of Financial Position, Unaudited Pro Forma Statements of Total Return and Unaudited Pro Forma Statements of Cash Flows (collectively, the "**Unaudited Pro Forma Financial Information**") have been prepared on the basis of the accounting policies set out in Section D and is to be read in conjunction with Section E.

The objective of the Unaudited Pro Forma Financial Information is to show what the financial position, financial performance and cash flows might have been, had the Pro Forma Group as described above existed at earlier dates. However, the Unaudited Pro Forma Financial Information is not necessarily indicative of the financial position, financial performance and cash flows that would have been attained had the Pro Forma Group actually existed earlier. The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only and, because of its nature, may not give a true picture of the Pro Forma Group's actual financial position, financial performance or cash flows.

The Unaudited Pro Forma Financial Information of the Pro Forma Group has been compiled based on:

(a) the audited financial statements for the years ended 31 December 2012 and 31 December 2013 of Securus Data Property Trust and its subsidiaries;

(b) the audited financial statements for the years ended 31 December 2012 and 31 December 2013 of Keppel Datahub Pte. Ltd.;

(c) the audited financial statements for the years ended 31 December 2012 and 31 December 2013 of Keppel Digihub Ltd;

(d) the audited financial statements for the years ended 31 December 2012 and 31 December 2013 of Citadel 100 Datacenters Limited;

(e) the unaudited financial statements for the nine months ended 30 September 2013, 30 September 2014 and 31 October 2014 of Securus Data Property Trust and its subsidiaries;

(f) the unaudited financial statements for the nine months ended 30 September 2013, 30 September 2014 and 31 October 2014 of Keppel Datahub Pte. Ltd.;

(g) the unaudited financial statements for the nine months ended 30 September 2013, 30 September 2014 and 31 October 2014 of Keppel Digihub Ltd; and

(h) the unaudited financial statements for the nine months ended 30 September 2013, 30 September 2014 and 31 October 2014 of Citadel 100 Datacenters Limited.

The aforementioned financial statements are hereinafter collectively referred to as the "Relevant Financial Statements".

The audited financial statements of Securus Data Property Trust and its subsidiaries for the years ended 31 December 2012 and 31 December 2013 were prepared in accordance with the Statement of Recommended Accounting Practice ("**RAP**") 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants ("**ISCA**") and the provisions of the trust deed. RAP 7 requires that accounting policies adopted should generally comply with the principles relating to recognition and measurement of the Singapore Financial Reporting Standards ("**FRS**"). The audited financial statements of Securus Data Property Trust and its subsidiaries were audited by KPMG LLP Singapore in accordance with Singapore Standards on Auditing. The auditors' reports on these financial statements were not subjected to any qualifications, modifications or disclaimers.

The unaudited financial statements of Securus Data Property Trust and its subsidiaries for the nine months ended 30 September 2013, 30 September 2014 and 31 October 2014 were prepared on the same basis as the audited consolidated financial statements.

The audited financial statements of Keppel Datahub Pte. Ltd. and Keppel Digihub Ltd for the years ended 31 December 2012 and 31 December 2013 were prepared in accordance with Singapore Financial Reporting Standards and were audited by Ernst and Young LLP in accordance with Singapore Standards on Auditing. The auditors' reports on these financial statements were not subjected to any qualifications, modifications or disclaimers.

The unaudited financial statements of Keppel Datahub Pte. Ltd. and Keppel Digihub Ltd for the nine months ended 30 September 2013, 30 September 2014 and 31 October 2014 were prepared on the same basis as the audited financial statements.

The audited financial statements of Citadel 100 Datacenters Limited for the years ended 31 December 2012 and 31 December 2013 were prepared in accordance with Generally Accepted Accounting Practice in Ireland and were audited by Grant Thornton in accordance with International Standards on Auditing (UK and Ireland). The auditors' report on the financial statements for the year ended 31 December 2013 was not subjected to any qualifications, modifications or disclaimers. The auditors' report on the financial statement for the year ended 31 December 2012 was subjected to an emphasis of matter on Citadel 100's ability to continue as a going concern.[1]

The unaudited financial statements of Citadel 100 Datacenters Limited for the nine months ended 30 September 2013, 30 September 2014 and 31 October 2014 were prepared on the same basis as the audited financial statements.

The Unaudited Pro Forma Financial Information has been compiled from the financial statements disclosed above and is prepared on the basis of the accounting policies set out in Section D and is to be read in conjunction with Section E.

Unaudited Pro Forma Statements of Financial Position

The Unaudited Pro Forma Statements of Financial Position as at 30 September 2014 and Listing Date have been prepared to reflect the financial position of the Pro Forma Group had it been in place and had the Acquisitions been completed on 30 September 2014 and Listing Date, pursuant to the terms set out in the Prospectus.

In arriving at the Unaudited Pro Forma Statements of Financial Position as at 30 September 2014 and at Listing Date, the following key adjustments were made:

- Adjustments to reflect (i) the write-off of unamortised debt upfront cost of S$0.7 million as at 30 September 2014 and S$0.5 million as at Listing Date; (ii) the repayment of existing borrowings (including interest payables) prior to the Acquisitions of S$207.5 million; (iii) the drawdown of new borrowings by the Pro Forma Group of approximately S$295.0 million; and (iv) the debt related transaction costs incurred on the borrowings of S$1.7 million.

- Adjustments to reverse investment in associate of S$54.7 million as at 30 September 2014 and S$53.8 million as at Listing Date.

- Adjustments to reflect (i) the proceeds of S$816.7 million arising from the issuance of 882,930,000 Units at the Offering Price net of purchase consideration settled in units of S$4.5 million, and the related issuance costs of S$20.9 million; and (ii) redemption of existing units S$341.0 million;

- Adjustments to reflect (i) the Acquisitions; (ii) the settlement of related party balances; and (iii) the revaluation of Properties to their fair value of S$1,021.9 million based on the average of the valuations of the Properties undertaken by Independent Valuers and finance lease liabilities of S$33.1 million as at 30 September 2014 and S$33.2 million as at Listing Date; (iv) the working capital adjustments.

In addition, the following key assumptions were made:

- At Listing Date and 30 September 2014, the Acquisitions were undertaken at an aggregated purchase consideration (including the related transaction costs) of S$537.9

1 The emphasis of matter specifically related to Citadel 100's ability to repay existing shareholder loans if called on demand.

million. S$4.5 million of the purchase consideration will be settled in the form of Units. This amount includes payment of recoverable GST of S$189,373 for the moveable properties of S25 and T25. This amount is subject to confirmation from IRAS;

- The properties are valued at S$1,021.9 million based on the average of the valuations of the Properties undertaken by the Independent Valuers and will remain unchanged throughout the periods presented.

- The exchange rates as at Listing Date and 30 September 2014 are assumed to be as follows:

	Listing Date	**30 September 2014**
SGD: USD	1.2728	1.2668
SGD: AUD	1.1157	1.1235
SGD: MYR	0.3878	0.3908
SGD: GBP	2.0381	2.0750
SGD: EUR	1.6293	1.6250

Unaudited Pro Forma Statements of Total Return

The Unaudited Pro Forma Statements of Total Return have been prepared to reflect the financial performance of the Pro Forma Group had it been in place and had the Acquisitions been completed on 1 January 2012, pursuant to the terms set out in the Prospectus.

In arriving at the Unaudited Pro Forma Statement of Total Return for the year ended 31 December 2012, the following key adjustments were made:

- Adjustments to reflect the financial performance of the Properties;

- Adjustments to reverse the change in fair value of the Properties of S$65.1 million;

- Adjustments to (i) reverse the finance costs (including amortisation of debt upfront costs) of S$7.3 million from existing borrowings; and (ii) reflect the finance costs (including commitment fees and amortisation of debt related transaction costs) of S$9.3 million from new borrowings; and

- Adjustments to include the Manager's management fees, the Trustee's fee, the Property Manager's management fees and administrative and other trust expenses of Keppel DC REIT.

In arriving at the Unaudited Pro Forma Statement of Total Return for the year ended 31 December 2013, the following key adjustments were made:

- Adjustments to reflect the financial performance of the Properties;

- Adjustments to reverse the change in fair value of the Properties of S$34.1 million;

- Adjustments to reverse the share of results of associates of S$23.4 million;

- Adjustments to (i) reverse the finance costs (including amortisation of debt upfront costs) of S$10.7 million from existing borrowings; and (ii) reflect the finance costs (including commitment fees and amortisation of debt related transaction costs) of S$9.3 million from new borrowings; and

- Adjustments to include the Manager's management fees, the Trustee's fee, the Property Manager's management fees and administrative and other trust expenses of Keppel DC REIT.

In arriving at the Unaudited Pro Forma Statement of Total Return for the nine months ended 30 September 2013, the following key adjustments were made:

- Adjustments to reflect the financial performance of the Properties;

- Adjustments to reverse the share of results of associates of S$22.5 million;

- Adjustments to (i) reverse the finance costs (including amortisation of debt upfront costs) of S$7.9 million from existing borrowings; and (ii) reflect the finance costs (including commitment fees and amortisation of debt related transaction costs) of S$7.0 million from new borrowings; and

- Adjustments to include the Manager's management fees, the Trustee's fee, the Property Manager's management fees and administrative and other trust expenses of Keppel DC REIT.

In arriving at the Unaudited Pro Forma Statement of Total Return for the nine months ended 30 September 2014, the following key adjustments were made:

- Adjustments to reflect the financial performance of the Properties;

- Adjustments to reverse the change in fair value of the Properties of S$20.3 million;

- Adjustments to reverse the share of results of associates of S$2.1 million;

- Adjustments to (i) reverse the finance costs (including amortisation of debt upfront costs) of S$8.4 million from existing borrowings; and (ii) reflect the finance costs (including commitment fees and amortisation of debt related transaction costs) of S$7.0 million from new borrowings; and

- Adjustments to include the Manager's management fees, the Trustee's fee, the Property Manager's management fees and administrative and other trust expenses of Keppel DC REIT.

In addition, the following key assumptions were made for each of the periods presented:

- The effective interest expense on the borrowings drawn down by the Pro Forma Group is estimated to be approximately 3.1% per annum (including all margins, debt upfront fees, legal fees and commitment fees, excluding of finance lease expense) for the years ended 31 December 2012 and 31 December 2013, and the nine months ended 30 September 2013 and 30 September 2014, respectively;

- The properties are valued at S$1,021.9 million based on an independent valuation done by an external valuer, and will remain unchanged throughout the periods presented;

- The historical figures are translated at their respective actual transaction rate. The pro forma adjustments are translated at the average exchange rates;

- The Manager's management fees, the Trustee's fee and the Property Manager's management fees were computed based on the formula as set out in Section E; and

- The average exchange rates are assumed to be as follows:

	Year ended 31 December 2012	Year ended 31 December 2013	Nine months ended 30 September 2013	Nine months ended 30 September 2014
SGD: USD	1.2442	1.2507	1.2503	1.2572
SGD: AUD	1.2945	1.2127	1.2294	1.1521
SGD: MYR	0.3707	0.3983	0.4015	0.3876
SGD: GBP	1.9753	1.9509	1.9250	2.1000
SGD: EUR	1.6095	1.6620	1.6470	1.7017

Unaudited Pro Forma Statements of Cash Flows

The Unaudited Pro Forma Statements of Cash Flows for the year ended 31 December 2013 and nine months ended 30 September 2014 have been prepared to reflect the cash flows of the Pro Forma Group had it been in place and had the Acquisitions been completed on 1 January 2013, pursuant to the terms set out in the Prospectus.

In arriving at the Unaudited Pro Forma Statement of Cash Flows for the year ended 31 December 2013, the following key adjustments were made:

- Adjustments to reflect (i) the proceeds of S$816.7 million arising from the issuance of 882,930,000 Units at the Offering Price net of purchase consideration settled in Units of S$4.5 million and the related issuance costs of S$20.9 million; (ii) the drawdown of new borrowings by the Pro Forma Group of approximately S$295.0 million and the debt related transaction costs incurred on the borrowings of S$1.7 million; and (iii) the redemption of the existing units of S$341.0 million;

- Adjustments to reflect (i) the Acquisitions and (ii) the repayment of existing borrowings (including interest payable) prior to the Acquisitions of S$207.5 million; and (iii) the settlement of related party balances of S$10.3 million;

- Adjustments to (i) reflect the relevant income and expenses relating to the two data centres in Singapore, S25 and T25, (ii) reflect the relevant income and expenses relating to Citadel 100 Data Centre in Dublin, Ireland; (iii) reverse the change in fair value of the Properties of S$34.1 million; (iv) reverse the finance costs (including amortisation of debt upfront costs) of S$9.2 million from existing borrowings; (v) reflect the finance costs (including commitment fees and debt related transaction costs) of S$9.3 million drawn down by the Pro Forma Group; and (vi) include the Manager's management fees, the Trustee's fees, the Property Manager's management fees, and administrative and other trust expenses of Keppel DC REIT; and

- Adjustments to (i) reverse the effect of distributions paid of S$14.3 million; and (ii) to reflect distributions of S$25.2 million based on the Keppel DC REIT's distribution policies.

In arriving at the Unaudited Pro Forma Statement of Cash Flows for the nine months ended 30 September 2014, the following key adjustments were made:

- Adjustments to reflect (i) the cash balance brought forward from the financial year ended 31 December 2013;

- Adjustments to (i) reflect the relevant income and expenses relating to the two data centres in Singapore, S25 and T25; (ii) reflect the relevant income and expenses relating to Citadel 100 Data Centre in Dublin, Ireland; (iii) reverse the finance costs (including amortisation of debt upfront costs) of S$8.4 million from existing borrowings; (iv) reflect the finance costs (including commitment fees and amortisation of debt related transaction costs) of S$7.0 million from new borrowings; and (v) include the Manager's management fees, the Trustee's fee, the Property Manager's management fees, and administrative and other trust expenses of Keppel DC REIT; (vi) reflect the working capital adjustments; and

- Adjustments to (i) reverse the effect of distributions paid of S$16.3 million, and (ii) to reflect distributions of S$55.3 million based on the Keppel DC REIT's distribution policies.

In addition, the following key assumptions were made:

- On 1 January 2013, the Acquisitions were undertaken at an aggregated purchase consideration (including the related transaction costs) of S$537.9 million. S$4.5 million of the purchase consideration will be settled in the form of Units to be issued to the Vendor and the remaining consideration will be settled in cash. This amount includes payment of recoverable GST of S$189,373 for the moveable properties of S25 and T25. This amount is subject to confirmation from IRAS;

- The effective interest expense on the new borrowings drawn down by the Pro Forma Group is estimated to be approximately 3.1% per annum (including all margins, debt upfront fees and commitment fees, excluding finance lease expenses) for the year ended 31 December 2013 and the nine months ended 30 September 2014, and is fully paid in cash on the last day of the period presented;

- The properties are valued at S$1,021.9 million based on independent valuations done by external valuers and will remain unchanged throughout the periods presented;

- The Trustee's fees and the Property Manager's fees payable in cash are fully settled on the last day of the period presented. The Manager's fees payable in the form of cash are settled on a quarterly basis, in arrears in the following quarter; and

- The exchange rates are assumed to be as follows:

	Year ended 31 December 2013	**Nine months ended 30 September 2014**
SGD: USD	1.2507	1.2572
SGD: AUD	1.2127	1.1521
SGD: MYR	0.3983	0.3876
SGD: GBP	1.9509	2.1000
SGD: EUR	1.6620	1.7017

C UNAUDITED PRO FORMA FINANCIAL INFORMATION

Unaudited Pro Forma Statements of Financial Position

The Unaudited Pro Forma Statements of Financial Position as at 30 September 2014 and the Listing Date have been prepared for inclusion in the Prospectus and are presented below. Details of the pro forma adjustments and assumptions made are set out in the Basis of Preparation of Unaudited Pro Forma Financial Information in Section B of the Prospectus.

	Note	Unaudited Historical Statement of Financial Position*	Pro Forma Adjustments Note (a)	Note (b)	Note (c)	Unaudited Pro Forma Statement of Financial Position
		S$'000	S$'000	S$'000	S$'000	S$'000
As at Listing Date						
Non-current assets						
Investment properties	3	503,669	–	–	557,390	1,061,059
Investment in associate		53,832	–	–	(53,832)	–
Deferred tax asset		–	–	–	821	821
		557,501	–	–	504,379	1,061,880
Current assets						
Trade and other receivables	4	28,473	(2,173)	–	189	26,489
Cash and cash equivalents	5	7,848	87,766	454,752	(543,208)	7,158
		36,321	85,593	454,752	(543,019)	33,647
Total assets		**593,822**	**85,593**	**454,752**	**(38,640)**	**1,095,527**
Non-current liabilities						
Deferred tax liability		1,577	–	–	–	1,577
Loans and borrowings	6	76,169	225,535	–	21,074	322,778
Loan from non-controlling interest		10,219	–	(10,219)	–	–
		87,965	225,535	(10,219)	21,074	324,355
Current liabilities						
Loans and borrowings	6	140,232	(139,209)	–	2,734	3,757
Trade and other payables	7	35,140	(291)	(32,102)	(244)	2,503
		175,372	(139,500)	(32,102)	2,490	6,260
Total liabilities		**263,337**	**86,035**	**(42,321)**	**23,564**	**330,615**
Net assets		**330,485**	**(442)**	**497,073**	**(62,204)**	**764,912**
Represented by:						
Unitholders' funds		279,172	(677)	497,073	(11,091)	764,477
Non-controlling interests		51,313	235	–	(51,113)	435
	8	330,485	(442)	497,073	(62,204)	764,912

*** Note:** Historical financial statements have been converted to Singapore dollars from financial statements which are presented in US dollars.

Notes to Pro Forma Adjustments:

(a) Adjustments to reflect (i) the write-off of unamortised debt upfront cost; (ii) the repayment of existing borrowings (including interest payables) prior to the Acquisitions; (iii) the drawdown of new borrowings by the Pro Forma Group; and (iv) the debt related transaction costs incurred on the borrowings.

(b) Adjustments to reflect (i) the proceeds arising from the issuance of 882,930,000 Units at the Offering Price and the related issuance costs; (ii) the settlement of related party balances; and (iii) the redemption of the existing units.

(c) Adjustments to reflect (i) the Acquisitions; (ii) the revaluation of Properties to their fair value of S$1,021.9 million based on the average of the valuations of the Properties undertaken by Independent Valuers; and (iii) the working capital adjustments.

	Note	Unaudited Historical Statement of Financial Position*	Pro Forma Adjustments Note (a)	Note (b)	Note (c)	Unaudited Pro Forma Statement of Financial Position
		S$'000	S$'000	S$'000	S$'000	S$'000
As at 30 September 2014						
Non-current assets						
Investment properties	3	503,711	–	–	557,298	1,061,009
Investment in associate		54,746	–	–	(54,746)	–
Deferred tax asset		–	–	–	842	842
		558,457	–	–	503,394	1,061,851
Current assets						
Trade and other receivables	4	29,768	(2,194)	–	189	27,763
Cash and cash equivalents	5	11,467	86,323	454,752	(545,384)	7,158
		41,235	84,129	454,752	(545,195)	34,921
Total assets		**599,692**	**84,129**	**454,752**	**(41,801)**	**1,096,772**
Non-current liabilities						
Deferred tax liability		1,572	–	–	–	1,572
Loans and borrowings	6	75,845	225,893	–	20,990	322,728
Loan from non-controlling interest		10,290	–	(10,290)	–	–
		87,707	225,893	(10,290)	20,990	324,300
Current liabilities						
Loans and borrowings	6	141,654	(140,623)	–	2,726	3,757
Trade and other payables	7	42,822	(1,755)	(37,604)	(1,177)	2,286
		184,476	(142,378)	(37,604)	1,549	6,043
Total liabilities		**272,183**	**83,515**	**(47,894)**	**22,539**	**330,343**
Net assets		**327,509**	**614**	**502,646**	**(64,340)**	**766,429**
Represented by:						
Unitholders' funds		276,828	378	502,646	(13,858)	765,994
Non-controlling interests		50,681	236	–	(50,482)	435
	8	327,509	614	502,646	(64,340)	766,429

*** Note:** Historical financial statements have been converted to Singapore dollars from financial statements which are presented in US dollars.

Notes to Pro Forma Adjustments:

(a) Adjustments to reflect (i) the write-off of unamortised debt upfront cost; (ii) the repayment of existing borrowings (including interest payables) prior to the Acquisitions; (iii) the drawdown of new borrowings by the Pro Forma Group; and (iv) the debt related transaction costs incurred on the borrowings.

(b) Adjustments to reflect (i) the proceeds arising from the issuance of 882,930,000 Units at the Offering Price and the related issuance costs; (ii) the settlement of related party balances; and (iii) the redemption of existing units;

(c) Adjustments to reflect (i) the Acquisitions; (ii) the revaluation of Properties to their fair value of S$1,021.9 million based on the average of the valuations of the Properties undertaken by Independent Valuers; and (iii) the working capital adjustments.

Unaudited Pro Forma Statements of Total Return

The Unaudited Pro Forma Statements of Total Return of the Pro Forma Group for the years ended 31 December 2012 and 31 December 2013, and the nine months ended 30 September 2013 and 30 September 2014 have been prepared for inclusion in the Prospectus and are presented below. Details of the pro forma adjustments and assumptions made are set out in the Basis of Preparation of Unaudited Pro Forma Financial Information in Section B.

Year ended 31 December 2013	**Note**	**Historical Statement of Total Return***	**Pro Forma Adjustments Note (a)**	**Note (b)**	**Note (c)**	**Unaudited Pro Forma Statement of Total Return**
		S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Gross revenue	9	48,193	52,970	–	–	101,163
Property operating expenses		(3,397)	(8,927)	–	–	(12,324)
Net property income		**44,796**	**44,043**	**–**	**–**	**88,839**
Finance costs	10	(12,087)	(2,818)	1,444	–	(13,461)
Manager's Base Fee		(1,879)	–	–	(3,231)	(5,110)
Manager's Performance Fee		–	–	–	(2,473)	(2,473)
Trustee's fees		–	–	–	(180)	(180)
Other trust expenses		(3,954)	–	–	651	(3,303)
Net income		**26,876**	**41,225**	**1,444**	**(5,233)**	**64,312**
Share of results of associate		23,426	(23,426)	–	–	–
Fair value change in investment properties		34,132	(34,132)	–	–	–
Total return for the year before tax		**84,434**	**(16,333)**	**1,444**	**(5,233)**	**64,312**
Tax expenses	11	(40)	(1,647)	–	–	(1,687)
Total return for the year after tax		**84,394**	**(17,980)**	**1,444**	**(5,233)**	**62,625**
Total return attributable to:						
Unitholders		71,765	(5,393)	1,444	(5,232)	62,584
Non-controlling interests		12,629	(12,587)	–	(1)	41
Total return for the year after tax		**84,394**	**(17,980)**	**1,444**	**(5,233)**	**62,625**

*** Note:** Historical financial statements have been converted to Singapore dollars from financial statements which are presented in US dollars.

Notes to Pro Forma Adjustments:

(a) Adjustments to reflect the financial performance of the Properties after adjusting for income and expenses arising from the Acquisition and the reversal of the fair value change in investment properties.

(b) Adjustments to (i) reverse the finance costs (including amortisation of debt upfront costs) from existing borrowings; and (ii) reflect the finance costs (including commitment fees and amortisation of debt related transaction costs) from new borrowings.

(c) Adjustments to include the Manager's management fees, the Trustee's fees, the Property Manager's management fees and administrative and other trust expenses for the Pro Forma Group.

Year ended 31 December 2012	Note	Historical Statement of Total Return*	Pro Forma Adjustments Note (a)	Note (b)	Note (c)	Unaudited Pro Forma Statement of Total Return
		S$'000	S$'000	S$'000	S$'000	S$'000
Gross revenue	9	26,559	54,634	–	–	81,193
Property operating expenses		(2,013)	(7,794)	–	–	(9,807)
Net property income		**24,546**	**46,840**	**–**	**–**	**71,386**
Finance costs	10	(10,181)	(2,947)	(2,010)	–	(15,138)
Manager's Base Fee		(924)	–	–	(4,186)	(5,110)
Manager's Performance Fee		–	–	–	(1,997)	(1,997)
Trustee's fees		–	–	–	(180)	(180)
Other trust expenses		(2,789)	–	–	(590)	(3,379)
Net income		**10,652**	**43,893**	**(2,010)**	**(6,953)**	**45,582**
Fair value change in investment properties		65,073	(65,073)	–	–	–
Total return for the year before tax		**75,725**	**(21,180)**	**(2,010)**	**(6,953)**	**45,582**
Tax expenses	11	(61)	(1,959)	–	–	(2,020)
Total return for the year after tax		**75,664**	**(23,139)**	**(2,010)**	**(6,953)**	**43,562**
Total return attributable to:						
Unitholders		55,081	(2,594)	(2,012)	(6,952)	43,523
Non-controlling interests		20,583	(20,545)	2	(1)	39
Total return for the year after tax		**75,664**	**(23,139)**	**(2,010)**	**(6,953)**	**43,562**

*** Note:** Historical financial statements have been converted to Singapore dollars from financial statements which are presented in US dollars.

Notes to Pro Forma Adjustments:

(a) Adjustments to reflect the financial performance of the Properties after adjusting for income and expenses arising from the Acquisition, reversal of the fair value change in investment properties and the subsequent fair value change in the investment properties.

(b) Adjustments to (i) reverse the finance costs (including amortisation of debt upfront costs) from existing borrowings; and (ii) reflect the finance costs (including commitment fees and amortisation of debt related transaction costs) from new borrowings.

(c) Adjustments to include the Manager's management fees, the Trustee's fees, the Property Manager's management fees and administrative and other trust expenses for the Pro Forma Group.

Nine months ended 30 September 2013	Note	Unaudited Historical Statement of Total Return*	Pro Forma Adjustments Note (a)	Note (b)	Note (c)	Unaudited Pro Forma Statement of Total Return
		S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Gross revenue	9	33,160	38,984	–	–	72,144
Property operating expenses		(2,653)	(7,005)	–	–	(9,658)
Net property income		**30,507**	**31,979**	**–**	**–**	**62,486**
Finance costs	10	(8,902)	(2,081)	898	–	(10,085)
Manager's Base Fee		(1,348)	–	–	(2,484)	(3,832)
Manager's Performance Fee		–	–	–	(1,831)	(1,831)
Trustee's fees		–	–	–	(135)	(135)
Other trust expenses		(2,984)	–	–	699	(2,285)
Net income		**17,273**	**29,898**	**898**	**(3,751)**	**44,318**
Share of results of associate		22,502	(22,502)	–	–	–
Total return for the period before tax		**39,775**	**7,396**	**898**	**(3,751)**	**44,318**
Tax expenses	11	(40)	(1,327)	–	–	(1,367)
Total return for the period after tax		**39,735**	**6,069**	**898**	**(3,751)**	**42,951**
Total return attributable to:						
Unitholders		35,618	10,155	898	(3,750)	42,921
Non-controlling interests		4,117	(4,086)	–	(1)	30
Total return for the period after tax		**39,735**	**6,069**	**898**	**(3,751)**	**42,951**

*** Note:** Historical financial statements have been converted to Singapore dollars from financial statements which are presented in US dollars.

Notes to Pro Forma Adjustments:

(a) Adjustments to reflect the financial performance of the Properties after adjusting for income and expenses arising from the Acquisition and the reversal of the fair value change in investment properties.

(b) Adjustments to (i) reverse the finance costs (including amortisation of debt upfront costs) from existing borrowings; and (ii) reflect the finance costs (including commitment fees and amortisation of debt related transaction costs) from new borrowings.

(c) Adjustments to include the Manager's management fees, the Trustee's fees, the Property Manager's management fees and administrative and other trust expenses for the Pro Forma Group.

Nine months ended 30 September 2014	Note	Unaudited Historical Statement of Total Return*	Pro Forma Adjustments Note (a)	Note (b)	Note (c)	Unaudited Pro Forma Statement of Total Return
		S$'000	S$'000	S$'000	S$'000	S$'000
Gross revenue	9	40,014	39,938	–	–	79,952
Property operating expenses		(2,290)	(8,083)	–	–	(10,373)
Net property income		**37,724**	**31,855**	**–**	**–**	**69,579**
Finance costs	10	(9,552)	(2,141)	1,447	–	(10,246)
Manager's Base Fee		(1,790)	–	–	(2,042)	(3,832)
Manager's Performance Fee		–	–	–	(2,231)	(2,231)
Trustee's fees		–	–	–	(135)	(135)
Other trust expenses		(2,357)	–	–	(28)	(2,385)
Net income		**24,025**	**29,714**	**1,447**	**(4,436)**	**50,750**
Share of results of associate		2,084	(2,084)	–	–	–
Fair value change in investment properties		20,334	(20,334)	–	–	–
Total return for the period before tax		**46,443**	**7,296**	**1,447**	**(4,436)**	**50,750**
Tax expenses	11	(2,166)	(1,188)	–	–	(3,354)
Total return for the period after tax		**44,277**	**6,108**	**1,447**	**(4,436)**	**47,396**
Total return attributable to:						
Unitholders		32,929	17,426	1,447	(4,435)	47,367
Non-controlling interests		11,348	(11,318)	–	(1)	29
Total return for the period after tax		**44,277**	**6,108**	**1,447**	**(4,436)**	**47,396**

*** Note:** Historical financial statements have been converted to Singapore dollars from financial statements which are presented in US dollars.

Notes to Pro Forma Adjustments:

(a) Adjustments to reflect the financial performance of the Properties after adjusting for income and expenses arising from the Acquisition and the reversal of the fair value change in investment properties.

(b) Adjustments to (i) reverse the finance costs (including amortisation of debt upfront costs) from existing borrowings; and (ii) reflect the finance costs (including commitment fees and amortisation of debt related transaction costs) from new borrowings.

(c) Adjustments to include the Manager's management fees, the Trustee's fees, the Property Manager's management fees and administrative and other trust expenses for the Pro Forma Group.

Unaudited Pro Forma Statements of Cash Flows

The Unaudited Pro Forma Statements of Cash Flows for the year ended 31 December 2013 and the nine months ended 30 September 2014 have been prepared for inclusion in the Prospectus and are presented below. Details of the pro forma adjustments and assumptions made are set out in the Basis of Preparation of Unaudited Pro Forma Financial Information set out in Section B.

Year ended 31 December 2013	**Historical Statement of Cash Flows* S$'000**	**Pro Forma Adjustments Note (a) S$'000**	**Note (b) S$'000**	**Note (c) S$'000**	**Unaudited Pro Forma Statement of Cash Flows S$'000**
Cash flow from operating activities					
Total return for the year	84,396	(334)	(23,426)	498	61,134
Adjustments for:					
Finance costs	12,087	334	–	(256)	12,165
Change in fair value of investment properties	(34,132)	–	–	34,132	–
Unrealised foreign exchange gain	(543)	–	–	–	(543)
Share of results of associate	(23,426)	–	23,426	–	–
Impairment of associate	193	–	–	–	193
Loss on disposal of fixed assets	–	–	–	3	3
Income tax expense	–	–	–	553	553
Operating income before working capital changes	38,575	–	–	34,930	73,505
Changes in working capital:					
Trade and other receivables	(15,299)	–	(189)	10,980	(4,508)
Other payables and accruals	10,244	–	(15,691)	(10,842)	(16,289)
Net cash from operating activities	**33,520**	**–**	**(15,880)**	**35,068**	**52,708**
Cash flows from investment activities					
Acquisition of investment properties	(153,217)	–	(533,288)	–	(686,505)
Capital expenditure on investment properties	(22,005)	–	–	(430)	(22,435)
Net cash used in investing activities	**(175,222)**	**–**	**(533,288)**	**(430)**	**(708,940)**

Year ended 31 December 2013	Historical Statement of Cash Flows* S$'000	Pro Forma Adjustments Note (a) S$'000	Note (b) S$'000	Note (c) S$'000	Unaudited Pro Forma Statement of Cash Flows S$'000
Cash flows from financing activities					
Distributions paid	(14,348)	–	–	(25,020)	(39,368)
Finance costs paid	(10,649)	(1,650)	–	1,693	(10,606)
Repayment of loan from a related party	–	–	–	(2,493)	(2,493)
Proceeds from financing facilities	79,732	295,000	(207,466)	(3,924)	163,342
Redemption of unitholders	–	–	(325,324)	–	(325,324)
Payment of transaction costs related to financing	(784)	(20,903)	–	784	(20,903)
Proceeds from issue of units	91,824	816,670	–	–	908,494
Net cash from financing activities	**145,775**	**1,089,117**	**(532,790)**	**(28,960)**	**673,142**
Net increase in cash and cash equivalents	**4,073**	**1,089,117**	**(1,081,958)**	**5,678**	**16,910**
Cash and cash equivalents at beginning of the year	12,518	–	–	2,585	15,103
Effect of exchange rate fluctuations on cash held	(126)	–	–	–	(126)
Cash and cash equivalents at end of the year	**16,465**	**1,089,117**	**(1,081,958)**	**8,263**	**31,887**

*** Note:** Historical financial statements have been converted to Singapore dollars from financial statements which are presented in US dollars.

Notes to Pro Forma Adjustments:

(a) Adjustments to reflect (i) the proceeds arising from the issuance of 882,930,000 Units at the Offering Price and the related issuance costs; and (ii) the drawdown of new borrowings by the Pro Forma Group and the upfront fee incurred on the borrowings.

(b) Adjustments to reflect (i) the Acquisitions; (ii) the repayment of existing borrowings (including interest payable) prior to the Acquisitions; (iii) the settlement of related party balances; and (iv) the redemption of the existing units.

(c) Adjustments to (i) reflect the relevant income and expenses relating to two data centres in Singapore, S25 and T25, (ii) reflect the relevant income and expenses relating to Citadel 100 Data Centre in Dublin, Ireland; (iii) reverse the change in fair value of the Properties held by Securus Data Property Trust; (iv) reverse the finance costs (including amortisation of debt upfront costs); (v) reflect the finance costs (including commitment fees and amortisation of debt related transaction costs); (vi) include the Manager's management fees, the Trustee's fees, the Property Manager's management fees, administrative and other trust expenses, and withholding tax on the net income of the Pro Forma Group; (vii) reverse the effect of distributions paid; (viii) reflect the distributions based on Keppel DC REIT's distribution policies; and (ix) reflect the working capital adjustments.

Nine months ended 30 September 2014	Unaudited Historical Statement of Cash Flows*	Pro Forma Adjustments Note (a)	Note (b)	Note (c)	Unaudited Pro Forma Statement of Cash Flows
	S$'000	S$'000	S$'000	S$'000	S$'000
Cash flow from operating activities					
Total return for the year	44,277	(251)	(2,084)	5,454	47,396
Adjustments for:					
Finance costs	9,372	251	–	(1,698)	7,925
Change in fair value of investment properties	(20,334)	–	–	20,334	–
Unrealised foreign exchange loss	1,371	–	–	–	1,371
Share of results of associate	(2,084)	–	2,084	–	–
Income tax expense	–	–	–	383	383
Operating income before working capital changes	32,602	–	–	24,473	57,075
Changes in working capital:					
Trade and other receivables	(5,597)	–	–	211	(5,386)
Trade and other payables	(6,689)	–	–	(2,747)	(9,436)
Net cash from operating activities	**20,316**	**–**	**–**	**21,937**	**42,253**
Cash flows from investment activities					
Capital expenditure on investment properties	–	–	–	(11)	(11)
Net cash used in investing activities	**–**	**–**	**–**	**(11)**	**(11)**

Nine months ended 30 September 2014	Unaudited Historical Statement of Cash Flows*	Pro Forma Adjustments			Unaudited Pro Forma Statement of Cash Flows
		Note (a)	Note (b)	Note (c)	
	S$'000	S$'000	S$'000	S$'000	S$'000
Cash flows from financing activities					
Distributions paid	(16,292)	–	–	(38,992)	(55,284)
Finance costs paid	(7,899)	–	–	1,181	(6,718)
Repayment of loans	(1,631)	–	–	–	(1,631)
Net cash used in financing activities	**(25,822)**	**–**	**–**	**(37,811)**	**(63,633)**
Net increase in cash and cash equivalents	**(5,506)**	**–**	**–**	**(15,885)**	**(21,391)**
Cash and cash equivalents at beginning of the period	16,465	1,089,117	(1,081,958)	8,263	31,887
Effect of exchange rate fluctuations on cash held	(274)	–	–	2	(272)
Cash and cash equivalents at end of the period	**10,685**	**1,089,117**	**(1,081,958)**	**(7,620)**	**10,224**

* **Note:** Historical financial statement have been converted to Singapore dollars from financial statement which are presented in US dollars.

Notes to Pro Forma Adjustments

(a) Adjustments to reflect (i) the proceeds arising from the issuance of 882,939,000 Units at the Offering Price and the related issuance costs; and (ii) the drawdown of new borrowings by the Pro Forma Group and the upfront fee incurred on the borrowings (net of service tax recoverable).

(b) Adjustments to reflect (i) the Acquisitions; (ii) the repayment of existing borrowings (including interest payable) prior to the Acquisitions; (iii) the settlement of related party balances; and (iv) the redemption of the existing units.

(c) Adjustments to (i) reflect the relevant income and expenses relating to two data centres in Singapore, S25 and T25; (ii) reflect the relevant income and expenses relating to Citadel 100 Data Centre in Dublin, Ireland; (iii) reverse the change in fair value of the Properties held by Securus Data Property Trust; (iv) reverse the finance costs (including amortisation of debt upfront costs); (v) reflect the finance costs (including commitment fees and amortisation of debt related transaction costs); (vi) include the Manager's management fees, the Trustee's fees, the Property Manager's management fees, administrative and other trust expenses, and withholding tax on the net income of the Pro Forma Group; (vii) reverse the effect of distributions paid; (viii) reflect the distributions based on the Keppel DC REIT's distribution policies; and (ix) reflect the working capital adjustments.

D NOTES TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

1 Basis of preparation

(a) Statement of compliance

The Unaudited Pro Forma Financial Information has been prepared in accordance with the Statement of Recommended Accounting Practice ("RAP") 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants ("ISCA") and the applicable requirements of the Code of Collective investment Scheme ("CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed. RAP 7 requires that accounting policies adopted should generally comply with the principles relating to recognition and measurement of the Singapore Financial Reporting Standards ("FRS").

(b) Basis of measurement

The financial information in the Unaudited Pro Forma Financial information has been prepared on the historical cost basis, except as disclosed in the accounting policies set out in note 2.

(c) Functional and presentation currency

The financial information is presented in Singapore dollars ("S$"), which is the Pro Forma Group's functional currency. All financial information presented in S$ have been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of Unaudited Pro Forma Financial Information in conformity with FRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year is included in note 3 – investment properties.

2 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these Unaudited Pro Forma Financial Information, and have been applied consistently by the entities in the Pro Forma Group.

(a) Basis of consolidation

(i) Business combinations

Business combinations are accounted for using the acquisition method in accordance with FRS 103 Business Combination as at the acquisition date, which is the date on which control is transferred to the Pro Forma Group.

The Pro Forma Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the acquisition date and included in the consideration transferred. If the contingent consideration is classified as equity, it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Pro Forma Group incurs in connection with a business combination are expensed as incurred.

Changes in the Pro Forma Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners and therefore no adjustments are made to goodwill and no gain or loss is recognised in profit or loss. Adjustments to non-controlling interests arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Pro Forma Group. The Unaudited Pro Forma Financial Information of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Control exists when the Pro Forma Group has the power, directly or indirectly, to govern the financial and operating policies of a company so as to obtain benefits from its activities. In assessing control, potential voting rights presently exercisable are taken into account.

The Pro Forma Group's acquisition of subsidiaries are primarily accounted for as acquisitions of assets as the subsidiaries are special purpose vehicles established for the sole purpose of holding assets.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Pro Forma Group. Losses applicable to the non-controlling interests of a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(iii) Loss of control

Upon the loss of control, the Pro Forma Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the statement of total return.

If the Pro Forma Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(iv) Investments in associates

Associates are those entities in which the Pro Forma Group has significant influence, but not control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Pro Forma Group holds between 20% and 50% of the voting power of another entity.

Investments in associates are accounted for using the equity method (equity-accounted investees) and are recognised initially at cost. The cost of the investments includes transaction costs.

The consolidated Unaudited Pro Forma Financial Information include the Pro Forma Group's share of the statement of total return and other comprehensive income of the equity-accounted investees, after adjustments to align the accounting policies of the equity-accounted investees with those of the Pro Forma Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Pro Forma Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Pro Forma Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

(v) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated Unaudited Pro Forma Financial Information. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Pro Forma Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(vi) Accounting for subsidiaries by the Pro Forma Group

Investments in subsidiaries are stated in the Pro Forma Group's statement of financial position at cost less accumulated impairment losses.

(b) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Pro Forma Group's entities at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction except for differences arising from the retranslation of monetary items that in substance form part of the Pro Forma Group's net investment in a foreign operation, available-for-sale equity instruments and financial liabilities designated as hedges of net investment in a foreign operation.

Foreign currency differences arising on retranslation are recognised in the Unaudited Pro Forma Statement of Total Return.

(ii) Foreign operations

The assets and liabilities of foreign operations are translated to Singapore dollars at exchange rates prevailing at the end of the reporting period. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates prevailing at the dates of the transactions. Fair value adjustments arising on the acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of the foreign operation and translated at exchange rates at the end of the reporting period. Exchange differences arising on translation are recognised directly in Unitholders' funds, and are presented within foreign currency reserves. When a foreign operation is disposed of, in part or in full, the relevant amount in the foreign exchange translation reserve is recognised in the Unaudited Pro Forma consolidated statement of total return as part of the gain or loss on sale.

(iii) Net investment in a foreign operation

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised in other comprehensive income and are presented in Unitholders' funds.

(c) Financial instruments

(i) Non-derivative financial assets

The Pro Forma Group initially recognises loans and receivables and deposits on the date that they originate. All other financial assets (including assets designated at fair value through statement of total return) are recognised initially on the trade date, which the Pro Forma Group becomes a party to the contractual provisions of the instrument.

The Pro Forma Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Pro Forma Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Pro Forma Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Pro Forma Group classifies non-derivative financial assets into the loans and receivables category.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables (excluding prepayments) and cash and cash equivalents.

Cash and cash equivalents comprise cash balances.

(ii) Non-derivative financial liabilities

The Pro Forma Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through statement of total return) are recognised initially on the trade date, which is the date that the Pro Forma Group becomes a party to the contractual provisions of the instrument.

The Pro Forma Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Pro Forma Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Pro Forma Group classifies non-derivative financial liabilities under the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

(d) Unitholders' funds

Unitholders' funds represent the Unitholders' residual interest in the Pro Forma Group's net assets upon termination. Incremental costs directly attributable to the issue of units are recognised as deduction from Unitholders' funds.

(e) Investment properties

Investment property is property held either to earn rental income or capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in statement of total return. Rental income from investment properties is accounted for in a manner described in note 2(i).

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

(f) Impairment

(i) Non-derivative financial assets

A financial asset not carried at fair value through statement of total return is assessed at the end of each reporting period to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Pro Forma Group on terms that the Pro Forma Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Pro Forma Group, economic conditions that correlate with defaults or the disappearance of an active market for a security.

Loans and receivables

The Pro Forma Group considers evidence of impairment for receivables at a specific asset level. All individually significant receivables are assessed for specific impairment.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate. Losses are recognised in the statement of total return and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through statement of total return.

(ii) Non-financial assets

The carrying amounts of the Pro Forma Group's non-financial assets, other than investment properties, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognised in the statement of total return. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are recognised in statement of total return.

(g) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Pro Forma Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligations to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an expense in statement of total return in the periods during which services are rendered by employees.

(h) Leases

When entities within the Pro Forma Group are lessees of a finance lease

Leased assets in which the Pro Forma Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, investment properties acquired through finance leases are capitalised at the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Lease payments are apportioned between finance expense and reduction of the lease liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest over the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

At inception, an arrangement that contains a lease is accounted for as such based on the terms and conditions even though the arrangement is not in the legal form of a lease.

When entities within the Pro Forma Group are lessees of an operating lease

Where the Pro Forma Group has the use of assets under operating leases, payments made under the leases are recognised in statement of total return on a straight-line basis over the term of the lease.

When entities within the Pro Forma Group are lessors of an operating lease

Assets subject to operating leases are included in investment properties (see note 2(e)).

(i) Revenue recognition

Rental income from investment property is recognised in statement of total return on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

(j) Finance costs

Borrowing costs are recognised in the statement of total return using the effective interest method, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

(k) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the statement of total return except to the extent that it relates to items recognised directly in Unitholders' funds or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable statement of total return;

- temporary differences related to investments in subsidiaries and associates to the extent that it is probable that the Pro Forma Group is able to control the timing of the reversal of the temporary difference and they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Pro Forma Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Pro Forma Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Pro Forma Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Pro Forma Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

<u>Tax Transparency</u>

The Inland Revenue Authority of Singapore ("IRAS") has issued a tax ruling on the income tax treatment of Keppel DC REIT. Subject to meeting the terms and conditions of the tax ruling which includes a distribution of at least 90% of the Specified Taxable Income of Keppel DC REIT, Keppel DC REIT will not be taxed on the portion of Specified Taxable Income that is distributed to Unitholders of Keppel DC REIT in the financial year the income is earned.

Any portion of the Specified Taxable Income that is not distributed to Unitholders will be taxed at the prevailing corporate tax rate. In the event that there are subsequent adjustments to the Specified Taxable Income when the actual income of Keppel DC REIT is finally agreed with the IRAS, such adjustments are taken up as an adjustment to the amount of Specified Taxable Income for the next distribution immediately following the agreement with the IRAS.

Although Keppel DC REIT is not taxed on its Specified Taxable Income distributed, the REIT Trustee and the REIT Manager are required to deduct income tax at the applicable corporate tax rate from distributions of such Specified Taxable Income made by Keppel DC REIT except where:

(a) the beneficial owner is a Qualifying Unitholder, the REIT Trustee and the REIT Manager will make the distributions without deducting any income tax; and

(b) the beneficial owner is a Qualifying Foreign Non-Individual Unitholder, the REIT Trustee and the REIT Manager will undertake to withhold tax at a reduced rate of 10.0% for distributions made up to 31 March 2015, unless otherwise extended.

A Qualifying Unitholder refers to a Unitholder who is:

- an individual;
- a company incorporated and tax resident in Singapore;
- a branch in Singapore of a company incorporated outside Singapore that has obtained IRAS' approval for distributions to be made by Keppel DC REIT to it without deduction of tax; or
- body of persons (excluding partnerships) incorporated or registered in Singapore, including:
  - (i) a charity registered under the Charities Act, Chapter 37 of Singapore or established by an Act of Parliament;
  - (ii) a town council;
  - (iii) a statutory board;
  - (iv) a co-operative society registered under the Co-operative Societies Act, Chapter 62 of Singapore; and
  - (v) a trade union registered under the Trade Unions Act, Chapter 333 of Singapore.

A Qualifying Foreign Non-Individual Unitholder is a person other than an individual not resident in Singapore for Singapore income tax purposes and:

- who does not have a permanent establishment in Singapore; or
- who carries on an operation in Singapore through a permanent establishment in Singapore, where the funds used by that person to acquire the Units are not obtained from that operation in Singapore.

The above tax transparency ruling does not apply to gains from sale of real properties. Such gains, if they are considered as trading gains, are assessable to tax on Keppel DC REIT. Where the gains are capital gains, Keppel DC REIT will not be assessed to tax and may distribute the capital gains to the Unitholders without having to deduct tax at source. Any distributions made to Keppel DC REIT out of tax-exempt income and income taxed at the Trustee level would be exempt from Singapore income tax in the hands of all Unitholders, regardless of their corporate or residence status.

(l) Operating Segments

An operating segment is a component of the Pro Forma Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Pro Forma Group's other components. All operating segments' operating results are reviewed regularly by the Pro Forma Group's CEO (the chief operating decision maker) to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Pro Forma Group's CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Pro Forma Group's headquarters), head office expenses, and tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire investment properties.

(m) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after the Listing Date, and have not been applied in preparing the Unaudited Pro Forma Financial Information. None of these are expected to have a significant effect on the financial statements of the Pro Forma Group. The Pro Forma Group does not plan to adopt these standards early.

3 Investment properties

	As at Listing Date S$'000	As at 30 September 2014 S$'000
Investment properties	1,061,059	1,061,009

(a) Investment properties comprise data centres that are leased to external customers.

(b) The valuations of the investment properties as at 30 September 2014 is set out below:

Property	Description and Location	Tenure of Land	Fair Market Value 30 September 2014 S$'million
S25	Data centre located in Serangoon North, Singapore	Leasehold (Expiring 30 September 2025, with an option to extend for 30 years)	262.8
T25	Data centre located in Tampines, Singapore	Leasehold (Expiring 31 July 2051, with an option to extend for 30 years)	162.0
Gore Hill Data Centre	Purpose built data centre located in Gore Hill Technology Park in Australia	Freehold	210.9
iseek Data Centre	Data centre located in the Export Park Precinct of Brisbane Airport in Australia	Leasehold (Expiring 29 June 2040, with an option to extend for 7 years)	31.5*
Basis Bay Data Centre	Modern four storey data centre with an adjoining two storey office building	Freehold	43.3

* Fair value excludes the present value of minimum lease payments.

Property	Description and Location	Tenure of Land	Fair Market Value 30 September 2014 S$'million
GV7 Data Centre	Newly refurbished data centre which forms part of Greenwich View Place, London	Leasehold (Expiring 28 September 2183)	77.0
Almere Data Centre	Modern data centre located in the Sallandsekant business estate, in the city of Almere, Netherlands	Freehold	131.6
Citadel 100 Data Centre	Modern data centre located in Citywest Business Park, Co Dublin, Ireland	Leasehold (Expiring 11 April 2041)	102.8*

Fair values are categorised into different levels in a fair value hierarchy based on the valuation methods as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Pro Forma Group can access at the measurement date;

- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

- Level 3: Unobservable inputs for the asset or liability.

The valuations are based on the average valuations performed by independent professional valuers at 30 September 2014. The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably, prudently and without compulsion.

The valuers have considered the direct comparison method, discounted cash flow method and/or capitalisation approach in arriving at the open market value as at the statement of financial position date. The valuation methods involve certain estimates. The key assumptions used to determine the fair value of investment properties include projected rental rates, market-corroborated capitalisation yield, terminal yield and discount rate. In relying on the valuation reports, the Manager has exercised its judgment and is satisfied that the valuation methods and estimates are reflective of current market conditions and that the valuation reports are prepared in accordance with recognised appraisal and valuation standards.

The fair value measurement for the investment properties has been classified as a level 3 fair value based on the inputs to the valuation methods used.

* Fair value excludes the present value of minimum lease payments.

(c) Level 3 fair value

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

	Note	As at Listing Date S$'000	As at 30 September 2014 S$'000
At the beginning of the period		497,625	497,625
Acquisitions		557,390	557,299
Changes in fair value (unrealised)		6,044	6,085
As at the end of the period		1,061,059	1,061,009

4 Trade and other receivables

	As at Listing Date S$'000	As at 30 September 2014 S$'000
Trade receivables	1,946	2,894
Deferred lease receivables	23,801	23,929
Other receivables	742	940
	26,489	27,763

Deferred lease receivables relate to lease income which has been recognised, due to straight-lining of rental revenue, but not yet received from the lessee.

Trade and other receivables are current and there is no overdue as at Listing Date and 30 September 2014.

5 Cash and cash equivalents

	As at Listing Date S$'000	As at 30 September 2014 S$'000
Cash and cash equivalents	7,158	7,158

6 Loans and borrowings

	As at Listing Date S$'000	As at 30 September 2014 S$'000
Non-current liabilities		
Interest-bearing borrowings	293,350	293,350
Finance lease liabilities	29,428	29,378
	322,778	322,728
Current liabilities		
Finance lease liabilities	3,757	3,757
Total borrowings	326,535	326,485
Maturity of gross interest-bearing borrowings:		
– within 1 year	3,757	3,757
– after 1 year but within 5 years	322,778	322,728

Keppel DC REIT has put in place the Facilities, comprising on an unsecured basis, the following:

(i) the Term Loan Facilities with loan maturities of four to five years amounting to approximately S$295.0 million, comprising:

(a) a four-year GBP term loan facility of £11.7 million (S$23.9 million);

(b) a four-year EUR term loan facility of €37.2 million (S$60.3 million);

(c) a four-year AUD term loan facility of A$72.2 million (S$80.8 million); and

(d) a five-year SGD term loan facility of S$130.0 million, and

(ii) the Revolving Credit Facility, comprising a one-year revolving credit facility of S$35.0 million.

The amount drawn down on the Listing Date will approximate S$295.0 million.

Finance lease liabilities

Finance lease liabilities are payable as follows:

As at Listing Date	Future Minimum Lease Payments S$'000	Interest S$'000	Present Value of Minimum Lease Payments S$'000
Within one year	3,757	3,757	–
Between one and five years	16,503	16,503	–
More than five years	130,120	96,934	33,186
	150,380	117,194	33,186

As at 30 September 2014	Future Minimum Lease Payments S$'000	Interest S$'000	Present Value of Minimum Lease Payments S$'000
Within one year	3,757	3,757	–
Between one and five years	16,478	16,478	–
More than five years	130,561	97,426	33,135
	150,796	117,661	33,135

7 Trade and other payables

	As at Listing Date S$'000	As at 30 September 2014 S$'000
Other payables and accruals	2,503	2,286
	2,503	2,286

8 Unitholders' funds

	As at Listing Date S$'000	As at 30 September 2014 S$'000
Units in issue	821,125	821,125
Issue costs	(20,903)	(20,903)
Foreign currency translation reserve	(26,730)	(27,479)
Accumulated profits	2,683	1,416
Reserves	(11,698)	(8,165)
Non-controlling interests	435	435
	764,912	766,429

The foreign currency translation reserve attributable to Unitholders comprises:

- foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries whose functional currencies are different from that of the Pro Forma Group's presentation currency; and

- the exchange differences on monetary items which form part of the Pro Forma Group's net investment in foreign operations, provided certain conditions are met.

The following represents the units in issue as at 30 September 2014 and at Listing Date:

	Number of units	S$'000
Creation of new Keppel DC REIT Units arising from:		
– KLL Units	43,264,000	40,236
– Consideration Units	4,790,852	4,455
– The Offering	261,138,000	242,858
– Sponsor Subscription Units	283,421,148	263,582
– Cornerstone Units	290,316,000	269,994
	882,930,000	821,125

Each Unit in the Trust represents an undivided interest in the Trust. The right and interest of Unitholders are contained in the Trust Deed and include the right to:

- Receive income and other distribution attributable to the Unit;
- Participate in the termination of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interest in the Trust. However, a Unitholder has no equitable or proprietary interest in the underlying assets of the Trust and is not entitled to the transfer to it of any asset (or part thereof) or of any estate or interest in any asset (or part thereof) of the Trust; and
- Have the rights to receive notice of, attend and one vote per unit at any meeting of the Unitholders.

9 Gross revenue

	Year ended 31 December 2013 S$'000	Year ended 31 December 2012 S$'000	Nine months ended 30 September 2014 S$'000	Nine months ended 30 September 2013 S$'000
Rental income	84,296	69,622	72,207	61,860
Rental adjustment – straight-line	14,981	11,322	2,566	9,187
Car Park	80	85	58	60
Other revenue	1,806	164	5,121	1,037
	101,163	81,193	79,952	72,144

Other revenue mainly refers to power-related revenue for the recovery of power costs from lessees and non-recurring service fees charged to a tenant as stipulated in the lease agreement.

10 Finance costs

	Year ended 31 December 2013 S$'000	Year ended 31 December 2012 S$'000	Nine months ended 30 September 2014 S$'000	Nine months ended 30 September 2013 S$'000
Interest expense	8,955	10,629	6,715	6,716
Finance lease charge	4,170	4,173	3,279	3,117
Amortisation of debt related transaction costs	336	336	252	252
	13,461	15,138	10,246	10,085

11 Tax expenses

	Year ended 31 December 2013 S$'000	Year ended 31 December 2012 S$'000	Nine months ended 30 September 2014 S$'000	Nine months ended 30 September 2013 S$'000
Current tax				
Current tax expense	1,687	1,967	1,188	1,367
Overprovision in prior year	–	53	–	–
Deferred tax				
Deferred tax expense	–	–	2,166	–
	1,687	2,020	3,354	1,367
Reconciliation of effective tax rate				
Total return before tax	64,312	45,582	50,750	44,318
Income tax using tax rate of 17%	10,933	7,749	8,628	7,534
Income not subject to tax	(12,623)	(5,350)	(5,079)	(8,194)
Utilisation of previously unrecognised tax benefits	–	(835)	(2,352)	–
Effect of tax in foreign jurisdictions	1,644	509	2,157	926
Overprovision in prior year	–	(53)	–	–
Losses for which no deferred tax asset is recognised	1,733	–	–	1,101
	1,687	2,020	3,354	1,367
Tax losses	10,425	3,306	884	7,851

The Pro Forma Group has unrecognised tax losses in certain subsidiary companies which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses in their respective countries of incorporation. The tax losses have no expiry dates.

Tax exempt income

For the properties located outside Singapore, Keppel DC REIT has obtained tax rulings ("Foreign Sourced Income Tax Exemption Rulings") from the Ministry of Finance on the Singapore taxation of certain income originating from the properties located in Australia, Ireland, Malaysia, Netherlands and the UK.

Subject to the terms and conditions of the Foreign Income Tax Exemption Rulings, certain income received by Keppel DC REIT and/or its Singapore Subsidiaries originating from the properties located in Australia, Ireland, Malaysia, Netherlands and the UK will be tax exempt in Singapore. Distribution of such income to the Unitholders will not be subject to any further tax in Singapore.

12 Financial risk management

The Pro Forma Group's activities expose it to credit risk, liquidity risk, market risk (including interest rate risk and currency risk) in the normal course of its business. The Pro Forma Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Pro Forma Group's financial performance. The Pro Forma Group may use financial instruments such as currency forwards, cross currency swaps, interest rate swaps and foreign currency borrowings to hedge certain financial risk exposures.

The Board of Directors ("BOD") of the Manager is responsible for setting the objectives and underlying principles of financial risk management for the Pro Forma Group. This is supported by comprehensive internal processes and procedures which are formalised in the Manager's organisational and reporting structure, operating manuals and delegation of authority guidelines.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Pro Forma Group as and when they fall due.

The Pro Forma Group has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Cash and fixed deposits are placed with financial institutions which are regulated.

At the reporting date, there was no significant concentration of credit risk as the credit quality is of acceptable risk. Concentration of credit risk relating to trade receivables is limited due to the Pro Forma Group's many varied tenants and the credit policy of obtaining security deposits from tenants for leasing the Pro Forma Group's investment properties. These tenants comprise retailers engaged in a wide variety of consumer trades and medium to long term office tenants. The Pro Forma Group believes that there is no credit risk inherent in the Pro Forma Group's trade receivables, based on historical payment behaviours and the security deposits held. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Allowances for doubtful receivables

The trade receivables at the reporting dates are not past due and no allowance for doubtful receivables are recognised on the balances.

The majority of the trade receivables are mainly from tenants that have good credit records with the Pro Forma Group.

Liquidity risk

Liquidity risk is the risk that the Pro Forma Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Pro Forma Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Pro Forma Group's reputation.

The Pro Forma Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Pro Forma Group's operations and to mitigate the effects of fluctuations in cash flows. In additions, the Manager also monitors and observes the Code on Collective Investment Schemes issued by the MAS concerning limits on total borrowings.

The following are the contractual maturities of financial liabilities including interest payments and excluding the impact of netting agreements:

			Contractual cash flows			
	Note	**Carrying amount**	**Total**	**Within 1 year**	**Within 2 to 5 years**	**More than 5 years**
		S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**
As at Listing Date						
Trade and other payables	7	2,503	2,503	2,503	–	–
Interest-bearing borrowings	6	293,350	334,174	8,851	325,323	–
Finance lease liabilities	6	33,185	150,380	3,757	16,503	130,120
		329,038	487,057	15,111	341,826	130,120

			Contractual cash flows			
	Note	**Carrying amount S$'000**	**Total S$'000**	**Within 1 year S$'000**	**Within 2 to 5 years S$'000**	**More than 5 years S$'000**
As at 30 September 2014						
Trade and other payables	7	2,286	2,286	2,286	–	–
Interest-bearing borrowings	6	293,350	334,174	8,851	325,323	–
Finance lease liabilities	6	33,135	150,796	3,757	16,478	130,561
		328,771	487,256	14,894	341,801	130,561

Interest rate risk

The Pro Forma Group's exposure to changes in interest rates relates primarily to interest-earning financial assets and interest bearing financial liabilities. The Manager manages net exposure to interest rate risk by maintaining sufficient lines of credit to achieve acceptable lending costs and by monitoring the exposure to such risks on an ongoing basis and entering into hedging instruments, where appropriate.

The Pro Forma Group's interest rate risk arises primarily from its interest-bearing loans and borrowings which are variable rate instruments. A change of 10 basis points in interest rates at the reporting date would have increased/(decreased) total returns before tax by the amounts shown below.

	Statement of Total Return	
	10bp increase S$'000	**10bp decrease S$'000**
31 December 2012		
Variable rate		
Loans and borrowings	(295)	295
31 December 2013		
Variable rate		
Loans and borrowings	(295)	295
30 September 2013		
Variable rate		
Loans and borrowings	(295)	295
30 September 2014		
Variable rate		
Loans and borrowings	(295)	295

Foreign currency risk

In order to manage the currency risk involved in investing in assets outside Singapore, the Manager will adopt currency risk management strategies that may include:

- the use of foreign currency denominated borrowings to match the currency of the asset investment as a natural currency hedge;
- the use of cross currency swaps to swap a portion of debt in another currency into the currency of the asset investment to reduce the underlying currency exposure; and
- entering into currency forward contracts to hedge the foreign currency income received from its foreign subsidiaries, back into Singapore Dollars.

There is no significant exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. Differences resulting from the translation of the Unaudited Pro Forma Financial Information of Keppel DC REIT and its subsidiaries into the Pro Forma Group's presentation currency are excluded.

Capital management

The Manager's objective when managing capital is to optimise Keppel DC REIT's capital structure within the borrowing limits set out in the CIS Code by the Monetary Authority of Singapore to fund future acquisitions and asset enhancement works at Keppel DC REIT's properties. To maintain or achieve an optimal capital structure, the Manager may issue new units or source additional borrowing from both financial institutions and capital markets.

Keppel DC REIT has a policy to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Manager monitors the yield, which is defined as net property income from the property divided by the latest valuation for the property, on the properties acquired. The Manager also monitors the level of distributions made to Unitholders.

Keppel DC REIT seeks to maintain a balance between the higher returns that might be possible with higher level of borrowings and the advantages and security afforded by a sound capital position.

Accounting classifications and fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Unaudited Pro Forma Statements of Financial Position as at 30 September 2014 and at Listing Date are as follows:

	Note	Loans and receivables S$'000	Other financial liabilities S$'000	Total carrying amount S$'000	Fair value S$'000
Listing Date					
Trade and other receivables	4	26,489	–	26,489	26,489
Cash and cash equivalents	5	7,158	–	7,158	7,158
		33,647	–	33,647	33,647
Trade and other payables	7	–	2,503	2,503	2,503
Loans and borrowings	6	–	326,535	326,535	326,535
		–	329,038	329,038	329,038

	Note	Loans and receivables S$'000	Other financial liabilities S$'000	Total carrying amount S$'000	Fair value S$'000
30 September 2014					
Trade and other receivables	4	27,763	–	27,763	27,763
Cash and cash equivalents	5	7,158	–	7,158	7,158
		34,921	–	34,921	34,921
Trade and other payables	7	–	2,286	2,286	2,286
Loans and borrowings	6	–	326,485	326,485	326,485
		–	328,771	328,771	328,771

Estimation of fair values

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) and variable rate loans and borrowings are assumed to approximately their fair values because of the short period to maturity or repricing. All other financial assets and liabilities are discounted in arriving at their fair values.

13 Operating Segments

The Pro Forma Group has eight investment properties as described in note 3. The various investment properties are managed separately given the different geographical locations. For each of the investment properties, the Pro Forma Group's senior management reviews internal management reports on at least a quarterly basis.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment total return before tax, as included in the internal management reports that are reviewed by the Pro Forma Group's senior management. Segment return is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

	Co-location Assets S$'000	Master Lease Assets S$'000	Total Reportable Segments S$'000	Unallocated amounts S$'000	Total S$'000
Year ended 31 December 2013					
Gross revenue	37,238	63,925	101,163	–	101,163
Property operating expenses	(9,655)	(2,621)	(12,276)	(48)	(12,324)
Net property income	**27,583**	**61,304**	**88,887**	**(48)**	**88,839**
Finance costs	(5,233)	(8,228)	(13,461)	–	(13,461)
Manager's Base Fee	–	–	–	(5,110)	(5,110)
Manager's Performance Fee	–	–	–	(2,473)	(2,473)
Trustee's fees	–	–	–	(180)	(180)
Other trust expenses	(176)	(405)	(581)	(2,722)	(3,303)
Total return for the year before tax	**22,174**	**52,671**	**74,845**	**(10,533)**	**64,312**
Tax expenses	(553)	(1,134)	(1,687)	–	(1,687)
Total return for the year	**21,621**	**51,537**	**73,158**	**(10,533)**	**62,625**

	Co-location Assets S$'000	Master Lease Assets S$'000	Total Reportable Segments S$'000	Unallocated amounts S$'000	Total S$'000
Year ended 31 December 2012					
Gross revenue	27,746	53,447	81,193	–	81,193
Property operating expenses	(7,421)	(2,352)	(9,773)	(34)	(9,807)
Net property income	**20,325**	**51,095**	**71,420**	**(34)**	**71,386**
Finance costs	(5,964)	(9,174)	(15,138)	–	(15,138)
Manager's Base Fee	–	–	–	(5,110)	(5,110)
Manager's Performance Fee	–	–	–	(1,997)	(1,997)
Trustee's fees	–	–	–	(180)	(180)
Other trust expenses	(334)	(322)	(656)	(2,723)	(3,379)
Total return for the year before tax	**14,027**	**41,599**	**55,626**	**(10,044)**	**45,582**
Tax expenses	(772)	(1,248)	(2,020)	–	(2,020)
Total return for the year	**13,255**	**40,351**	**53,606**	**(10,044)**	**43,562**

	Co-location Assets S$'000	Master Lease Assets S$'000	Total Reportable Segments S$'000	Unallocated amounts S$'000	Total S$'000
Nine months ended 30 September 2014					
Gross revenue	31,228	48,724	79,952	–	79,952
Property operating expenses	(6,955)	(3,435)	(10,390)	17	(10,373)
Net property income	**24,273**	**45,289**	**69,562**	**17**	**69,579**
Finance costs	(3,975)	(6,271)	(10,246)	–	(10,246)
Manager's Base Fee	–	–	–	(3,832)	(3,832)
Manager's Performance Fee	–	–	–	(2,231)	(2,231)
Trustee's fees	–	–	–	(135)	(135)
Other trust expenses	(90)	(253)	(343)	(2,042)	(2,385)
Total return for the period before tax	**20,208**	**38,765**	**58,973**	**(8,223)**	**50,750**
Tax expenses	(594)	(2,760)	(3,354)	–	(3,354)
Total return for the period	**19,614**	**36,005**	**55,619**	**(8,223)**	**47,396**

	Co-location Assets S$'000	Master Lease Assets S$'000	Total Reportable Segments S$'000	Unallocated amounts S$'000	Total S$'000
Nine months ended 30 September 2013					
Gross revenue	26,984	45,160	72,144	–	72,144
Property operating expenses	(7,732)	(1,878)	(9,610)	(48)	(9,658)
Net property income	**19,252**	**43,282**	**62,534**	**(48)**	**62,486**
Finance costs	(3,905)	(6,180)	(10,085)	–	(10,085)
Manager's Base Fee	–	–	–	(3,832)	(3,832)
Manager's Performance Fee	–	–	–	(1,831)	(1,831)
Trustee's fees	–	–	–	(135)	(135)
Other trust expenses	(81)	(162)	(243)	(2,042)	(2,285)
Total return for the period before tax	**15,266**	**36,940**	**52,206**	**(7,888)**	**44,318**
Tax expenses	(507)	(860)	(1,367)	–	(1,367)
Total return for the period	**14,759**	**36,080**	**50,839**	**(7,888)**	**42,951**
As at 30 September 2014					
Segment assets	353,990	735,624	1,089,614	7,158	1,096,772
Segment liabilities	(102,747)	(227,596)	(330,343)	–	(330,343)
As at Listing Date					
Segment assets	353,882	734,486	1,088,368	7,159	1,095,527
Segment liabilities	(102,851)	(227,563)	(330,414)	(201)	(330,615)

14 Acquisition of business combinations

On Listing Date, Keppel DC REIT acquired the following subsidiary:

	Effective equity interest acquired %
Subsidiary	
Securus Citadel 100 Pte Ltd	50

The acquisition is to expand the Pro Forma Group's activities to those relating to data centre services.

Details of the consideration transferred, the assets acquired and liabilities assumed and the effects on the cash flows of the Pro Forma Group, at the acquisition date, were as follows:

(i) Consideration transferred

The consideration transferred for the acquisitions was $50.8 million in cash.

(ii) Effects of cash flows of the Pro Forma Group

	Pro Forma Group Listing Date $'000
Total consideration	50,827
Less: Cash and cash equivalents in subsidiary acquired	–
Net cash outflow on acquisition	50,827

(iii) Fair value of identifiable assets acquired and liabilities assumed

	Pro Forma Group Listing Date $'000
Investment Property	102,811
Deferred tax assets	821
Other payables	(1,586)
Total fair value of identifiable net assets	**102,046**

Measurement of fair values

The valuation methods used for measuring the fair value of material assets acquired were as follows:

Assets acquired	Valuation method
Investment property	Direct comparison method, discounted cash flow method and/or capitalisation approach.

(iv) Goodwill

No goodwill was recognised on the acquisition of the subsidiary.

(v) Acquired receivables

There is no acquired receivables on the acquisition of the subsidiary.

15 Commitments

Non-cancellable rental receivables:

	Listing Date S$'000	30 September 2014 S$'000
Within 1 year	59,034	59,539
After 1 year but within 5 years	161,567	164,397
After 5 years	277,490	281,779
	498,091	505,715

The non-cancellable rental receivable commitments exclude the rental receivable from S25 and T25 which a significant portion of the non-cancellable receivable is made up of variable rent based on the EBITDA of the Keppel Lessees.

16 Other information

Details of the subsidiaries of Keppel DC REIT are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Effective equity interest held by the Pro Forma Group Listing Date	30 September 2014
			%	%
Direct subsidiaries				
Boxtel Investments Limited	British Virgin Islands	Investment holding	100	100
Securus Guernsey 1 Limited	Guernsey	Investment holding	100	100
Securus Guernsey 2 Limited	Guernsey	Investment holding	100	100
Securus GVP Pte. Ltd.	Singapore	Investment holding	100	100
Basis Bay Capital Management Sdn. Bhd.	Malaysia	Investment holding	99	99
Securus Netherlands 1 Pte. Ltd.	Singapore	Investment holding	100	100
Securus Netherlands 2 Pte. Ltd.	Singapore	Provision of financial and asset management services	100	100
Securus Citadel 100 Pte Ltd	Singapore	Investment holding	100	100
Indirect subsidiaries				
Securus Australia Trust No. 1	Australia	Investment vehicle	100	100
Securus Australia 1 Pty Limited	Australia	Trustee	100	100
Iseek Facilities Pty Ltd	Australia	Data Center Services	100	100
Securus Australia Trust No. 2	Australia	Investment vehicle	100	100
Securus Australia 2 Pty Limited	Australia	Trustee	100	100
Greenwich View Place Limited	Guernsey	Investment holding	100	100
Securus Netherlands B.V.	Netherlands	Investment holding	100	100
Securus Almere B.V.	Netherlands	Investment holding	100	100
Citadel 100 Datacenters Limited	Ireland	Provide data centre facilities and co-location services	100	100

E Manager's management fees, Trustee's fee and Property Manager's management fees

Unless defined in this report, capitalised terms below shall have the meanings set out in the Glossary to the Prospectus.

(i) Manager's management fees

The Manager is entitled under the Trust Deed to management fees comprising the base fee and performance fee as follows:

(a) A base fee of 0.5% per annum of the value of the Deposited Property (as defined in the Trust Deed); and

(b) A performance fee of 3.5% of Net Property Income (calculated before accounting for the Performance Fee in the financial year).

(ii) Trustee's fee

The Trustee's fee shall not exceed 0.01% per annum of the value of the Deposited Property, subject to a minimum of S$15,000 per month, excluding out of pocket expenses and GST, in accordance with the Trust Deed, and is presently charged 0.015% per annum of the value of the Deposited Property.

(iii) Facility Manager's management fees

Under the facility management agreement in respect of the Properties, the facility manager will provide facility management services, lease management services and project management services. The facility manager is entitled to the following fees:

- S25 and T25: facility management fee of 4% of EBITDA derived from the underlying end-users (after deducting the fixed rent payable to the Keppel Lessees and operating expenses incurred for each property);

- Gore Hill Data Centre: A$2,100,000 plus GST per annum subject to an increase of 4% per annum on each anniversary of the commencement date;

- Citadel 100 Data Centre: €210,809 in 2013 and €798,792 in 2014; and

- iseek Data Centre and Basis Bay Data Centre: there are no separate facility management fees since it is already accounted for under the respective lease arrangement.

The facility management fees to the Facility Managers is in the form of cash.

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INDEPENDENT TAXATION REPORT

The Board of Directors
Keppel DC REIT Management Pte. Ltd.
(in its capacity as Manager of Keppel DC REIT) (the "**Manager**")
1, Harbourfront Avenue, #18-01
Singapore 098632

The Trust Company (Asia) Ltd
(in its capacity as Trustee of Keppel DC REIT) (the "**Trustee**")
16 Collyer Quay #26-02
Singapore 049318

5 December 2014

Dear Sirs

INDEPENDENT TAXATION REPORT

This letter has been prepared at the request of the Manager for inclusion in the prospectus (the "**Prospectus**") to be issued in relation to the initial public offering of the units (the **Units**") in Keppel DC REIT on the Main Board of Singapore Exchange Securities Trading Limited.

The purpose of this letter is to provide prospective purchasers of the Units with an overview of the Singapore, Australia, Ireland, Malaysia, the Netherlands, United Kingdom ("**UK**"), BVI and Guernsey tax consequences of the acquisition, ownership and disposal of the Units. This letter addresses principally purchasers who hold the Units as investment assets. Purchasers who acquire the Units for dealing purposes should consult their own tax advisors concerning the tax consequences of their particular situations.

This letter is not a tax advice and does not attempt to describe comprehensively all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Units. Prospective purchasers of the Units should consult their own tax advisers to take into account the tax law applicable to their particular situations. In particular, prospective purchasers who are not Singapore tax residents are advised to consult their own tax advisers to take into account the tax laws of their respective country of tax residence and the existence of any tax treaty which their country of tax residence may have with Singapore.

This letter is based on the Singapore, Australia, Ireland, Malaysia, the Netherlands, the UK, BVI and Guernsey tax laws and the relevant interpretation thereof current as at the date of this letter, all of which are subject to change, possibly with retroactive effect.

Words and expressions defined in the Prospectus have the same meaning in this letter. In addition, unless the context requires otherwise, words in the singular include the plural and the other way around and words of one gender include the other gender.

GENERAL PRINCIPLES OF TAXATION OF A TRUST

The income of a trust derived from or accrued in Singapore is chargeable to Singapore income tax. In addition, income earned outside Singapore and received or deemed received in Singapore is also chargeable to Singapore income tax unless otherwise exempted. There is no capital gains tax in Singapore. However, gains from the sale of investments (including real properties) are chargeable to tax if such gains are derived from a trade or business of dealing in investments (including real properties). Singapore income tax is imposed on all income chargeable to tax after deduction of the allowable expenses incurred and capital allowances, if any. Such income of the trust is assessed to tax in the name of the trustee at the prevailing corporate tax rate.

However, where a trust derives tax-exempt income, the beneficiary of the trust is also exempt from tax on the tax-exempt income of the trust to which he is beneficially entitled.

SINGAPORE TAXATION

Taxation of Keppel DC REIT

Keppel DC REIT has obtained the Tax Transparency Ruling from the IRAS and the Foreign Sourced Income Tax Exemption Ruling from the MOF (collectively, the "**Tax Rulings**") in respect of the Singapore taxation of certain income from the Singapore Properties and Properties located overseas. In accordance with the Tax Rulings, the Singapore taxation consequences for Keppel DC REIT, its Singapore Subsidiaries and that of the Unitholders are described below.

Taxable income of Keppel DC REIT

Except as detailed in the paragraphs below, the REIT Trustee will be subject to Singapore income tax at the prevailing corporate tax rate on taxable income of Keppel DC REIT.

The current Singapore corporate tax rate is 17.0%.

Specified Taxable Income of Keppel DC REIT

Keppel DC REIT has obtained the Tax Transparency Ruling from the IRAS in respect of certain income derived from the Singapore Properties ("**Specified Taxable Income**"). Such income includes rent and income from or ancillary to the management or holding of the Singapore Properties but not gains from the disposal of the Singapore Properties or its subsidiaries.

Subject to the terms and conditions of the Tax Transparency Ruling, the REIT Trustee will not be taxed on Specified Taxable Income distributed to the Unitholders in the year in which the income was derived. Instead, the REIT Trustee and the REIT Manager will undertake to deduct income tax at the prevailing corporate tax rate from distributions made to Unitholders out of such Specified Taxable Income. However, to the extent that the beneficial owner is a "Qualifying Unitholder" (as defined herein), the REIT Trustee and the REIT Manager will make the distributions without deducting any income tax. Also, to the extent that the beneficial owner is a "Qualifying Foreign Non-Individual Unitholder" (as defined herein), the REIT Trustee and the REIT Manager will undertake to deduct income tax at the reduced rate of 10.0% for distributions made up to 31 March 2015, unless otherwise extended.

A Qualifying Unitholder[1] refers to a Unitholder who is:

- an individual;
- a company incorporated and tax resident in Singapore;
- a branch in Singapore of a company incorporated outside Singapore that has obtained IRAS' approval for distributions to be made by Keppel DC REIT to it without deduction of tax; or
- body of persons (excluding partnerships) incorporated or registered in Singapore, including:
  - (i) a charity registered under the Charities Act, Chapter 37 of Singapore or established by an Act of Parliament;
  - (ii) a town council;
  - (iii) a statutory board;
  - (iv) a co-operative society registered under the Co-operative Societies Act, Chapter 62 of Singapore; and
  - (v) a trade union registered under the Trade Unions Act, Chapter 333 of Singapore.

A Qualifying Foreign Non-Individual Unitholder is a person other than an individual not resident in Singapore for Singapore income tax purposes and:

- who does not have a permanent establishment in Singapore; or
- who carries on an operation in Singapore through a permanent establishment in Singapore, where the funds used by that person to acquire the Units are not obtained from that operation in Singapore.

To obtain distributions free of tax deduction at source, or at the reduced rate of 10.0%, Qualifying Unitholders or Qualifying Foreign Non-Individual Unitholders must disclose their respective tax status in a prescribed form provided by the REIT Trustee and the REIT Manager.

Where the Units are held in joint names, the REIT Trustee and the REIT Manager will deduct income tax from the distributions made out of Keppel DC REIT's Specified Taxable Income at the prevailing corporate tax rate, unless all the joint owners are individuals.

Where the Units are held through a nominee, the REIT Trustee and the REIT Manager will deduct income tax from the distributions made out of Keppel DC REIT's Specified Taxable Income at the prevailing corporate tax rate unless:

- the nominee can demonstrate that the Units are held for beneficial owners who are Qualifying Unitholders for which the REIT Trustee and the REIT Manager would not deduct any tax from the distributions. The nominee should make a declaration of the status of the beneficial owners of the Units and provide certain particulars of the beneficial owners of the Units to the REIT Trustee and the REIT Manager in a prescribed form provided by the REIT Trustee and the REIT Manager. Where the Units are held through more than 1-tier of nominees, the REIT Trustee/REIT Manager must obtain confirmation from the ultimate beneficiaries that they are Qualifying Unitholders. If the ultimate beneficiaries do not provide

1 Does not include a person acting in the capacity of a trustee.

a confirmation of their status, the REIT Trustee/REIT Manager must withhold tax on the distribution. The nominee should also maintain adequate and sufficient information and documentation to verify and be satisfied with the identity of the beneficial owners; and

- the nominee can demonstrate that the Units are held for beneficial owners who are Qualifying Foreign Non-Individual Unitholders, for which the REIT Trustee and the REIT Manager would deduct/withhold tax at the reduced tax rate of 10.0% from the distributions made up to 31 March 2015 (unless otherwise extended). The nominee should make a declaration of the status of the beneficial owners of the Units and provide certain particulars of the beneficial owners of the Unit to the REIT Trustee and the REIT Manager in a prescribed form provided by the REIT Trustee and the REIT Manager. Where the Unit are held through more than 1-tier of nominees, the REIT Trustee/REIT Manager must obtain confirmation from the ultimate beneficiaries that they are Qualifying Foreign Non-Individual Unitholders. If the ultimate beneficiaries do not provide a confirmation of their status, the REIT Trustee/REIT Manager must withhold tax on the distribution. The nominee should also maintain adequate and sufficient information and documentation to verify and be satisfied with the identity of the beneficial owners.

Keppel DC REIT will distribute 100.0% of its Specified Taxable Income for the Forecast Year 2015 and the Projection Year 2016. Thereafter, Keppel DC REIT will distribute at least 90.0% of its Specified Taxable Income on a semi-annual basis. Any amount of the Specified Taxable Income not distributed will be assessed to Singapore income tax at the prevailing corporate tax rate, and the tax assessed will be collected from the REIT Trustee on such amount. In the event of any subsequent distribution made out of such after tax Specified Taxable Income retained by Keppel DC REIT, the REIT Trustee and the REIT Manager will not have to make a further deduction of income tax from the distribution made.

The application of the Tax Transparency Ruling is conditional upon the REIT Trustee and the REIT Manager fulfilling certain terms and conditions including distribution of at least 90.0% of Specified Taxable Income by the REIT Trustee to the Unitholders in the year in which the income is derived by the REIT Trustee. The REIT Trustee and the REIT Manager are required to take all reasonable steps necessary to safeguard the IRAS against tax leakages and to comply with all administrative requirements to ensure ease of tax administration.

Notwithstanding the aforesaid, the Specified Taxable Income as computed by the IRAS may be different from that determined by the REIT Manager for distribution purposes. To ease tax compliance and governance, in the event that the amount finally agreed with the IRAS is different from the amount of Specified Taxable Income determined by the REIT Manager for distribution purposes, the difference will be added to or deducted from the Specified Taxable Income of the REIT Trustee for the next distribution immediately after the difference has been agreed with the IRAS ("**Rollover Income Adjustments**").

This arrangement is accepted based on the understanding that:

(i) at least 90.0% of the difference has to be distributed to the Unitholders;

(ii) the shortfall in distribution is not material;

(iii) no major issue that would cause undue delay in reaching the agreement with the IRAS is envisaged; and

(iv) the IRAS reserves the right to review such arrangement as and when needed.

The IRAS has expressly reserved the rights to review, amend and revoke the Tax Transparency Ruling either in part or in whole at any time.

(See “Risk Factors – Risks Relating to an Investment in the Units” for further details.)

Tax Exempt Income of Keppel DC REIT

Foreign-sourced income

Keppel DC REIT has obtained the Foreign-Sourced Income Tax Exemption Ruling from the MOF in respect of certain income (such as interest income and dividend income as the case may be) arising from the Properties located outside Singapore and derived by Keppel DC REIT and/or its Singapore Subsidiaries.

Pursuant to this ruling, the REIT Trustee will be exempt from Singapore income tax on certain income such as dividend and interest income received from its offshore subsidiaries (*i.e.* Securus Guernsey 1 Limited, Securus Guernsey 2 Limited, Boxtel Investments Limited and Basis Bay Capital Management Sdn Bhd, collectively, “**Direct Offshore Subsidiaries**”), as the case may be, up to 31 March 2015[1] (unless otherwise extended). Such income will be regarded as Tax Exempt Income of Keppel DC REIT. The Foreign-Sourced Income Tax Exemption is granted subject to certain conditions.

Singapore-sourced dividends

Dividend income received by Keppel DC REIT from its Singapore Subsidiaries will not be subject to Singapore income tax in the hands of the REIT Trustee. They will also be regarded as Tax Exempt Income of Keppel DC REIT.

Return of Capital to Keppel DC REIT

Any return of capital received by Keppel DC REIT from its Singapore Subsidiaries or Direct Offshore Subsidiaries is capital in nature and hence, is not taxable in the hands of the REIT Trustee.

Disposal Gains of Keppel DC REIT

Singapore does not impose tax on capital gains. In the event that the REIT Trustee disposes of the Singapore Properties, shares in the Singapore Subsidiaries and/or Direct Offshore Subsidiaries, any gains arising from the disposal will not be subject to Singapore income tax unless the gains are considered income of a trade or business. If the gains are considered to be trading gains and derived in or received or deemed received in Singapore, such gains will be assessed to tax, currently at 17.0%.

Singapore Stamp Duty

In the event of a change in the REIT Trustee, any document effecting the appointment of a new trustee and the transfer of trust assets from the incumbent trustee to the new trustee will not be subject to stamp duty.

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1 Where the foreign income received in Singapore by the REIT Trustee is in respect of any overseas property which:–

(a) is acquired, directly or indirectly, by the REIT Trustee or its wholly-owned Singapore resident subsidiary on or before 31 March 2015; and

(b) continues to be beneficially owned, directly or indirectly, by the REIT Trustee or its wholly-owned Singapore resident subsidiary in paragraph (a), after 31 March 2015,

such foreign income received in Singapore after 31 March 2015 will continue to be granted the tax exemption, so long as all the qualifying conditions for the tax exemption are met.

By virtue of the Stamp Duty (Real Estate Investment Trust) (Remission) Rules 2010, stamp duty on any contract or agreement or instrument executed prior to or on 31 March 2015 relating to the transfer on sale of Singapore immovable properties, or 100% of the issued share capital of a Singapore incorporated company that was set up to hold and holds directly or indirectly immovable property situated outside Singapore, will be remitted. As such, stamp duty will be remitted for the transfer of the Singapore Properties to Keppel DC REIT.

Singapore Property Tax

Keppel DC REIT is liable to pay property tax at the prevailing tax rate of the annual value of the Singapore Properties. The annual value is the gross amount at which the properties can reasonably be expected to be let from year to year, having regard to the fact that all outgoings and maintenance are borne by the landlord. The current property tax rate is 10.0%.

Singapore GST

GST Registration of Keppel DC REIT

Keppel DC REIT could be registered for GST in Singapore on the basis that it would derive rental income from the leasing of the Singapore Properties, which constitutes a taxable supply for GST purposes.

Recovery of GST incurred by Keppel DC REIT

Once GST-registered, Keppel DC REIT would be allowed to claim the GST incurred on its business expenses (such as offering-related and routine operating expenses) for the making of taxable supplies except for certain disallowed expenses and subject to the normal input tax recovery rules.

In addition, in the Singapore Budget 2008, the Minister for Finance announced an enhanced concession for Singapore listed REITs to claim the GST incurred:

- on the setting up of their various tiers of special purpose vehicles that hold non-residential properties; and

- by their special purpose vehicles on the acquisition and holding of non-residential properties.

The GST remission has a qualifying period of up to 31 March 2015 and is subject to meeting certain qualifying conditions. Keppel DC REIT could therefore recover the GST incurred on the acquisition and holding of non-residential properties which it indirectly holds, under the enhanced concession.

Taxation of Singapore Subsidiaries

Taxable income of Singapore Subsidiaries

Except as detailed in the paragraphs below, the Singapore subsidiaries of Keppel DC REIT (*i.e.*, Securus C100 Pte. Ltd., Securus Netherlands 1 Pte. Ltd., Securus Netherlands 2 Pte. Ltd., Securus GVP Pte. Ltd., collectively "**Singapore Subsidiaries**") will be subject to Singapore income tax at the prevailing corporate tax rate on taxable income of the Singapore Subsidiaries.

The current Singapore corporate tax rate is 17.0%.

Tax Exempt Income of Keppel DC REIT or Singapore Subsidiaries

Foreign-sourced income

Keppel DC REIT has obtained the Foreign-Sourced Income Tax Exemption Ruling from the MOF in respect of certain income (such as interest income and dividend income as the case may be) arising from the Properties located outside Singapore and derived by Keppel DC REIT and/or its Singapore Subsidiaries.

Pursuant to this ruling, the Singapore Subsidiaries will be exempt from Singapore income tax on certain income such as dividend and interest income received from their offshore subsidiaries (*i.e.* Citadel 100 Datacenters Limited, Securus Netherlands B.V. and Greenwich View Place Limited, collectively, "**Indirect Offshore Subsidiaries**"), as the case may be, up to 31 March 2015[1] (unless otherwise extended). The Foreign-Sourced Income Tax Exemption is granted subject to certain conditions.

Return of Capital to Singapore Subsidiaries

Any return of capital received by Singapore Subsidiaries from the Indirect Overseas Subsidiaries is capital in nature and hence, is not taxable in the hands of the Singapore Subsidiaries.

Disposal Gains of Singapore Subsidiaries

Singapore does not impose tax on capital gains. In the event that Singapore Subsidiaries dispose of their shares in Indirect Overseas Subsidiaries, any gains arising from the disposal will not be subject to Singapore income tax unless the gains are considered income of a trade or business. If the gains are considered to be trading gains and derived in or received or deemed received in Singapore, they will be assessed to tax, currently at 17.0%.

To provide upfront certainty on gains derived from the disposal of certain shareholdings, the IRAS has introduced a safe harbour rule with the effect from 1 June 2012. Under the safe harbour rule, gains derived by Singapore Subsidiaries from disposal of ordinary shares in Indirect Overseas Subsidiaries would not be taxable, if immediately prior to the date of sale, Singapore Subsidiaries had held a minimum shareholding of 20% of the ordinary shares in the Indirect Overseas Subsidiaries for a continuous period of at least 24 months.

The above exemption would apply to qualifying disposals made during the 5-year period from 1 June 2012 to 31 May 2017.

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1 Where the foreign income received in Singapore by the Singapore Subsidiaries is in respect of any overseas property which:–

(a) is acquired, directly or indirectly, by the REIT Trustee or its wholly-owned Singapore resident subsidiary on or before 31 March 2015; and

(b) continues to be beneficially owned, directly or indirectly, by the REIT Trustee or its wholly-owned Singapore resident subsidiary in paragraph (a), after 31 March 2015,

such foreign income received in Singapore after 31 March 2015 will continue to be granted the tax exemption, so long as all the qualifying conditions for the tax exemption are met.

Singapore GST

GST Registration of Singapore Subsidiaries

The Singapore Subsidiaries will not be eligible for GST registration in Singapore on the basis that they will not be making any taxable supplies. However, in the event that they subsequently undertake activities which involve the making of taxable supplies, they may be eligible for GST registration.

TAXATION OF UNITHOLDERS

Distributions out of Keppel DC REIT's taxable income

Unitholders will not be subject to Singapore income tax on distributions made out of Keppel DC REIT's income that has been taxed at the REIT Trustee level. Accordingly, distributions made by Keppel DC REIT out of its taxable income (e.g. distributions made out of after tax Specified Taxable Income not distributed by Keppel DC REIT or out of gains or profits taxed as trading gains to the Unitholders) will not be subject to any tax deduction at source. No tax credit will be given to any Unitholder on the tax payable by the REIT Trustee on such Taxable Income.

Distributions out of Keppel DC REIT's Specified Taxable Income

Individuals who hold the Units as Investment Assets

Individuals who hold the Units as investment assets (excluding individuals who hold such Units through a partnership in Singapore) are exempt from Singapore income tax on the distributions made out of Specified Taxable Income by Keppel DC REIT, regardless of the individuals' nationality or tax residence status.

Individuals who hold the Units as Trading Assets or through a Partnership in Singapore

Individuals who hold the Units as trading assets or through a partnership in Singapore are subject to Singapore income tax on the gross amount of distributions that are made out of Keppel DC REIT's Specified Taxable Income. Such distributions must be declared in the income tax returns of these individuals and will be taxed in the hands of these individuals at their applicable income tax rates.

Non-individuals other than Qualifying Foreign Non-Individual Unitholders

Non-individual Unitholders are subject to Singapore income tax on the gross amount of distributions that are made out of Keppel DC REIT's Specified Taxable Income, unless specifically exempted, irrespective of whether or not tax has been deducted from the distributions by the REIT Manager and the REIT Trustee.

Where tax has been deducted at source, the tax deducted is not a final tax. Non-individual Unitholders can offset tax deducted at source against their Singapore income tax liabilities.

Qualifying Foreign Non-Individual Unitholders

Qualifying Foreign Non-Individual Unitholders will be subject to final tax at the reduced rate of 10.0% for distributions made out of Keppel DC REIT's Specified Taxable Income up to 31 March 2015, unless otherwise extended.

Distributions out of Keppel DC REIT's Tax Exempt Income

Unitholders will not be subject to Singapore income tax on distributions made out of Keppel DC REIT's Tax Exempt Income. No tax will be deducted at source on such distributions.

Distributions out of Keppel DC REIT's capital receipts

Unitholders will not be subject to Singapore income tax on distributions made by Keppel DC REIT out of its capital receipts, such as return of capital from the Singapore Subsidiaries and Direct Offshore Subsidiaries. No tax will be deducted at source on such distributions.

For Unitholders who hold the Units as trading or business assets and are liable to Singapore income tax on gains arising from the disposal of the Units, the amount of such distributions will be applied to reduce the cost of the Units for the purpose of calculating the amount of taxable trading gain when the Units are disposed of. If the amount exceeds the cost of the Units, the excess will be subject to tax as a trading income of such Unitholders.

Distributions out of Keppel DC REIT's disposal gains

Distributions of Keppel DC REIT made by the REIT Trustee out of gains or profits arising from a disposal of the Singapore Properties, shares in Singapore Subsidiaries and shares in Direct Offshore Subsidiaries that have been confirmed by the IRAS as capital gains will not be taxable in the hands of the Unitholders since the gains or profits do not form part of the statutory income of the Trustee of Keppel DC REIT.

Disposal of the Units

Singapore does not impose tax on capital gains. Any gains on disposal of the Units are not liable to tax provided the Units are not held as trading assets. Where the Units are held as trading assets of a trade or business carried on in Singapore, any gains on disposal of the Units are liable to Singapore income tax at the applicable tax rate.

Singapore GST

Issue and Transfer of the Units

The issue or transfer of ownership of a unit under any unit trust in Singapore is exempt from GST. Hence, Unitholders would not incur any GST on the subscription of the Units. The subsequent disposal of the Units by a GST-registered Unitholder through the SGX-ST or to another person belonging in Singapore is regarded as an exempt supply and not subject to GST. The disposal or transfer of the Units to another person belonging outside Singapore would constitute zero-rated supplies for Singapore GST purposes.

Recovery of GST incurred by Unitholders

Generally, services such as legal fee, brokerage, handling and clearing charges rendered by a GST-registered person to Unitholders belonging in Singapore in connection with their purchase and sale of the Units would be subject to GST at the prevailing standard-rate of 7.0%. Similar services rendered to Unitholders belonging outside Singapore could be zero-rated when certain conditions are met.

For Unitholders belonging in Singapore who are registered for GST, any GST on expenses incurred in connection with the subscription/acquisition or disposal of the Units is generally not recoverable as input tax credit from the IRAS unless certain conditions are satisfied. These GST-registered Unitholders should seek the advice of their tax advisers on these conditions.

Singapore Stamp Duty

The sale, purchase and transfer of the Units is not subject to stamp duty in Singapore.

AUSTRALIA TAXATION

Income Tax

Subject to the meeting of certain qualifying conditions, Securus Australia Trust No. 1 ("**Securus Trust 1**") and Securus Australia Trust No. 2 ("**Securus Trust 2**") will be treated as flow-through entities for Australian income tax purpose. Securus Trusts 1 and 2 are not subject to Australian income tax. Securus Trusts 1 and 2's taxable income from iseek Data Centre and Gore Hill Data Centre respectively will effectively be allocated to their unitholders in proportion to the unitholders' interests in the trusts' distributable income.

Withholding Tax

The distributions from the Securus Trusts 1 and 2 to Securus Guernsey 1 Limited ("**Securus Guernsey 1**") and Securus Guernsey 2 Limited ("**Securus Guernsey 2**") respectively will be subject to withholding tax. The applicable withholding tax rate for non-resident unitholders that are companies is 30.0%. Distributions of cash in excess of taxable income, commonly referred to as "tax deferred distributions" which reflect mainly non-cash tax deductible items e.g., depreciation deductions, are not subject to tax in the hands of the unitholders. Instead, the tax cost base of the trust units will be reduced.

Land Tax

Land tax is an annual tax computed based on the taxable value of the land at stepped land tax rates that vary from state to state, currently in the range of 1.5% to 2.0% in relevant states. The taxable value of the land is determined by the relevant local government authorities. Australian land tax rates and/or thresholds are generally subject to change each year and updated information should be obtained when considering the land tax liability each year.

For Guernsey tax matters, please refer to section on "Guernsey Taxation".

MALAYSIA TAXATION

Corporate Income Tax

Basis Bay Capital Management Sdn Bhd ("**BBCM**") has been awarded MSC Malaysia status, effective from 16 October 2008. The grant of the MSC Malaysia status is subject to continued compliance by BBCM of the conditions contained in the conditions of grant of the MSC Malaysia status.

As a MSC Malaysia status company, BBCM was granted an investment tax allowance ("**ITA**") incentive of 100% on qualifying capital expenditure incurred within a period of 5 years to be offset against 100% of statutory income for each year of assessment. The ITA incentive was effective from 14 August 2009 to 13 August 2014. Any unutilised ITA can be carried forward to set off against future profits.

BBCM will qualify as a tax resident in Malaysia if the management and control of its business or affairs is exercised in Malaysia during the basis period for a year of assessment. All income accruing in or derived from Malaysia by BBCM after deducting relevant tax-deductible expenses, industrial building allowances, capital allowances and ITA, will be subject to Malaysian income tax at the prevailing corporate income tax rate of 25% (24% from Year of Assessment 2016).

Withholding Tax

Malaysia does not impose withholding tax on dividends. Dividends paid by BBCM to Keppel DC REIT will not be subject to withholding tax in Malaysia.

Interest on shareholder loan (where applicable) paid or credited to Keppel DC REIT, is generally subject to Malaysian withholding tax at the rate of 15% on the gross amount. The rate of withholding tax may be reduced to 10% under the Singapore-Malaysia tax treaty.

Property Tax

Property tax (in the form of assessment and quit rent) is payable annually by property owners.

Assessment is payable to the local municipal council. Assessment is calculated based on a percentage of the annual rental value as prescribed by the local municipal council. The assessment rate for the Malaysia Property for the year 2013 was 8.4% on annual rental value of the Malaysia Property as prescribed by the local municipal council.

Quit rent is payable to State Government. Quit rent is calculated based on the size of the land area. The applicable quit rent for the Malaysia Property for the year 2013 was approximately RM0.77 per square meter of the Malaysia Property.

UNITED KINGDOM TAXATION

Corporate Income Tax

Greenwich View Place Limited ("**Greenwich**") will be subject to UK income tax on the net rental income arising to the UK property at 20% under the non-resident landlord scheme ("NRLS"). This is on the basis that Greenwich is registered for NRLS and is managed and controlled from outside of the UK and holds the property for investment purposes.

Withholding Tax

Dividends paid by Greenwich to Securus GVP Pte. Ltd. ("**Securus GVP**") should not be subject to UK withholding tax under domestic laws.

Interest paid by Greenwich to Securus GVP should not be subject to withholding tax, unless the interest is considered to be UK sourced.

If the interest is deemed to be UK sourced, then withholding tax of 20% would apply. The rate of withholding tax may be reduced to 5% under the UK-Singapore tax treaty.

Property Tax

The UK does not have property taxes for commercial property.

For Guernsey tax matters, please refer to section on "Guernsey Taxation".

NETHERLANDS TAXATION

Corporate Income Tax

For Dutch tax purposes, Securus Netherlands B.V. ("**Securus B.V.**") and Securus Almere B.V. ("**Almere B.V**.") are treated as a "fiscal unity" (*i.e.* the two entities file a tax return as one entity as if only one entity exists). As the parent of the fiscal unity, Securus B.V. will file a consolidated tax return for both Securus B.V. and Almere B.V. and would be subject to Dutch corporate income tax on the taxable profits derived from the Netherlands Property at the corporate income tax rate, currently at 20% for the first EUR 200,000 of taxable amount and 25% for taxable amount exceeding EUR 200,000. The corporate tax assessment is issued to Securus B.V., but all members of the fiscal unity are jointly and severally liable for the amount of taxes due. Dividends paid by Almere B.V. to Securus B.V. would be disregarded as they are paid and received by companies included in the same fiscal unity consolidation.

Withholding Tax

Dividend distributions made by Securus B.V. to Securus Netherlands 1 Pte. Ltd. are in principle subject to 15% withholding tax in the Netherlands, unless requirements under the Singapore-Netherlands tax treaty are met. The rate of 15% may be reduced to 0% under the Singapore-Netherlands tax treaty on the premise that Securus Netherlands 1 owns 25% or more of the shares in Securus B.V. and the dividends are remitted to Singapore.

Interest payments made by Almere B.V. to Securus Netherlands 2 Pte. Ltd. would be exempt from withholding tax in the Netherlands under domestic laws, unless the loan is treated as equity or quasi equity. In that case, dividend withholding tax may be levied on the payments.

Property Tax

The municipal tax authorities will levy real estate taxes on property owners. The applicable taxable base is normally assessed under the Dutch Act on Real Estate Valuation (Wet waardering onroerende zaken or "WOZ" value). Rates differ each year. The applicable real estate tax in relation to the Netherlands Property based on 2014 assessment is approximately 0.2644% of the WOZ value.

IRELAND TAXATION

Corporate Income Tax

Citadel 100 Datacentres Limited ("**Citadel 100**") would be subject to Irish corporation tax on its trading income at the standard rate of corporate tax, currently at 12.5%, after deducting relevant expenses and capital allowances and adding back any specifically disallowed items (e.g. non-staff entertainment, depreciation/amortisation). If Citadel 100 earns rental income from the property then this is liable to the 25% rate of corporation tax in Ireland.

Withholding Tax

Dividends paid by Citadel 100 to Securus C100 Pte. Ltd. ("**Securus C100**") would be exempt from withholding tax in Ireland under the Singapore-Ireland tax treaty.

Interest payment made by Citadel 100 to Securus C100 which are physically received by Securus C100 in Singapore (*i.e.*, paid to a Singapore bank account of Securus C100) should be exempt from Irish domestic withholding tax. On the other hand, where the interest is not paid onshore into Singapore, Securus C100 may rely on the Singapore-Ireland tax treaty for a withholding tax rate of 5% to be applied on the interest income.

Property Tax

Commercial property rates are a local property tax payable on the occupation of commercial and industrial properties by the occupier.

The applicable rates are determined every year by the local authorities as a multiple of the rateable value of the property. The multiplier rate in South Dublin for 2014 is 0.162.

GUERNSEY TAXATION

There is no Guernsey income tax, withholding tax and property tax applicable to Securus Guernsey 1 Limited, Securus Guernsey 2 Limited and Greenwich View Place Limited.

BVI TAXATION

There is no BVI income tax that will be applicable to Boxtel Investments Limited. There is also no BVI withholding tax applicable on dividends. In this regard, dividend payments made by Boxtel Investments Limited should not be subject to withholding tax in BVI.

Yours faithfully

Leonard Ong
Executive Director, Tax
For and on behalf of
KPMG Services Pte. Ltd.

To : [Unit registrar and unit transfer office]

ANNEX A

FORM A
DECLARATION FOR SINGAPORE TAX PURPOSES

Name of registered holder (preprinted) Address (preprinted)	Unit Account No. (preprinted) Holding : Units (preprinted)
Name of Counter: Units in Keppel DC REIT (the "Units")	

Please read the following important notes carefully before completion of this Form:

1 The Trustee and the Manager of Keppel DC REIT will not deduct tax from distributions made out of Keppel DC REIT's taxable income that is not taxed at Keppel DC REIT's level to:

(a) Holders who are individuals and who hold the Units either in their sole names or jointly with other individuals;
(b) Holders which are companies incorporated and tax resident in Singapore;
(c) Holders which are Singapore branches of foreign companies that have obtained specific approval from the Inland Revenue Authority of Singapore to receive the distribution from Keppel DC REIT without deduction of tax; or
(d) Holders which are non-corporate entities (excluding partnerships) constituted or registered in Singapore, such as:
(i) institutions, authorities, persons or funds specified in the First Schedule to the Income Tax Act (Cap. 134);
(ii) co-operative societies registered under the Co-operative Societies Act (Cap. 62);
(iii) trade unions registered under the Trade Unions Act (Cap. 333);
(iv) charities registered under the Charities Act (Cap. 37) or established by an Act of Parliament; and
(v) town councils.

2 For taxable income distributions made to classes of holders that do not fall within the categories stated under Note 1 above, the Trustee and the Manager of Keppel DC REIT will deduct tax at the rate of 10%@ if the holders are foreign non-individual investors. A foreign non-individual investor is one who is not a resident of Singapore* for income tax purposes and:
(a) who does not have a permanent establishment^ in Singapore; or
(b) who carries on any operation in Singapore through a permanent establishment in Singapore, where the funds used to acquire the Units are not obtained from that operation.

3 Holders are required to complete the applicable Section A, B or C if they fall within the categories (b) to (d) stated under Note 1 or Section D if they qualify as a foreign non-individual investor as described under Note 2.

4 The Trustee and the Manager of Keppel DC REIT will rely on the declarations made in this Form to determine (i) if tax is to be deducted for the categories of unitholders listed in (b) to (d) under Note 1; and (ii) if tax is to be deducted at the rate of 10% for distributions to foreign non-individual investors. Please therefore ensure that the appropriate section of this Form is completed in full and legibly and is returned to [Unit registrar and unit transfer office] within the stipulated time limit. Failure to comply with any of these requirements will render this Form invalid and therefore, the Trustee and the Manager will be obliged to deduct tax at the prevailing corporate tax rate from the distributions in respect of which this declaration is made.

5 **Holders who fall within class (a) under Note 1 are not required to submit this declaration form.**

6 Holders who do not fall within the classes of unitholders listed in Note 1 and Note 2 above can choose not to return this Form as tax will be deducted from the distributions made to them at the prevailing corporate tax rate in any case.

7 Holders who hold the Units jointly (where at least one of the joint holders is not an individual) or through nominees do not have to return this Form.

8 Please make sure that the information given and the declaration made in this Form is true and correct. The making of a false or incorrect declaration constitutes an offence under the Income Tax Act and the Declarant shall be liable to the appropriate penalties imposed under the said Act.

9 This Form must be returned to [Unit registrar and unit transfer office] by **[Time]** on **[Date]**.

@ The concessionary rate of 10% will expire on 31 March 2015 unless extended.

* A company is not a resident of Singapore if the management and control of its business is exercised outside Singapore.

^ A permanent establishment is defined under Section 2 of the Income Tax Act to mean a fixed place where a business is wholly or partly carried on, including a place of management, a branch, an office, a factory, a warehouse, a workshop, a farm or plantation, a mine, oil well, quarry or other place of extraction of natural resources, a building or work site or a construction, installation or assembly project. An unitholder shall be deemed to have a permanent establishment in Singapore if it:

(i) carries on supervisory activities in connection with a building or work site or a construction, installation or assembly project; or
(ii) has another person acting on the unitholder's behalf in Singapore who:
(a) has and habitually exercises an authority to conclude contracts;
(b) maintains stock of goods or merchandise for the purpose of delivery on its behalf; or
(c) habitually secures orders wholly and almost wholly for the unitholder or for such other enterprises as are controlled by the unitholder.

ANNEX A1

DECLARATION FOR SINGAPORE TAX PURPOSES

Section A : To be completed by holder which is a Singapore incorporated company

I, ____________________________________, NRIC/Passport No. _________________________, the Director of ____ ("the Company") hereby declare that the Company is the beneficial owner of the holdings stated above and that:

Tick (/) either the "Yes" or "No" box Yes No

(a) the Company is incorporated in Singapore and its registration number is ☐☐☐☐☐-☐☐☐☐☐☐-☐☐ ; ☐ ☐

(b) the management and control of the Company's business for the preceding year and from the beginning of this year to the date of this Declaration was exercised in Singapore and there is no intention, at the time of this Declaration, to change the place of management and control of the Company to a location outside Singapore; and ☐ ☐

(c) the Company has previously filed tax returns with the Inland Revenue Authority of Singapore. ☐ ☐

If your reply to (c) is "Yes", please proceed with (d) -

(d) the Company is declared as a tax resident of Singapore# based on the latest tax return filed with the Inland Revenue Authority of Singapore. ☐ ☐

Signature of Declarant : ________________________ Date: ________________

Contact No: ________________________

A company is tax resident in Singapore if the management and control of its business is exercised in Singapore.

Section B : To be completed by holder which is a Singapore branch of a foreign company

I, _________________________________, NRIC/Passport No. _________________, the manager of ____ (the "Singapore Branch") hereby declare that the Singapore Branch is the beneficial owner of the holdings stated above and that the Inland Revenue Authority of Singapore has granted approval to the Singapore Branch to receive distribution from Keppel DC REIT without deduction of tax. A copy of the letter of approval dated _____________ is attached.

Signature of Declarant : ___________________________ Date : _______________

Contact No: ______________________

Section C : To be completed by holder which falls under Note 1(d)

I, ___________________________, NRIC/Passport No. __________________, the principal officer of ____ ("the Entity") hereby declare that the Entity is the beneficial owner of the holdings stated above and that the entity is (tick whichever is applicable):

☐ - an institution, authority, person or fund specified in the First Schedule to the Income Tax Act (Cap. 134).

☐ - a co-operative society registered under the Co-operative Societies Act (Cap. 62).

☐ - a trade union registered under the Trade Unions Act (Cap. 333).

☐ - a charity registered under the Charities Act (Cap. 37) or a charity established by an Act of Parliament.

☐ - a town council.

☐ - any other non-corporate entity (other than a partnership) constituted or registered in Singapore.

Signature of Declarant : _____________________________ Date : ______________

Contact No : ___________________________

Section D : To be completed by holder which falls under Note 2

I, ____________________________, NRIC/Passport No. _____________________, the Director/Principal Officer of ____________________________ (the "Entity") hereby declare that the Entity is the beneficial owner of the holdings stated above and that:

Tick (/) either the "Yes" or "No" box Yes No

(a) the Entity is not a resident of Singapore* for income tax purposes for the preceding year and from the beginning of this year to the date of this Declaration and there is no intention, at the time of this Declaration, to change the tax residence of the Entity to Singapore; and ☐ ☐

(b) the Entity does not have a permanent establishment^ in Singapore. ☐ ☐

If your reply to (b) is "No", please proceed with (c) -

(c) the funds used to acquire the holdings in the Units are not obtained by the Entity from any operation carried on in Singapore through a permanent establishment in Singapore. ☐ ☐

Signature of Declarant : _____________________________ Date : ______________

Contact No : ___________________________

*/^ Please see front page.

To : [Unit registrar and unit transfer office]

ANNEX B

FORM B
DECLARATION BY DEPOSITORY AGENTS FOR SINGAPORE TAX PURPOSES

Name of registered holder (preprinted) Address (preprinted)	Unit Account No. (preprinted) Holding: Units (preprinted)
Name of Counter: Units in Keppel DC REIT (the "Units")	

Please read the following important notes carefully before completion of this Form:

1 The Trustee and the Manager of Keppel DC REIT will deduct tax at the prevailing corporate tax rate from distributions made out of Keppel DC REIT's taxable income, that is not taxed at Keppel DC REIT's level, in respect of the Units held by you in your capacity as a Depository Agent except where the beneficial owners of these Units are:

(i) individuals and the units are not held through a partnership in Singapore;
(ii) qualifying unitholders; or
(iii) foreign non-individual investors.

2 Tax will not be deducted for distributions made in respect of the Units held by you for the benefit of unitholders who fall within categories (i) and (ii) of Note 1. Tax will be deducted at the reduced rate of 10%@ for distributions made in respect of the Units held by you for the benefit of foreign non-individuals.

3 A "qualifying unitholder" refers to:
(i) a company incorporated and tax resident in Singapore;
(ii) non-corporate entities (excluding partnerships) constituted or registered in Singapore; such as:
(a) institutions, authorities, persons or funds specified in the First Schedule to the Income Tax Act (Cap. 134);
(b) co-operative societies registered under the Co-operative Societies Act (Cap. 62);
(c) trade unions registered under the Trade Unions Act (Cap. 333);
(d) charities registered under the Charities Act (Cap. 37) or established by an Act of Parliament; and
(e) town councils.
(iii) a Singapore branch of a foreign company which has obtained from the Inland Revenue Authority of Singapore, a waiver from tax deducted at source in respect of distributions from Keppel DC REIT.

4 A foreign non-individual is one who is not a resident in Singapore* for income tax purposes and:
(i) who does not have a permanent establishment^ in Singapore; or
(ii) who carries on any operation in Singapore through a permanent establishment in Singapore, where the funds used to acquire the Units are not obtained from that operation.

5 The Trustee and the Manager of Keppel DC REIT will rely on the declarations made in this Form to determine the applicable rate at which tax is to be deducted in respect of the Units held by you in your capacity as a Depository Agent. Please therefore ensure that this Form and the Annexes are completed in full and legibly and is returned to [Unit registrar and unit transfer office] within the stipulated time limit. Failure to comply with any of these requirements will render this Form invalid and the Trustee and the Manager will deduct tax at the prevailing corporate tax rate from the distributions in respect of which this declaration is made.

6 Please make sure that the information given and the declaration made in this Form is true and correct. The making of false or incorrect declaration constitutes an offence under the Income Tax Act and the Declarant shall be liable to the appropriate penalties imposed under the said Act.

7 This Form, together with hard copy of the Annexes, must be returned to [Unit registrar and unit transfer office] by **[Time]** on **[Date]**. Please complete the Annexes using the soft copy of the excel spreadsheet provided to you and also email a soft copy of the completed Annexes to [Unit registrar and unit transfer office] at **[Email]** by **[Time]** on **[Date]**. Please note that it is compulsory to email the soft copy of the completed Annexes.

Declaration

I, ________________________, NRIC/Passport No. _______________, the principal officer of ____ ("the Depository Agent") hereby declare that the Units registered in the name of the Depository Agent and deposited in the sub-accounts maintained with The Central Depository (Pte) Ltd, as listed in the Annexes B1 to B3 to this declaration, belonged beneficially to persons who are individuals, qualifying unitholders (as defined in Note 3 above) and foreign non-individuals (as defined in Note 4 above), respectively. The details of each of these beneficial owners are also listed in the respective Annexes.

We hereby also undertake to provide the actual amount of gross distribution made to each qualifying unitholder in the format provided in Annex B2.1 and to email a soft copy of Annex B2.1 to [Unit registrar and unit transfer office] within 21 days from the date of the distribution.

Signature of Declarant : ____________________________ Date : ______________

Contact No : __________________________

@ The concessionary rate of 10% will expire on 31 March 2015 unless extended.

* A company is a not resident of Singapore if the management and control of its business for the preceding year and from the beginning of this year to the date of this declaration was exercised outside Singapore and there is no intention, at the time of this declaration, to change tax residence of the company to Singapore.

^ A permanent establishment is defined under Section 2 of the Income Tax Act to mean a fixed place where a business is wholly or partly carried on, including a place of management, a branch, an office, a factory, a warehouse, a workshop, a farm or plantation, a mine, oil well, quarry or other place of extraction of natural resources, a building or work site or a construction, installation or assembly project. An unitholder shall be deemed to have a permanent establishment in Singapore if it:

(i) carries on supervisory activities in connection with a building or work site or a construction, installation or assembly project; or
(ii) has another person acting on the unitholder's behalf in Singapore who:
(a) has and habitually exercises an authority to conclude contracts;
(b) maintains stock of goods or merchandise for the purpose of delivery on its behalf; or
(c) habitually secures orders wholly and almost wholly for the unitholder or for such other enterprises as are controlled by the unitholder.

KEPPEL DC REIT **Annex B1**
Distribution Period:

Annex to Declaration Form B - Individuals

S/No.	CDP Sub-Account No.	Name of beneficiary holder(s)	Identification No.*	Number of units
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				

* This refers to Singapore NRIC No., foreign ID No. or Passport No.

KEPPEL DC REIT **Annex B2**

Distribution Period:

Annex to Declaration Form B - Qualifying Unitholders

S/No.	CDP Sub-Account No.	Name of beneficiary holder(s)	Registration No.*	Number of units
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				

* This refers to ROC / Tax Reference No.

KEPPEL DC REIT **Annex B2.1**

Distribution Period:

Annex to Declaration Form B - Qualifying Unitholders

S/No.	CDP Sub-Account No.	Name of beneficiary holder(s)	Registration No.*	Number of units	Gross distribution paid
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					

* This refers to ROC / Tax Reference No.

KEPPEL DC REIT

Annex B3

Distribution Period:

Annex to Declaration Form B - Foreign Non-Individuals

S/No.	CDP Sub-Account No.	Name of beneficiary holder(s)	Address	Number of units
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				

INDEPENDENT PROPERTY VALUATION SUMMARY REPORTS

CBRE Limited
Henrietta House
Henrietta Place
London W1G 0NB

Switchboard +44 (0) 20 7182 2000

Private & Confidential
Keppel DC REIT Management Pte. Ltd, as manager of
Keppel DC REIT
18 Cross Street #10-10
China Square Central
Singapore 048423

23 November 2014

Dear Sirs

1) **ALMERE DATA CENTRE, RONDEBELTWEG 62, 'SALLANDSEKANT' BUSINESS PARK ALMERE, THE NETHERLANDS**
2) **CITADEL 100 DATA CENTRE, UNIT 4031-4033, CITYWEST BUSINESS PARK, CO DUBLIN, IRELAND**
3) **GV7 DATA CENTRE, 7 GREENWICH VIEW PLACE, LONDON E14 9NN**

Instructions

We refer to instructions issued by Keppel DC REIT Management Pte. Ltd, as manager of Keppel DC REIT and dated 07 October 2014, requesting this valuation summary letter and Valuation Summaries, as well as full valuation report addressed to Keppel DC REIT Management Pte. Ltd, as manager of Keppel DC REIT in respect of the abovementioned properties (individually a "**Property**" and collectively the "**Properties**") for the purpose of establishing Market Value for the Initial Public Offering (IPO) of Keppel DC REIT on the Singapore Exchange Trading Limited ("**SGX-ST**"). Our opinion of Market Value has regard to the freehold or leasehold interest in the Properties as at 30 September 2014, and is subject to the existing tenancies and occupational arrangements as disclosed.

We have prepared comprehensive formal valuation reports on each Property (individually a "**Report**" and collectively the "**Reports**") in accordance with the requirements of our instructions. In accordance with the Royal Institution of Chartered Surveyors (RICS) Valuation – Professional Standards January 2014 (the Red Book), the definition of Market Value is as follows:

"Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

For the specific purposes of this Prospectus, we provide a Valuation Summary of the Reports outlining key factors that have been considered in arriving at our opinions of value. The value conclusions reflect all information known by the valuers of CBRE Ltd ("**CBRE**") who worked on the valuations in respect to the Properties, market conditions and available data.

Reliance on This Letter

For the purposes of this Prospectus we have prepared this letter, which summarises our Reports and outlines key factors which have been considered in arriving at our opinions of value. This letter alone does not contain the necessary data and supporting information included in our Reports. For further information to that contained herein, reference should be made to the Reports, copies of which are held by Keppel DC REIT Management Pte. Ltd, as manager of Keppel DC REIT.

CBRE has provided Keppel DC REIT Management Pte. Ltd, as manager of Keppel DC REIT with comprehensive valuation reports for each of the Properties. The valuations and market information are not guarantees or predictions and must be read in consideration of the following:

- The conclusions within each valuation Report as to the estimated value are based upon the factual information set forth in that Report. Whilst CBRE has endeavoured to assure the accuracy of the factual information, it has not independently verified all information provided by Keppel DC REIT Management Pte. Ltd, as manager of Keppel DC REIT (primarily the leases and financial information with respect to the Properties as well as reports by independent consultants engaged by Keppel DC REIT Management Pte. Ltd, as manager of Keppel DC REIT). CBRE believes that every investor, before making an investment in the Keppel DC REIT, should review the Reports to understand the complexity of the methodology and the many variables involved.
- The primary methodologies used by CBRE in valuing the Properties – Capitalisation and Discounted Cash Flow – are based upon estimates of future results and are not predictions. These valuation methodologies are summarised in the Valuation Rationale section of this letter. Each methodology begins with a set of assumptions as to income and expenses of the Property and future economic conditions in the local market. The income and expense figures are mathematically extended with adjustments for estimated changes in economic conditions. The resultant value is considered the best practice estimate, but is not to be construed as a prediction or guarantee and is fully dependent upon the accuracy of the assumptions as to income, expenses and market conditions. The basic assumption utilised for the properties is summarised in the Valuation Rationale section of this letter.
- The Reports were undertaken based upon information available as at the Valuation Date 30 September 2014. CBRE accepts no responsibility for subsequent changes in information as to income, expenses or market conditions.

Property Descriptions

The following pages provide a brief summary of each of the properties.

1) Almere Data Centre, Rondebeltweg 62, 'Sallandsekant' Business Park, Almere, The Netherlands

The Almere Data Centre is a modern data centre facility situated approximately 32 kilometres to the east of The Netherlands' capital city, Amsterdam. The facility is built on reclaimed land and has good road communications, with modern warehouses and offices being developed in the region in the recent past. The property comprises of a three storey Data Centre, constructed in 2008 and being semi-detached adjoining a mirrored building, with a party wall between them. The Gross Floor Area is 138,219 sq ft, within which two data halls totalling 53,820 sq ft of

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technical space are located on the first and second floors. Including office and ancillary accommodation the total Lettable Area is 118,403 sq ft. The power and cooling infrastructure is sufficient for 1,500 W per sq m (139 W per sq ft) to the technical space, with sufficient plant space to increase this to 2,000 W per sq m (186 W per sq ft). The current design IT load of the facility is therefore 7.5 MW with the potential to increase this to 10 MW.

We understand that the property is held freehold. As part of the acquisition of the property, an intermediate lease was set up for a term of 20 years until 17 April 2033, subject to a tenant's break option on 01 September 2028. The tenant is Borchveste Almere B.V. (the previous freeholder) and under the lease agreement, Borchveste Almere B.V. have taken on the repairing liabilities and life cycle renewal of technical equipment during the term of the lease, in return for an annual rent retention during the term of the lease.

Beneath this intermediate lease, the property is leased in its entirety until 01 September 2028 with a further option to extend, although for reasons of confidentiality we are unable to disclose the identity of the tenant company and the exact details of the lease terms. We confirm however that we have seen and reviewed a copy of this lease, and that it is to a member of the same group as an international information communications technology company which is listed in the Euronext and that we have taken the terms of this lease into account when arriving at our opinion of Market Value herein reported.

The income generated by the property is driven by the income payable by the ultimate sub-tenant, although a fixed retention is retained by Borchveste Almere B.V. under the terms of the intermediate lease, in return for their repairing and maintaining obligations. For reasons of confidentially, we are not permitted to disclose the rental payments due under the sub-lease, although we confirm that the income receivable by the Company from Borchveste Almere B.V. is €5,978,626.69 per annum, subject to annual fixed rental increases on 01 September each year, in line with the lower of Dutch CPI or 2.0%.

2) Citadel 100 Data Centre, Unit 4031-4033, CityWest Business Park, Co Dublin, Ireland

Citadel 100 Data Centre is a modern data centre situated on the Citywest Business Campus in a prime suburban industrial/commercial location, approximately 14km south west of Dublin City Centre and is situated just off Junction 3 of the N7 National Road. The Campus is now home to over 120 companies, with an overall focus on technological innovation. There is good infrastructure in the immediate vicinity, both in terms of the N7 National Road and the M50 Motorway (circa 5km to the east), as well as the Luas (Dublin's light rail transport system) Red Line, which runs past the subject property.

The subject property comprises a two storey industrial unit which has been fitted out as a well specified data centre facility and is approximately 13 years old. However, the fit out of some of the individual halls is more recent, with a number of areas having been upgraded in recent years (Colo 4 & 5 in 2007; Colo 6 in 2008; and Colo 7 in February 2011). The total colocation space within the building across both the ground and first floors totals 61,563 sq ft, while the property has a Gross Floor Area of 125,044 sq ft. Including office accommodation, the total Lettable Area of the property is 68,052 sq ft. The property currently benefits from two 12 MVA power feeds to the site.

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We understand that the property is held on a short leasehold basis, originally on a 25 year lease from 12 July 2001 to the current tenant Citadel 100 Data Centres Limited ("**C100**"). A further reversionary lease has been agreed to run for a term of 14 years and 9 months from 12 July 2026 and expiring on 11 April 2041, therefore giving circa 26.5 years term certain. The rent payable under the leases increases throughout the term as follows:

1 January 2011 to 31 December 2015:	€1,677,634 per annum
1 January 2016 to 31 December 2021:	€1,777,633 per annum
1 January 2022 to 31 December 2026:	€2,044,278 per annum
1 January 2027 to 31 December 2031:	€2,350,920 per annum
1 January 2032 to 31 December 2036:	€2,774,085 per annum
1 January 2037 to lease expiry on 11 April 2041:	€3,273,421 per annum

Originally, there was a Master Agreement in place over the property between C100 and member of the same group as a Fortune Global 500 and S&P 100 MNC which is listed on the NSYE and provides IT hardware, software and integrated solutions. Colocation customers therefore occupy individual elements of the property by way of service agreements either with C100 directly or through the master agreement. Recently however, our understanding is that that the master agreement has been cancelled so that going forward, customers will be able to contract directly with C100. The property currently benefits from 14 occupational service agreements, although based on a proportion of the colocation space circa 24.4% of the property is currently vacant. The current gross rent is €8,311,104 per annum, which equates to €2,785,238 per annum net of ground rent and opex.

3) GV7 Data Centre, 7 Greenwich View Place, London E14 9NN

Located on the Isle of Dogs, in the Docklands area of east London, the GV7 Data Centre lies circa 1km to the south of the heart of the Canary Wharf estate and circa 6km to the east of the heart of the City of London around the Bank of England. Connectivity to the site is excellent in terms of roads and public transport. The site is within 500m of the Crossharbour Docklands Light Railway station and within 1km of the Canary Wharf London Underground station, serving the Jubilee Line. From 2018, Crossrail will also have a station at Canary Wharf, just over 1km to the north of the property. The A13 east-west route between the City of London and the M25 orbital motorway is within 2km to the north, also providing access to key trunk roads such as the A11 and A12 to northeast London and the A2 to southeast London.

The property was originally constructed in 1987 as a warehouse / workshop over the ground and 1st floors totalling 34,848 sq ft Gross Floor Area, and in 2000 was converted into a data centre facility for occupational by Merrill Lynch. The bank vacated in 2009 and the property was upgraded and refurbished again, now offering a Tier II data centre facility with 24,972 sq ft of Lettable Area of which 10,979 sq ft is within the main data hall on the ground floor and the remainder within business continuity space on the 1st floor, with a maximum design IT load of circa 1.53 MW based on a density of 1,500 W per sq m (139 W per sq ft) on the ground floor data hall. The ground floor of the property houses the data hall as well as the main security entrance, customer breakout area as well as a UPS room. The 1st floor houses a large disaster

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recovery suite above the data hall, together with ancillary offices and meeting rooms as well a main plant room containing the AHUs, pumps, boilers and chillers. There are a total of three 2 MVA diesel generators, one located externally and two within the building, and were installed as new in 2011.

The property is held on a long leasehold basis for a term of 199 years from 29 September 1984 expiring 28 September 2183, therefore having a further 169 years unexpired. The lease is subject to a rent of a peppercorn (ie: nil) fixed throughout the term.

For the reasons of confidentiality, we are unable to disclose the identity of the tenant company, although can state that the property is leased in its entirety to a member of the same group as a an S&P 500 company which is listed on the NYSE and is an international provider of enterprise cloud computing, co-location services, managed hosting and professional cloud services, subject to a guarantee from their global parent company. The lease is for a term of 15 years from 10 February 2012 at a current rent of £2,625,728 per annum (from 10 February 2014), subject to fixed rental uplifts at 3.0% per annum every year for the first 5 years of the term, and then 4-yearly thereafter. The lease is drafted on Fully Repairing and Insuring (FRI) terms and is based on a fully fitted facility.

Valuation Rationale

In arriving at our opinion of value, we have considered relevant general and economic factors and have investigated as much as possible recent sales transactions within the European data centre market. We have primarily utilised the Capitalisation and Discounted Cash Flow methodologies in undertaking our assessment for each of the Properties.

Capitalisation Approach

In respect of the Almere Data Centre and the GV7 Data Centre, we have utilised a capitalisation approach in which the current net income on a fully leased basis, net of any running costs, property management fee and other outgoings including property tax is capitalised in perpetuity at an Initial Yield, to produce a core capital value. The yields adopted reflect the nature, location and tenancy profile of the Properties together with current market investment criteria, as demonstrated by the sales evidence considered. Thereafter, appropriate adjustments have been included relating to rental reversion potential and capital expenditure requirements.

Discounted Cash Flow Analysis

In respect of the Citadel 100 Data centre, we have carried out a discounted cash flow analysis over the remainder of the short leasehold tenure period, in which we have assumed that the Property reverts to nil value at the end of the current short lease. This form of analysis allows an investor or owner to make an assessment of the return that is likely to be derived from a property over an assumed investment horizon. In undertaking this analysis, a wide range of assumptions are made including a target or pre-selected internal rate of return, rental growth, operating and capital expenditure, as well as costs associated with the initial purchase of the property. In this instance, we have not assumed a value at the end of the cash flow period, as this reflects the end of the owner's interest in the property by virtue of an expiry of the short lease.

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Summary of Values

Based on the above, the following table outlines the key property information adopted in our assessment of the Properties:

Property	Tenure (land area sq ft)	Gross Floor Area (sq ft)	Lettable Area (sq ft)	Technical / Colocation Space (sq ft)	Gross Rent (per annum)	Gross ERV (per annum)	Initial Yield / IRR	Market Value
Almere Data Centre	Freehold (85,358)	138,219	118,403	53,820	€5,978,626.69	€5,978,626.69	7.25% (Initial Yield)	**€80,500,000**
Citadel 100 Data Centre	Short Leasehold (218,236)	125,044	68,052	61,563	€8,311,104	€12,088,152	10.00% (IRR)	**€63,150,000**
GV7 Data Centre	Long Leasehold (N/A)	34,848	24,972	10,979	£2,625,728	£1,836,000	7.00% (Initial Yield)	**£37,000,000**

Assessment of Value

We are of the opinion that the Market Value of the freehold or leasehold interest in the Properties, subject to the existing tenancies and occupational arrangements disclosed is:

Almere Data Centre, Rondebeltweg 62, 'Sallandsekant' Business Park, Almere, The Netherlands:

€80,500,000
(EIGHTY MILLION FIVEHUNDRED THOUSAND EURO)

Citadel 100 Data Centre, Unit 4031-4033, Citywest Business Park, Dublin, Ireland:

€63,150,000
(SIXTY THREE MILLION ONE HUNDRED AND FIFTY THOUSAND EURO)

GV7 Data Centre, 7 Greenwich View Place, London E14 9NN:

£37,000,000
(THIRTY SEVEN MILLION POUNDS)

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Disclaimer

This Valuation Summary Letter is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout this letter and our Reports, all addressed to Keppel DC REIT Management Pte. Ltd, as manager of Keppel DC REIT. Reliance on the Reports and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This Valuation Summary Letter was prepared for purposes of inclusion in the prospectus to be issued in relation to the IPO of Keppel DC REIT and its listing on the Mainboard of the SGX-ST (the "Prospectus") and may not be reproduced or used in connection with any other purpose without our prior written consent. We hereby consent to its inclusion in the Prospectus. We specifically disclaim liability to any person in the event of any omission from or false or misleading statement included in the Prospectus, other than in respect of the information presented in the Reports and this Valuation Summary letter. We do not make any warranty or representation as to the accuracy of the information in any other part of the Prospectus. We have taken all reasonable care to ensure that the information contained in this valuation is, to the best of our knowledge, correct as at the Valuation Date.

CBRE has relied upon property data supplied by the Securus Data Property Fund and Keppel DC REIT Management Pte. Ltd, as manager of Keppel DC REIT, which we assume to be true and accurate. CBRE takes no responsibility for inaccurate client supplied data and subsequent conclusions related to such data.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and is our personal, unbiased professional analyses, opinions and conclusions. CBRE have no present or prospective interest in the Properties and the valuers have no personal interest or bias with respect to the parties involved.

The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event (such as a lending proposal or sale negotiation).

We hereby certify that the valuers undertaking these valuations are authorized to practice as valuers and have at least 9 years continuous experience in valuation.

CBRE

Yours faithfully

Martin Miklosko MRICS
RICS Registered Valuer
Director
Valuation & Advisory Services

Nick Butler MRICS
RICS Registered Valuer
Senior Director
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Nick Knight MRICS
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APPENDICES – VALUATION SUMMARIES

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23 November 2014

Keppel DC REIT Management Pte. Ltd, as manager of Keppel DC REIT
18 Cross Street #10-10
China Square Central
Singapore 048423

VALUATION SUMMARY

Property:	Almere Data Centre Rondebeltweg 62 'Sallandsekant' Business Park Almere The Netherlands
Purpose:	To establish Market Value for the Initial Public Offering (IPO) of Keppel DC REIT on the Singapore Exchange Trading Limited ("SGX-ST")
Basis of Valuation:	Market Value
Date of Inspection:	13 December 2013
Valuation Date:	30 September 2014
Brief Description:	The Almere Data Centre is a modern data centre facility situated approximately 32 kilometres to the east of The Netherlands' capital city, Amsterdam. The facility is built on reclaimed land and has good road communications, with modern warehouses and offices being developed in the region in the recent past. The property comprises of a three storey Data Centre, constructed in 2008 and being semi-detached adjoining a mirrored building, with a party wall between them. The Gross Floor Area is 138,219 sq ft, with data halls on the first and second floors resulting in total technical space of 53,820 sq ft. Including offices and ancillary space the total Lettable Area is 118,403 sq ft. The power and cooling infrastructure is sufficient for 1,500 W per sq m (139 W per sq ft) to the technical space, with sufficient plant space to increase this to 2,000 W per sq m (186 W per sq ft). The current design IT load of the facility is therefore 7.5 MW with the potential to increase this to 10 MW.
Gross Floor Area:	138,219 sq ft
Lettable Area:	118,403 sq ft
Technical Space:	53,820 sq ft
Land Area:	85,358 sq ft
Tenure:	Freehold

Tenancy:	The property is fully let to Borchveste Almere B.V. on a 20 year term until 17 April 2033 subject to a tenant's break option on 01 September 2008. Beneath this lease, the property is fully sub-let to a member of the same group as an international information communications technology company which is listed on the Euronext on a lease expiring on 01 September 2028 but with the right to extend. Under the leasing structure, the responsibility for the repairing liabilities and life cycle renewal of the technical equipment lies with the tenant, in return for an annual rent retention. The income generated by the property is driven by the income payable by the ultimate sub-tenant to Borchveste ALmere B.V. and although we cannot disclose the exact ultimate sub-lease terms for reasons of confidentiality, we can confirm that the gross rent receivable by the Company from Borchveste Almere B.V. is currently €5,978,626.69 per annum and that this is subject to fixed annual uplifts in line with the lower of Dutch CPI or 2.0%. The Company as freeholder remains liable for the property taxes and insurance of the building, which we understand totals €82,862 for the year 2014/2015.
Gross Passing Rent:	€5,978,626.69 per annum
Net Passing Rent:	€5,895,764.91 per annum
Gross ERV:	€5,978,626.69 per annum
Net ERV:	€5,895,764.91 per annum
Valuation Approach:	Capitalisation
Market Value:	€80,500,000 (Eighty Million Five Hundred Thousand Euro)
Purchaser's Costs:	1.0%
Analysis Initial Yield:	 7.25%
Reversionary Yield:	7.25%
Capital Value per sq ft:	€1,496 per sq ft based on the Lettable Area
Assumptions, Qualifications, Limitations & Disclaimers	This Valuation Summary is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout our Summary Valuation Letter dated 23 November 2014 and in Valuation Report Pages I to IX of our Report on the Almere Data Centre, dated 24 October 2014 and both addressed to Keppel DC REIT Management Pte. Ltd, as manager of Keppel DC REIT. Reliance on the Valuation Report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation was prepared for purposes of inclusion in the prospectus to be issued in relation to the IPO of Keppel DC REIT and its listing on the Mainboard of the SGX-ST (the "**Prospectus**") and may not be reproduced or used in connection with any other purpose without our prior written consent. We hereby consent to its inclusion in the Prospectus. We specifically disclaim liability to any person in the event of any omission from or false or misleading statement included in the Prospectus, other than in respect of the information presented in this valuation. We do not make any warranty or representation as to the accuracy of the information in any other part of the Prospectus. We have taken all reasonable care to ensure that the information contained in this valuation is, to the best of our knowledge, correct as at the Valuation Date. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.

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23 November 2014

Keppel DC REIT Management Pte. Ltd, as manager of Keppel DC REIT
18 Cross Street #10-10
China Square Central
Singapore 048423

VALUATION SUMMARY

Property:	Citadel 100 Data Centre Unit 4031-4033 Citywest Business Park Co Dublin Ireland
Purpose:	To establish Market Value for the Initial Public Offering (IPO) of Keppel DC REIT on the Singapore Exchange Trading Limited ("SGX-ST")
Purpose:	Initial Public Offering
Basis of Valuation:	Market Value
Date of Inspection:	27 January 2014
Valuation Date:	30 September 2014
Brief Description:	Citadel 100 Data Centre is a modern data centre, completed in 2000 and situated on the Citywest Business Campus in a prime suburban industrial/commercial location, approximately 14km south west of Dublin City Centre and is situated just off Junction 3 of the N7 National Road. The subject property comprises a two storey industrial unit which has been fitted out as a well specified data centre facility and is approximately 13 years old. However, the fit out of some of the individual halls is more recent, with some areas having been upgraded in recent years: (Colo 4 & 5 in 2007; Colo 6 in 2008; and Colo 7 in February 2011). The total colocation space within the building across both the ground and first floors totals 61,563 sq ft, while the property has a Gross Floor Area of 125,044 sq ft. Including the offices and ancillary areas, the total Lettable Area is 68,052 sq ft. The property is on a level and broadly rectangular site of circa 3.5 acres. The plant is mostly located outside of the shell of the original building, either in an extension which was added at the time of conversion to data centre, or externally. The property currently benefits from two 12 MVA power feeds to the site.
Gross Floor Area:	125,044 sq ft
Lettable Area:	68,052 sq ft
Colocation Space:	61,563 sq ft
Land Area:	218,236 sq ft

Tenure:	The property is held by Citadel 100 Data Centres Limited ("C100") on a 25 year lease from 12 July 2001 and subject to a reversionary lease for 14 years and 9 months from 12 July 2026, expiring 11 April 2041. The rent payable under this lease is currently £1,677,633 per annum and increases as follows:

1 January 2011 to 31 December 2015:	€1,677,634 per annum
1 January 2016 to 31 December 2021:	€1,777,633 per annum
1 January 2022 to 31 December 2026:	€2,044,278 per annum
1 January 2027 to 31 December 2031:	€2,350,920 per annum
1 January 2032 to 31 December 2036:	€2,774,085 per annum
1 January 2037 to lease expiry on 11 April 2041:	€3,273,421 per annum

Tenancy:	The property is operated as a colocation data centre facility and as such is subject to numerous occupational service agreements over various data halls or parts of data halls. Originally, there was a master agreement in place with a member of the same group as a Fortune Global 500 and S&P 100 MNC which is listed on the NYSE and provides IT hardware, software and integrated solutions (the "**Services Provider**"), through which customers took space within the facility, paying a base colocation fee to C100, while also being able to benefit from various additional IT services provided by the Services Provider. We understand that recently, this master agreement was cancelled so that customers can now contract directly with C100, who will also aim to provide the required additional services. There are currently 14 occupational agreements in place and circa 24.4% of the colocation space is vacant.
Gross Passing Rent:	€8,311,104 per annum
Net Passing Rent:	€2,785,238 per annum after the deduction of the present ground rent of €1,677,634 per annum and the opex, currently running at €3,848,234 per annum
Gross ERV:	€12,088,152 per annum
Net ERV:	€6,562,284 per annum based on current day ground rent and opex as stated above
Valuation Approach:	Discounted Cash Flow
Market Value:	€63,150,000 (Sixty Three Million One Hundred and Fifty Thousand Euro)
Purchaser's Costs:	4.46%
Analysis Initial Yield:	 4.22%
Exit Yield:	Nil as only 26 years and 6 months remaining on cash flow.
IRR (26 years and 6 months)	10.00%
Capital Value per sq ft:	€1,026 per sq ft based on the Lettable Area

Assumptions, Qualifications, Limitations & Disclaimers	This Valuation Summary is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout our Summary Valuation Letter dated 23 November 2014 and in Valuation Report Pages I to IX of our Report on the Citadel 100 Data Centre, dated 24 October 2014 and both addressed to Keppel DC REIT Management Pte. Ltd, as manager of Keppel DC REIT. Reliance on the Valuation Report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements This valuation was prepared for purposes of inclusion in the prospectus to be issued in relation to the IPO of Keppel DC REIT and its listing on the Mainboard of the SGX-ST (the "**Prospectus**") and may not be reproduced or used in connection with any other purpose without our prior written consent. We hereby consent to its inclusion in the Prospectus. We specifically disclaim liability to any person in the event of any omission from or false or misleading statement included in the Prospectus, other than in respect of the information presented in this valuation. We do not make any warranty or representation as to the accuracy of the information in any other part of the Prospectus. We have taken all reasonable care to ensure that the information contained in this valuation is, to the best of our knowledge, correct as at the Valuation Date. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.
Prepared by:	

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23 November 2014

Keppel DC REIT Management Pte. Ltd, as manager of Keppel DC REIT
18 Cross Street #10-10
China Square Central
Singapore 048423

VALUATION SUMMARY

Property:	GV7 Data Centre 7 Greenwich View Place London E14 9NN
Purpose:	To establish Market Value for the Initial Public Offering (IPO) of Keppel DC REIT on the Singapore Exchange Trading Limited ("SGX-ST")
Purpose:	Initial Public Offering
Basis of Valuation:	Market Value
Date of Inspection:	03 February 2014
Valuation Date:	30 September 2014
Brief Description:	Located on the Isle of Dogs, in the Docklands area of east London, the GV7 Data Centre lies circa 1km to the south of the heart of the Canary Wharf estate and circa 6km to the east of the heart of the City of London around the Bank of England. Connectivity to the site is excellent in terms of roads and public transport. The site is within 500m of the Crossharbour Docklands Light Railway station and within 1km of the Canary Wharf London Underground station, serving the Jubilee Line. From 2018, Crossrail will also have a station at Canary Wharf, just over 1km to the north of the property. The A13 east-west route between the City of London and the M25 orbital motorway is within 2km to the north, also providing access to key trunk roads such as the A11 and A12 to northeast London and the A2 to southeast London. The property was originally constructed in 1987 as a warehouse / workshop over the ground and 1st floors totalling 34,848 sq ft Gross Floor Area, and in 2000 was converted into a data centre facility for occupational by Merrill Lynch. The bank vacated in 2009 and the property was upgraded and refurbished again, now offering a Tier II data centre facility with 24,975 sq ft of Lettable Area of which 10,979 sq ft is within the ground floor data hall and the remainder in the 1st floor business continuity area, with a maximum design IT load of circa 1.53 MW based on a density of 1,500 W / sq m on the ground floor data hall. The ground floor of the property houses the data hall as well as the main security entrance, customer breakout area as well as a UPS room. The 1st floor houses a large disaster recovery suite above the data hall, together with ancillary offices and meeting rooms as well a main plant room containing the AHUs, pumps, boilers and chillers. There are a total of three 2 MVA diesel generators, one located externally and two within the building, and were installed as new in 2011.

Gross Floor Area:	34,848 sq ft
Lettable Area:	24,972 sq ft
Technical Space:	10,979 sq ft
Land Area:	N/A
Tenure:	The property is held long leasehold by way of a 199 year lease from 28 September 1984 and expiring 28 September 2183, thus giving a further circa 169 years unexpired. The rent payable under this lease is stated as a peppercorn (ie: nil) fixed throughout the term.
Tenancy:	The property is leased in its entirety to a member of the same group as an S&P 500 company which is listed on the NYSE and is an international provider of enterprise cloud computing, co-location services, managed hosting and professional cloud services, subject to a guarantee from their global parent company. The lease is for a term of 15 years from 10 February 2012 and expiring 09 February 2027, thus giving a further 12.5 years unexpired. The rent payable is based on a fully fitted facility, being £2,625,728 per annum (239 per sq ft on the Lettable Area) as of 10 February 2014 and this is subject to fixed increases at 3.0% per annum every year for the first 5 years, and then 4-yearly thereafter.
Gross Passing Rent:	£2,625,728 per annum from10 February 2014
Net Passing Rent:	£2,625728 per annum
Gross ERV:	£1,836,000 per annum
Net ERV:	£1,836,000 per annum
Valuation Approach:	Capitalisation
Market Value:	£37,000,000
Purchaser's Costs:	1.8%
Analysis	
Initial Yield:	6.97%
Reversionary Yield:	5.83%
Capital Value per sq ft:	£3,370 per sq ft
Assumptions, Qualifications, Limitations & Disclaimers	This Valuation Summary is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout our Summary Valuation Letter dated 23 November 2014 and in Valuation Report Pages I to VIII of our Report on the GV7 Data Centre, dated 24 October 2014 and both addressed to Keppel DC REIT Management Pte. Ltd, as manager of Keppel DC REIT. Reliance on the Valuation Report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation was prepared for purposes of inclusion in the prospectus to be issued in relation to the IPO of Keppel DC REIT and its listing on the Mainboard of the SGX-ST (the "**Prospectus**") and may not be reproduced or used in connection with any other purpose without our prior written consent. We hereby consent to its inclusion in the Prospectus. We specifically disclaim liability to any person in the event of any omission from or false or misleading statement included in the Prospectus, other than in respect of the information presented in this valuation. We do not make any warranty or representation as to the accuracy of the information in any other part of the Prospectus. We have taken all reasonable care to ensure that the information contained in this valuation is, to the best of our knowledge, correct as at the Valuation Date. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.

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Colliers INTERNATIONAL

Our Ref : 2014/20 (A, B & C)

30 September 2014

The Trust Company (Asia) Limited (as Trustee of Keppel DC REIT)
8 Marina Boulevard #05-02
Marina Bay Financial Centre
Singapore 018981

Dear Sirs,

PROPERTY VALUATION OF:-

1) **T25**
25 Tampines Street 92
Singapore 528877

2) **S25**
25 Serangoon North Avenue 5
Singapore 554914

3) **BASIS BAY DATA CENTRE**
4710, Jalan Cyber Point 5
Zone Flagship Cyberjaya,
63000 Cyberjaya, Selangor Darul Ehsan
Malaysia

Instructions

We refer to your instructions to carry out a valuation in respect of the abovementioned properties for the purpose of the initial public offering of Keppel DC REIT on the Mainboard of the Singapore Exchange Securities Trading Limited. Our instructions are to provide our opinion of the current market value on an 'as is' basis and subject to the pre-arranged master lease arrangement.

We confirmed that we have inspected the properties and conducted relevant enquiries and investigations as we consider necessary for the purposes of providing you with our opinion of the value of the properties.

The valuation has been carried out in accordance with valuation standards and guidelines of The Singapore Institute of Surveyors And Valuers'/ Board of Valuers, Appraisers & Estate Agents, Malaysia.

Our valuation is on the basis of Market Value which is intended to mean "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

In adopting this definition of value, we are of the opinion that it is consistent with the international definition of Market Value as advocated by the Royal Institution of Chartered Surveyors (RICS) and the International Valuation Standards Council (IVSC).

Our valuation has been made on the assumption that the properties are sold in the open market without the benefit of a deferred term contract or any similar arrangement which could serve to affect the value of the properties.

No allowance has been made in our valuation for any changes, mortgages or amounts owing on the properties nor for any expenses or taxation which may be incurred in affecting a sale. It is assumed that the properties are free from major or material encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

Reliance on This Letter

For the purpose of this Prospectus, we have prepared this letter and the enclosed valuation certificates which summarise our Reports and outline key factors which we have considered in arriving at our opinion of values. This letter and the valuation certificates do not contain all the necessary data and information included in our Reports. For further information, reference should be made to the Reports.

The valuation and market information are not guarantees or predictions and must be read in consideration of the following:-

- The estimated value is based upon the factual information provided by the owner/Trust Manager. Property data/information provided is assumed to be correct. Whilst Colliers International has endeavoured to ensure the accuracy of the information, it has not independently verified all information provided by the owner. Colliers International also accepts no responsibility for subsequent changes in information as to areas, income, expenses or market conditions.

- The methodologies adopted in valuing the properties are based upon estimates of future results and are not predictions. Each methodology is based on a set of assumptions as to income and expenses of the properties and future economic conditions in the local market.

Summary of Property Information

No.	Property Address	Balance Lease Term (Years)	Land Area (sq ft)	Gross Floor Area (sq ft)
1)	T25 25 Tampines Street 92 Singapore 528877	36.8	53,820	106,726
2)	S25 25 Serangoon North Avenue 5 Singapore 554914	41.0	78,928	225,945
3)	BASIS BAY DATA CENTRE 4710, Jalan Cyber Point 5 Zone Flagship Cyberjaya, 63000 Cyberjaya, Selangor Darul Ehsan Malaysia	Freehold	64,809	88,600

Valuation Rationale

In determining the market value of the properties, we have considered relevant general and economic factors and examined available market evidence. We have used the Income Capitalisation Method and the Discounted Cash Flow Analysis as the primary methods and the Direct Comparison Method and Cost Method as cross check.

In the Income Capitalisation Method, the estimated annual net income of the property after deducting all necessary outgoings is capitalized at an appropriate rate of return for the balance lease term to arrive at the market value. The adopted rate reflects the nature, location, tenure, tenancy profile lease arrangement of the property together with the prevailing property market condition.

We have carried out a 10-year Discounted Cash Flow (DCF) Analysis with respect to Net Present Value Method on the properties. Briefly, this method entails comparison of all future receipts from an investment with all future outgoings and the application of an appropriate discounted rate to this flow of net income to determine the net present value (NPV) of this income stream. The property is hypothetically assumed to be sold after the end of the tenth year.

In undertaking this method, we have studied the income and operating costs projections provided and a wide range of assumptions are made including rental growth and outgoings escalation throughout the cash flow period as well as sale price (or terminal value) of the property at the end of the investment horizon. The future estimates adopted for rents and costs are projections that are formed on the basis of information currently available to us and are not representations of what the value of the property will be as at a future date. These assumptions have been based on the current market conditions and current expectations as to property values, income and yield.

In the Direct Comparison Method, a comparison is made with recent sales of comparable properties in the vicinity and other comparable locations. Adjustments, where necessary, are made for differences in location, size, tenure, design and layout, standard of building finishes, services and facilities provided, age/ condition, tenancy profile, date of sale, etc., before arriving at the values of the subject properties. There is limited recent data centre transactions in the respective markets, we have made reference to sale of hi-specs industrial buildings, business park developments and suburban offices in comparable locations as a general guide to value.

Under the Cost Method, it is assumed that cost is equal to value. The value of the building and other improvements is added to the value of the land to arrive at the value of the whole property. The value of the building and other improvements is based on the current construction costs (including professional fees) of an equivalent building and improvements less depreciation, (if any). As substantial investment is required to build the data centre facility, the cost of construction cannot be disregarded in the equation. However, cost may not be equal to value in reality, this method should not be used independently without reference to other methods, to provide a true test of the market value.

In view of the nature and use of the properties, we have placed more weightage on the Income Capitalisation Approach and Discounted Cashflow Analysis to conclude our finding.

Summary of Values

Summarised below are our opinion of values:

No.	Property Address	Capitalisation Rate	Discount Rate	Market Value As at 30 September 2014
1)	T25 25 Tampines Street 92 Singapore 528877	8.25%	9.50%	S$160,000,000/-
2)	S25 25 Serangoon North Avenue 5 Singapore 554914	8.25%	9.50%	S$262,600,000/-
3)	BASIS BAY DATA CENTRE 4710, Jalan Cyber Point 5 Zone Flagship Cyberjaya, 63000 Cyberjaya, Selangor Darul Ehsan Malaysia	9.25%	11.00%	RM112,000,000/-

Disclaimer

We have prepared this Valuation Summary Letter and the enclosed Valuation Certificates for inclusion in the prospectus and specifically disclaim liability to any person in the event of any omission from or false or misleading statement included in the prospectus, other than in respect of the information provided within the Reports and this Valuation Summary Letter.

The reported analysis, opinion and conclusion are limited only by the reported assumptions and limiting conditions and is our personal, unbiased professional analyses, opinions and conclusions. The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

Colliers International Consultancy and Valuation (Singapore) Pte Ltd has relied upon the property data supplied by the owner/manager which we assume to be true and accurate. Colliers International Consultancy and Valuation (Singapore) Pte Ltd takes no responsibility for inaccurate data supplied by the owner/manager and subsequent conclusions related to such data.

We also confirm that we do not have a pecuniary interest that would conflict with a proper valuation of the property and the valuers undertaking the valuation are authorised to practise as valuers and have at least 20 years continuous experience in valuation.

Our Valuation Certificates are appended.

Yours faithfully

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Cynthia Ng
BSc (Estate Management), FSISV & FRICS
Licence No. AD041-2003388A
Deputy Managing Director

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Dennis Yeo
BSc (Estate Management), MSISV & MRICS
Licence No. AD041-2008506E
Interim Chief Executive Officer, Asia
Managing Director, Singapore

Enc.

VALUATION CERTIFICATE

Our Reference	:	2014/20 (B)
Address of Property	:	S25 25 Serangoon North Avenue 5 Singapore 554914
Valuation Prepared for	:	The Trust Company (Asia) Limited (in its capacity as Trustee of Keppel DC REIT)
Legal Description	:	Lot 16097V Mukim 18
Tenure	:	30+30-year JTC lease commencing 1 October 1995 (with balance lease term of approximately 41.0 years)
Registered Lessee	:	Keppel Digihub Ltd
Brief Description	:	The subject property comprises a Tier 3 6-storey data centre with a 5-storey annex building for supporting services and equipment. The property is located on the northern side of Serangoon North Avenue 5, at its junction with Serangoon North Avenue 4, within Serangoon North Industrial Estate and some 10.5 km from the City Centre. Accessibility to other parts of Singapore is via Central Expressway, Tampines Expressway and Ang Mo Kio MRT Station/ Bus Interchange. All essential public and tele-communication services are provided.
Land Area	:	7,332.7 sm (78,928 sf) or thereabouts
Gross Floor Area	:	Approximately 20,991.0 sm (225,945 sf), as provided and subject to survey
Lettable Floor Area	:	Approximately 10,179.8 sm (109,574 sf), as provided and subject to survey
Year of Completion	:	We understand that the main building was originally completed in the early 1990s and Addition & Alteration works were completed in 2009. The annex building was completed in 2011 with the Temporary Occupation Permit and Certificate of Satisfactory Completion issued on 27 January 2014 and 20 February 2014 respectively.
Condition of Property	:	Good
Brief Leaseback Terms and Conditions	:	The subject property will be 100% leased back to Keppel Digihub Ltd as the lessee. The lease term will be based on fixed rent of S$5,000,000/- per annum for the 1st year which will be subject to fixed annual rental escalation based on Consumer Price Index ("CPI") or 3.0%, whichever the higher; as well as a variable rent based on 99.0% of the net Earnings Before Interest, Tax, Depreciation and Amortization ("EBITDA"), after fixed rent of the Lessee and the agreed provision for management fees totaling 4.0% of net EBITDA. Keppel DC REIT as lessor will be responsible for property tax, insurance, subletting fee payable to JTC and also capital expenditure. For the purpose of this valuation, we have been instructed to take into account the upfront land premium payable by Keppel DC REIT for both the duration of the remaining initial land lease term and the further land lease term of 30 years.

Annual Land Rent	:	S$285,169/- (excluding GST)
Annual Value (2014)	:	S$7,794,300/-
Master Plan Zoning (2014 Edition)	:	"Business 1" with a maximum permissible plot ratio of 3.0
Basis of Valuation	:	As-is and subject to pre-agreed leaseback arrangement
Methods of Valuation	:	Income Capitalisation Approach and Discounted Cashflow Analysis
Capitalisation Rate	:	8.25%
Discount Rate	:	9.50%
Terminal Cap Rate	:	8.75%
Internal Rate of Return	:	10.1%
Date of Valuation	:	30 September 2014
Market Value	:	**S$262,600,000/-** (Singapore Dollars Two Hundred Sixty-Two Million And Six Hundred Thousand Only)

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Cynthia Ng
BSc (Estate Management), FSISV & FRICS
Licence No. AD041-2003388A
Deputy Managing Director

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Dennis Yeo
BSc (Estate Management), MSISV & MRICS
Licence No. AD041-2008506E
Interim Chief Executive Officer, Asia
Managing Director, Singapore

CYC/CN/ds

This valuation certificate is a summary of the full valuation report dated 30 September 2014 (ref : 2014/20(B)) for the property below. This certificate does not constitute a valuation in its own right and should only be relied on when read in conjunction with the full valuation report and all the assumptions, limitations and other terms and conditions outlined in the full valuation report.

S25
25 Serangoon North Avenue 5
Singapore 554914
Our Ref : 2014/20 (B)

VALUATION CERTIFICATE

Our Reference	:	2014/20 (A)
Address of Property	:	T25 25 Tampines Street 92 Singapore 528877
Valuation Prepared for	:	The Trust Company (Asia) Limited (in its capacity as Trustee of Keppel DC REIT)
Legal Description	:	Lot 4776K Mukim 28
Tenure	:	30 + 30-year HDB lease commencing 1 August 1991 (with balance lease term of approximately 36.8 years)
Registered Lessee	:	Keppel Datahub Pte. Ltd.
Brief Description	:	The subject property comprises a Tier 3 5-storey data centre building with a 4-storey annex building for supporting services and equipment. The property is located on the south-eastern side of Tampines Street 92, off Tampines Avenue 5/Tampines Avenue 1 and Pan Island Expressway, and some 12 km from the City Centre. Accessibility to other parts of Singapore is via Pan-Island/Tampines Expressways, East Coast Parkway and Tampines MRT Station, all within a short drive away. All essential public services and telecommunications are provided.
Land Area	:	5,000.1 sm (53,820 sf) or thereabouts
Gross Floor Area	:	Approximately 9,915.2 sm (106,726 sf), as provided and subject to survey)
Lettable Area	:	Approximately 3,427.0 sm (36,888 sf), as provided and subject to survey)
Year of Completion	:	We understand that the building was originally completed in the early 1990s. Addition and alteration works was carried out in 2009 to convert the original building to a data centre and to erect a new annex building. The data centre and annex building obtained its Certificate of Statutory Completion on 14 September 2011.
Condition of Property	:	Good
Brief Leaseback Terms and Conditions	:	The subject property will be 100% leased back to Keppel Datahub Pte. Ltd. as the lessee. The lease term will be for 10 years commencing from the date of completion of the sale with an option to extend for another 5 years. The lease will be based on a fixed rent of S$3,000,000/- per annum for the 1st year which will be subject to fixed annual rental escalation based on Consumer Price Index ("CPI") or 3.0%, whichever the higher; as well as a variable rent based on 99.0% of the net Earnings Before interest, Tax, Depreciation and Amortization ("EBITDA"), after fixed rent of the lessee and the agreed provision for facility management fees totaling 4.0% of net EBITDA. Keppel DC REIT as landlord will be responsible for property tax, insurance and subletting fee payable to HDB and also capital expenditure. We have been instructed to take into account the upfront land premium payable by Keppel DC REIT for both the duration of the remaining initial land lease term and the further land lease term of 30 years.

Annual Land Rent	:	S$190,536 /- (excluding GST)
Annual Value (2014)	:	S$2,957,000/-
Master Plan Zoning (2014 Edition)	:	"Business 2" with a maximum permissible plot ratio of 2.5
Basis of Valuation		As-is and subject to pre-agreed leaseback arrangement
Methods of Valuation	:	Income Capitalisation Approach and Discounted Cashflow Analysis
Capitalisation Rate	:	8.25%
Discount Rate	:	9.50%
Terminal Cap Rate	:	8.75%
Internal Rate of Return	:	9.94%
Date of Valuation	:	30 September 2014
Market Value	:	**S$160,000,000/-** (Singapore Dollars One Hundred And Sixty Million Only)

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Cynthia Ng
BSc (Estate Management), FSISV & FRICS
Licence No. AD041-2003388A
Deputy Managing Director

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Dennis Yeo
BSc (Estate Management), MSISV & MRICS
Licence No. AD041-2008506E
Interim Chief Executive Officer, Asia
Managing Director, Singapore

KH/CN/ha

This valuation certificate is a summary of the full valuation report dated 30 September 2014 (ref: 2014/20(A)) for the property below. This certificate does not constitute a valuation in its own right and should only be relied on when read in conjunction with the full valuation report and all the assumptions, limitations and other terms and conditions outlined in the full valuation report.

T25
25 Tampines Street 92
Singapore 528877
Our Ref: 2014/20 (A)

Colliers INTERNATIONAL

VALUATION CERTIFICATE

Our Reference	:	2014/20 (C)
Address of Property	:	BASIS BAY DATA CENTRE 4710, Jalan Cyber Point 5 Zone Flagship Cyberjaya, 63000 Cyberjaya, Selangor Darul Ehsan Malaysia
Valuation Prepared for	:	The Trust Company (Asia) Limited (in its capacity as trustee of Keppel DC REIT)
Legal Description	:	Lot No. PT 12162
Title No.	:	HSD 7130
Tenure	:	Freehold
Registered Proprietor	:	Basis Bay Capital Management Sdn Bhd
Brief Description	:	The subject property comprises a Tier 3 designed purpose-built data centre facility with a 4-storey data building with a 2-storey office building and some ancillary buildings. The property is located on the eastern side of Jalan Cyber Point 5, at its junction with Persiaran Cyber Point Seletan, within Cyberjaya Flagship Zone and approximately 40 kilometres south of Kuala Lumpur city centre. Accessibility to other parts of the region is enhanced via the North South Central Link (Elite highway), Maju Expressway (MEX), South Klang Valley Expressway (SKVE), The Damansara – Puchong highway (LDP), B15 State Road and the KL-Putrajaya/ Cyberjaya dedicated highway. All essential public and tele-communication services are provided.
Land Area	:	6,021.0 sm (64,809 sf) or thereabouts
Gross Floor Area (GFA)	:	Approximately 8,231.2 sm (88,600 sf) (as provided and subject to survey)
Net Lettable Area (NLA)	:	Approximately 4,522.6 sm (48,680 sf) (as provided and subject to survey)
Year of Completion	:	The Certificate of Fitness for Occupation was issued on 8th April 2009.
Condition of Property	:	Fairly Good
Brief Master Lease Terms and Conditions	:	The subject property is 100% leased back to Basis Bay Services Sdn Bhd as the Master Lessee. The Master lease term is for 20 years commencing 15 June 2012 with a break option every 5 years. The rent for the first term is fixed as follows:-

First Year	RM850,000.00 per month
Second Year	RM867,000.00 per month
Third Year	RM884,340.00 per month
Fourth Year	RM902,026.80 per month
Fifth Year	RM920,067.34 per month

Brief Master Lease Terms and Conditions *(Cont'd)*	:	The rent for the Second, Third and Fourth Lease Period is to be determined by a market review subject to a cap and collar of 7.5% of the Rent Payable immediately prior to the Market Adjustment Date. For each lease period, there will be an increase of 2% per annum. The Lessor is responsible for Quit Rent, Assessments and Insurance. Upkeep, maintenance & repairs for the premises is borne by the lessee by way of a Facilities Management Agreement.
Annual Land Rent	:	RM 4,641/-
Annual Value (2014)	:	RM 1,610,000/-
Zoning	:	Commercial
Express Condition	:	Commercial Building
Basis of Valuation		As-is and subject to lease arrangement
Methods of Valuation	:	Income Capitalisation Approach and Discounted Cashflow Analysis
Capitalisation Rate	:	9.25%
Discount Rate	:	11.00%
Terminal Cap Rate	:	10.00%
Internal Rate of Return	:	11.80%
Date of Valuation	:	30 September 2014
Market Value	:	**RM$112,000,000/-** (Malaysian Ringgit One Hundred And Twelve Million Only)

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Cynthia Ng
BSc (Estate Management), FSISV & FRICS
Licence No. AD041-2003388A
Deputy Managing Director

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Dennis Yeo
BSc (Estate Management), MSISV & MRICS
Licence No. AD041-2008506E
Interim Chief Executive Officer, Asia
Managing Director, Singapore

CYC/CN/hl

This valuation certificate is a summary of the full valuation report dated 30 September 2014 (ref : 2014/20(C)) for the property below. This certificate does not constitute a valuation in its own right and should only be relied on when read in conjunction with the full valuation report and all the assumptions, limitations and other terms and conditions outlined in the full valuation report.

BASIS BAY DATA CENTRE
4710, Jalan Cyber Point 5
Zone Flagship Cyberjaya,
63000 Cyberjaya, Selangor Darul Ehsan
Malaysia
Our Ref : 2014/20(C)

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Our Ref: 17411/KS

21 October 2014

The Trust Company (Asia) Limited, in its capacity as trustee of Keppel DC REIT
8 Marina Boulevard #05-02
Marina Bay Financial Centre
Singapore 018981

Dear Sirs,

PROPERTY VALUATION OF:

1. Gore Hill Data Centre, 5 Broadcast Way (South Gate) Artarmon, NSW 2064, Australia
2. iSeek Data Centre, 2 Cycas Lane, Brisbane Airport, Queensland 4009, Australia
3. Almere Data Centre, Rondebeltweg 62 'Sallandsekant' Business Park, Almere, The Netherlands
4. Citadel 100 Data Centre, Citadel 100 - Unit 4031 – 4033, Citywest Business Park, Dublin, Ireland

INSTRUCTIONS

We refer to your instructions to carry out a valuation in respect of the above-mentioned properties for initial public offering purposes. Our instructions are to provide our opinion of the current market value on an 'as is' basis and subject to the lease arrangements and/or existing tenancies.

We confirm that we have inspected the properties and conducted relevant enquires and investigations as we consider necessary for the purposes of providing you with our opinion of the value of the properties.

The valuation has been completed in accordance with the latest Australia and New Zealand Valuation and Property Standards.

Our valuation is on the basis of Market Value which is intended to mean "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

In adopting the definition of value, we are of the opinion that it is consistent with the international definition of Market Value as advocated by the Royal Institution of Chartered Surveyors (RICS) and the International Valuation Standards (IVS).

Our valuation has been made on the assumption that the properties are sold in the open market without the benefit of a deferred term contract or any similar arrangement which could serve to affect the value of the properties.

No allowance has been made in our valuation for any changes, mortgages or amounts owing on the properties, nor for any expenses or taxation which may be incurred in affecting a sale. It is assumed that the properties are free from major or material encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

RELIANCE ON THIS LETTER

For the purpose of this Prospectus, we have prepared this letter and the enclosed valuation certificates which summarise our Reports and outline key factors which we have considered in arriving at our opinion of our values. This letter and the valuation certificates do not contain all the necessary data and information included in our Reports. For further information, reference should be made to the Reports.

The valuation and market information are not guarantees or predictions and must be read in consideration of the following:

- The estimated value is based upon the factual information provided by the owner/Trust Manager. Property data/information provided is assumed to be correct. Whilst Colliers International has endeavoured to ensure the accuracy of information, it has not independently verified all information provided by the owner. Colliers International also accepts no responsibility for subsequent changes in information as to areas, income, expenses or market conditions.
- The methodologies adopted in valuing the properties are based upon estimates of future results and are no predictions. Each methodology is based on a set of assumptions as to income and expenses of the properties and future economic conditions in the local market.

SUMMARY OF PROPERTY INFORMATION

No.	Property Address	Land Area (sqft)	Gross Floor Area (sqft)
1	Gore Hill Data Centre, 5 Broadcast Way (South Gate) Artarmon, NSW 2064, Australia	72,632	127,283
2	iSeek Data Centre, 2 Cycas Lane, Brisbane Airport, Queensland 4009, Australia	41,559	28,955
3	Almere Data Centre, Rondebeltweg 62 'Sallandsekant' Business Park, Almere, The Netherlands	85,358	138,219
4	Citadel 100 Data Centre, Citadel 100 Unit 4031 – 4033, Citywest Business Park, Dublin, Ireland	218,236	125,044

VALUATION RATIONALE

In determining the market value of the properties, we have considered relevant general and economic factors and examined available market evidence. We have used the Contract Income Capitalisation Approach, Market Income Approach and the Discounted Cash Flow Analysis as the primary methods.

The first method of valuation considered is that of direct capitalisation of passing income. This is considered to be a well proven method of determining value for an investment property where income is receivable for a reasonable term from secure tenants. The second approach requires the assessment of a current market rental for the property and capitalisation at an appropriate yield. It is then possible to make capital adjustments to allow for the difference between contract rent (either over or under) discounted until a notional equilibrium point in the lease term. Vacancies and other capital adjustments are made where appropriate. In addition we have carried out a discounted cashflow valuation over a ten year horizon in accordance with established practice.

SUMMARY OF VALUES

Summarised below are our opinion of values:

No.	Property Address	Capitalisation Rate	Discount Rate	Market Value 30 September 2014
1	Gore Hill Data Centre, 5 Broadcast Way (South Gate) Artarmon, NSW 2064, Australia	8.75%	10.00%	AUD185,400,000
2	iSeek Data Centre, 2 Cycas Lane, Brisbane Airport, Queensland 4009, Australia	12.25%	13.50%	AUD27,400,000
3	Almere Data Centre, Rondebeltweg 62 'Sallandsekant' Business Park, Almere, The Netherlands	7.25%	8.50%	€81,300,000
4	Citadel 100 Data Centre, Citadel 100 Unit 4031 – 4033, Citywest Business Park, Dublin, Ireland	9.20%	13.00%	€63,200,000

DISCLAIMER

We have prepared this Valuation Summary Letter and the enclosed Valuation Certificates for inclusion in the prospectus and specifically disclaim liability to any person in the event of any omission from, or false or misleading statement included in the Prospectus, other than in in respect of the information provided within the Reports and this Valuation Summary Letter.

The reported analysis, opinion and conclusion are limited only by the reported assumptions and limiting conditions and is our personal, unbiased professional analyses, opinion and conclusions. The valuer's compensation is not contingent upon the reporting of a pre-determined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

Colliers International New Zealand Limited has relied upon the property data supplied by the owner/manager, which we assume to be true and accurate. Colliers International New Zealand Limited takes no responsibility for inaccurate data supplied by the owner/manager and subsequent conclusions related to such data.

We also confirm that we do not have a pecuniary interest that would conflict with a proper valuation of the property and the valuers undertaking the valuation are authorised to practice as valuers and have at least 15 years continuous experience in valuation.

In accordance with the requirements of the Monetary Authority of Singapore we confirm that Bruce Gallie is the sole statutory director for Colliers New Zealand Limited. Bruce Gallie confirms, via this clause and his corresponding signature below, that Kane Sweetman is employed by Colliers International New Zealand Limited as a Registered Valuer and Chartered Valuation Surveyor and has the required authority to sign these valuation reports for the abovementioned properties on behalf of Colliers International New Zealand Limited.

Our Valuation Certificates are appended.

Yours faithfully
Colliers International NZ Ltd Valuation & Advisory Services

KANE SWEETMAN **BA, BPROP, MPINZ, FRICS**
Registered Valuer
National Director │ Valuation & Advisory Services

BRUCE GALLIE *
Chief Operating Officer | New Zealand
Statutory Director

* Bruce Gallie has signed this report solely in the capacity as statutory director of Colliers New Zealand Limited and specifically in relation to the final paragraph of the Disclaimer on the previous page of this letter. He has not undertaken any part of these valuations nor has he reviewed or verified the reports or calculations in any way.

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VALUATION CERTIFICATE

Our Reference:	17411.2/KS
Valuation Prepared for:	The Trust Company (Asia) Limited, in its capacity as trustee of Keppel DC REIT
Purpose of Valuation:	Initial Public Offer (IPO)
Date of Inspection:	31 August 2014
Date of Valuation:	30 September 2014
Address of Property:	5 Broadcast Way (South Gate) Artarmon, NSW 2064 Australia
Type of Property:	Data Centre
Brief Description:	A purpose built data centre with the major tenant, member of the same group as a financial services company listed on the ASX, taking approximately half the accommodation on a shell and core basis. The balance of the space is currently let to a member of the same group as a Fortune Global 500 and S&P 100 company, which is listed on the NASDAQ and a business only internet service provider. The subject property forms part of Gore Hill Technology Park located circa 9 kilometres north west of Sydney's CBD.
Legal Description:	Lot 4, Community Plan DP 270714
Tenure:	Freehold
Owner of Freehold Title:	Securus Australia No. 2 Pty Ltd
Land Area:	6,692 square metres (72,032 square feet)
Gross Floor Area (GFA)	11,825 square metres (127,283 square feet)
Lettable Floor Area:	8,450 square metres (90,955 square feet)
Year of Completion:	2011
Condition:	Excellent, operations only commenced in late 2011
Master Plan Zoning:	Willoughby Local Environmental Plan 2012
Permitted Use:	Zoned "IN2 Light Industrial" which allows for any use not specially excluded (Data Centres are not excluded)
Current Passing Rent:	AUD 16,901,287 per annum
Current market Rent:	AUD 16,244,035 per annum

Tenancy Brief:

Let to:

- A business only internet service provider specialising in mission critical data networks, business grade internet and data centre server co-location to businesses across Australia.
- Member of the same group as a Fortune Global 500 and S&P 100 company, which is listed on the NASDAQ.
- Member of the same group as a financial services company listed on the ASX.

Basis of Valuation:

Market Value in accordance with the International Valuation Standards (IVS 2013).

Valuation Approaches:

1. Passing Income
2. Market Capitalisation
3. Discounted Cashflow

Capitalisation Rate: 8.75%

Discount Rate: 10.00%

Terminal Cap Rate: 9.75%

Valuation:

In view of the foregoing and having taken into consideration the prevailing market conditions, we are of the opinion that the market value of the subject property, subject to the occupational leases, but free from all other encumbrances, is as follows:

Market Value AUD 185,400,000 plus GST

(ONE HUNDRED AND EIGHTY FIVE MILLION FOUR HUNDRED THOUSAND AUSTRALIAN DOLLARS)

COLLIERS INTERNATIONAL NEW ZEALAND LIMITED

Kane Sweetman FRICS, MPINZ, AAPI
Registered Valuer
National Director – Valuation and Advisory Services

This Valuation Certificate is a summary of the full valuation report dated 30 September 2014 (ref: 17411.2/KS) for the property below. This Certificate does not constitute a valuation in its own right and should only be relied on when read in conjunction with the full valuation report and all the assumptions, limitations and other terms and conditions outlined in the full valuation report.

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Colliers INTERNATIONAL

VALUATION CERTIFICATE

Our Reference:	17411.1/KS
Valuation Prepared for:	The Trust Company (Asia) Limited, in its capacity as trustee of Keppel DC REIT
Purpose of Valuation:	Initial Public Offer (IPO)
Date of Inspection:	1 September 2014
Date of Valuation:	30 September 2014
Address of Property:	2 Cycas Lane Brisbane Airport, Queensland 4009 Australia
Type of Property:	Data Centre
Brief Description:	The building comprises a modern two storey data centre. The subject property forms part of the Export Park Precinct of Brisbane Airport located some 14 kilometres north east of Brisbane's CBD.
Legal Description:	Portion of land parcel being Lot 10 Survey Plan 208835, County of Stanley, Parish of Toombul.
Tenure:	Leasehold, expiring 29 June 2047 (including rights of renewal once exercised)
Owner of Leasehold Interest:	iSeek Facilities Pte Limited (a wholly-owned subsidiary of Securus Australia No. 1 Pte Limited, in its capacity as trustee of Securus Australia Trust No. 1)
Land Area:	3,861 square metres (41,559 sq ft)
Gross Floor Area (GFA)	2,690 square metres (28,955 sq ft)
Data Hall Floor Area:	1,151 square metres (12,389 sq ft)
Year of Completion:	2010
Condition:	Excellent, only became operational in 2011
Master Plan Zoning:	Brisbane City Plan 2000
Permitted Use:	Zoned "Special Purpose 'SP6 – Airport' which allows uses at the discretion of the Brisbane Airport Corporation.
Current Passing Rent:	AUD 4,404,275 per annum
Current Market Rent:	AUD 4,404,275 per annum
Current Ground Rent:	AUD 993,795 per annum (4% fixed annual uplifts)

Tenancy Brief:	Let to a business only internet service provider specialising in mission critical data networks, business grade internet and data centre server co-location to businesses across Australia.
Basis of Valuation:	Market Value in accordance with the International Valuation Standards (IVS 2013).
Valuation Approaches:	1. Passing Income 2. Market Capitalisation 3. Discounted Cashflow
Capitalisation Rate:	12.25%
Discount Rate:	13.50%
Terminal Cap Rate:	20.00%
Valuation:	In view of the foregoing and having taken into consideration the prevailing market conditions, we are of the opinion that the market value of the subject property, subject to the ground lease and occupational lease, but free from all other encumbrances, is as follows: Market Value AUD 27,400,000 plus GST (TWENTY SEVEN MILLION FOUR HUNDRED THOUSAND AUSTRALIAN DOLLARS)

COLLIERS INTERNATIONAL NEW ZEALAND LIMITED

Kane Sweetman FRICS, MPINZ, AAPI
Registered Valuer
National Director – Valuation and Advisory Services

This Valuation Certificate is a summary of the full valuation report dated 31 September 2014 (ref: 17411.1/KS) for the property below. This Certificate does not constitute a valuation in its own right and should only be relied on when read in conjunction with the full valuation report and all the assumptions, limitations and other terms and conditions outlined in the full valuation report.

2 Cycas Lane, Brisbane Airport, Queensland 4009, Australia

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VALUATION CERTIFICATE

Our Reference:	17411.4/KS
Valuation Prepared for:	The Trust Company (Asia) Limited, in its capacity as trustee of Keppel DC REIT
Purpose of Valuation:	Initial Public Offer (IPO)
Date of Inspection:	4 February 2014
Date of Valuation:	30 September 2014
Address of Property:	Rondebeltweg 62 'Sallandsekant' Business Park Almere The Netherlands
Type of Property:	Data Centre
Brief Description:	The property comprises of a three storey Data Centre, which is semi-detached and adjoins a mirrored building, with a party wall between them. The property is located in the industrial zone Sallandsekant in the city of Almere, which is approximately 32 kilometres east of Amsterdam.
Legal Description:	Almere P7108
Tenure:	Freehold
Owner of Freehold Title:	Securus Almere B.V.
Land Area:	7,930 square metres (85,358 sq ft)
Gross Floor Area (GFA)	12,841 square metres (138,219 sq ft)
Lettable Floor Area:	11,000 square metres (118,403 sq ft)
Year of Completion:	2008
Condition:	Very good, no major defects or deferred maintenance requirements noted at the time of inspection.
Master Plan Zoning:	Bestemmingsplan Bedrijventerrein Sallandsekant (approval 3 July 2001)
Permitted Use:	Business Purposes
Current Annual Rent:	€5,978,648 per annum
Current Market Rent:	€5,978,648 per annum

Tenancy Brief:	Let to a member of the same group as an international information communications technology company which is listed on the Euronext
Basis of Valuation:	Market Value in accordance with the International Valuation Standards (IVS 2013).
Valuation Approaches:	1. Passing Income 2. Market Capitalisation 3. Discounted Cashflow
Capitalisation Rate:	7.25%
Discount Rate:	8.50%
Terminal Cap Rate:	8.25%
Valuation:	In view of the foregoing and having taken into consideration the prevailing market conditions, we are of the opinion that the market value of the subject property, subject to the 'head lease' and occupational lease, but free from all other encumbrances, is as follows: Market Value €81,300,000 plus VAT (EIGHTY ONE MILLION THREE HUNDRED THOUSAND EUROS)

COLLIERS INTERNATIONAL NEW ZEALAND LIMITED

Kane Sweetman FRICS, MPINZ, AAPI
Registered Valuer
National Director – Valuation and Advisory Services

This Valuation Certificate is a summary of the full valuation report dated 30 September 2014 (ref: 17411.4/KS) for the property below. This Certificate does not constitute a valuation in its own right and should only be relied on when read in conjunction with the full valuation report and all the assumptions, limitations and other terms and conditions outlined in the full valuation report.

Rondlebeltweg 62,'Sallandsekant' Business Park, Almere, The Netherlands

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PO Box 1631, Auckland 1140
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VALUATION CERTIFICATE

Our Reference:	17411.3/KS
Valuation Prepared for:	The Trust Company (Asia) Limited, in its capacity as trustee of Keppel DC REIT
Purpose of Valuation:	Initial Public Offer (IPO)
Date of Inspection:	3 February 2014
Date of Valuation:	30 September 2014
Address of Property:	Citadel 100 - Unit 4031 – 4033 Citywest Business Park Co Dublin Ireland
Type of Property:	Data Centre
Brief Description:	A two storey purpose-built data centre situated on the Citywest Business Campus. The subject property was constructed in 2000 and operations begun in 2001. Citywest Business Campus is located approximately 14km south west of Dublin's CBD.
Legal Description:	N/A (tenure is a leasehold interest which is not registered on the title)
Tenure:	Leasehold, expiring 11 April 2041
Owner of Leasehold Interest:	Citadel 100 Datacenters Limited
Land Area:	218,236 sq ft (20,274.6 m²)
Gross Floor Area (GFA)	125,044 sq ft (11,617 m²)
Colocation Space:	61,563 sq ft (5,719.4 m²)
Year of Completion:	2000
Condition:	Very good
Master Plan Zoning:	South Dublin County Council Development Plan 2010 – 2016
Permitted Use:	Objective "EP2" - Science and Technology Based Enterprise
Current Passing Rent:	€2,462,865 per annum
Current Market Rent:	€6,377,298 per annum
Current Ground Rent:	€1,677,633 per annum (until 3 December 2015 then increases to €1,777,633 per annum fixed until 31 December 2021)

Tenancy Brief:	Let to various national and international clients on a co-location basis.
Basis of Valuation:	Market Value in accordance with the International Valuation Standards (IVS 2013).
Valuation Approaches:	1. Passing Income 2. Market Capitalisation 3. Discounted Cashflow
Capitalisation Rate:	9.20%
Discount Rate:	13.00%
Terminal Cap Rate:	10.325%
Valuation:	In view of the foregoing and having taken into consideration the prevailing market conditions, we are of the opinion that the market value of the subject property, subject to the ground lease and occupational lease, but free from all other encumbrances, is as follows: Market Value €63,200,000 plus VAT (SIXTY THREE MILLION TWO HUNDRED THOUSAND EUROS)

COLLIERS INTERNATIONAL NEW ZEALAND LIMITED

Kane Sweetman FRICS, MPINZ, AAPI
Registered Valuer
National Director – Valuation and Advisory Services

This Valuation Certificate is a summary of the full valuation report dated 30 September 2014 for the property below (ref: 17411.3/KS). This Certificate does not constitute a valuation in its own right and should only be relied on when read in conjunction with the full valuation report and all the assumptions, limitations and other terms and conditions outlined in the full valuation report.

Citadel 100 - Unit 4031 – 4033, Citywest Business Park, Co Dublin, Ireland

Cushman & Wakefield VHS Pte. Ltd.
Company Registration No. 200709839D

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#09-03 Samsung Hub
Singapore 049483
Tel: (65) 6535 3232
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CUSHMAN & WAKEFIELD.

30 September 2014

Keppel DC REIT Management Pte. Ltd.
(in its capacity as manager for Keppel DC REIT)
18 Cross Street #10-01
China Square Central
Singapore 048423

Dear Sirs

VALUATION OF PORTFOLIO OF DATACENTRES COMPRISING: -

1. **25 Serangoon North Avenue 5, Singapore 554914**
2. **25 Tampines Street 92, Singapore 528877**
3. **5 Broadcast Way (South Gate), Artarmon, New South Wales 2064, Australia**
4. **2 Cycas Lane, Brisbane Airport, Queensland 4009, Australia**
5. **No. 4710 Jalan Cyber Point 5, Zone Flagship Cyberjaya 63000 Cyberjaya, Selangor Darul Ehsan, Malaysia**

In accordance with instructions issued by Keppel DC REIT Management Pte. Ltd. (in its capacity as Manager of Keppel DC REIT (the "**Manager**")), Cushman & Wakefield VHS Pte. Ltd. together with our local offices/associates Cushman & Wakefield (NSW) Pty Limited (for iseek Data Centre and Gore Hill Data Centre) and IVPS (Valuation) Sdn Bhd (for Basis Bay Data Centre) (together "C&W"), have carried out a valuation in respect of the abovementioned properties for the purpose of the proposed IPO of Keppel DC REIT and its listing on the Mainboard of the SGX-ST. Our instructions are to provide the market values and formal valuation reports in respect of the above mentioned properties (the "**Properties**"), subject to the existing tenancies and/or proposed lease arrangements as disclosed.

C&W have prepared formal valuation reports (the "Reports") in accordance with the requirements of the instructions and the following international definition of Market Value:

"Market Value is the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, after property marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion".

The valuation have been made on the assumption that the owner sells the property on the open market in its existing state, taking into account any lease arrangement/sale and leaseback terms provided, but without the benefit of any other joint venture, management agreement or any similar arrangement which would affect the value of the property.

For the specific purposes of this prospectus, we provide a Valuation Certificate of the Reports with a brief description of the Properties together with the key factors that have been considered in that have been considered in determining the market values of the Properties. The value conclusions reflect all information known by the valuers of C&W who worked on the valuations in respect to the Properties, market conditions and available data.

Reliance on This Letter

This letter together with its attachments is a Certificate of the full Reports that C&W have carried out and it does not contain all the necessary information and assumptions that are included in the Reports. Further reference may be made to these Reports, copies of which are held by the Manager.

The valuation contained in the Reports are not guarantees or predictions but are based on the information obtained from reliable and reputable agencies and sources, the Manager and other related parties. Whilst C&W have endeavoured to obtain accurate information, it has not independently verified all the information provided by the Manager or other reliable and reputable agencies.

Where applicable, information as to ownership, site area and zoning has been obtained from our searches at the relevant government or local authorities. C&W have also relied to a considerable extent the property data provided by the Manager on matters such as site and floor areas, master lease terms/tenancy details, occupancy status, land rent, building plans, dates of completion and all other relevant matters.

Also, in the course of the valuation, we have assumed that all the leases are legally valid and enforceable and the Properties have proper legal titles that can be freely transferable, leased and sub-leased in the market without being subject to any land premium or any extra charges. C&W have no reason to doubt the truth and accuracy of the information provided to us by the Manager which is material to the valuation.

No allowance has been made in the valuation for any charges, mortgages or amounts owing on the Properties. C&W have assumed that the Properties are free from encumbrances, restrictions or other outgoings of an onerous nature which would affect their market value, other than those which have been made known to C&W.

The methodologies used in valuing the Properties, namely, the Discounted Cash Flow Analysis and Capitalization Approach, are based on our professional opinion and estimates of the future results and are not guarantees or predictions. These valuation methodologies are summarized in this letter. Each methodology is based on a set of assumptions as to the income and expenses taking into considerations the changes in economic conditions and other relevant factors affecting the Properties. The resultant value is, in our opinion, the best estimate but it is not to be construed as a guarantee or prediction and it is fully dependent upon the accuracy of the assumptions made. This Valuation Certificate does not contain all the necessary support data and details included in our Reports. For further information on that, reference should be made to the Reports to understand the complexity of the methodologies and the variables involved in order to appreciate the context in which the values are arrived at.

We have inspected the exterior and, where possible, the interior of the Properties. No structural survey has been made, but in the course of our inspection, we did not note any serious defect to the completed buildings. We are not, however, able to report that the Properties are free from rot, infestation or any structural defect. No tests were carried out to any of the services.

We have also not carried out investigations on site in order to determine the suitability of ground conditions, nor have we undertaken archaeological, ecological or environmental surveys. Our valuation is on the basis that these aspects are satisfactory.

Valuation Rationale

In arriving at our valuation, we have considered relevant general and economic factors and in particular have investigated recent sales and rental transactions of comparable properties that have occurred in the vicinity or in similar standard localities. We have utilized the Discounted Cash Flow Analysis and Capitalization Approach in undertaking our assessment for each of the Properties.

Discounted Cash Flow Analysis

We have carried out a discounted cash flow analysis over a 10-year investment horizon in which we have assumed that the property is sold at the commencement of the eleventh year of the cash flow. This form of analysis allows an investor to make an assessment of the long term return that is likely to be derived from a property with a combination of both rental and capital growth over an assumed investment horizon in undertaking this analysis, a range of assumptions is made including a target or pre-selected discounted rate, rental growth, sale price of the property at the end of the investment horizon as well as costs associated with its disposal at the end of the investment period.

We have investigated the current market requirements for an investment return over a 10-year period from the relevant market sector in order to determine the appropriate discount rates for each property.

Our selected terminal capitalization rates, used to estimate the terminal sale price, takes into consideration perceived market conditions in the future, estimated tenancy and cash flow profile and the overall physical condition of the building in 10 years' time. The adopted terminal yield rate, additionally, has regard to the duration of the remaining tenure of properties at the end of the cash flow period.

Capitalization Approach

Briefly, the Capitalization Approach takes into consideration the estimated gross annual rental for the subject property which is adjusted for outgoings such as property tax, maintenance charges, management fees, property tax, land rent and an allowance for vacancy to derive at the net rental income. The net income is then capitalized at an appropriate rate of return that reflects the current market investment criteria over the remaining lease term in order to reflect the certain and potential risks acceptable to a prudent investor.

Alternatively, and based on the same approach, this method can be varied so that the market rent is capitalized in accordance to the tenure of the lease with appropriate adjustments for rental shortfalls and/ or overages.

Our valuations have been undertaken on a GST exclusive basis.

Based on the above, the following table summarizes the salient valuation assumptions adopted in undertaking our assessment.

VALUATION OF DATACENTRES IN SINGAPORE, AUSTRALIA & MALAYSIA

Summary of Valuation

Our opinion of the market value of each of the Properties is stated in the tables below, subject to all existing and proposed tenancies and occupancy arrangements. The following summarizes some of the key valuation assumptions and market value for each property: -

	Property Address	Currency	Market Value as at 30 September 2014
1.	25 Serangoon North Avenue 5, Singapore 554914	SGD	263,000,000
2.	25 Tampines Street 92, Singapore 528877	SGD	164,000,000
3.	5 Broadcast Way (South Gate), Artarmon, New South Wales 2064, Australia	AUD	193,900,000
4.	2 Cycas Lane, Brisbane Airport, Queensland 4009 Australia	AUD	29,250,000
5.	No. 4710, Jalan Cyber Point 5, Zone Flagship Cyberjaya 63000 Cyberjaya, Selangor Darul Ehsan, Malaysia	MYR	115,000,000

The Valuation Summary of more property details for each of the Properties is attached.

Disclaimer

This valuation summary and certificates was prepared for purposes of inclusion in the prospectus to be issued in relation to the Initial Public Offering of Keppel DC REIT and its listing on the Mainboard of the SGX-ST (the "**Prospectus**"). We specifically disclaim liability to any person in the event of any omission from or false or misleading statement included in the Prospectus, other than in respect of the information presented in this valuation summary and certificates. We do not make any warranty or representation as to the accuracy of the information in any other part of the Prospectus other than as expressly made or given in this valuation summary and valuation certificates.

All information provided to us by the Manager is treated as correct and true and we accept no responsibility for subsequent changes in information and reserve the right to change our valuation if any information provided were to materially change.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions.

We have no present or prospective interest in the Properties and are not a related corporation of nor do we have a relationship with the property owner(s) or other party/parties whom the Manager is contracting with.

The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

VALUATION OF DATACENTRES IN SINGAPORE, AUSTRALIA & MALAYSIA

We hereby certify that the Valuers undertaking the valuation are authorized to practice as valuers and have the necessary experience in valuing similar types of properties in the respective localities.

Yours faithfully
For and on behalf of
Cushman & Wakefield VHS Pte. Ltd.

Chew May Yenk
Executive Director,
Valuation & Advisory
Singapore
MSISV
Licensed Appraiser No AD41-2004419H

Counter Signatory:
The above signatories verify that this summary and Valuation Certificates are genuine. The opinion of the value expressed for each property has been arrived at by the respective appraiser(s) who valued the property(ies) in their respective locality.

Encl.

VALUATION CERTIFICATE

Date of Valuation:	30 September 2014
Property:	**25 Serangoon North Avenue 5, Singapore 554914**
Legal Description:	Lot 16097V of Mukim 18
Interest Valued:	Leasehold for a term of 30 years commencing from 1 October 1995 with a further term of 30 years
Brief Description of Property:	A 6-storey data centre building including a basement and an adjoining 5-storey annexe infrastructure building, within Serangoon North Industrial Estate, some 10.5 km to the north of the city centre at Raffles Place. The property is situated within 10 minutes drive from the Hougang MRT Station and easily accessible from the Central Expressway. The main building accommodates the data centre, ancillary office workspace and other ancillary areas. The annex building houses the critical mechanical and electrical (M&E) infrastructure. Security features include a security guard house, security gates, anti-climb perimeter fencing and car-crash barriers. Other improvements on site include two underground diesel storage tanks, surface car parking lots and tarmac-paved driveway.
Town Planning:	"Business 1" with plot ratio 3.0
Land Area:	Approximately 7,332.70 square metres or 78,928 square feet
Gross Floor Area (GFA):	Approximately 20,991.03 square metres or 225,945 square feet
Lettable Area (LFA):	Approximately 10,179.77 square metres or 109,574 square feet
Year of Completion:	The main building was originally built in the 1990s and converted to data centre use in 2001, followed by major retrofitting works for a Tier 3 data centre between 2011 and 2013. The annexe building was completed in 2011. The Temporary Occupation Permit (TOP) and Certificate of Statutory Completion (CSC) for the annexe building were granted on 27 January 2014 and 20 February 2014 respectively.
Condition:	Good
Tenancy Details:	The data centre and workspace units within the property are presently sublet to various tenants on tenancy periods ranging between 1 and 15 years, including several with committed renewals periods. According to the Tenancy Details provided as at 26 August 2014, the property is has an occupancy rate of about 86.0%.
Lease Arrangement:	According to information provided, Keppel DC REIT (the "Lessor") will grant a lease to Keppel Digihub Ltd (the "Lessee") for a term of 10 years commencing from the Listing Date, with an option to extend for another 5 years. The Lessee shall pay to the Lessor a gross rent comprising two components, namely, an annual Fixed Rent of S$5,000,000; and a Variable Rent computed based

	on 99.0% of the net EBITDA (after Fixed Rent) of the Lease.[1] The Lessor will then pay 4.0% of the net EBITDA (after Fixed Rent) to the operator as outsourced providers of facility management services. The Fixed Rent payable will be subject to a year on year increase based on CPI or 3.0%. The Lessor shall be responsible for insurance and property tax expenses as well as capital expenditures.
Methods of Valuation:	Discounted Cash Flow Analysis and Capitalization Method
Capitalization Rate:	8.00%
Terminal Yield:	8.50%
Discount Rate:	11.00%
Market Value:	**SGD263,000,000** **(Singapore Dollars Two Hundred and Sixty Three Million only)**
Value per GFA:	SGD1,164 per square foot

[1] In the event that the EBITDA (before Fixed and Variable Rent) of the Lease is negative, the Lessor shall continue to receive the Fixed Rent but shall reimburse the Lessee an amount equivalent to the EBITDA (before Fixed and Variable Rent) in the Lessee's books.

VALUATION CERTIFICATE

Date of Valuation:	30 September 2014
Property:	**25 Tampines Street 92, Singapore 528877**
Legal Description:	Lot 4776K of Mukim 28
Interest Valued:	Leasehold for a term of 30 years commencing from 1 August 1991 with a further term of 30 years
Brief Description of Property:	A 5-storey data centre building with an adjoining 4-storey annexe infrastructure building, located along Tampines Street 92, within Tampines Industrial Park A, and some 12 km to the north-east of the city centre at Raffles Place. The property is situated within 10 minutes drive from the Tampines and Simei MRT Stations and easily accessible from the Pan-Island Expressway. The main building accommodates data centre space, office workspace and other ancillary areas. The annex building houses the mechanical and electrical (M&E) infrastructure. Security features include a security guard house, security gates, anti-climb perimeter fencing and car-crash barriers. Other improvements on site include surface car parking lots and tarmac-paved driveway.
Town Planning:	"Business 2" with plot ratio 2.5
Land Area:	Approximately 5,000.10 square metres or 53,820 square feet
Gross Floor Area (GFA):	Approximately 9,915.18 square metres or 106,726 square feet
Lettable Area (LFA):	Approximately 3,426.97 square metres or 36,888 square feet
Year of Completion	The main building was originally built in the 1990s and underwent major retrofitting works for conversion to a Tier 3 data centre circa 2010. The annexe building was built circa 2010. The Certificate of Statutory Completion (CSC) for both buildings was granted on September 2011.
Condition:	Good
Tenancy Details:	The data centre and workspace units within the property are presently sublet to various tenants on tenancy periods ranging between 1 and 10 years. According to the rent roll provided as at 26 August 2014, the property is fully occupied.
Lease Arrangement:	According to information provided, Keppel DC REIT (the "Lessor") will grant a lease to Keppel Datahub Pte. Ltd. (the "Lessee") for a term of 10 years commencing from the Listing Date, with an option to extend for another 5 years. The Lessee shall pay to the Lessor a gross rent comprising of two components, namely, an annual Fixed Rent of S$3,000,000; and a Variable Rent computed based on 99.0% of the net EBITDA (after Fixed Rent) of the Lease.[2] The Lessor will then pay 4.0% of the net EBITDA (after Fixed Rent) to the operator as

[2] In the event that the EBITDA (before Fixed and Variable Rent) of the Lease is negative, the Lessor shall continue to receive the Fixed Rent but shall reimburse the Lessee an amount equivalent to the EBITDA (before Fixed and Variable Rent) in the Lessee's books.

	outsourced providers of facility management services. The Fixed Rent payable will be subject to a year on year increase based on CPI or 3.0%. The Lessor shall be responsible for insurance and property tax expenses as well as capital expenditures.
Methods of Valuation:	Discounted Cash Flow Analysis and Capitalization Method
Capitalization Rate:	8.00%
Terminal Yield:	8.50%
Discount Rate:	11.00%
Market Value:	**SGD164,000,000** **(Singapore Dollars One Hundred and Sixty Four Million only)**
Value per GFA:	SGD1,537 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 September 2014
Property:	5 Broadcast Way (South Gate), Artarmon, New South Wales 2064, Australia
Legal Description:	Lot 4 in Community Plan 270714
Interest Valued:	Freehold market value subject to tenancy agreements.
Brief Description of Property:	The subject improvements comprise of a 4-level purpose built data centre that contains a gross building area of approximately 127,283 square feet and an advised net lettable area of 90,955 square feet. There is on site car parking to the northern and southern elevations for approximately 34 vehicles with access through security controlled gates. The subject property is situated within the "Gore Hill Technology Park" at Artarmon on Sydney's lower north shore approximately 9 kilometres north of the Sydney CBD. The property is within an estate that formerly the ABC Television Studio site and is approximately 1 kilometre north west of the St. Leonards Station and commercial district.
Registered Proprietor/Lessee:	Securus Australia No. 2 Pty Ltd in its capacity as Trustee of Securus Australia Trust No. 2.
Town Planning:	"IN2 – Light Industrial" under the Willoughby Local Environmental Plan 2012
Site Area:	Approximately 6,692 square metres or 72,032 square feet
Gross Floor Area (GFA):	Approximately 11,825 square metres or 127,283 square feet
Net Lettable Area (NLA):	Approximately 8,450 square metres or 90,955 square feet
Year of Completion	2011
Condition:	High quality and well maintained.
Tenancy Details:	The centre is fully tenanted with approximately 76% of the lettable area leased on a shell and core basis, with the balance being on a co-location basis. The lease expiry profile equates to 9.80 years on an area basis and 4.99 years on an income basis.
Methods of Valuation:	Discounted Cash Flow Analysis and Capitalization of Net Income Approach
Capitalization Rate:	8.75%
Terminal Yield:	10.00%
Discount Rate:	10.25%
Market Value:	**AUD193,900,000** **(Australia Dollars One Hundred Ninety-Three Million and Nine Hundred Thousand only)**
Value per NLA:	AUD2,133 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 September 2014
Property:	2 Cycas Lane, Brisbane Airport Queensland 4009, Australia
Legal Description:	Lot 1 in Survey Plan 208835
Interest Valued:	Leasehold market value subject to tenancy agreements until 2047
Brief Description of Property:	The property comprises of a prominently located corner leasehold site (land) of an area of 41,559 square feet upon which is constructed a modern (circa. 201), 2-level purpose built data centre. The accommodation includes reception and administration areas, a loading dock, data halls and staging rooms on each level and employs state of the art technology that includes 24-hour gated access security with biometric, swipe card and photo ID access. All areas have man and vehicle traps. The data centre has been developed around the provision of continuous power supply with all critical power supplies duplicated or use N+1 redundancy with the emergency power supply comprising of 3x2200kva diesel generators. The subject property is situated in the "Export Park" estate within the Brisbane Airport precinct some 14 kilometres north east of the Brisbane CBD. The property has broad exposure to the intersection at Lomandra and Qantas Drives, with Cycas Lane running off Litsea Street to the east.
Registered Proprietor/Lessee:	iseek Facilities Pty Ltd in its capacity as Trustee of Securus Australia Trust No. 2
Town Planning:	**"Special Purpose SP6 - Airport"** under provisions of the Brisbane City Council.
Site Area:	Approximately 3,861 square metres or 41,559 square feet
Net Lettable Area (NLA):	Approximately 1,151 square metres or 12,389 square feet
Year of Completion	2010
Condition:	High quality and well maintained.
Tenancy Details:	The centre is fully tenanted with separate leases over the ground and first floor levels on a co-location basis. The lease expiry profile equates to 11.33 years on an area basis.
Methods of Valuation:	Discounted Cash Flow Analysis and Capitalization of Net Income Approach
Capitalization Rate:	11.50%
Terminal Yield:	16.00%
Discount Rate:	16.00%
Market Value:	**AUD29,250,000** **(Australia Dollars Twenty-Nine Million Two Hundred and Fifty Thousand only)**
Value per NLA:	AUD2,361 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 September 2014
Property:	**No. 4710, Jalan Cyber Point 5, Zone Flagship Cyberjaya 63000 Cyberjaya, Selangor Darul Ehsan, Malaysia**
Legal Description:	H.S. (D) 7130, PT 12162, Mukim of Dengkil, District of Selangor Darul Ehsan
Interest Valued:	Freehold
Brief Description of Property:	A purpose-built data centre development comprising a 4-storey data centre building and a 2-storey office/ business continuity disaster recovery (BCDR) building. The Property is located along Jalan Cyber Point 5, off Persiaran Apec, within Cyberjaya, a planned township in the district of Sepang, State of Selangor, about 50 km south of Kuala Lumpur, the capital of Malaysia. It is approximately 25-30 minutes drive from the Kuala Lumpur International Airport (KLIA). Other improvements on site include a security guard house, vehicular access barriers, surface car parking lots and interlocking concrete blocks paved driveway in the compound of the building.
Registered Proprietor:	Basis Bay Capital Management Sdn Bhd
Land Use Category:	Building
Expressed Condition of Use:	For commercial purposes
Land Area:	Approximately 6,021.00 square metres or 64,809 square feet
Gross Floor Area (GFA):	Approximately 8,231.22 square metres or 88,600 square feet
Lettable Area (LFA):	Approximately 4,522.52 square metres or 48,680 square feet
Year of Completion	The Certificate of Fitness for Occupation was obtained on 8 April 2009.
Condition:	Good
Tenancy Details:	According to the Master Lease Agreement provided, the Property is leased to Basis Bay Services MSC Sdn Bhd ("Lessor") for a period of 5 years commencing from 15 June 2012 with an option to renew for 5+5+5 years. The Lessee is responsible for property outgoing expenses such as utilities, cleaning, pest control, maintenance of lifts and equipment, security, landscaping and refuse disposal. The Lessor shall be responsible for insurance or takaful premiums, quit rent and assessment taxes.
Methods of Valuation:	Discounted Cash Flow Analysis and Capitalization Method
Capitalization Rate:	8.50%
Terminal Yield:	8.70%
Discount Rate:	11.50%
Market Value:	**MYR115,000,000** **(Malaysian Ringgit One Hundred and Fifteen Million only)**
Value per GFA:	MYR1,298 per square feet

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The Trust Company (Asia) Limited
In its capacity as trustee of Keppel DC Real Estate Investment Trust
8 Marina Boulevard #05-01
Marina Bay Financial Centre
Singapore 018981

23rd October 2014

Dear Sirs,

Valuation of Leasehold Property of 7 Greenwich View Place, Millharbour Road, London E14 9NN, United Kingdom

Introduction

In accordance with our written instructions we have prepared this valuation summary letter based on the information provided in our updated letter report dated 20th January 2014. This summary letter is prepared in accordance with our formal instructions from (the Client) to undertake a valuation of the Property. Our instructions were confirmed by way of signed acceptance by the Client of our proposal dated 30th January 2014 (and subsequent email dated 12th August 2014).

We have been instructed to provide the Client with our opinion of the Market Value as at 30th September 2014 of the Property which is to be relied upon for the Initial Public Offering (IPO) of Keppel DC REIT on the Singapore Exchange Trading Limited ("SGX-ST").

We have prepared a comprehensive valuation report for the Property. This letter and its attachments should be read in conjunction with in our report dated 23rd October 2014 (Full Valuation Reports). We note that this letter does not contain all of the necessary information and assumptions which are detailed in the Full Valuation Reports. The Full Valuation Reports form an integral part of our advice and provide descriptive commentaries on the Property and the local market, and detail general, specific and special assumptions under which the valuation has been prepared.

Basis of Valuation

The valuation is based on Market Value as defined by the International Valuation Standards Committee and adopted by the Royal Institution of Chartered Surveyors and the Singapore Instiitue of Surveyors and Valuers which is:

"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

The Valuation Standards provide interpretive commentaries on the above definition.

Except where stated our valuation has been prepared in accordance with the International Valuation Standards and our Standard Terms and Conditions adopted in the preparation of the valuation and reports (the "Standard Terms and Conditions"), which are contained in Appendix II and should be read in conjunction with this letter. Your attention is also drawn to the General Principles set out in Appendix I.

Date of Valuation

As instructed the date of valuation is 30th September 2014.

Our valuation therefore assumes that there has been no material change to the Property or market between the date of inspection and valuation. Due to possible changes in the market and / or circumstances relating to the Property, the valuation should only be regarded as relevant as at the date of issue of this report.

The value assessed herein may change significantly and unexpectedly over a relatively short period and we do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of six months from the date of valuation, or in the event of a significant event that may have an effect on the valuation or such earlier date as you become aware of any factors that may have an effect on the valuation.

Qualifications and Assumptions

These valuations are prepared on the basis of the Standard Terms and Conditions which comprises a list of the major assumptions and limiting conditions under which our opinions are given. These are contained within our full valuation report and should be read in conjunction with this letter and the valuation summary. Other key assumptions are set out in the General Principles which are contained within our full valuation report. It is a condition of the use of the valuation that the recipient of the report accept these statements.

We highlight the following Specific Assumption:

- That there is no material changes to the property or market between the date of inspection and date of valuation.

Information and Confidentiality

In undertaking our assessment, we have relied upon various sources of information provided to us by the Client. We have made an assumption that the information which the Client and its professional advisers have supplied to us in respect of the Properties is both full and correct.

It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

We have had sight of the Report on Title prepared by Norton Rose.

The Freehold title to the Property (and other land) is held by Homes and Community Agency and is registered at the Land Registry with Title Number NGL412126 with Title Absolute.

The long leasehold title is registered at The Land Registry Wales Office (being the applicable Government registry) under Title Number EGL219641.

Scope of Work and Approach

To accomplish the objectives of this instruction we have:

- Physically inspected the Property
- Made appropriate enquires about the local market and relevant authorities.

Our valuation has been undertaken utilising the methods that are mainly considered by potential investors, namely;

Discounted cash flow (DCF); and
Capitalisation Approach.

Pecuniary Interest

We have disclosed to the Client our previous involvement in respect of the Property, being the annual valuation of the Property.

We confirm that we are not a related corporation of the Client and that the Valuers and Jones Lang LaSalle have no economic interest in the Client or the subject properties that would conflict with the proper valuation of the Property or could reasonably be regarded as being capable of affecting the Valuer's ability to give an unbiased opinion.

Use of Report

In accordance with our standard practice we must state that this letter is for the use only of the Client for the purpose to which it refers. Save as set out herein, no responsibility or liability is accepted to any third parties and neither the whole nor any part no any reference thereto may be published in any document, statement or circular or in communication with third parties without our prior written approval of the form and context in which it will appear.

This report is prepared for inclusion in the Prospectus to be issued in relation to the initial public offering of Keppel DC REIT and its listing on the Mainboard of the SGX-ST (the "Prospectus"), we specifically disclaim liability to any person in the event of any omission from or false or misleading statement included within the Prospectus, other than in respect of the information provide within the valuation report and summary. We do not make any warranty or representations to the accuracy of the information in any part of the Prospectus other than as expressly made or given in this valuation summary.

Notwithstanding the above, in the event that Jones Lang LaSalle consents to the disclosure of this letter and our valuations in connection with the IPO, such disclosure is approved solely for the purpose of providing information to potential investors or any other interested person. Neither this letter, nor the attached valuation summary nor our Full Valuation Reports purport to contain all the information that a potential purchaser or any other interested party may require. They do not take into account the individual circumstances, financial situation, investment objectives, or requirements of a potential purchaser or any other person. They are intended to be used as a guide only and do not constitute advice, including without limitation, investment, tax, legal or any other type of advice.

The value stated herein is, in the opinion of Jones Lang LaSalle, the best estimate and should not be construed as a guarantee or prediction; furthermore each valuation is fully dependent upon the accuracy of the associated assumptions made. Potential Investors should not rely on any material contained in this report as a statement or representation of fact but should satisfy themselves as to its correctness by such independent investigation as they or their legal or financial advisers see fit after reviewing the valuation report to understand the particular assumptions and methodologies made in the preparation of the valuations and to appreciate the context in which the values are arrived at.

The report contains information provided by third parties that has not been verified by Jones Lang LaSalle and Jones Lang LaSalle takes no responsibility for it and subsequent conclusions related to such data.

Jones Lang LaSalle, its directors, employees, affiliates and representatives shall not be liable (except to the extent that liability under statute or by operation of law cannot be excluded) to any person for any loss, liability, damage or expense arising form or connected in any way with any use of or reliance on this report.

C.Strathon

Chris Strathon FRICS	**Chris Ireland FRICS**
Director	**UK Chariman**
For and on behalf of Jones Lang LaSalle Limited	**For and on behalf of Jones Lang LaSalle Limited**

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APPENDIX A

SCHEDULE OF PROPERTIES

VALUATION SUMMARY

Property:	7 Greenwich View Place, Millharbour Road, London E14 9NN, United Kingdom (the "Property")
Tenure:	The property is held leasehold for a term of 199 years from 29th September 1984 and is registered at The Land Registry Wales Office (being the applicable Government registry) under Title Number EGL219641.
Location:	The property is situated on the Isle of Dogs, approximately one km south of Canary Wharf, East London. It is located at the southern end of Millharbour, which forms the main estate road into the core commercial area of the Isle of Dogs. At its southern end, Millharbour provides access to both the Greenwich View Development, of which the subject property forms part. The site is located on Greenwich View Place, a secure estate of eight units, primarily offering data centre and office accommodation.
Property Description:	The Property, which extends to 34,850 sq ft (GFA) comprises a former office building constructed circa in 1987 providing data centre and disaster recovery space. The Property's exterior underwent refurbishment in 2000. The data centre is designed to high specification and extends to 10,979 sq ft (NTA) and has a power density of 1.5 kW per sq m. On the first floor there is approximately 13,993 sq ft of disaster recovery accommodation. Plant and machinery is situated on the ground and first floors. There is also a reception on the ground floor.
Occupational Lease:	The Property is let in it's entirety to the tenant, a member of the same group as an S&P 500 company which is listed on the NYSE and is an international provider of enterprise cloud computing, co-location services, managed hosting and professional cloud services (with a guarantee from the parent company) for a term of 15 years from 10th February 2012 at an initial rent of £2,475,000 per annum, commencing on the 10th April 2012, subject to fixed increases and exclusive of service charge, business rates and insurance. Over the first four years of the term fixed increases are received at a rate of 3% per annum received annually on the anniversary date. Thereafter the fixed increases occur on a four yearly basis at 3% per annum compounded.
Landlord:	Greenwich View Place Ltd (Guernsey).
Tenant:	A member of the same group as an S&P 500 company which is listed on the NYSE and is an international provider of enterprise cloud computing, co-location services, managed hosting and professional cloud services
Guarantor:	Parent Company

This valuation is based on the assumption that the tenant is legally able to be Guarantor and the Guarantor provisions will be capable of enforcement.

Term: 15 years

Lease Commencement Date: 10th February 2012

Initial Rent: £2,475,000 per annum, subject to fixed uplifts.

The rental is exclusive of local authority rates, landlord's building insurance, estate service charge, power consumption and VAT.

Estate service charge as reasonably chargeable in relation to the estate and relevant headlease to be paid by the Tenant.

Other Payments:

In addition to the Rent the Tenant will be liable for

- Landlord's cost of building insurance and the equivalent of 3 years loss of rent as well as any other insurance cover requested by the tenant
- Business rates and all other taxes, utility charges or equivalent applicable to the Premises
- Power charges relevant to the use and operation of the building from lease commencement including standing and usage charges
- Estate Service Charge as reasonably chargeable in relation to the estate and relevant headlease
- VAT if chargeable

Incentive Period: Cash equivalent of two month's rent - Now expired.

Rent Reviews: Indexed at 3% per annum for the first four years and four yearly rent review pattern thereafter, compounded 3% per annum (rents split as above):

1st anniversary of the lease to £2,549,250 per annum

2nd anniversary of the lease to £2,625,728 per annum 10th February 2014

3rd anniversary of the lease to £2,704,499 per annum

4th anniversary of the lease to £2,785,634 per annum

8th anniversary of the lease to £3,135,256 per annum

12th anniversary of the lease to £3,528,758 per annum

Security of Tenure: Lease Agreement to be included within security of tenure provisions of the 1954 Landlord and Tenant Act Part II (as amended).

We understand that the tenant has a 10 year fixed extension option.

Alienation:

The Tenant may only assign the whole of the Demised Premises with the prior written consent of the Landlord (not to be unreasonable withheld) CONDITIONAL to

- Tenant and Guarantor enter into Authorised Guarantee Agreement with the Landlord
- The Assignee is of the same or better financial standing than the stronger of the current Tenant or Guarantor
- Assignee covenants directly with the Landlord to adopt and comply with covenants within the lease
- Such other normal preconditions normally associated with assignment such as tenant covenant compliance and assignee's ability to comply with tenant covenants etc are satisfied

Sub-letting of the whole or part is permitted subject to prior written consent from the Landlord (not to be unreasonably withheld) provided:

- Sub tenancies are contracted outside of the security of tenure provisions of the Landlord & Tenant Act 1954
- A maximum of 2 sub tenancies is permitted
- Such other normal preconditions normally associated with sub-letting of whole/part are satisfied

The Tenant will have the right to allow Group Companies and colocation customers to locate equipment and use services within the space without the need for Landlord's consent and without the need for any notice or the payment of any additional compensation to Landlord, provided no relationship of Landlord and Tenant is entered into/created, implicit or otherwise.

Valuation

Net initial yield:	6.79%
Discount Rate:	7.50%
Terminal yield:	7.50%
Market Value:	£38,000,000 (THIRTY-EIGHT MILLION POUNDS)
Date of Valuation:	30th September 2014
Notice:	This valuation summary should be read in conjunction with our updated valuation letter report dated 23rd October 2014.

Independent Market Research Report

Keppel DC REIT

Date: October 31, 2014

Steve Wallage, Managing Director, BroadGroup Consulting

steve.wallage@broad-group.com

+44 1372 869688

October 31, 2014

Keppel DC REIT Management Pte. Ltd., as manager of Keppel DC REIT
18 Cross Street #10-10
China Square Central
Singapore 048423

The Trust Company (Asia) Limited, in its capacity as trustee of Keppel DC REIT
8 Marina Boulevard
#05-02 Marina Bay Financial Centre
Singapore 018981

Dear Sirs,

BroadGroup has been appointed by Keppel DC REIT Management Pte. Ltd., in its capacity as manager of Keppel DC REIT, to conduct an independent research of the data centre market in Singapore, Australia, Malaysia, the UK, the Netherlands and Ireland.

This report is prepared for inclusion into a prospectus to be issued in relation to the initial public offering of Keppel DC REIT on the Main Board of the Singapore Exchange Securities Trading Limited and is addressed to Keppel DC REIT Management Pte. Ltd., in its capacity as manager of Keppel DC REIT, and The Trust Company (Asia) Limited, in its capacity as trustee of Keppel DC REIT.

Yours faithfully
for and on behalf of
BroadMedia Consulting Ltd,

Name: Steven Wallage
Designation: Managing Director

BroadMedia Consulting Ltd, 28-32 Bridge Street, Leatherhead, Surrey, UK KT22 8BZ

UK VAT Registration Number: 920 1996 28

UK Company Registration Number 6320132

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About BroadGroup

Established in 2002, BroadGroup has achieved rapid recognition and growth through delivering quality research and insight in a number of niche and emerging areas of the telecommunications and technology sector. The data centre practice has been the main focus of the company since 2002. BroadGroup has now become the leading global research and consultancy group in this area. BroadGroup has extensive experience in assessing the impact of market developments for data centres. It has also worked on a wide variety of projects for investors, operators and governmental bodies and development agencies. This has provided BroadGroup with a detailed insight into the requirements and criteria for each group. BroadGroup is also able to leverage on its extensive range of reports and industry insight.

Executive summary

OVERVIEW OF DATA CENTRES

Data centres are specialised facilities designed to house mission-critical networking and computer equipment including servers, data storage systems, routers, switches and telecommunications equipment. A data centre provides the power, cooling and network connectivity necessary to reliably operate such equipment in a secure and controlled environment. A data centre is connected to telecommunications networks, which allow the servers and data storage systems within to communicate information and exchange data with end users or other servers around the world. Data centres are usually strategically located in places with dense telecommunications network coverage.

BroadGroup defines data centres as secure facilities designed and built specifically to hold and reliably operate networking and computer equipment in the appropriate power and environmental conditions. Key technical features of a data centre include provision of redundant power supplies to networking and computer equipment, cooling equipment to prevent the equipment from over-heating, fire-suppression systems, high levels of physical security, and raised flooring.

OUTLOOK ON THE DATA CENTRE INDUSTRY

Demand Drivers

Demand for high specification data centres that are professionally managed has shown strong growth, and this trend is set to continue, due to the following key drivers:

- growth in data creation and data storage needs;
- growth in cloud computing;
- increasing compliance and regulatory requirements on data security; and
- increasing outsourcing of data centre requirements.

Growth in data creation and data storage needs

Data growth has been driven by several factors such as the proliferation of Internet enabled devices, growth in video streaming and file sharing, increase in popularity of e-commerce and social networking and more generally, the increase in number of global Internet users. From 2013 to 2018, BroadGroup estimates that the number of global Internet users and Internet enabled devices will increase at a CAGR of approximately 17.2% and 26.6% respectively.

The recent trend towards "Big Data" has also underscored the increasing demand for data storage. "Big Data" encompasses the collection and analysis of significant volumes of historical and real-time data, and generates vast computing and data storage requirements.

BroadGroup estimates that the amount of data created globally is expected to grow at a CAGR of 47.7% from 2013 to 2018.

As a result of the increased data creation and sharing, data transmission in terms of global monthly Internet protocol ("IP") traffic is correspondingly expected to increase significantly. Global monthly IP traffic is expected to grow at a further CAGR of 21.0% per annum from 2013 to 2018. Asia Pacific overtook North America in terms of monthly IP traffic in 2013, and will grow at a faster rate between 2013 and 2018.

Growth in cloud computing

Cloud computing is a model for enabling convenient, on-demand network access to a shared pool of configurable computing resources (such as networks, servers, storage, applications, and services) that is highly scalable and can be rapidly provisioned and released with minimal management effort or service provider interaction. Such a concept is gaining popularity among corporate and individual end-users and is changing the way information technology is being consumed by placing more focus on networked or shared resources. Suppliers of cloud computing services require data centre space with high power density and the shift towards cloud computing is a key driver of data centre demand.

Increasing compliance and regulatory requirements on data security

Due to increasing compliance and regulatory requirements across various industries including banking, finance and healthcare, secure data centre facilities with reliable long-term access and on-demand retrieval capabilities are increasingly required for data storage and archival purposes. Certain regulations require organisations to store a broader range of data for a longer duration, or impose stringent requirements on the types of security features data centres should have. As a result, the demand for high-specification and professionally-managed data centres is expected to grow.

Increasing outsourcing of data centre requirements

There has been a trend towards outsourcing of data centre requirements by organisations to third party providers for the reasons below:

- **Cost effectiveness:** Data centres require large upfront costs to construct and it is often more cost effective and capital efficient for organisations to utilise experienced data centre providers to meet their needs for co-location and managed hosting services;

- **Increased complexity:** Organisations face increasing complexity of running in-house data centres and find difficulty in attracting and retaining qualified personnel who are competent in managing such data centres;

- **Users focusing on their core competencies:** Owning and managing in-house data centres are not core competencies for many organisations. A growing number of organisations are facing challenges in managing data centre infrastructure in-house as they often lack the process knowledge and skills to ensure high data availability and security, amongst others.

By outsourcing their data centre requirements, organisations can focus on their core business; and

- **Changing needs:** An organisation's needs can change and grow quickly and third party providers are able to provide flexible, on-demand and customisable solutions faster than in-house options.

For the above reasons, demand for outsourced third party data centres has been increasing. Currently, a majority of data centres are managed internally by organisations and operated as a cost centre, representing a sizeable potential customer base for third party data centre providers. The proportion of outsourced data centre space in Asia Pacific is projected to increase from 12.1% in 2013 to 38.5% in 2018, representing an increase of 26.4% over the period. In Western Europe, this figure is projected to increase from 21.1% in 2013 to 42.2% in 2018, representing an increase of 21.1% over the period.

Global Competitive Landscape and Keppel DC REIT's Positioning

Keppel DC REIT's IPO Portfolio comprises of data centres located in Singapore, Australia, Malaysia, UK, the Netherlands and Ireland. The portfolio is strategically located in key data centre markets in Asia Pacific and Europe, being markets which exhibit favourable data centre sector fundamentals.

The portfolio is strategically sited in compelling locations and is attractive for reasons including:

- favourable demand, supply and growth trends in the markets;
- proximity to customers and local end-user demand;
- credibility and good operational track record in the market; and
- an established presence and installed base.

Favourable demand, supply and growth trends in the markets

The portfolio is located in markets with medium to high growth opportunities. The table below analyses each of the portfolio's six locations in terms of demand, supply and growth:

	Local demand	International demand	Low competition	Growth opportunities
Singapore	3	5	3	5
Australia	5	4	4	5
Malaysia	4	3	3	5
UK	5	4	3	4
Netherlands	4	5	4	5
Ireland	3	5	3	4

Scale = 1-5 with 5 being highest score

Proximity to customers and local end-user demand

The portfolio is located close to key customers and local end-user demand and underpinned by excellent infrastructure required for operating data centres. The IPO Portfolio is located in some of the most attractive data centre hubs and areas with growing demand.

Credibility and good operational track record in the market

The data centres in Keppel DC REIT's IPO Portfolio have a good operational track record and are well-regarded in each of their local markets.

Established presence and installed base

The portfolio is well-established in their local markets, with a number having been established for more than five years. The sites also typically have a well-established single customer, or have built up a number of well-known corporate customers.

OUTLOOK ON THE DATA CENTRE INDUSTRY IN SINGAPORE

The Singapore market has shown strong momentum in recent years, backed by good telecommunications, financial and trading infrastructure and strong government support for the sector. One key advantage of this market is the breadth and depth of data centre demand originating from multinational and regional organisations, which often use Singapore as their Asia Pacific headquarters, including financial institutions, large corporate, digital media and content providers and cloud computing operators. The Singapore government has shown commitment to develop the data centre industry, from introducing supportive regulatory and taxation measures, to specific initiatives. The Singapore Data Centre Park was announced in 2011 and was envisioned as a central location for data centres in Singapore. The park will eventually consist of up to eight data centres, offering up to 1,100,000 sq ft of gross floor area of data centre space, and is targeted to be operational in early 2016.

According to BroadGroup, absorption and utilisation trends are healthy, and utilisation of the data centre space in the market is forecasted to grow from 86.2 % in 2013 to 92.1% in 2018. Furthermore, wholesale co-location pricing in Singapore is expected to trend upwards, increasing at a CAGR of 4.8% and 4.9% in terms of price per KW and price per sq ft respectively, for the period between 2013 and 2018.

OUTLOOK ON THE DATA CENTRE INDUSTRY IN AUSTRALIA

The Australia market has grown significantly in recent years driven by conducive demand and supply trends. Australia is particularly considered attractive as an Asia Pacific location, given its time difference with other markets, strong financial eco-system and ease of doing business. Global data centre providers see Australia as an attractive entry point for the region, providing high quality supply which has further encouraged demand.

Australia scores well in global rankings on IT and telecoms infrastructure. The high data usage of wireless broadband is expected to promote greater data usage and lead to greater data centre demand. National telecommunications connectivity has also been improved with the National Broadband Network, which started as a trial in 2010 and will provide fibre access to 93% of Australian premises by 2021.

Data centre demand in Australia has been increasing over the last five years to 2013, and BroadGroup believes that it will continue to increase into 2018.

Sydney

Sydney is the largest data centre market in Australia, benefitting from its position as the key hub for multinational organisations, financial institutions and global operators of data centres, which tend to focus on growing their business within the city.

Sydney will continue to see increasing supply in the market, and this will be matched by growing absorption numbers, particularly from 2016 onwards. Utilisation rate is expected to increase from 74.2% in 2013 to 80.4% in 2018. Key growth drivers include further outsourcing and cloud computing usage. Pricing has been strong in Sydney, driven by the demand for outsourced space, time to bring new supply to the market, and the strength of the Australian dollar. The growth in pricing between 2009 and 2011 reflected the strong demand in a period when supply was constrained. BroadGroup believes that there will be continued price growth in wholesale co-location pricing, with a CAGR of 4.3% and 5.0% in terms of price per KW and price per sq ft respectively, for the period between 2013 and 2018.

Brisbane

Data centre demand in the Brisbane market is dominated by local users, and supply is more fragmented, with many small providers. However, larger providers are starting to become more important, with global providers such as Fujitsu starting to build facilities in the city. Demand will mainly come from local and regional companies, with digital media companies being a particular driver. Utilisation at the end of 2013 was around 80% to 85% and this is expected to increase to approximately 88% by 2018.

Pricing in the Brisbane data centre market tends to follow similar patterns to that of Sydney. However, price movements tend to lag behind that of Sydney and levels tend to be around 10% to 15% lower.

OUTLOOK ON THE DATA CENTRE INDUSTRY IN MALAYSIA

The Malaysia market has exhibited strong growth, largely driven by supportive government initiatives, which has been keen to grow the data centre market by providing more land and support for third party space. The data centre industry is central to Malaysia's Economic Transformation Program. Malaysia has seen increasing interest from global providers with corresponding interest from data centre users, particularly given the relative affordability of power, competitive labour costs and overall stable growth of the domestic economy.

The Malaysian market has exhibited steady growth in data centre demand in recent years, but utilisation has decreased as new supply entered the market.

Kuala Lumpur

Kuala Lumpur is the most important city in the Malaysia data centre market due to its strong telecommunications infrastructure and stable domestic economy. It also benefitted from the ecosystem provided by the purpose built technology business park in nearby Cyberjaya and its associated tax advantages. Utilisation rates are expected to increase from 71.1% in 2013 to 74.3% in 2018. Pricing growth in the market is relatively low, mostly due to the large amount of available supply. However, in the period from 2014 to 2018, BroadGroup believes that there will be a gradual increase in pricing, particularly as weaker competitors exit the market. Wholesale co-location pricing in Kuala Lumpur is expected to increase at a CAGR of 2.6% and 5.8% in terms of price per KW and price per sq ft respectively, for the period between 2013 and 2018.

OUTLOOK ON THE DATA CENTRE INDUSTRY IN THE UK

The UK is one of the largest data centre markets in Europe, accounting for close to 25% of the European third party data centre market. The UK is a strong trading and financial hub and there is greater willingness to outsource by both corporates and government, factors which contribute to the attractiveness of the market.

Demand for data centres comes from a number of sources, with retail co-location and cloud and managed service providers as key customers of wholesale co-location providers, along with financial institutions, system integrators and the broader corporate sector.

Absorption exceeded demand in the last three years till 2013 and utilisation increased as a result.

London

London has historically dominated the data centre market in the UK. The London market is a relatively mature market with sophisticated offerings and users, and is supported by the London Internet Exchange which is home to more than 400 telecommunications connectivity carriers. BroadGroup expects utilisation to increase sharply over the forecast period from 72.2% in 2013 to 86.3% in 2018, due to robust demand in a market with limited supply.

Pricing in the London market will remain high, with Docklands-based data centres commanding a premium. Wholesale co-location pricing in London is expected to increase at a CAGR of 3.1% and 4.6% in terms of price per KW and price per sq ft respectively, for the period between 2013 and 2018.

OUTLOOK ON THE DATA CENTRE INDUSTRY IN THE NETHERLANDS

The Netherlands market, dominated by Amsterdam, has been a very attractive market for several years. Regional providers see it as the most attractive European location for reasons such as its proximity to major European trading hubs, excellent telecommunications infrastructure, strong presence of U.S. and multinational corporates, and supportive government policies which facilitates entry into and expansion within the market.

The Netherlands is one of the leading countries in the world for IT and telecommunications, and ranks in the top tier for fixed Internet and broadband usage. The Netherlands, and in particular Amsterdam, has also developed a reputation as the 'Internet hub' for Europe, with many leading global players operating out of the country.

Total absorption of net technical space in the Netherlands has been steadily increasing and utilisation has shown a corresponding increase.

Amsterdam

Many U.S. Internet companies are keen to enter via Amsterdam as their initial foray into Europe. The location is seen as centrally located with close proximity to large European countries, has a friendly business environment including excellent English language skills, with excellent telecommunications and strong existing eco-system of Internet and media businesses. It experienced strong absorption in the period to 2013, and is expected to continue to exhibit strong absorption which will push utilisation rate to above 90% by 2018.

While new entrants looking to gain a foothold in the market has created some pricing pressure in the market, BroadGroup believes that pricing will rise in the forecast period, due to continuing strong demand in the market. Wholesale co-location pricing in Amsterdam is forecasted to increase at a CAGR of 2.7% and 4.2% in terms of price per KW and price per sq ft respectively, for the period between 2013 and 2018.

OUTLOOK ON THE DATA CENTRE INDUSTRY IN IRELAND

The Irish market is largely dependent on U.S.-based companies, particularly on IT and Internet companies, financial institutions and pharmaceutical companies. Around 60% to 80% of third party data centre demand in the Irish market comes from the U.S., which favours Ireland for reasons such as the ability to support a pan-European operation and tax advantages. Despite the credit crunch between 2009 and 2011, the Irish government remains committed to both its low corporate tax rate and efforts to attract U.S. players and their data centres. This has been illustrated by public commitment and support, initiatives to improve telecommunications connectivity and power, and continuing ability to attract further investments from the likes of Amazon and Microsoft to build their own data centres in Ireland.

Total absorption of net technical space had grown in the last three years till 2013. Utilisation is expected to exceed 80% by 2018.

Dublin

Dublin remains a key data centre market within Ireland. While there have been initiatives to develop other cities to improve attractiveness for data centre industry players, Dublin's existing data centre eco-system and stronger telecommunications infrastructure continues to put it ahead of other cities. It is known to be Europe's cloud computing hub.

BroadGroup expects to see continued increase in demand over the forecast period to 2018. Supply over the same period is projected to remain fairly conservative, and progressively introduced to match demand. Utilisation is expected to rise from 75.1% in 2013 to 76.4% in 2018.

Wholesale co-location pricing in Dublin has been fairly flat in recent years, which is partially a reflection of performance of the local economy, and bargaining power of U.S. Internet companies. BroadGroup does expect some price increase over the forecast period due to the increasing demand, with CAGR of 2.3% and 3.8% in terms of price per KW and price per sq ft respectively, for the period between 2013 and 2018.

Section 1 Data Centre Market Landscape

1.1 Introduction to data centres

Overview

Data centres are specialised facilities designed to house mission-critical networking and computer equipment including servers, data storage systems, routers, switches and telecommunications equipment. A data centre provides the power, cooling and network connectivity necessary to reliably operate such equipment in a secure and controlled environment. A data centre is connected to telecommunication networks, which allow the servers and data storage systems within to communicate information and exchange data with end users or other servers around the world. Data centres are usually strategically located in places with dense telecommunications network coverage.

BroadGroup defines data centres as secure facilities designed and built specifically to hold and reliably operate networking and computer equipment in the appropriate power and environmental conditions. Key technical features of a data centre include:

- Provision of redundant power supplies and space to networking and computer equipment
- Cooling equipment to prevent the equipment from over-heating
- Fire-suppression systems
- High levels of physical security
- Raised flooring

Users of data centres are wide-ranging and include organisations such as financial institutions, healthcare companies, government agencies, telecommunications service providers, software companies, global Internet companies and cloud computing enterprises. They utilise data centres for a variety of purposes, including:

- Perform mission critical computing processes and store related data
- Perform primary corporate computing processes
- Distribute content to end users
- Support financial activities such as trading and payment processes
- Business continuity and disaster recovery
- Cloud computing
- Web hosting and IT outsourcing

Data centre space is typically available in three configurations - cabinets, cages and suites.

- Cabinets are enclosures that provide a relatively small amount of usable space
- Cages are private enclosures that can accommodate cabinets and freestanding or non-rack mountable equipment
- Suites are private rooms with solid walls that can be configured to the specifications of the customer

Figure 1 depicts images of modern data centres.

Figure 1: Images of modern data centres

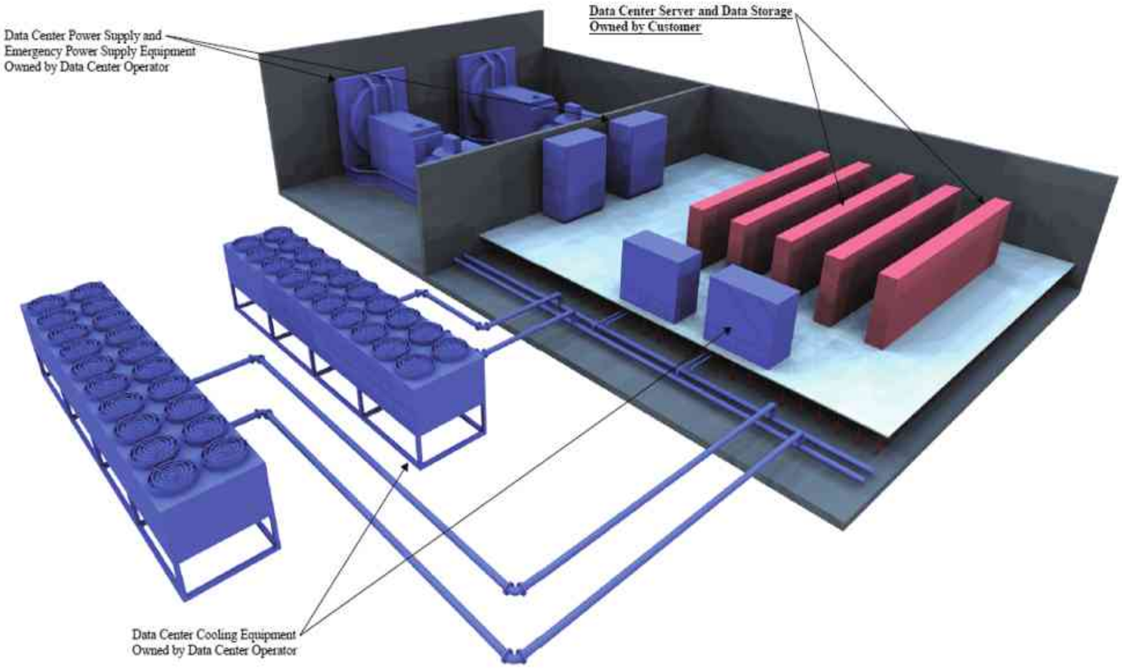
Source: BroadGroup/Various

Data centre equipment

Data centres are designed to high technical standards. Upfront capital expenditure for the equipment and fit-out range from approximately US$1,200 to US$2,000 per sq ft of net technical space. This excludes the cost of land and basic shell of the building.

Figure 2 shows an overview of the key equipment and fit-out of a data centre:

Figure 2: Typical data centre equipment and respective functions



Source: Arup

Key equipment	Function
Air Conditioning Unit (ACU)	To maintain cool temperature within the data centre, typically at 18-24 degrees Celsius, depending on users' preference
Uninterruptible Power System (UPS)	Provides instantaneous and continuous power supply in the event of outages of the local power grid
Raised flooring	An elevated structural floor to allow the passage of mechanical and electrical services
Fire suppression equipment	Systems to detect, contain and respond immediately to any fire outbreaks
Internet connectivity	Physical telecommunication cables brought into the data centre to allow direct connectivity. **Data centres can be carrier-dependent or carrier-neutral.** For carrier-dependent data centres, the owner will bundle a specific carrier service into the data centre offering. For carrier-neutral data centres, the responsibility of procuring Internet connectivity belongs to the customer, who will typically have a choice of carriers with whom to connect

Key equipment	Function
Server cages	Enclosures to house the computer servers and connect to power and cooling sources
Building monitoring systems (BMS) and environmental monitoring systems (EMS)	Hardware and associated software to monitor and control elements such as the temperature and humidity of the data centre, address issues such as security and operational processes and provide regular reports

Source: BroadGroup

Figure 3 shows BroadGroup's estimated breakdown of the typical costs in building and fitting out a data centre (excluding land, networking and computer equipment). The largest proportion of the cost, being approximately 50% to 75%, is attributable to the electrical and mechanical installations, which are related to the provision of power and cooling. Such equipment will typically last 10-15 years or more, although some equipment, such as the cooling tower, may last 25-30 years.

Figure 3: Data centre building and fit-out costs (excluding land, networking and computer equipment)

Description	Cost breakdown
Building shell and preparing site – includes elements such as walls and roof	15-20%
Electrical installation – includes all power systems and high voltage connections	35-50%
Mechanical installation – includes all air handling and cooling units	15-25%
Management and monitoring systems – including control and fire systems	5-15%
Other specialist and security infrastructure – such as CCTV and physical security	5-10%
Other costs such as contingency, leasing and management fees	10-15%

Source: BroadGroup

Note: Proportion depends on geographies and the quality of the equipment procured.

Definition of data centre real estate space

While the size of a data centre can be specified by its gross floor area, as is common in other types of real estate, the industry typically measures data centre space by its net technical space and power availability. In a data centre, space is required for power generators, cooling equipment, loading bay, staging room and operations bay, and hence the net available space for users to place their networking and computer servers is known as the **net technical space** which ranges between 40% and 80% of the gross floor area. The percentage is usually lower for larger facilities that offer other services such as offices for business continuity and administrative areas, taking up some of the gross floor area.

The “size” or capacity of a data centre can alternatively be specified by the maximum power within the building facility available for the networking and computer equipment. This would be capped by the incoming power from the power grid as well as the backup power that can be provided by the data centres power backup systems (generators and UPS). Power is measured in MW (megawatts, with 1MW = 1,000,000 watts or 1,000 kilowatts) supplied to the site. With a larger maximum available power, a data centre can provide for more networking and computer equipment. The power required at a modern data centre has been steadily increasing, from the typical 75W per sq ft five years ago to 150W per sq ft of net technical space today.

Wholesale co-location and retail co-location customers are generally charged based on (i) net technical space occupied, (ii) IT power allocated (in kilowatts), or (iii) number of racks. While pricing can be based on either of the three methods, it would have taken into consideration the space and IT power allocated to the associated space.

Utilised space as a portion of contracted space

Many third party data centre providers report that their customers do not fully utilise the contracted level of space and power. BroadGroup estimates that while customers pay for 100% of the contracted agreed space and power, they rarely use >80% of such space and power. This is often due to the customers’ forward looking plans for future expansion and contingency, often contracting for space that they expect to use in the next 18 to 24 months. This stems from customers’ wanting to house their networking and computer equipment in the same location for convenience, and hence their willingness to commence the lease for the projected space and power from day one. Other reasons include catering for potential spikes in demand (such as during holiday periods) and difficulties in accurately forecasting demand.

Classification of data centres by Tiers

There are a number of standards used to define the quality and specifications of a data centre, the two most common being the Uptime Institute Tier ratings, which measure the availability (or uptime) of the data centre and the TIA-942 Telecommunications Infrastructure Association standard which specifically refers to the telecommunications infrastructure within the data centre. The Uptime Institute Tier ratings are shown in Figure 4 and the TIA-942 standard in Figure 5.

Figure 4: Uptime Institute Tier ratings

Tier	Maintenance Shutdowns	Equipment or Service Failures	Maintenance + Unplanned Outages	Average Service Availability
I	Two separate 12 hour shutdowns per year	1.2 failures per year	28.8 hours per year	99.67%
II	Three shutdowns per two years	One failure per year	22 hours per year	99.75%
III	Shutdowns not required	One 4-hour failure per 2.5 years	1.6 hours per year	99.98%
IV	Shutdowns not required	One 4-hour failure per 5 years	0.8 hours per year	99.99%

Source: Uptime Institute

Figure 5: TIA-942 Tier ratings

Tier	Maintenance + Unplanned Outages	Average Service Availability
I	28.8 hours per year	99.671%
II	22 hours per year	99.741%
III	1.6 hours per year	99.982%
IV	0.4 hours per year	99.995%

Source: TIA/ANSI

One important aspect of the tiering system is that it illustrates the **extremely high reliability expected of a data centre**. For example, a Tier IV data centre should be equipped such that:

- A failure of any single component does not impact the operations of the servers in the data centre
- Any single component can be removed without impacting the operations of the servers
- Data centre is not susceptible to either planned maintenance or impacted by unplanned events

To achieve the requirements of a Tier IV facility (ie 99.99% availability), the data centre facility needs to be fully backed by redundant power and cooling infrastructure. This increases the costs of fitting out such a data centre and as a result, Tier IV data centres remain relatively rare and BroadGroup estimates that they account for less than 2% of data centres globally.

While Tier IV data centres are sometimes deemed by financial and government clients as the 'best in class' of data centres, its deployment and usage is often not cost-effective. For example, the cost of building and fitting-out a Tier IV data centre can be twice as much as a Tier II data centre and around 20-40% more than a Tier III data centre.

Hence, Tier III has become the *de facto* standard for users requiring high quality data centre space that can provide the level of reliability required to store and run their mission-critical data and processes. A Tier III data centre provides multiple independent distribution paths serving the IT equipment and requires all IT equipment to be dual-powered and fully compatible with the topology of the site's architecture.

Tier II fulfils the requirements of users who have linked together their data centres, or can afford some downtime. Many of the Tier II data centres claim to be closer to Tier III level, but have sought to cut costs by fitting out at Tier II levels for non-critical components.

While the tiering classification is often used as a guideline to determine the quality of the data centre, customers of data centres typically have internal functional and availability requirements they expect of the facility. Some larger organisations, particularly global corporations and Internet service providers have their own standards and requirements to meet when evaluating data centres. Other customers may focus only on particular elements of the tiering standards which are important to their business requirements and ignore other aspects that they consider irrelevant.

Given the non-regulatory nature of tiering standards and the lack of official approval authorities, the design of a data centre is generally determined by the commercial arrangement between the data centre owner / provider and its customers, which tend to be unique to the needs of the specific customers rather than by relying on any particular tiering standard. As such, it should be noted that many data centres do not undergo a formal tiering accreditation process.

1.2 *Industry overview*

The following section describes the history of the data centre industry and explains how data centre usage has evolved over time. The majority of data centres are currently managed internally by organisations and operated as a cost centre. However, strong growth in data creation and storage needs resulting from the increasing digitisation of the global economy is expected to drive demand for outsourced data centres.

Industry overview

Data centres used to be a low ranking priority for many corporations. This was due to limited data usage, less emphasis on security of data storage and reliability of mission-critical systems, as well as lower penetration of IT- and cloud-based systems. Additionally, organisations have, in the past and to an extent even now, been keen to keep data centres in-house, encouraged by the 'server hugger' mentality of keeping resources under internal control and within easy access. This, and the lack of understanding of true costs, is the reason that even in mature data centre markets, more than 80% of data centres are still owned, run, and managed by internal departments of the organisation.

Over the last decade from 2003 to 2013, however, third party data centre demand has grown by 14.7% CAGR, and outsourcing data centres to a third party is now an increasing trend as the requirements of data centres become more complex and requires higher operational and management skills. For example, a third party provider would offer outsourced data centre space and power in the wholesale co-location model, or provide higher margin services through a cloud and managed service. A user – whether corporate, SME or government – would simply engage the services of the third party provider, but ultimately run its own IT applications, online services or disaster recovery programmes.

BroadGroup sees increasing demand for third party data centres as the benefits become more evident to a wider range of users. Demand for third party data centres has occurred in four waves:

Wave	**Period**	**Market sectors and users**
First wave	1995-2005	Telecommunication companies, Internet service providers, managed service providers
Second wave	2002-2012	Banks, very large corporates
Third wave	2010-2014	Wider range of users from SMEs to retail to media to government, with specific vertical market offerings
Fourth wave	2013-current	Data centres are part of broader IT/Internet infrastructure and attractive to many market sectors and users

In the first and second waves, connectivity, latency and proximity to customers and staff were key factors that encouraged data centre outsourcing in large cities where Internet exchanges are located.

In the third wave, the data centre market became more fragmented. Different offerings were tailored to suit different vertical markets, and the benefits and economic advantages of outsourcing became widely understood and accepted.

A fourth wave has begun where data centres are increasingly recognised as part of the broader IT and cloud infrastructure, and are now more closely integrated with such initiatives.

As a result, third party data centres are increasingly important to many organisations. They are no longer considered assets that are run and managed separately from an organisation's broad IT and business strategy. **Data centres are, thus, seen as critical to the IT and cloud aspirations of corporate users.**

On the whole, data centre demand has grown tremendously over the last decade and is expected to continue to grow over the coming years. The industry is highly segmented with a broad range of provider offerings.

1.2.1 Different provider offerings

Figure 6 shows the data centre provider segmentation and describes the offerings under each of these segments.

Figure 6: Data centre segmentation

Type:	In-sourced	Real Estate	Third party providers		
Provider	In-house	Real estate investors	Wholesale co-location	Retail co-location	Cloud and Managed Services
Typical users/customers	Typically large corporations with the resource to acquire/construct data centres; IT giants providing cloud offerings	Large corporations/wholesale co-location providers under long-term leases	Large corporations, government agencies and global Internet businesses operating in the retail co-location/cloud services space	Large corporations, small and medium businesses and government agencies	Large corporations, small and medium businesses and government agencies
Space	NA	NA	2,000 sq ft or more of raised floor space	Up to 2,000 sq ft of raised floor space	Small amounts of space; customers rent managed virtual servers
Power	NA	NA	500 kW or more; costs are passed on to customers (metered power)	Specified kW included in lease; excess usage charged separately	Bundled with services
Other services	All internal usage	Typically do not have the expertise to render additional services for data centre users	Local engineering support through 'hands and eyes' service	Operational and management support	Technical support
Rental model	NA	Lease of entire building	By gross floor space, net technical space and power	By net technical space, power, and racks	By service line and application
Lease terms	NA	10 - 40 years	5 - 25 years	Up to 5 years	Up to 3 years
Ownership of Real estate and fit out	Usually owned by the corporation who is the end user	Private equity/institutional investors either own the land and building ("shell and core") or the land, building and data centre infrastructure	Typically owned by provider	Typically leased from wholesale co-location provider	Typically leased from wholesale/retail co-location provider
Ownership of server and IT applications	Owned by the corporation who is the end user	NA	Owned by customer	Owned by customer	Owned by service provider / customer

Third party providers are increasingly used by organisations for reasons such as cost savings, capital efficiency, flexibility, reliability, and expertise. In general, the business model for third party providers falls into one of the four categories below:

1. Real estate investors ;
2. Wholesale co-location specialists that offer clients space, power and cooling, as well as access and connectivity to multiple carriers;
3. Retail co-location specialists who offer a more managed service than wholesale co-location providers with service such as installation and operational support, smaller deals from rental of part of a data centre rack, and more focus on access to carriers and other partners such as cloud companies; or
4. Cloud and managed services providers, which offer a much broader IT offering, ranging from website or email hosting to full IT outsourcing, rather than simply space and power in a data centre.

In terms of telecommunications connectivity, data centres that are operated by a telecommunications service provider would typically be bundled with Internet connectivity and are hence carrier dependent, while the other data centres are mainly carrier-neutral where the responsibility of procuring the Internet connectivity belongs to the customer.

Figure 7 shows the size, growth and key global players in each third party segment in 2013. Providers of cloud and managed services are often customers of real estate investors and wholesale co-location providers, tapping on the real estate and equipment fit-out of the latter to provide value-added downstream services.

Figure 7: Size, growth and key global players in each segment

Provider type	Market size (2013 revenue)	2013 annual growth	2013 annual price change	Example of key players
Real estate	US$5-10bn	6-12%	Flat	Macquarie Prudential
Wholesale co-location	US$12-16bn	6-12%	Flat	Digital Realty Global Switch
Retail co-location	US$15-20bn	8-12%	Flat	Equinix TeleCity
Cloud and managed services	US$130-170bn	30-40%	-10%	Rackspace IBM

Source: BroadGroup

Figure 8 highlights some of the key differences between wholesale co-location and retail co-location deal transactions. The ability of the provider of co-location services to charge a higher relative pricing is due to the shorter deal length and smaller deal size as well as to offset the costs incurred in fitting out the data centre. In addition, the co-location provider is also responsible for managing and operating the mechanical and electrical equipment within the facility and maintaining certain service level standards, which would incur additional costs.

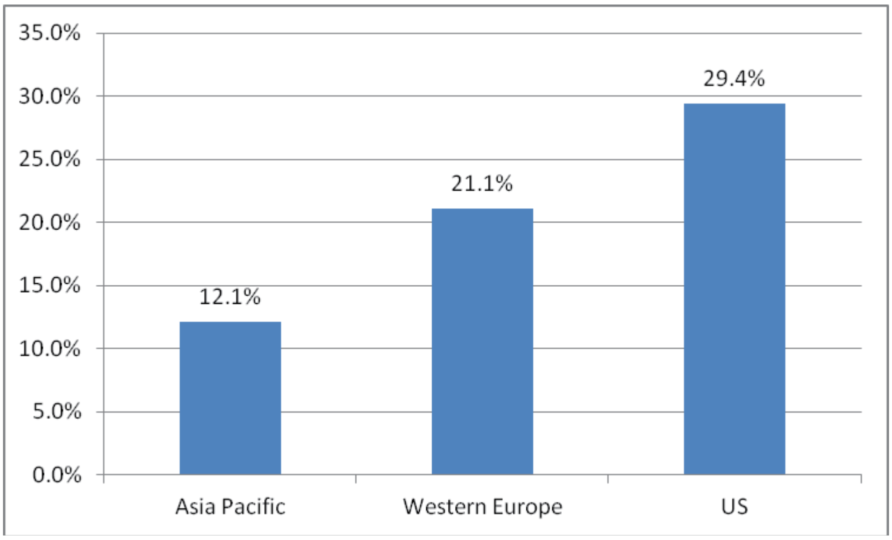
Figure 8: Key differences in typical wholesale co-location and retail co-location deals

Provider type	Typical deal length	Typical deal size	Deal metric	Relative pricing
Real estate	10-40 years	10,000 sq ft+	sq ft	1 time
Wholesale co-location	5-25 years	2,000 sq ft+	KW, sq ft	5-7 times
Retail co-location	Up to five years	1 sq ft-2,000 sq ft	KW, racks	10-15 times

Source: BroadGroup

In terms of the use of third party data centres, Western Europe and Asia Pacific lags behind the US, which is a more mature data centre market. In BroadGroup's opinion, this highlights the potential growth opportunities for Western Europe and more so for Asia Pacific, given both regions have lower bases to start with. While the use of third party data centres is more consistent and established across the Western European countries, this is less so for Asia Pacific. Third-party providers account for up to 30% to 40% in markets such as Singapore and closer to 5% in less developed Asia Pacific markets.

Figure 9: Proportion of third-party data centre space by region in 2013 (by sq ft)



Source: BroadGroup

1.2.2 Overall competitor landscape and customer segments

Figure 10 shows some of the key players in Western Europe and Asia Pacific. There has been growing international expansion by larger players and there are now a number of players who have a presence in both regions. Yet, within each region, the market often remains fragmented and led by domestic players that are present only in that particular country.

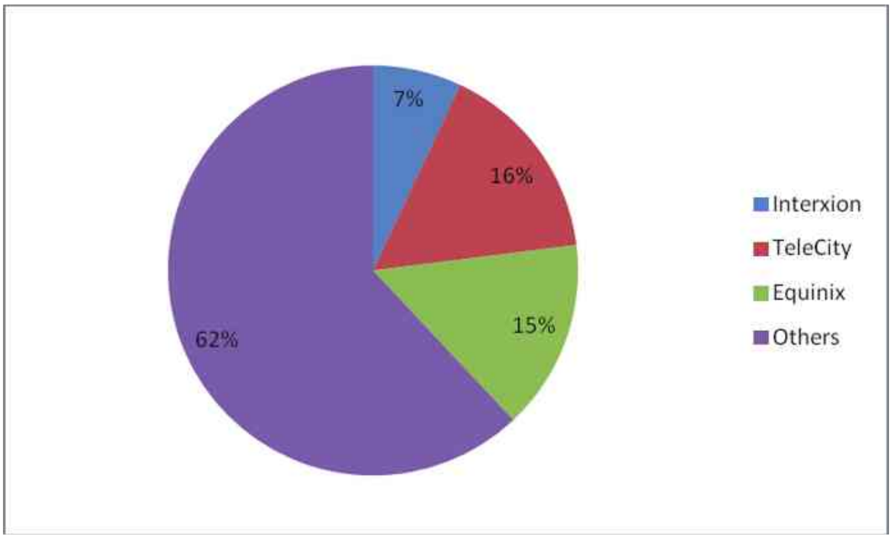
Figure 10: Competitive landscape in Western Europe and Asia Pacific

Provider type	Western Europe	Asia Pacific
Real estate	SEGRO, Legal and General Property on behalf of Limited Price Inflation (LPI) Income Property Fund, Evans Randall, Orchard Street Investment Management, and LDC	Ascendas
Wholesale co-location	Digital Realty, Global Switch, e-shelter	Digital Realty, Global Switch, i-Advantage, Asia Pacific Data Centre, CSF
Retail co-location	Equinix, TeleCity, Interxion	Equinix, NextDC, 1-Net

Source: BroadGroup

Data centre markets are generally characterised by **several larger players and a large number of smaller players**. For example, as shown in Figure 11, the top three retail co-location providers in UK command 38% of the market share, with up to 100 players taking up the remaining 62%. BroadGroup believes that this observation is also common in the other geographies, with the top three players taking up no more than 20%-50% of the total market share.

Figure 11: UK retail co-location market share (by sq ft leased out in 2013)



Source: BroadGroup

Figures 12 and 13 show BroadGroup's analysis of the top 5 customer segments of wholesale co-location and retail co-location providers respectively. Key customers tend to be large corporates that have mission critical business operations and where connectivity, the Internet and IT feature heavily in their business model. It should be noted that part of the overlap in the market is that retail co-location providers are often customers of wholesale co-location providers.

Figure 12: BroadGroup assessment of top five wholesale co-location data centre customer segments

Rank	Customer segment
1	IT services (including retail co-location providers)
2	Internet service providers and telecommunications service providers
3	Financial services
4	Corporates
5	Others

Figure 13: BroadGroup assessment of top five retail co-location data centre customer segments

Rank	Customer segment
1	Content, telecommunications and digital media
2	Cloud computing/managed services
3	Financial services
4	Systems integrators
5	Other enterprises

Source: BroadGroup

1.2.3 Likely future direction

There has been an increasing trend for providers to offer services across the value chain, for example:

- Wholesale co-location providers offering smaller and shorter deals, with increased focus on telecommunications

- Wholesale co-location and retail co-location providers moving towards offering cloud and managed services

Meanwhile, BroadGroup believes that the trend in value chain integration will drive both in-country and cross-border transactions, leading to truly global all-rounded data centre providers that will better serve customers. The pace of consolidation, however, depends on economies of scale, access to new markets and geographies, regulatory approvals, new entrants to sector and underlying demand needs. In particular, many global providers are able to grow as a result of existing customers taking up the former's services in multiple countries with some providers reporting that around 60% of their revenues now come from customers deployed in multiple countries.

There is also a growing trend of non-traditional data centre providers such as real estate funds and pension funds acquiring data centre assets.

Recent prominent merger and acquisition actions in the data centre industry include:

1. In 2012, Digital Realty acquired Sentrum in the UK (portfolio comprising three wholesale co-location data centres in London) to bolster its presence
2. In 2012, Equinix acquired AsiaTone (portfolio including five data centres, one disaster recovery centre and a further data centre under construction across three key Asia Pacific markets – Hong Kong, Shanghai and Singapore) primarily to gain access to the Chinese market (as well as increase its presence in the Hong Kong market)
3. In 2011, CenturyLink, the third largest telecommunications company in the US, acquired Savvis (a global leader in cloud infrastructure and hosting with approximately 2,500 clients) to significantly increase its exposure to co-location and the hosting/managed service sector

The introduction of new entrants and the further 'blurring' of the provider segmentation look set to continue, together with an increasing consolidation in the industry.

1.3 Demand drivers for data centres

This section describes the key demand drivers for data centre usage, and how these are likely to develop in the future. Data centre demand has been growing steadily, and BroadGroup believes that demand for high specification data centres that are professionally managed is expected to continue due to the following factors:

- Growth in data creation and data storage needs
- Growth in cloud computing
- Increasing compliance and regulatory requirements on data security
- Increasing outsourcing of data centre requirements

1.3.1 Growth in data creation and data storage needs

Data growth has been driven by several factors such as the proliferation of Internet enabled devices (e.g. smart phones and tablets), growth in video streaming and file sharing, increased popularity of e-commerce and social networking and more generally, the increase in the number of global Internet users.

Figure 14 illustrates BroadGroup's estimated growth in Internet enabled devices and global Internet users. By 2018, Internet enabled devices around the world will grow by three times, which are expected to collectively use far more data than before as the technology for such devices matures. As an example, BroadGroup estimates that in 2013, 4G (LTE) mobile users used around six times more data than 3G users.

Figure 14: Forecast growth in Internet enabled devices and global Internet users

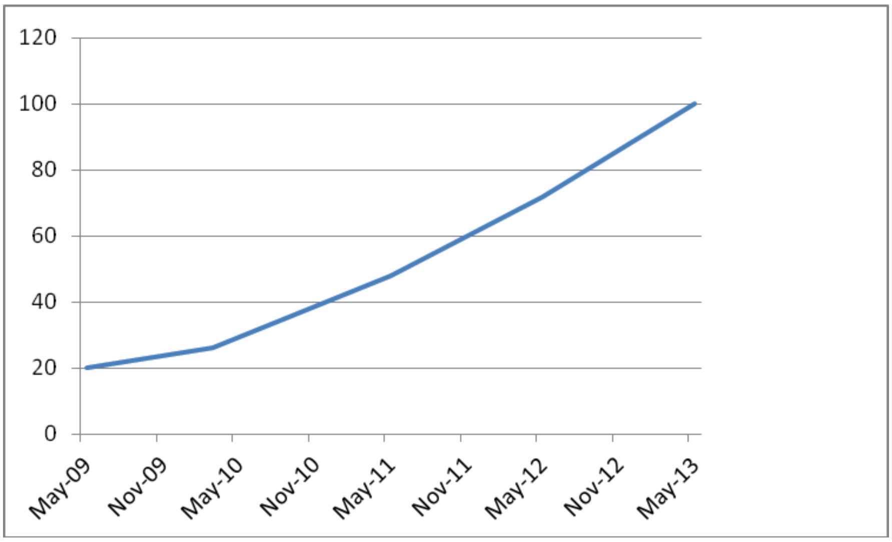
	2013A	**2018F**	**CAGR 2013A-18F**
Internet enabled devices	5.6 billion	18.2 billion	26.6%
Global Internet users	2.4 billion	5.3 billion	17.2%

Source: BroadGroup

While many aspects of Internet growth such as e-commerce and social networking are cited as drivers for data centre growth, **the most significant driver is online video streaming**, and in particular the demand for High Definition video streaming, which BroadGroup estimates requires an additional 20-100 times the storage space vis-a-vis traditional video.

Video streaming has grown massively popular, with the number of hours of video uploaded to YouTube each minute growing by an average CAGR of 49.5% between May 2009 and May 2013 as shown in Figure 15. Over 6 billion hours of video are now watched each month on YouTube.

Figure 15: YouTube hours of video uploaded each minute



Source: YouTube

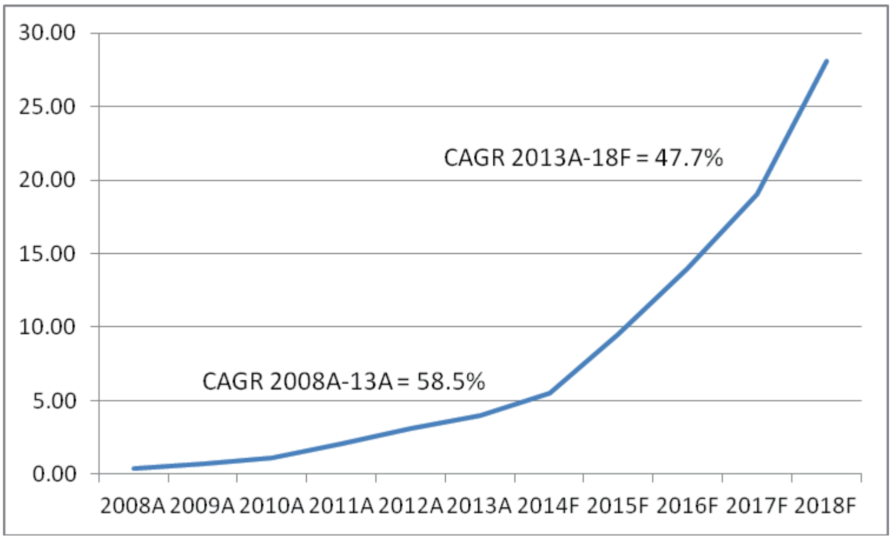
Other data points to highlight the growth in Internet usage include:

- FaceBook – c. 1.4 billion monthly active users (Source: Statistic Brain)
- Google – c. 6 billion searches per day during 2013 (Source: Statistic Brain)

More recently, the trend towards “Big Data” has also underscored the increasing demand for data storage. “Big Data” is the concept of collecting a massive volume of data that is difficult to process using on-hand database management tools or traditional data processing applications. These data sets are used for a wide variety of analysis such as drug discovery, seismic processing, and consumer trend and statistical analysis. It also encompasses the analysis of significant volumes of historical and real-time data, and generates vast computing and data storage requirements.

As a result of the above underlying drivers, BroadGroup estimates that the **amount of data created globally has grown by a CAGR of 58.5% in the last five years (2008-2013) and will continue to grow at a CAGR of 47.7% from 2013 to 2018.**

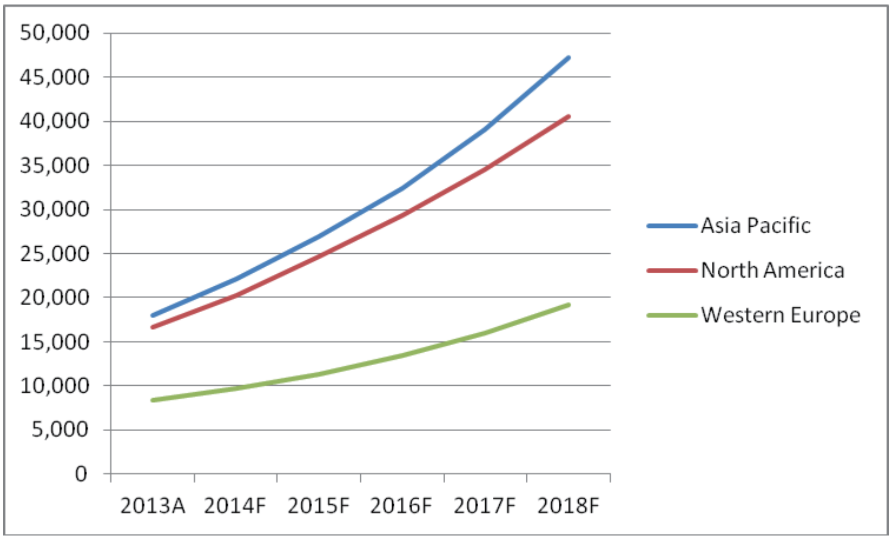
Figure 16: Total global data created annually (in Zettabytes)



Source: BroadGroup

BroadGroup's analysis of data growth is corroborated by the expected growth in global monthly Internet Protocol (IP) traffic. As data continues to be created and shared, massive amount of traffic is expected to be carried over the Internet. Between 2007-2012, Cisco estimates that global monthly IP traffic grew by 125.9% and is expected to grow at a CAGR of 21.0% from 2013 to 2018. Asia Pacific overtook North America in terms of monthly IP traffic in 2013. Amongst the three regions, it is projected that Asia Pacific will show the highest growth in monthly IP traffic with a CAGR of 21.0% in the period from 2013 to 2018. The measure used, PB (PetaByte), is explained in the glossary at the end of the report.

Figure 17: Cisco analysis of growth in monthly IP traffic (PB per month)



Region	**CAGR 2013A to 2018F**
Asia Pacific	21.0%
Western Europe	18.0%
North America	20.0%

Source: Cisco

1.3.2 Growth in cloud computing, e-commerce and online shopping

Cloud computing is a model for enabling convenient, on-demand network access to a shared pool of configurable computing resources (e.g., networks, servers, storage, applications, and services), which is highly scalable and can be rapidly provisioned and released with minimal management effort or service provider interaction.

Such a concept is gaining popularity among corporate and individual end users and is changing the way information technology is being consumed by placing more focus on networked or shared resources. As a result, data storage in commonly accessible locations is becoming increasingly important. Suppliers of cloud services require data centre space with high power density and the shift towards cloud computing is a key driver of data centre demand.

BroadGroup believes that cloud computing is changing the culture and business practices within a company, and the way IT is used within an organisation by shifting the need for in-house IT infrastructure to outsourced data centre space. Cloud computing transforms all employees into direct consumers of IT services with pay-as-you-use models vis-à-vis static models where in the latter, the IT department of a company would control and request for more server space based on assumptions on the space the organisation is potentially going to use, and the unnecessary cost incurred as a result of paying for unused space.

An example of cloud computing usage is offered by salesforce.com which is controlled by sales and marketing departments of organisations, rather than IT departments. The short-term nature of some cloud deployments, such as one hour slots on Amazon Web Services, is also allowing for increased flexibility and easier access to IT resources. **BroadGroup believes that these factors will directly lead to increased demand for data centre space.**

A particularly important aspect of the evolution towards cloud computing is the migration towards outsourced services. In a cloud model of dynamic and agile resources, it becomes increasingly attractive to use outsourced resources. Cloud computing service providers are able to consolidate multiple customers and applications into a single virtualised environment to maximise utilisation and drive cost efficiency. The shift towards cloud computing will be a key driver of data centre demand. For example, Equinix currently has over 400 cloud customers, from close to zero three years ago. BroadGroup estimates that cloud infrastructure services, led by Amazon Web Services, grew approximately 45.5% globally in 2013. BroadGroup believes cloud infrastructure services will grow by a CAGR of between 35.0-55.0% per year for the next five years from 2014 to 2018.

Cloud computing characteristics

On-demand self-service. A consumer can unilaterally request for computing capabilities, such as server time and network storage, as needed automatically without requiring human interaction with the service provider.

Broad network access. Capabilities are available over the network and accessed through standard mechanisms that promote use by heterogeneous thin or thick client platforms (e.g., mobile phones, laptops, and personal digital assistants.

Resource pooling. The provider's computing resources are pooled to serve multiple consumers using a multi-tenant model, with different physical and virtual resources dynamically assigned and reassigned according to consumer demand. There is a sense of location independence in that the subscriber generally has no control or knowledge over the exact location of the provided resources but may be able to specify location at a higher level of abstraction (e.g., country or data centre). Examples of resources include storage, processing, memory, network, and virtual machines.

Rapid elasticity. Capabilities can be rapidly and elastically provisioned, in some cases automatically, to quickly scale out and rapidly released to quickly scale in. To the consumer, the capabilities available for provisioning often appear to be unlimited and can be purchased in any quantity at any time.

Measured Service. Cloud systems automatically control and optimise resource use by leveraging a metering capability at some level of abstraction appropriate to the type of service (e.g., storage, processing, bandwidth, and active user accounts). Resource usage can be monitored, controlled, and reported, providing transparency for both the provider and consumer of the utilised service.

E-commerce, largely exemplified by online shopping, is the conduct of commercial transactions electronically over the Internet. It comprises an online portal that is often data intensive, and the exchange of data to facilitate the browsing, financing and payment aspects of the transaction between businesses and/or consumers.

IDC estimates that global e-commerce transactions will have growth to 34.8 billion by the end of 2014. The Asia Pacific region will represent 46% of global digital buyers in 2014.eMarketer estimates that global business-to-consumer e-commerce sales will reach $1.5 trillion in 2014, an increase of 20.1% over 2013. They estimate that consumers from Asia Pacific will be responsible for over a third of these sales, and the region will have overtaken North America in terms of sales.

BroadGroup expects the proliferation of e-commerce and online shopping to drive demand for data centres, which are required to host the ecommerce portals and process the transactions.

1.3.3 Increasing compliance and regulatory requirements on data security

Another demand driver has been the need for corporates to meet heightened security and compliance regulations in handling sensitive data. As a result of increasing compliance and regulatory requirements across a variety of industries including the banking, finance and healthcare industries, data storage and archiving requirements demand increasingly secure data centre facilities with reliable long-term access and on-demand retrieval capabilities. Some of these regulations require organisations to store a broader range of data for a longer duration, or impose stringent requirements on the types of security features data centres should have. As a result, BroadGroup believes that the demand for high-specification and professionally-managed data centres is expected to grow.

Some examples of the compliance and regulatory requirements are shown in Figure 18.

Figure 18: Examples of compliance and regulatory requirements

Type	Effective year	Compliance and regulatory requirements
HIPAA (Health Insurance Portability And Accountability Act)	New regulations planned for 2015	Used in the US health care industry to protect patient data in hospital computer networks and data centre storage, to ensure that patient privacy is not compromised
Monetary Authority of Singapore	2013	A national regulatory authority, which was formed under a Government Act in 1970 and regulates banking and insurance matters in Singapore. Recently introduced the Technology Risk Management guidelines in June 2013

Type	Effective year	Compliance and regulatory requirements
PCI DSS (Payment Card Industry Data Security Standard)	2009	An industry consortium standard used by credit card companies to protect consumer records in the database
Sarbanes Oxley (SOX)	2002	Increase in auditing of the company's financial system that is tied to the IT platform. This leads to more effective auditing with a need to identify and provide a time-based record of when and where the network was accessed and by whom

Source: BroadGroup/Regulatory authorities

1.3.4 Increasing outsourcing of data centre requirements

Organisations have historically kept data centres in-house for the reasons to have control and flexibility, and the perception that third party sites are of lower quality. In recent years, however, the designing, building and operating data centres have become more complex and capital intensive, moving beyond the core competencies of many organisations. With third party outsourced data centres that offer the support and operational expertise round the clock, redundancy through a service level agreement and access to a diverse set of network carriers, users increasingly realise that outsourcing can improve their cost structure, accelerate the deployment process and lower their overall IT risk.

The trend towards outsourcing is driven by the following primary factors:

1. Data centres require large upfront costs to construct and it is often more cost effective and capital efficient for organisations to utilise experienced data centre providers to meet their needs for co-location and managed hosting services. Third party data centres charge on a per-use model and are relatively more competitive due to specialisation and economies of scale.

2. Organisations face increased complexities in running in-house data centres and find difficulty in attracting and retaining qualified personnel who are competent in managing such data centres.

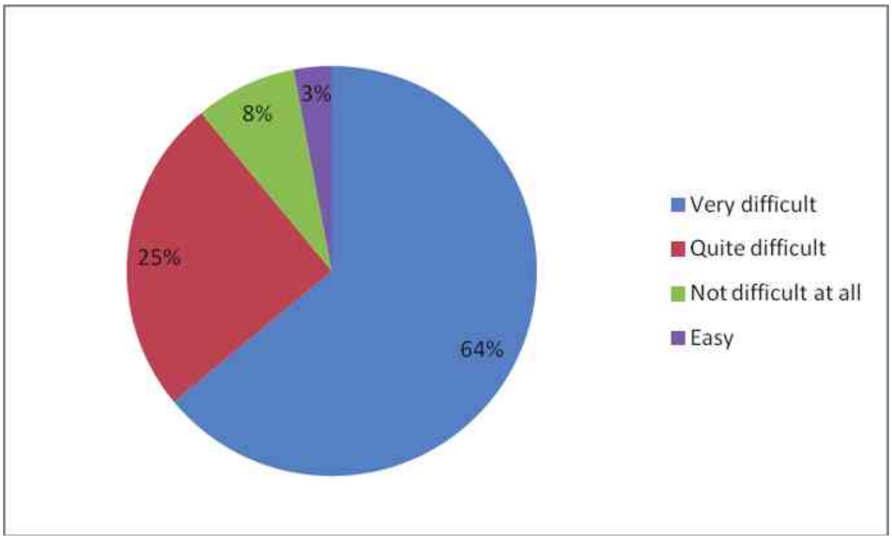
3. Users focus on their core competencies; owning and managing in-house data centres are not core competencies for many organisations. A growing number of organisations are facing challenges in managing data centre infrastructure in-house as they often lack the process knowledge and skills to ensure high data availability and security, amongst others. By outsourcing their data centre requirements, organisations can focus on their core business.

4. Needs of an organisation can change and grow quickly and third party providers are able to provide flexible, on-demand and customisable solutions faster than in-house options.

5. Growing data centre compliance and regulatory requirements as mentioned in Section 1.3.3

Figure 19 shows a BroadGroup survey conducted in 2013 that highlights the sentiments of financial services companies in finding new and suitable data centre space and power.

Figure 19: Survey of global financial service companies on their view of the difficulty of getting new and suitable data centre space and power (2013)

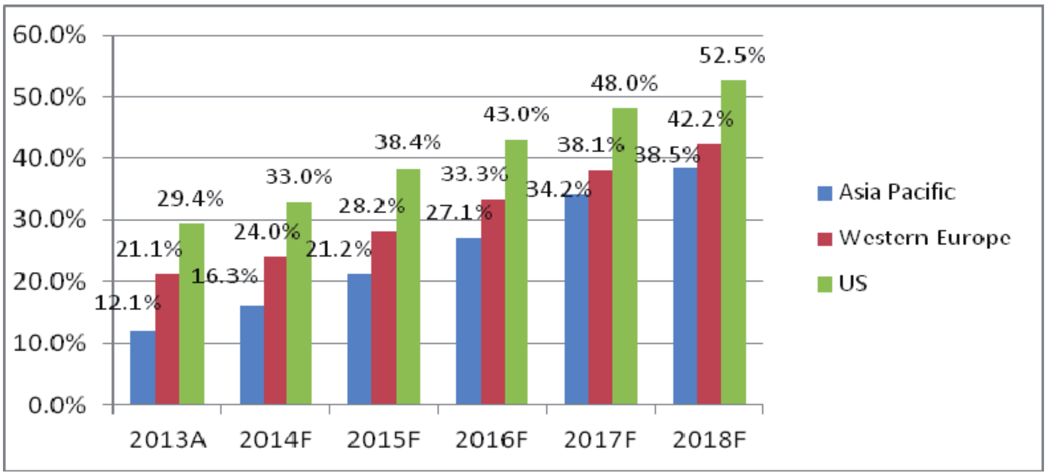


Source: BroadGroup

Ultimately, the increased focus on capital rationalisation and trend towards an 'asset light' business model will continue to increase demand for outsourced third party data centre space. The overall growth in outsourcing in Asia Pacific, Western Europe and the US between 2013 and 2018 is shown in Figure 20.

With Asia Pacific and Western Europe being less mature markets currently, BroadGroup foresees that growth opportunities in these markets will be excellent. In this period, the proportion of outsourced data centre space in Asia Pacific is expected to increase the most (by 26.4%) from 12.1% in 2013 to 38.5% in 2018, and that of Western Europe by 21.1% from 21.1% in 2013 to 42.2% in 2018.

Figure 20: Forecast proportion of outsourced data centre space by region (by sq ft)



Source: BroadGroup

Specifically, the following verticals have moved towards outsourcing of their data centre requirements:

Banking

Demand from financial services companies is on the rise, with banks reporting annual data growth of approximately 30-50% in 2013. Robust data centre demand from the banking sector is driven by increased regulation, high frequency trading requiring low latency, and increasingly complex trades (such as exotics and complex derivatives) that processes intensive computations. New regulation and compliance requirements lend support to this trend.

Systems integrators

Systems integrators have been key customers of outsourced data centres, having benefitted from the credit crunch in 2009, when companies looked to increase outsourcing. They also typically have limited desire to build, as they see their core competence as offering applications and full outsourcing rather than owning infrastructure. Systems integrators also require ready space for customers, but do not want to have unused space in advance. This has led to higher demand for outsourced data centres.

Media and Internet services

Media and Internet companies tend to outsource their data centre requirements due to the substantial upfront investment. The unpredictability of their future data centre requirements has also led to many preferring the flexibility of an outsourced solution. Their fast pace of growth is another key demand driver for data centre demand.

Government

Governments are increasing their use of outsourced data centres, for reasons such as cost savings (particularly as historically there has often been little sharing/efficiencies between government departments), greater use of e-services and Internet delivery, usage of cloud services and enabling digital economy.

Business continuity and disaster recovery (BCDR)

BCDR is the strategy that enables an organisation to maintain operations at an alternative site when a disaster or "invocation" at its office, factory or data centre hinders or makes it difficult to carry on normal everyday business at its primary location. Such incidents are often seen as some major catastrophe but are often more low-key such as vandalism or a power cut, or more localised such as flooding.

For many organisations, this is seen as something of an 'insurance policy' although, for some vertical markets such as the financial institutions, it is a regulatory requirement. For example, global banks may have to keep back-up facilities within 50-70km for time recovery purposes (ensuring that data is maintained as 'live' and real-time).

Greater risks to operations, whether through climate change, terrorism or simply greater awareness of such risks, have put disaster recovery higher up the agenda for many organisations. However, the means of providing such a service has also changed. Historically, there has been a central, 'lights off' facility that can be used in the case of a disaster.

Two other issues have also led organisations to consider use of multiple data centres, and a mix of in-house and outsourced facilities, to meet their requirements. Standards such as BS25999 encourage a 'meshed' disaster recovery strategy rather than a single back-up, 'passive' location. To encourage adoption, the Singaporean Government helped develop a local standard, SS507, which has now evolved into a global standard, ISO 24762. Many organisations are looking to increase efficiency by having disaster recovery sites switched on and running computing applications at all times (while still able to support other data centres in case of a disaster).

As a result, this leads to greater use of outsourced facilities which provides diversity in terms of ownership, location and management.

Organisations as part of a BCDR will adopt strategies such as 'pairing' data centres, a strategy where two data centres replicate each other and serve as each other's recovery site.

Others

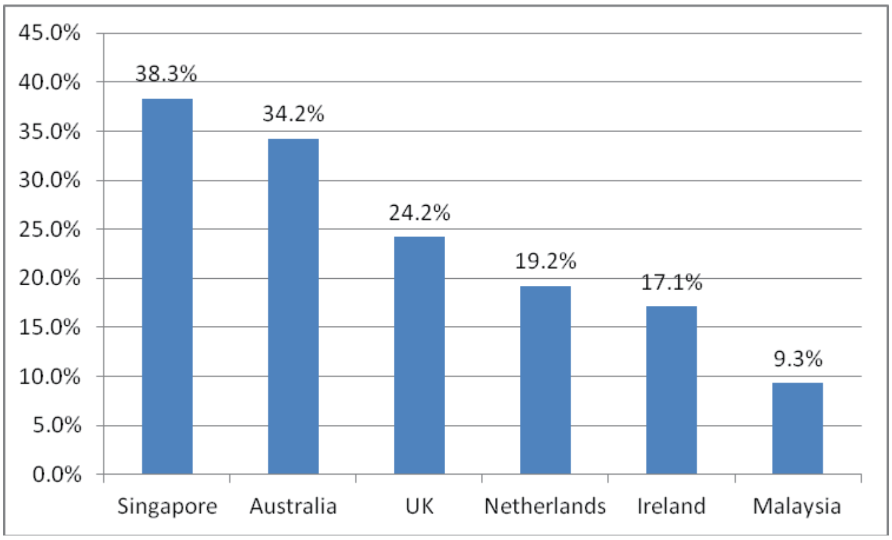
Other companies, such as those in the pharmaceutical, retail and oil and gas sectors have also moved towards outsourcing their data centre requirements.

Percentages of in-house and outsourced data centres

Figure 21 shows BroadGroup's estimate of the proportion of third party data centres in the six countries in which the properties of Keppel DC REIT are located. With the exception of Malaysia, all six countries have above average use of third party outsourced facilities (21.1% third party data centre space in Western Europe and 12.1% in Asia Pacific at end 2013).

BroadGroup believes that the proportion of third party data centre space will increase in the future given its cost efficiency and reliability.

Figure 21: Proportion of third party data centre space (2013) (by sq ft)



Source: BroadGroup

1.4 Attractiveness of data centre as an asset class

In the last several years, there has been a significant increase in investment in data centres by an expanding group of specialised data centre providers and operators, traditional real estate funds, developers, pension funds and financial sponsors who are increasingly looking at data centres as a unique real estate asset class with its own set of demand drivers.

Data centres are a distinct real estate asset class with the following attractive and defensive attributes:

1. Exposure to the fast growing data centre industry underpinned by unique demand drivers
2. Houses mission critical data and IT systems used to provide high value added services
3. Specialised and high value real estate with substantial development cost
4. High barriers to entry
5. High customer retention rates
6. Attractive lease terms with stable profit margins

1.4.1 Exposure to the fast growing data centre industry underpinned by unique demand drivers

As discussed in Section 1.3, there are key and unique demand drivers for data centres including:

1. Growth in data creation and data storage needs
2. Growth in cloud computing
3. Increasing compliance and regulatory requirements on data security
4. Increasing outsourcing of data centre requirements

1.4.2 Data centres house mission critical data and IT systems used to provide high value added services

Data centres are used to house mission-critical data and IT systems, which falls into one of two main categories.

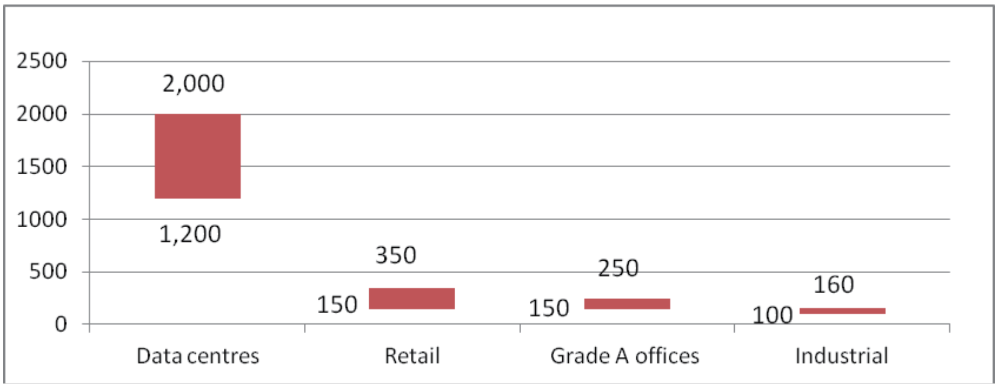
One, mission-critical IT systems used to support day-to-day business functions, as well as meet regulatory and compliance requirements.

Two, to support specific revenue streams, particularly those based around e-commerce and the Internet, telecommunications connectivity and digital media.

1.4.3 Specialised and high value real estate with substantial development cost

Data centres are designed to high technical standards and require substantial upfront capital expenditure. Data centre equipment and fit-out costs range from approximately US$1,200 to US$2,000 per sq ft of net technical space. This excludes the cost of land and basic shell of the building.

Figure 22: Comparable mechanical and electrical fit out costs (excluding land and basic shell of the building) of data centres, retail, Grade A office and industrial real estate assets (in US$ per sq ft)



Source: BroadGroup

1.4.4 High barriers to entry

For a potential new entrant coming to the market, there are multiple barriers to entry including:

- Lack of suitable sites for data centres. Several factors make it difficult to identify suitable sites for data centres, including access to land with suitable power and telecommunications connectivity. Sites should also have minimal risk factors such as low risk of flooding or natural disasters. Locations that enjoy such characteristics are in high demand, require planning/zoning approvals and may not be readily available or would be expensive to procure, thus limiting availability

- Substantial upfront cost and significant technical knowledge and expertise required. Data centres are designed to high technical standards and require substantial upfront capital for fully-built data centres with power and cooling equipment with redundancy features built-in, which costs approximately US$1,200-US$2,000 per sq ft of data centre net technical space (excluding cost of land and basic shell of building). More than half of these costs go towards the mechanical and electrical installations such as back-up power generators, cooling units and fire suppression systems. In addition, specialised technical expertise, knowledge and an intricate understanding of industry developments and user requirements are critical in designing, developing and operating energy-efficient data centres

- Customer's preference for data centre providers with proven track record. Given the mission critical nature of data centre operations, tenants have a preference for proven reliability and track record of data centre providers. Customers are often cautious of new data centre operators and of being the first mover to a new site. New entrants to the data centre industry lack the ability to sell to an existing customer base and cross-sell across different countries, and may not be able to provide customers with secondary sites for disaster recovery and support to primary sites. As such, new data centre operators face greater difficulty in finding anchor tenants

In particular, the challenges of new entrants in finding customers are due to:

- Finding the first (anchor) customer – given reliability concerns, many end users are cautious of being the first mover at a new site. Despite new data centres typically offering attractive deals at this point, reliability concerns often far outweigh any potential cost savings
- Lack of secondary site – this means that not only is there no operational track record, but no secondary site to offer disaster recover/support to the primary site
- Lack of ability to sell to existing base – as discussed in the report, many data centre providers see around 60-80% of their sales from existing customers
- Lack of ability to cross-sell across different countries – as discussed in this report, global data centre providers report that many of their existing customers are deployed in multiple countries
- Lack of upselling/installed base opportunities – for example, data centre providers often gain approximately 60-80% of incremental revenues from expansion by existing customers

The reality is that the barriers to entry to the data centre market are high for a new entrant. **Proven credibility, a track record, mature data centre with partners in place and an existing installed base are vital for success in this market.**

1.4.5 High customer retention rates

The wholesale co-location and retail co-location data centre segments have experienced high customer retention rates. Based on analysis of the global market, BroadGroup believes that data centre providers in the wholesale co-location markets achieve renewal rates of above 95% while those in the retail co-location achieve renewal rates of between 90% and 95%.

Key reasons for high levels of renewal rates include:

- Growing data centre requirements – customers are demanding more data centre space in line with expectations that data usage and requirements are expected to continue to grow. There is growing data centre demand with data forecast to grow at a CAGR of 40.3% over the period from 2013 to 2018. According to BroadGroup analysis, approximately 60-70% of additional annual demand comes from existing customers.

- Substantial relocation cost – customer relocation costs are high due to the costly and delicate data centre equipment involved and the need to replicate a similar set of IT services and systems during relocation to minimise downtime. The additional cost of running parallel operations at both data centres until the customer is able to guarantee that its new data centre is functioning significantly reduces the tendency for customers to relocate. Besides the high costs involved, resources are required to plan for the relocation. BroadGroup estimates that the typical cost of moving is US$3m to US$5m per MW and 6 to 12 months of lead time.

- Significant investment made by customers – as customers have made significant investments in server racks and other IT equipment, they are less likely to move out of their current location. Such investments are made directly by the customers and would amount to a significant sum. For example, some large wholesale co-location customers have invested in excess of US$20m into their leased data centres. This reinforces the reason why data centre users are unlikely to move out of their current location.

- Mission critical infrastructure – customers operate mission-critical IT processes in the data centre facilities are, therefore, averse to physical relocations that will substantially increase operational risks including possible downtime.

1.4.6 Attractive lease terms with stable profit margins

Typical contract tenure for wholesale co-location range between 5 years to 25 years and that for retail co-location is up to 5 years providing providers with a high degree of cash flow visibility.

Customers are typically large and reputable, and contracts typically have built in escalators, either linked to inflation or approximately 2% to 5% per year.

Wholesale co-location providers operate at EBITDA margins of between 60% to 70%, excluding the cost of power compared to retail co-location providers that have lower EBITDA margins of between 40% and 50%. This is primarily due to higher marketing, operational and administration expenses and property expenses of the latter.

EBITDA margins for wholesale co-location and retail co-location providers are relatively stable as they are typically able to pass on to customers the cost of power for the operations and cooling of IT equipment. Power is one of the largest constituents of overall costs and accounts for 20% to 30% of overall total operating expenses.

The table below sets out the constituents of operating expenses for wholesale co-location and retail co-location providers.

Figure 23: Typical constituents of operating expenses of wholesale co-location and retail co-location data centre providers

	Wholesale co-location	**Retail co-location**
Real estate	Wholesale co-location providers are typically the owners of the real estate, otherwise there is high predictability of costs as leases are agreed upon at inception	Cost of rental of real estate space is typically one third of overall operating expenditure. High predictability of costs as leases are agreed upon at inception
Power	Power usage is typically paid for directly by the customer	Some power quota is typically bundled into the tenancy agreement, beyond which any excess power consumed will be reimbursed by the customer
Manpower	Minimal manpower cost	Moderate costs incurred for manpower due to need to service a larger number of customers

Source: BroadGroup

1.5 Factors that influence the decision of data centre sites

Due to the mission critical nature of the operations that are conducted within the data centre facility, the choice of site of a data centre becomes an important consideration. Factors that influence the location of data centres include:

- Power
- Telecommunications connectivity
- Risk factors
- Tax, legal and local incentives
- Local demand and proximity to corporate customers
- Technology and broader business environment

1.5.1 Power

The availability of ample power and reliable power infrastructure is often the foremost consideration for a data centre location. For a typical data centre, 20% to 30% of the annual operating costs is attributed to power, which is required to operate the networking and computer equipment around the clock. Owners of data centres consider not only the current cost of power, but also the long term cost of power in a particular locality, in deciding the location of a data centre.

While data centres were typically built out with 50-75 W/sq ft of net technical space in the past, this figure has increased to 150 – 200 W/sq ft of net technical space with networking and computer equipment being packed more densely in the same area and at the same time consuming more power. This has resulted in power being a major determinant of data centre pricing, with many third party providers moving to pricing based on power, rather than space requirements.

There are at least five considerations around power when deciding on a data centre location:

1. Power availability in terms of whether it can support the data centre's needs of today and as far out as a 15 to 20 years horizon. This includes an evaluation of other nearby industries which compete for the same power source
2. Reliability of power in terms of providing a continuous and non-intermittent supply with minimal or no drops (brown outs) or deviations/spikes in voltage which could harm the sensitive equipment
3. Current and future cost of power that will determine the operating cost and profitability of a data centre. This includes consideration of the cost differences based on the time of the day, total amount used, type of user and region specific rebates.

4. Diversity of power sources such as having multiple grids and power stations, including access to renewal energy
5. Proximity to national electricity grid. This is important as it means lower transmission losses and less risks of outages

Independent power regulators (and also in areas such as telecoms and competition) are also seen as key in both handling individual complaints and ensuring fair competition.

Government control on pricing can also be a consideration to ensure that prices do not rise too quickly and that the availability of particular discounts for data centre or high volume users are maintained.

1.5.2 Telecommunications connectivity

Telecommunications connectivity is important to data centre operators as the servers primarily need to be accessible by end-users over the Internet, and secondarily, to be connected to other servers of subsidiaries, partners and channels/customers. Access to multiple telecommunications providers provides for increased diversity and speed of connections, as well as lower pricing.

As with power, telecommunications connectivity includes a large number of considerations not only for today, but over the life of the data centre.

- Cost – both capital expenditure and operating expenditure
- Competition – to avoid being over-charged
- Redundancy – spare capacity in network infrastructure for growth and resilience
- Speed – carrier class data transmission performance
- Diversity – access to multiple network operators for resilience
- Dark fibre – supply of unlit fibre lines that the user can control privately
- Ease of doing business – flexibility of providers in providing or customising services

Outside large cities, users of data centres see telecommunications connectivity as the chief impedance. Take the **London Internet Exchange (LINX), which is home to more than 400 carriers with a very wide variety of routes and options. This ensures healthy competition, which keeps pricing low.** Beyond London, including even in larger UK cities, there may be access to only around 20 carriers.

1.5.3 Risk factors

External risk factors would affect the continuing operability of a data centre and hence a good data centre should be sited away from such risks. Prior to the decision on the site of a new data centre, due diligence in the assessment of the environment is key – for example, ensuring it is not on a flood plain, close to an earthquake zone, near sea defenses or close to any potential hazards such as a nuclear site. Such considerations include:

- Climate change risk
- Political risk
- Terrorism risk
- Natural disasters
- Pandemic risk
- Changes in taxation/fiscal policy

Clearly, all locations have some risks, and increasingly the corporate perspective on these risks have increased. For example, owners of data centres used to look at a '1 in 100 year' risk of flooding, but this has now changed to a '1 in 200 year risk' as they seek to avoid the catastrophic impact of flooding at their data centre. That is, they would previously only have been concerned with any potential incident that could happen in the next 100 years, but are now widening the horizon to 200 years.

1.5.4 Tax, legal and local incentives

Once the technical fundamentals are in place – power, telecommunications connectivity and low risks – then the decision on the location of the data centre comes down to costs, particularly those associated with power as well as availability of tax/government grants and incentives.

In the US, over 15 states have specific incentives for data centre operators, such as North Carolina and Utah, which have been beneficial in attracting firms such as Apple, Google and Microsoft.

Given the long-term nature of data centre location decisions, stability in taxation levels has also been important. For example, Ireland has emphasised its long-term commitment to a low corporate tax level.

On the legal side, the long-term development, as well as past history and case law, are important for data centre users. Users want to know their data is safe, and laws around areas such as cyber security and data misuse are in place. This gives users comfort that areas such as data privacy are taken seriously and international standards and best practices are supported.

1.5.5 Local demand and proximity to corporate customers

Many corporates wish to be in close proximity to their data centres, with common reasons including reduced latency, increased local manpower support and national regulatory considerations where the jurisdiction requires data to be kept in-country**.**

A BroadGroup survey suggests that **70-90% of corporates prefer to have their data stored in data centres located in the same country**, an example of which are the financial institutions in Singapore and Sydney, which value the low latency between the data users and the computer servers. The features that make a site attractive to one data centre user also tend to be attractive to other data centre users. For example, while Singapore may have a relatively limited population and limited local demand, it is a very attractive data centre location for reasons (described in more detail in Sections 2 and 3) such as:

- Strategically located as an international telecommunications gateway
- Very attractive location for multi-national organisations
- Government support for data centre industry
- High quality data centres and experienced providers in place

Such factors not only demonstrate the current demand, but have **historically been a very strong indicator of future demand.**

1.5.6 Technology and broader business environment

An attractive data centre location should also have strong technology adoption, penetration and infrastructure. Examples of attractive elements include high Internet and broadband usage, fibre to the home and high-speed national networks, high mobile device usage and 4G infrastructure.

In terms of the broader business environment, ease of doing business is important as well as the ability to attract and retain large companies who may use the data centre.

1.5.7 Other factors

There are a number of other factors that influence the location of data centre sites, depending on the specific customer and requirement. These are:

- Availability of local skilled manpower – the availability of local manpower with the expertise and knowledge to operate the data centre, without having to engage foreign manpower. Some locations, such as Ireland, have used local universities to develop specific data centre training courses. In terms of developing the data centre market, investment in parts of the digital economy such as new media communications and design can also help stimulate the market.

- Transportation – the location of a data centre along major throughways and air traffic routes which allows manpower and personnel to access these conveniently

- Green issues – as this becomes more important as a global consideration, it is important to be aware and respond to such issues. The Netherlands has been a leading player in Europe in this aspect – for example, with a commitment to carbon neutral buildings by 2019. Australia and Singapore are leading proponents in Asia Pacific, with commitments and specific initiatives put in place to build data centres that are environmentally friendly. For instance Australia has been a pioneer in the use of free air cooling, which circulates outside air rather than using chillers. Such initiatives put additional pressure on organisations to use efficient and modern data centres, leading to increased requirement for outsourcing and using high quality, specialist providers

- Government as a customer – this can be very important in helping to stimulate the local market and attract other potential customers in the data centre deployment and usage. A leading player has been Australia with its 2010-2025 Government Data Centre Strategy, which aims to gain far greater data centre efficiency partly by increasing its own use of third party providers

- Other governmental support – as exemplified by the Singapore government in promoting Singapore as a disaster recovery hub for foreign companies, in particular those from India. Its commitments towards Indian companies that use Singapore as a disaster recovery location include ensuring that personnel can get accommodation, flights and visas within 24 hours

1.6 Main locations of data centre clusters

Clusters of data centres have formed in many key cities, a development that is not surprising as features that attracted initial data centre operators – as discussed in Section 1.5 – would similarly attract other data centres operators. Such clusters can also develop a momentum all of their own. As an example, the likes of Google and Microsoft in setting up their in-house data centres in untested locations would bring along a whole digital eco-system and partner network together with them, thus, making the site appealing to other data centre operators.

Examples of data centre clusters include:

- Quincy, Washington State, USA – population of less than 5,000 when Microsoft initially located a large data centre there in 2007. There are currently over 12 large facilities and more than 8,000 people in town
- Ashburn, Virginia, USA – main centre for Equinix among others, and slated to have 6 million sq ft of data centre space by 2015
- Slough Trading Estate, UK – owned by SEGRO and home to approximately 1.2 million sq ft
- Amsterdam Science Park, Netherlands – key Internet and telecommunications hub which will host over 1 million sq ft of data centre space
- Singapore – Southeast Asia's data centre hub with clusters such as in Tai Seng and more recently Jurong
- Cyberjaya, Kuala Lumpur, Malaysia – the multimedia Internet super corridor in Malaysia with plans for additional sites
- London, UK – London Docklands with over one million sq ft of data centre space, much of it built in the 1990s
- Dublin, Ireland – Europe's cloud computing hub

While a concern of such clusters is that a large number of data centres could be compromised at a same time due to an external incident, the reality is that **such clusters are increasingly important, and appear set to become even more popular, demonstrating that customers and data centre operators continue to see the benefits of such clusters**. Historical observation suggests that once a location has established a reputation as a data centre hub, it does not tend to lose this position.

Figure 24 shows three main drivers in terms of the appeal of a given location and the examples of clusters that have developed as a result of these drivers.

Figure 24: Drivers which influence the location of a data centre

Driver	Benefits	Examples
Main hubs – Tier 1 locations	Often capital cities Major data centre hub	Singapore, London, Amsterdam, Sydney, Tokyo
Large trading or financial hubs, or data centre eco-systems	Other large cities Smaller hub	Milan, Brisbane, Zurich, Jakarta
Unique selling points	Specific vertical market Cheap power Financial incentives	Luxembourg (finance) Iceland (US$0.03 per kWh for 20 years) Northern Sweden (no taxes for first 7 years)

Source: BroadGroup

The full list of Tier 1 cities, from BroadGroup analysis, is shown below. Such cities have strong existing data centre eco-system as well as excellent telecommunications connectivity and have become the most likely data centre locations for multi-national organisations. The cities are:

North America: Chicago, Ashburn, San Francisco, New York and Dallas

Europe: London, Frankfurt, Paris and Amsterdam

Asia Pacific: Tokyo, Singapore, Hong Kong and Sydney

The reality is that the second and third drivers (large trading hubs and unique selling points) have had decidedly mixed success. For example, large European trading hubs have tended to be a far less important consideration in the establishment of data centres than major hubs such as London and Amsterdam. Equally, countries offering specific incentives often have one or two very attractive elements, but are weak in other areas, often including local demand and telecommunications connectivity. They typically would also have struggled to gain momentum as the initial customers prove very hard to attract.

Section 2 Size and growth of market

This section evaluates the Keppel DC REIT markets in detail. Key assumptions and definitions used in this Section include:

Net technical or fitted out space

The supply and demand figures in this section are denominated in sq ft and refer to net data centre technical space. This is the **fitted-out, usable space within the data centre, which can be populated with customer racks and servers**. It allows for a common metric to be applied so that direct comparisons can be made between different providers as it focuses on the space that is actually available and usable by customers. In a data centre, space is required for power generators, cooling equipment, loading bay, staging room and operations bay, and hence the net lettable space for customers to place their networking and computer servers is known as the **net technical space** which range between 40% and 80% of the gross floor area.

Rental rates

Rental rates for data centres are dependent on multiple factors, including:

- Customer commitment in terms of net technical space, power and tenure of contract
- Quality of facility
- Location (proximity to ample and reliable power, adequate telecommunications network, and large cities etc)
- Carrier neutrality and interconnection opportunities
- Track record of provider
- Provider type – whether wholesale co-location or shell and core or managed services

Rental rates for data centres vary due to the factors above, but the prices shown in this section are rental rates for Tier II to Tier III facilities and located within the general core cluster of each market, and having industry norm contractual terms based on a wholesale co-location set-up.

Pricing is shown in terms of US$ per sq ft, as well as US$ per kW.

Pricing is generally based on space occupied (sq ft) or power allocated (kW), or a combination of both.

Pricing based on sq ft has been the historical standard for pricing for data centre space, and is preferred by some customers, being a real estate metric. Pricing based on kW has become more common in recent years, as power allocated (in kW) is directly related to the amount of networking and computer equipment that can operate within the data centre. As an example, a 100kW requirement could support 50 low density racks of 2kW each (each rack occupying around 25 sq ft) or 10 high density racks of 10kW each.

2.1 Singapore

2.1.1 Historical data centre market performance and trends

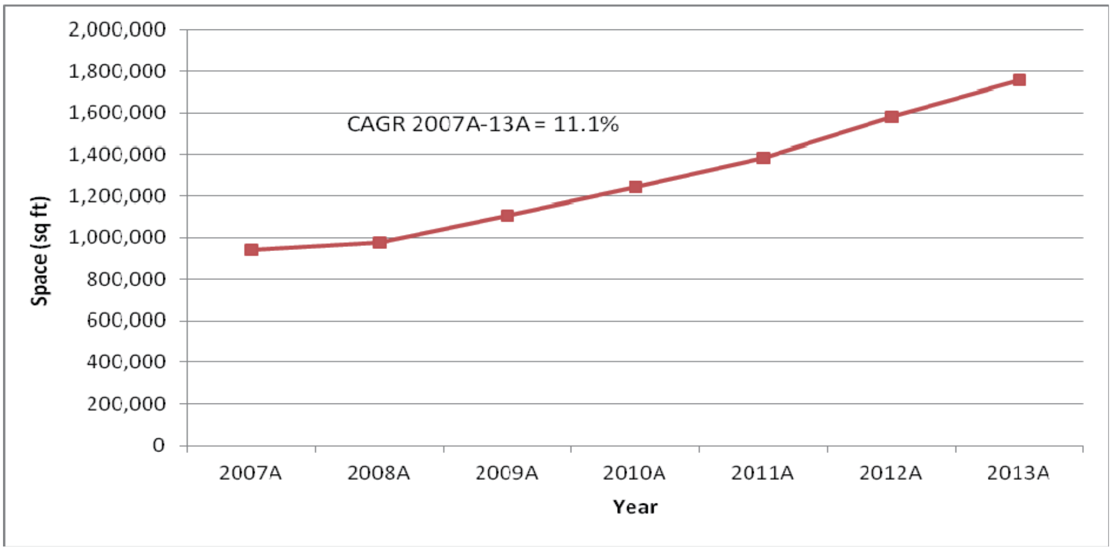
The Singapore data centre market has shown strong momentum in recent years, following a period of softening demand during the Global Financial Crisis (GFC – see glossary of terms). As will be discussed later in Section 3.2, Singapore's data centre industry is buoyed by excellent telecommunications infrastructure, superior financial and trading infrastructure and strong government support for the sector. The government support has helped position Singapore as a leader in green data centres, as well as the Southeast Asia hub for cloud computing.

One of the key advantages of the Singapore data centre market is the breadth and depth of demand originating from multi-national and regional organisations, which often use Singapore as their Asia Pacific headquarters. Such organisations include financial institutions, large corporates, digital media and content providers, as well as cloud computing operators.

The attractiveness of the Singapore data centre market has supported moderate increases in pricing despite increased competition from foreign data centre providers such as Tata and Digital Realty. Access to good sites in landlocked Singapore will be a challenge in the coming years, an issue which the government aims to mitigate by releasing more land. This can be seen in the Singapore IDA's commitment to growing Singapore into a dynamic and global information and communications market, and recent initiatives include setting up a data centre park to attract multi-national corporations and enterprises to set up their headquarters and data centre operations in Singapore.

Available data centre space has been increasing as data centre providers seek to take advantage of the strong demand in the market.

Figure 25: Total data centre space in Singapore (sq ft)



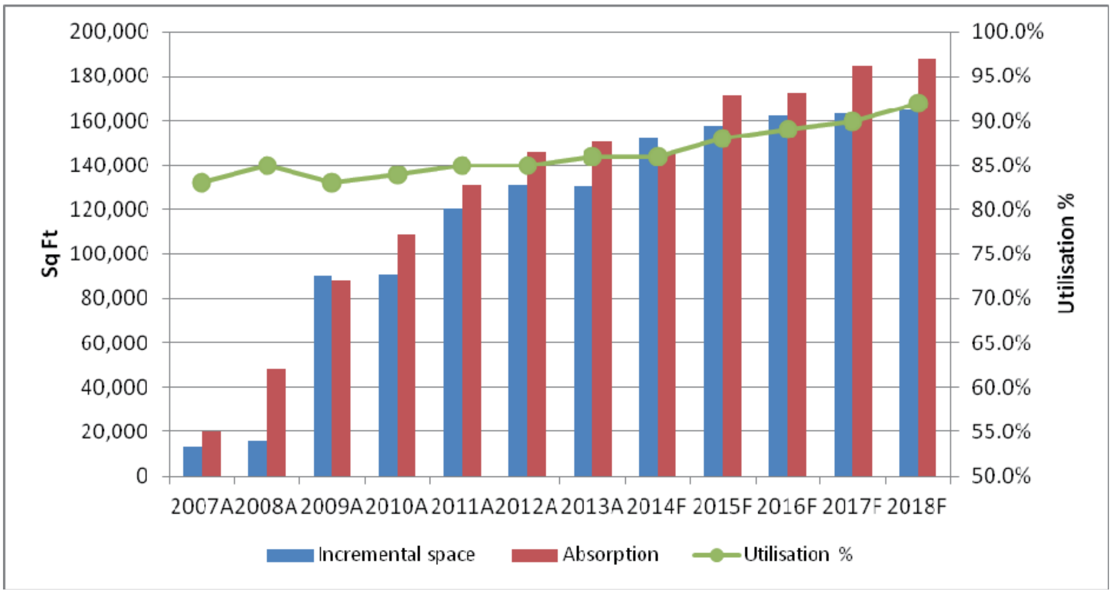
Source: BroadGroup

2.1.2 Demand and supply of data centres in Singapore

Absorption of data centre space has increased steadily since 2009, and together with the unabated new supply, utilisation has remained consistently close to 85.5% - higher than many other markets. BroadGroup believes that utilisation of data centre space in the market will continue to be strong, and **reach 92.1% by the end of the forecast period 2018**.

Overall, BroadGroup **forecasts that demand will continue to remain strong,** led by demand from financial institutions, with supply also set to increase but remaining behind absorption levels in the market.

Figure 26: Demand, supply and utilisation in Singapore

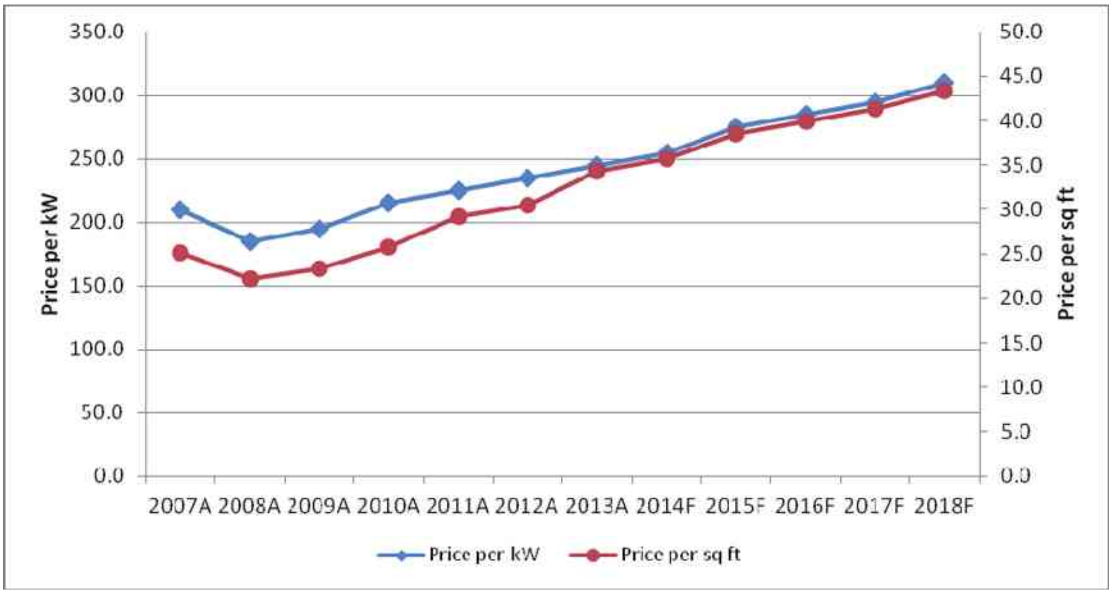


Source: BroadGroup

2.1.3 Rental levels

Pricing declined during the GFC but has recovered since, and BroadGroup believes that further increases in pricing are to be expected over the forecast period. As with other markets, the price per sq ft will increase more rapidly than price per kW, reflecting increasing power demands per sq ft.

Figure 27: Wholesale co-location pricing in Singapore (US$ per kW and sq ft)



CAGR 2007A-13A in price per kW = 2.6%

CAGR 2013A-18F in price per kW = 4.8%

CAGR 2007A-13A in price per sq ft = 5.3%

CAGR 2013A-18F in price per sq ft = 4.9%

Source: BroadGroup

2.2 Australia

2.2.1 Historical data centre market performance and trends

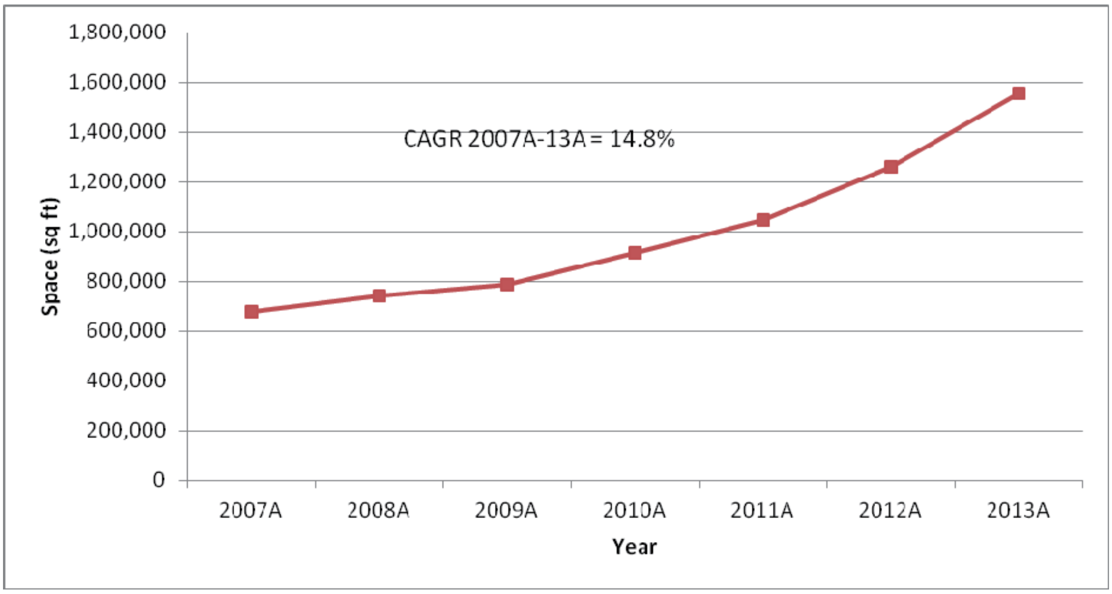
The Australia data centre market, and in particular the Sydney market, has grown significantly in recent years driven by conducive demand and supply trends.

Demand is largely driven by:

- Strong presence of multi-national organisations using Australia as a regional base. Financial institutions doing likewise and also using the advantages of Australia in terms of time zone and 'follow the sun' strategy. That is, they can have operations in US, Europe and Asia Pacific, to ensure full 24 hour coverage. Australia is particularly considered attractive as the Asia Pacific location, given its time difference with other markets, strong financial eco-system and ease of doing business
- Strong local demand and willingness to outsource, in particular growing demand from systems integrators. Outsourcing has become well-developed in Australia, and the benefits of such a strategy are well understood by many corporates
- Strong interest from global data centre providers, which see Australia as an attractive entry point for the region. Global data centre providers have also helped to attract international customers (often by cross-selling to their existing base) and the availability of high quality supply has further helped encouraged demand.
- Local providers have also entered the market supporting nationwide deployments
- Growing use of cloud computing
- Demand from state and federal government, and particularly their long-term data centre strategy

As shown in Figure 28, recent expansion has led to accelerated growth in the supply of third party data centre space.

Figure 28: Total data centre space in Australia (sq ft)



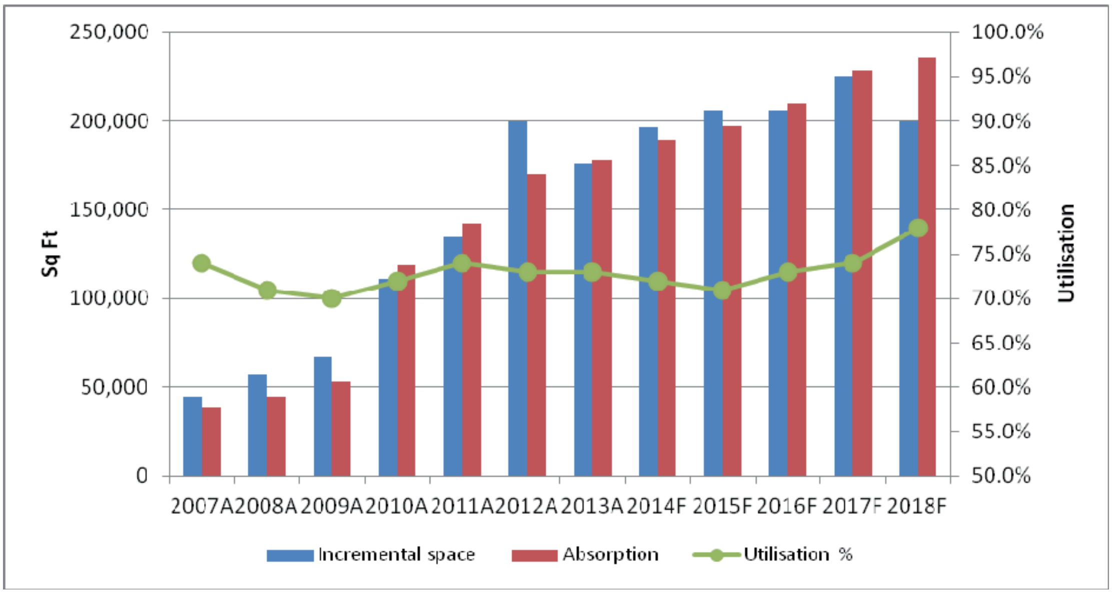
Source: BroadGroup

2.2.2 Demand and supply of data centres in Australia

For Australia, as shown in Figure 29, the demand momentum was strong in the last five years ended 2013. Although the market was less affected by the GFC compared to other markets, there was a strong rise in 2010 due to growing requirements from financial institutions. Thereafter, demand continued to increase strongly. As new supply became available in 2012 and 2013, absorption level increased to fill up the new space. In the forecast period till 2018, BroadGroup foresees utilisation rates to remain above 70% as the new supply released is gradually absorbed by the market.

Utilisation is expected to reach 78.3% by the end of 2018.

Figure 29: Demand, supply and utilisation in Australia



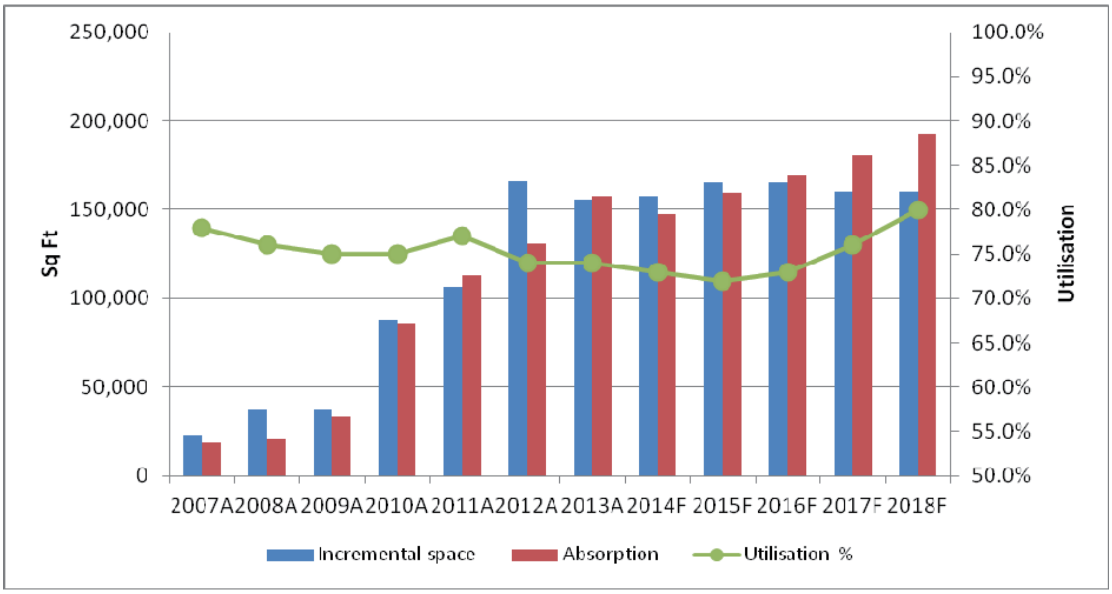
Source: BroadGroup

Sydney is the largest data centre market in Australia, benefitting from its position as a key hub for multi-national organisations, financial institutions and global providers of data centres which tend to focus on growing their business within the city.

The Sydney market has experienced and will continue to experience strong demand from the government, systems integrators, financial institutions and corporations. In meeting this growing demand for data centre space, global data centre providers like Global Switch and Digital Realty Trust have announced expansion plans in Sydney.

Figure 30 shows supply and net absorption in the Sydney market. BroadGroup believes that **Sydney will continue to see increasing supply in the market, and this will be matched by growing absorption numbers, particularly from 2016 onwards**. Key growth drivers include further outsourcing and cloud computing usage, as well as the continued ability of Sydney to attract global players to set up their regional operations within the city.

Figure 30: Demand, supply and utilisation in Sydney



Source: BroadGroup

In Brisbane, demand is dominated by local providers, and supply is much more fragmented with many smaller providers. However, larger providers are growing their market share in Brisbane as they seek to include the city in their nationwide roll-outs and global players such as Fujitsu have started to build facilities in the city. Data centres in Brisbane tend to be far smaller than those in Sydney.

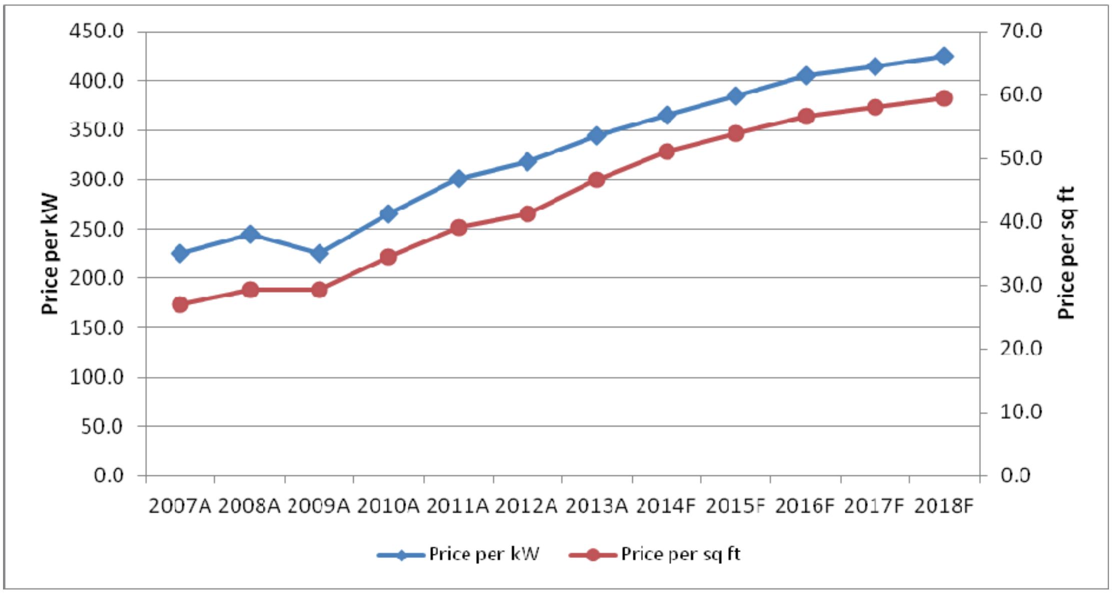
The total supply in Brisbane at the end of 2013 was around 100,000 sq ft to 120,000 sq ft of net technical space, with historical growth rates between 2007 and 2013 in incremental space of around 10% to 15% per annum. Utilisation in the market at the end of 2013 was around 80%-85%, and this is expected to increase and reach approximately 88% by 2018.

Demand will mainly come from local and regional companies, rather than multi-nationals, with digital media companies being a particular driver.

2.2.3 Rental levels

In Sydney, pricing has been driven strongly by the demand for outsourced space, timing required to bring new supply to the market, and the strength of the Australian dollar. While some of the larger deals have been transacted at discounted rates, pricing has been robust in the market. The relatively steep growth between 2009 and 2011 reflected the strong demand in a period when supply was constrained. For the period until 2018, BroadGroup believes there will be continued price growth, albeit at a slower pace, with prices stabilising by 2018. Such trends, also seen in other markets, reflect the impact of cloud computing and technological innovation among other things, which will also help to improve efficiency leading to reduced costs for providers.

Figure 31: Wholesale co-location pricing in Sydney (US$ per kW and per sq ft)



CAGR 2007A-13A in price per kW = 7.4%

CAGR 2013A-18F in price per kW = 4.3%

CAGR 2007A-13A in price per sq ft = 9.5%

CAGR 2013A-18F in price per sq ft = 5.0%

Source: BroadGroup

In Brisbane, the pricing tends to follow similar patterns to Sydney except that price movements tend to lag behind that of Sydney. For example, price increases that started in Sydney in 2009 began in Brisbane only one year later. Another difference is that price levels tend to be around 10-15% lower.

2.3 Malaysia

2.3.1 Historical data centre market performance and trends

The Malaysia data centre market has exhibited strong growth with a CAGR of 12.7% between 2007 and 2013. This growth was largely attributed to the supportive government initiatives, which has been keen to grow the data centre market by providing more land and support for third party space.

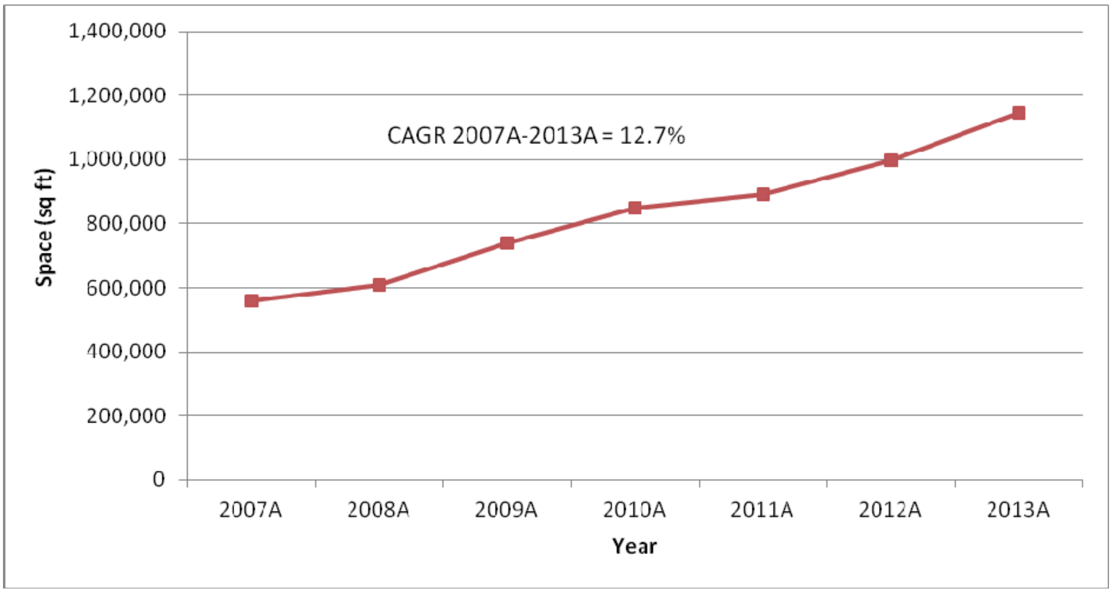
Kuala Lumpur (KL) dominates the data centre market in Malaysia. Besides the established telecommunications infrastructure and stable domestic economy, the Kuala Lumpur data centre market has also benefited from the ecosystem provided by the purpose built technology business park (and its associated tax advantages) in nearby Cyberjaya. However, other regions in Malaysia (such as Johor) are also building up their data centre capabilities, supported by the creation of data centre clusters and specific advantages such as even lower cost of power, renewable energy and proximity to Singapore.

Much of the data centre investment has been from domestic providers but there is increasing interest from global providers such as NTT of Japan. The Malaysia market has started to attract some multi-national corporations as data centre customers, particularly given the relative affordability of power, competitive labour costs and overall stable growth of the domestic economy. At the same time, domestic firms are increasingly opening up to the proposition of outsourcing, with international providers keen to ride on this interest.

Nonetheless, Malaysia continues to face competition from its neighbour, Singapore, where multinational organisations tend to locate their regional base. In addition, Singapore-based businesses tend to use data centres in Singapore to keep data in close proximity.

Figure 32 shows the historical supply growth in the market.

Figure 32: Total data centre space in Malaysia (sq ft)



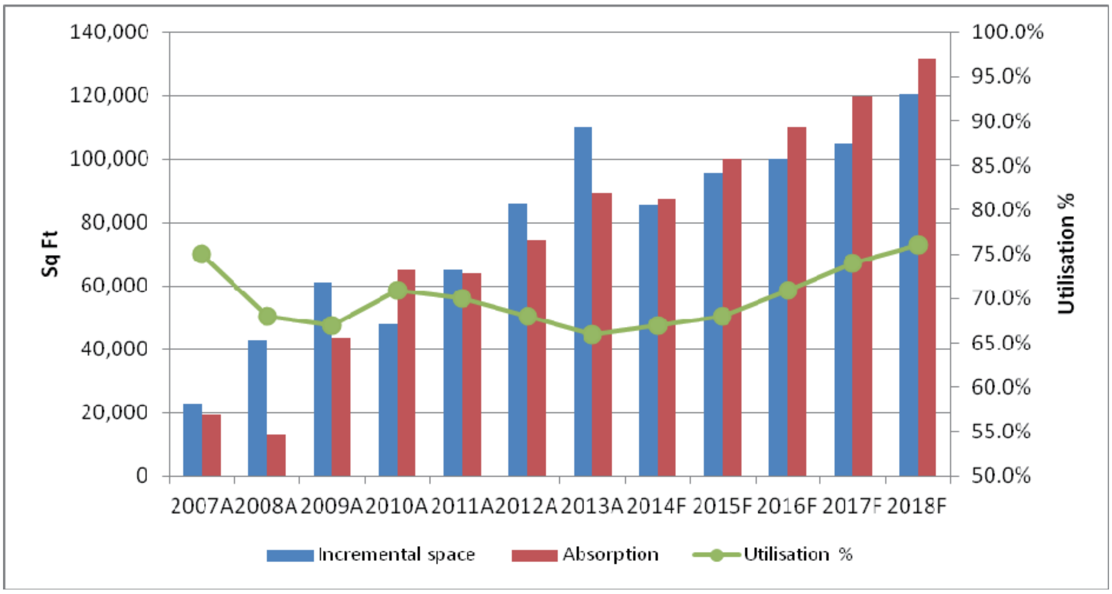
Source: BroadGroup

2.3.2 Demand and supply of data centres in Malaysia

After the steep decline in utilisation in 2008 as a result of the GFC, the Malaysian market rebounded strongly and has shown steady growth in absorption in recent years. However, utilisation has declined as a result of new large-scale builds by players like CSF (i.e. CSF CX5 will have a total capacity of 201,000 sq ft).

Utilisation is expected to reach 76.4% by the end of 2018.

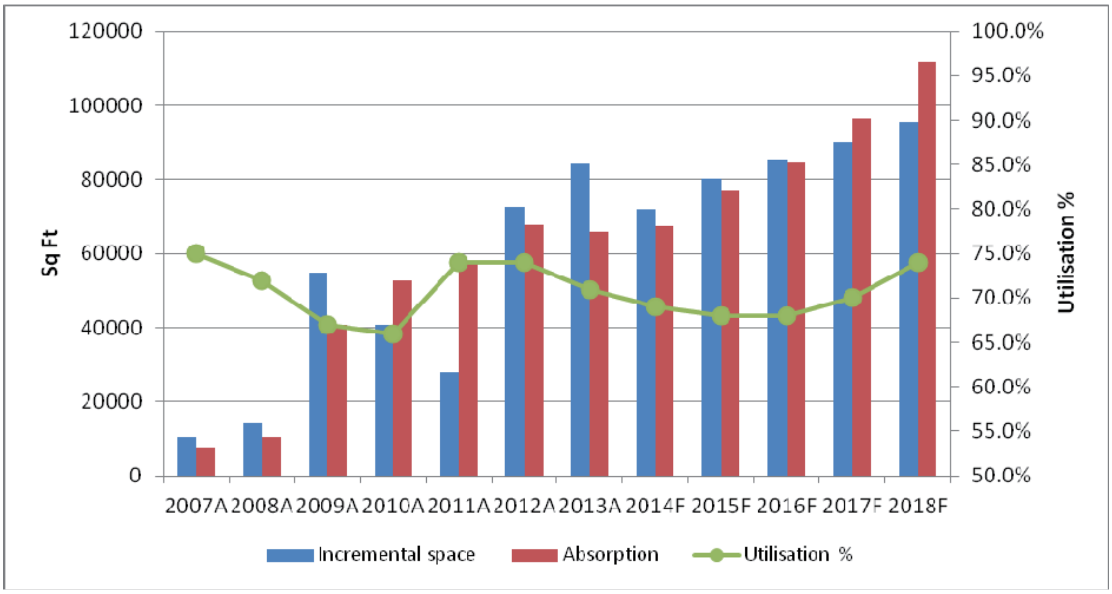
Figure 33: Demand, supply and utilisation in Malaysia



Source: BroadGroup

Supply in KL–Cyberjaya has followed a similar upward trend as the rest of Malaysia. The utilisation rate is expected to reach 74.3% by 2018.

Figure 34: Demand, supply and utilisation in KL–Cyberjaya

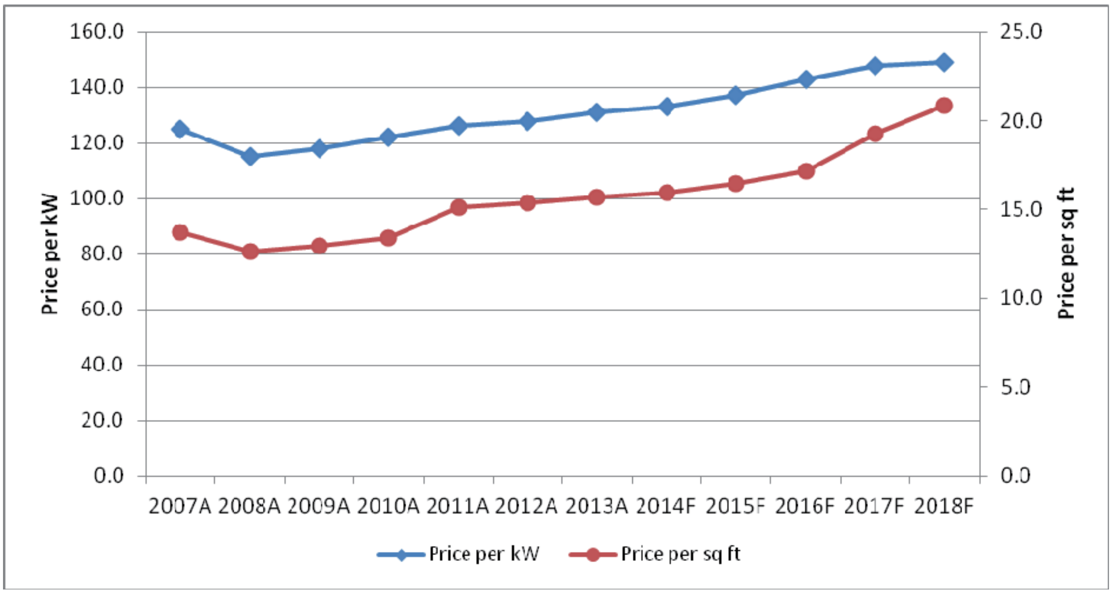


Source: BroadGroup

2.3.3 Rental levels

Rental rates in KL-Cyberjaya declined in 2008 with the GFC and have struggled to move beyond the 2007 levels. This depressed pricing has been mostly due to the large amount of available supply, but BroadGroup believes that in the forecast period from 2014 to 2018, there will be a gradual increase in pricing, particularly as weaker competitors exit the market. Given that the local market remains fragmented, BroadGroup believes that prices will be determined by the high quality data centre providers and those with proven track record.

Figure 35: Wholesale co-location pricing in KL-Cyberjaya (US$ per kW and per sq ft)



CAGR 2007A-13A in price per kW = 0.8%

CAGR 2013A-18F in price per kW = 2.6%

CAGR 2007A-13A in price per sq ft = 2.3%

CAGR 2013A-18F in price per sq ft = 5.8%

Source: BroadGroup

2.4 *UK*

2.4.1 Description of historical data centre market performance and trends

The UK is the largest data centre market in Europe, accounting for close to 25% of the Western European third party data centre market.

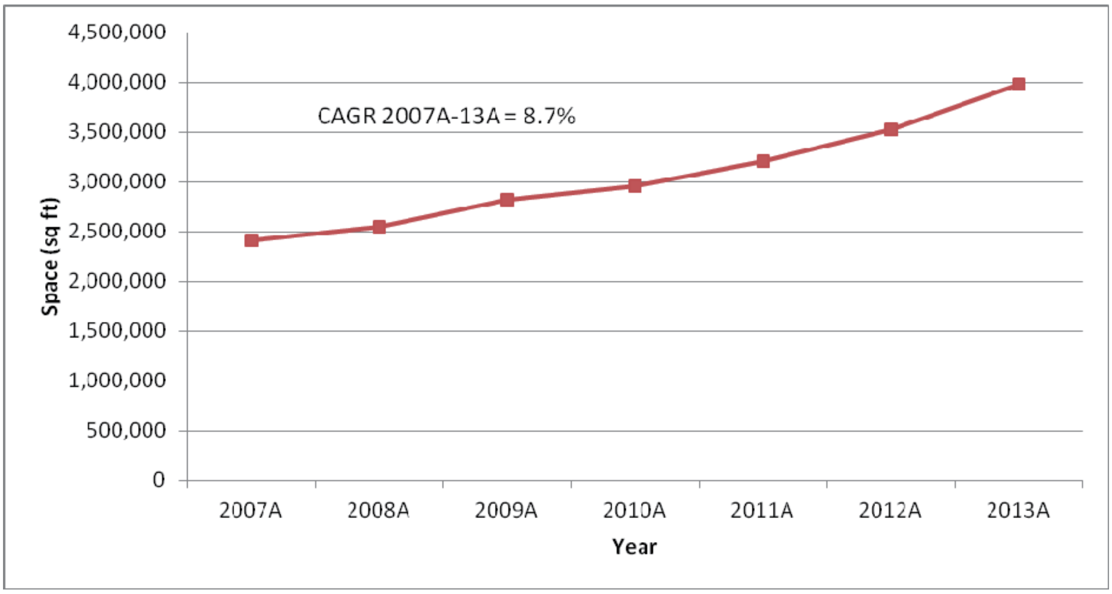
Reasons for its success include:

- Strong trading and financial hub
- Dominant position of London as one of the preferred data centre hubs in Europe and with a large number of multi-national organisations
- Greater willingness to outsource by both corporates and government
- Inflow of investment for data centres

Pricing has historically been strong in this market, particularly in the Docklands area of London, where Keppel DC REIT is located (see Section 3.3). However, the UK market has attracted strong investor interest with international investment (for example, Digital Realty acquisition of local player, Sentrum) and local providers often gaining private equity support. Due to growing competition, average prices have fallen over the last 12 months although much of this new build is in outer London.

As per Figure 36, net technical space has grown strongly, and has accelerated in recent years, due to this increased competition.

Figure 36: Total data centre space in UK (sq ft)



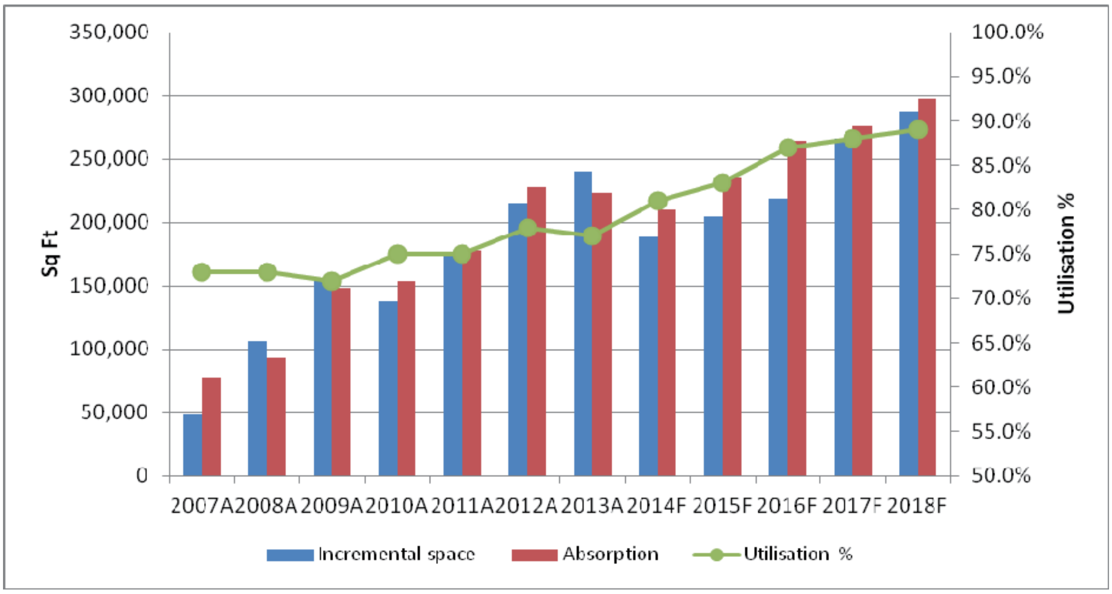
Source: BroadGroup

2.4.2 Demand and supply of data centres in UK

Demand for data centres comes from a number of sources, with retail co-location and cloud and managed services providers as key customers of wholesale co-location providers, along with financial institutions, system integrators and the broader corporate sector. Absorption levels have increased, despite some demand being put on hold due to UK economic weakness in 2012-2013. Utilisation levels have fallen slightly in 2013, as new supply continues to enter the market.

From 2013 to 2018 demand is expected to be robust, with supply being unable to match the robust demand. As such, utilisation is expected to reach 89.1% by the end of 2018.

Figure 37: Demand, supply and utilisation in UK

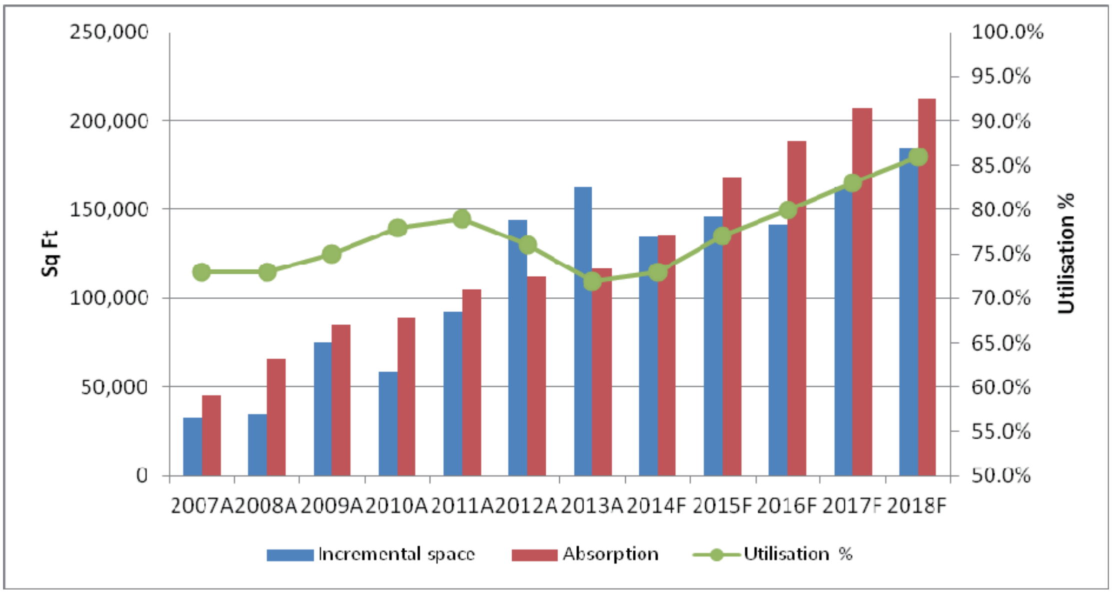


Source: BroadGroup

London has historically dominated the data centre market in the UK. While Manchester has had some success in attracting third party data centres, it is still far behind London, and other large cities often fail to have any large third party data centres in place. BroadGroup believes that **absorption levels will increase over the forecast period.**

It is very difficult to add new supply in central London, due to the lack of availability of land and power. As a result, utilisation is expected to remain high, growing by 14.1% from 72.2% in 2013 to 86.3% in 2018.

Figure 38: Demand, supply and utilisation in London

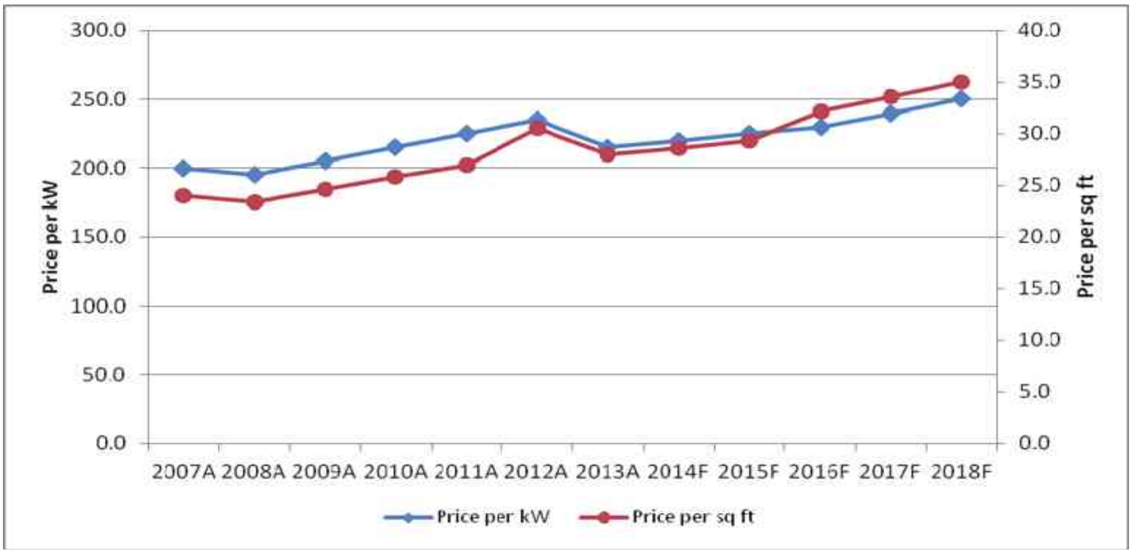


Source: BroadGroup

2.4.3 Rental levels

Pricing in the London market fell in 2013 due to new supply entering the market. BroadGroup believes rental rates will exhibit moderate increase over the forecast period, as the premium for Docklands-based data centres will remain, despite pricing pressure from new data centres that are expected to be built in the outskirts of London.

Figure 39: Wholesale co-location pricing in London (US$ per kW and per sq ft)



CAGR 2007A-13A in price per kW = 1.2%

CAGR 2013A-18F in price per kW = 3.1%

CAGR 2007A-13A in price per sq ft = 2.6%

CAGR 2013A-18F in price per sq ft = 4.6%

Source: BroadGroup

2.5 *The Netherlands*

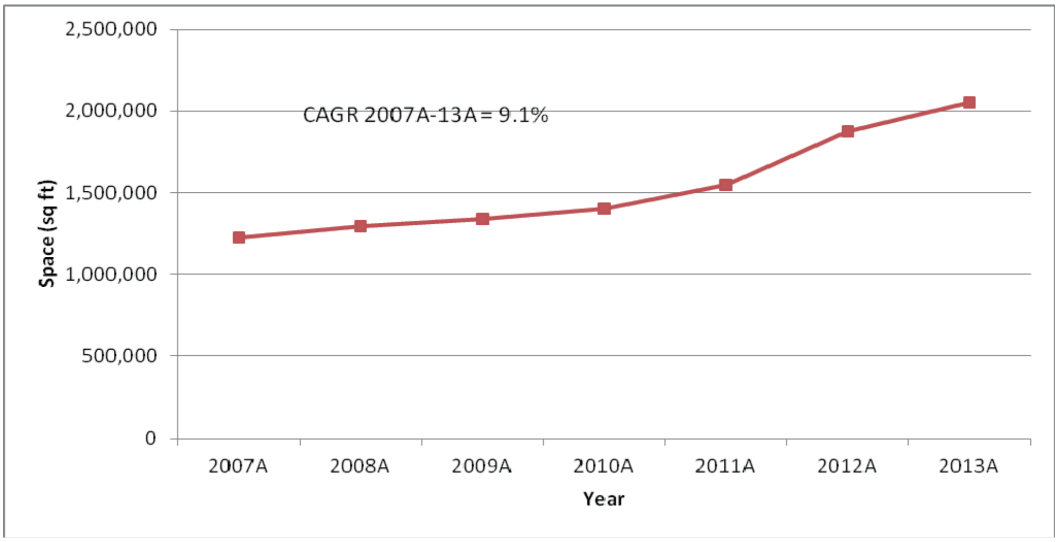
2.5.1 Historical data centre market performance and trends

The Netherlands data centre market, dominated by Amsterdam, has been very attractive for several years. **Regional providers have indicated to BroadGroup that they see it as the most attractive European location** for the following reasons:

- Located in the centre of Europe, and close to major trading hubs
- Excellent telecommunications infrastructure (see Section 3.2)
- Amsterdam cementing position as key Internet and media hub for Europe
- Strong presence of US and multi-national corporations
- Strong government support including commitment to outsourcing
- Relatively easy to enter and expand in the market due to local government support and supportive planning

Figure 40 shows the overall growth of data centre space in the Netherlands.

Figure 40: Total data centre space in the Netherlands (sq ft)

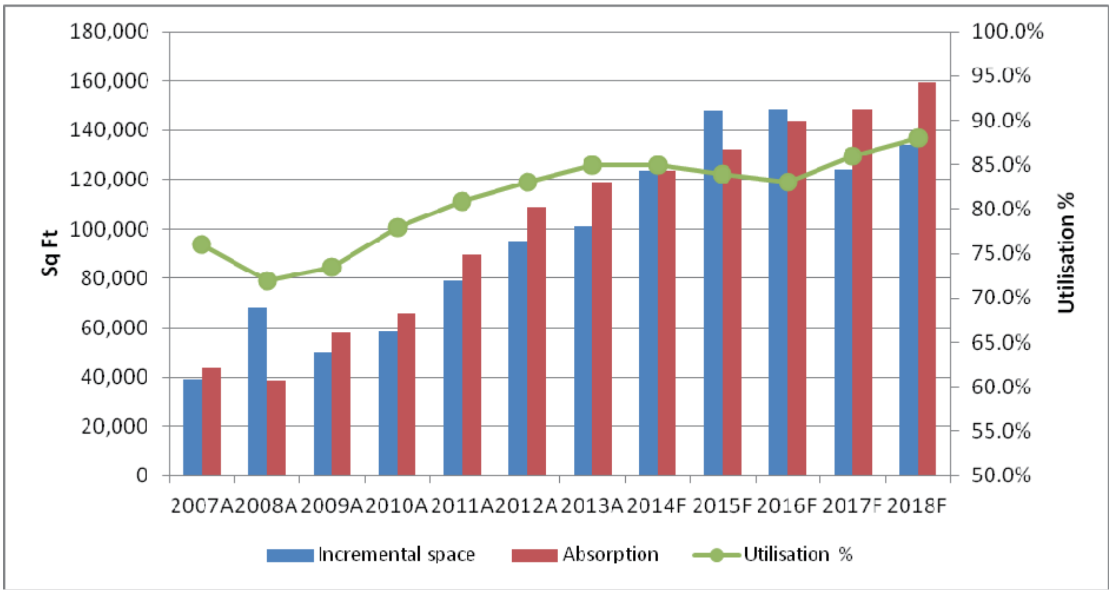


Source: BroadGroup

2.5.2 Demand and supply of data centres in The Netherlands

As per Figure 41, **total absorption of net technical space in the Netherlands has been steadily increasing**. New supply generally kept pace with demand and will outpace demand in 2015, but BroadGroup believes that demand will outstrip supply again in 2017. Utilisation is expected to reach 88.3% by 2018.

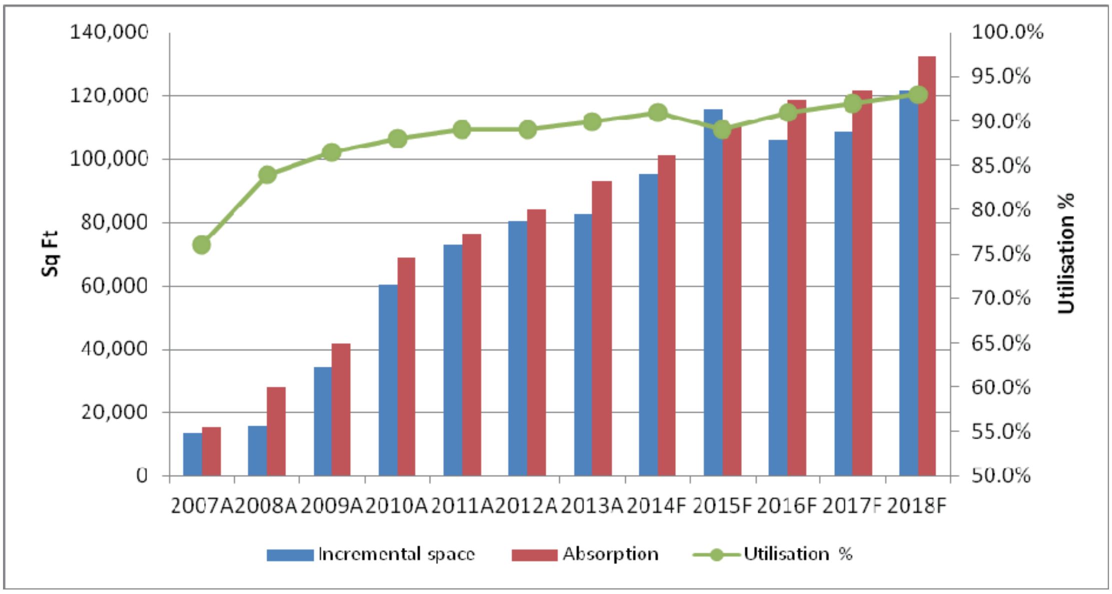
Figure 41: Demand, supply and utilisation in the Netherlands



Source: BroadGroup

Amsterdam has experienced strong absorption up to 2013, and is expected to continue to exhibit strong absorption in the forecast period till 2018 pushing utilisation rate above 90% by the end of the forecast period, as shown in Figure 42.

Figure 42: Demand, supply and utilisation in Amsterdam



Source: BroadGroup

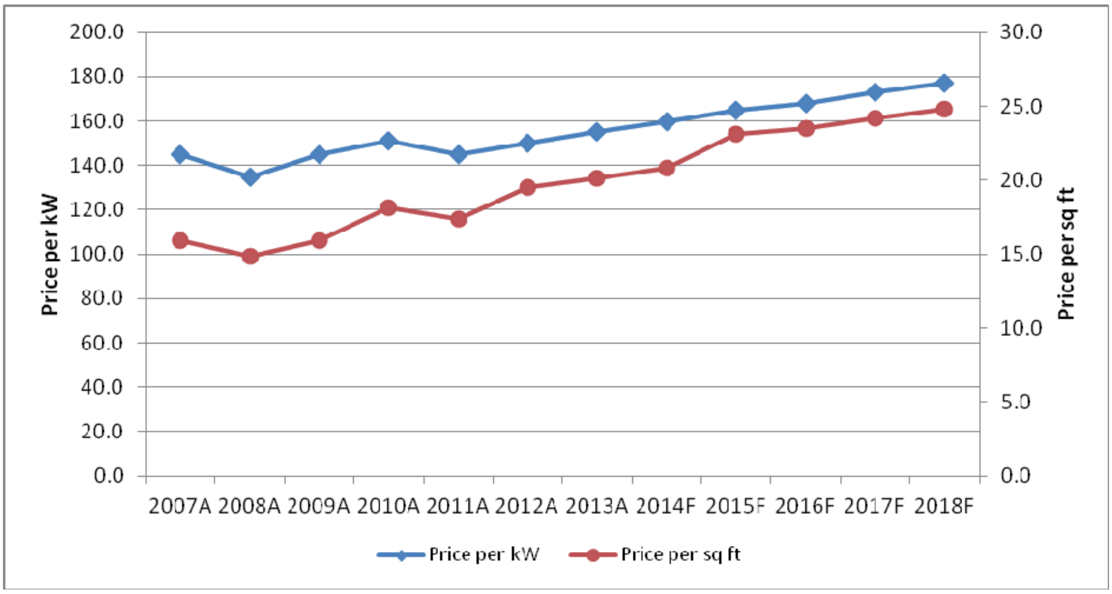
2.5.3 Rental levels

Global and regional players such as Global Switch, Digital Realty and Equinix have expanded in the country, and this has encouraged the entry of local players such as Switch, Databarn and DCG.

These new entrants looking to gain a foothold in the market have created some pricing pressure. However, BroadGroup believes that pricing will rise over the forecast period, due to the continuation of strong demand.

Figure 43 shows wholesale co-location pricing in the Netherlands. New supply and competitive moves had slightly lowered pricing, particularly around 2011. In the forecast period till 2018, BroadGroup forecasts that **pricing will continue to gradually rise due to increasing demand**.

Figure 43: Wholesale co-location pricing in Amsterdam (US$ per kW and per sq ft)



CAGR 2007A-13A in price per kW = 1.1%

CAGR 2013A-18F in price per kW = 2.7%

CAGR 2007A-13A in price per sq ft = 4.0%

CAGR 2013A-18F in price per sq ft = 4.2%

Source: BroadGroup

2.6 Ireland

2.6.1 Historical data centre market performance and trends

The Irish data centre market is largely dependent on US-based companies, particularly IT and Internet companies, financial institutions and pharmaceutical companies. Historically, this has been a major advantage with around 60-80% of third party data centre demand coming from the US and their willingness to use data centres in Ireland because of reasons such as the ability to support a pan-European operation and tax advantages.

This has helped to support the overall Irish data centre market, despite some weakness in domestic demand due to the contraction of the wider Irish economy. The contraction of the wider Irish economy has also made it more difficult for investors to gain funding for new supply. This includes:

- Global and pan-European investors choosing other locations until the local economy recovers – examples include Interxion providing co-location services, and Digital Realty falling behind schedule on its new Dublin (Profile Park) site which will eventually total around 160,000 sq ft
- Local players struggling to obtain funding and secure anchor customers – although there continues to be a number of planned schemes, with Dataplex having launched its first phase at the end of 2013

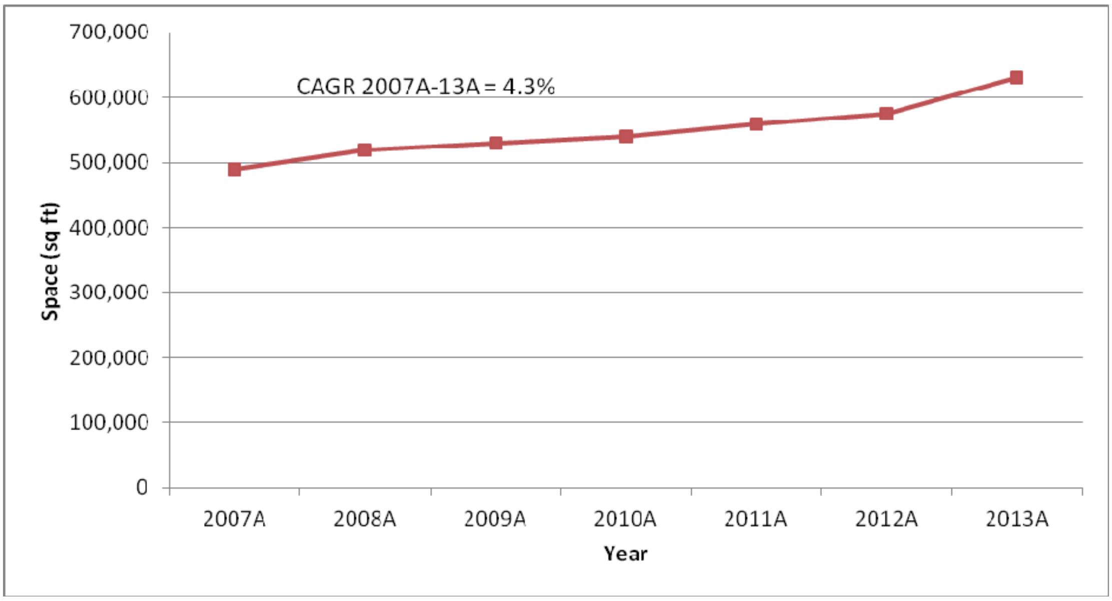
Between 2009 and 2011, there were concerns that Ireland's appeal as a data centre location was waning. The concerns were on the basis of cost and availability of power, poor record on renewable energy, and the credit crunch that weakened broader incentives (such as corporate tax rate).

The Irish government, however, remains committed to both its low corporate tax rate and efforts to attract US players and their data centres. This has been illustrated by public commitments and support, initiatives to improve telecommunications connectivity and power, and continuing ability to attract further investments from the likes of Amazon and Microsoft to build their own data centres in Ireland. Telecommunications connectivity initiatives include new fibre cables to the US and fibre network around Dublin.

Within Ireland, Dublin remains the key market. There have been initiatives to develop into other cities but these have lacked traction given much stronger telecommunications infrastructure in Dublin and its existing data centre eco-system.

Figure 44 shows overall growth of net technical space in Ireland.

Figure 44: Total data centre space in Ireland (sq ft)



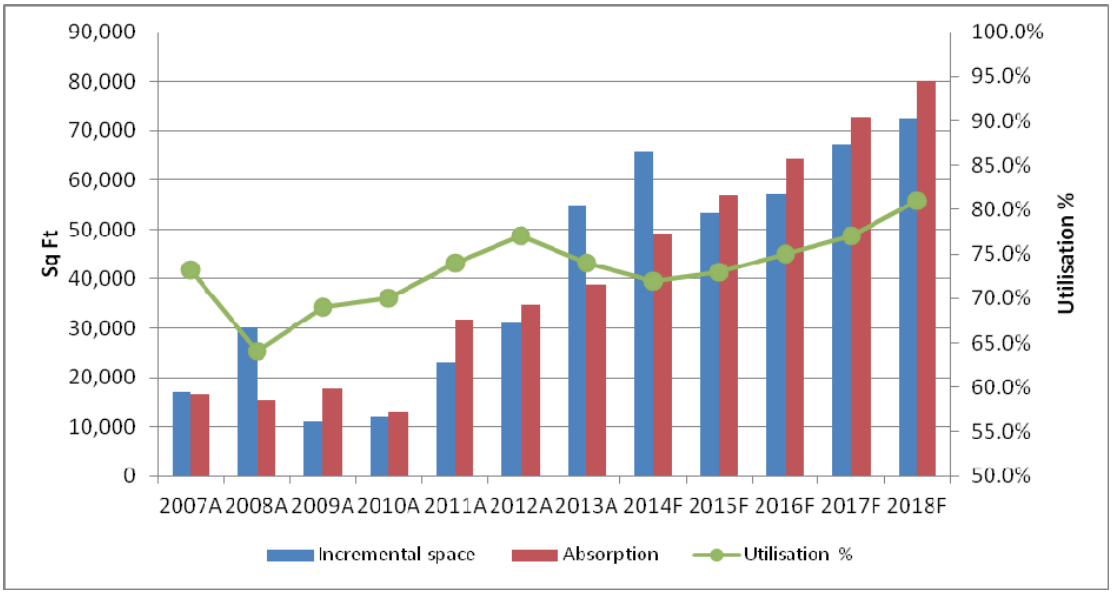
Source: BroadGroup

2.6.2 Demand and supply of data centres in Ireland

Figure 45 shows the total absorption of net technical space in Ireland. There was limited demand in the period between 2008 and 2010, but absorption grew **in the last three years of 2011 to 2013.** Utilisation rates have also followed a similar trend, although that has fallen in 2013 as new supply started to enter the market.

Utilisation is expected to rise to 81.4% by the end of 2018, supported by growing demand, particularly from large US Internet players and multi-national corporations.

Figure 45: Demand, supply and utilisation in Ireland

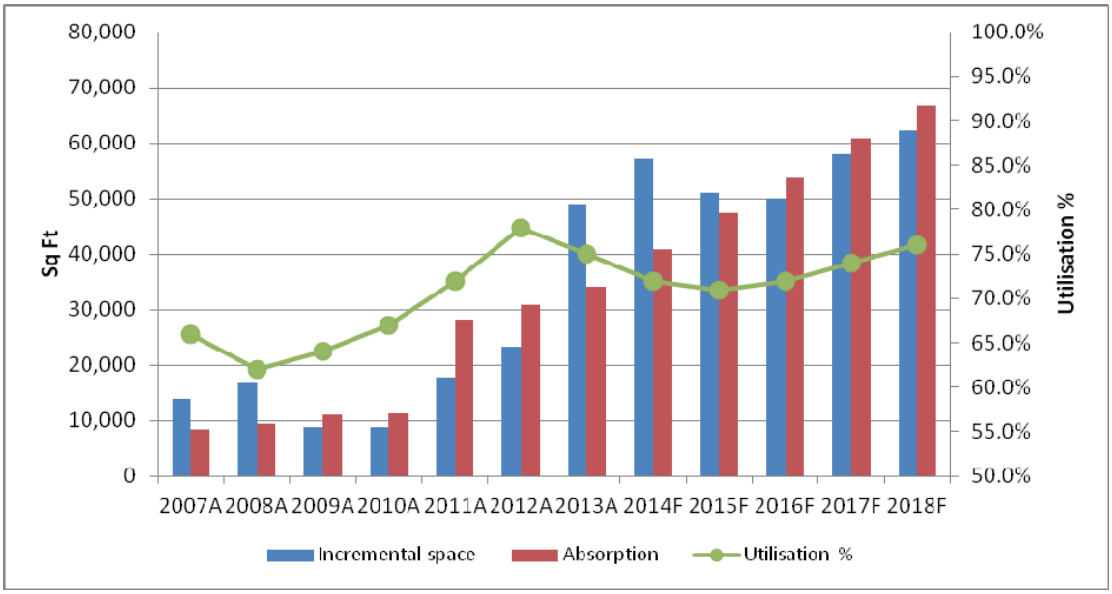


Source: BroadGroup

In Dublin, demand has grown steadily in recent years, and BroadGroup expects to see continued increases over the forecast period. In terms of forecast supply, much depends on the ability of providers such as Digital Realty to quickly build out space. Other providers which could potentially expand their footprint include Eircom, Dataplex, TeleCity (Data Electronics Group) and Interxion. There are also some potential new entrants in the market. However, BroadGroup believes that such expansion plans will remain fairly conservative, and progressively introduced to match demand.

Utilisation will rise over the forecast period to 76.4% by 2018.

Figure 46: Demand, supply and utilisation in Dublin

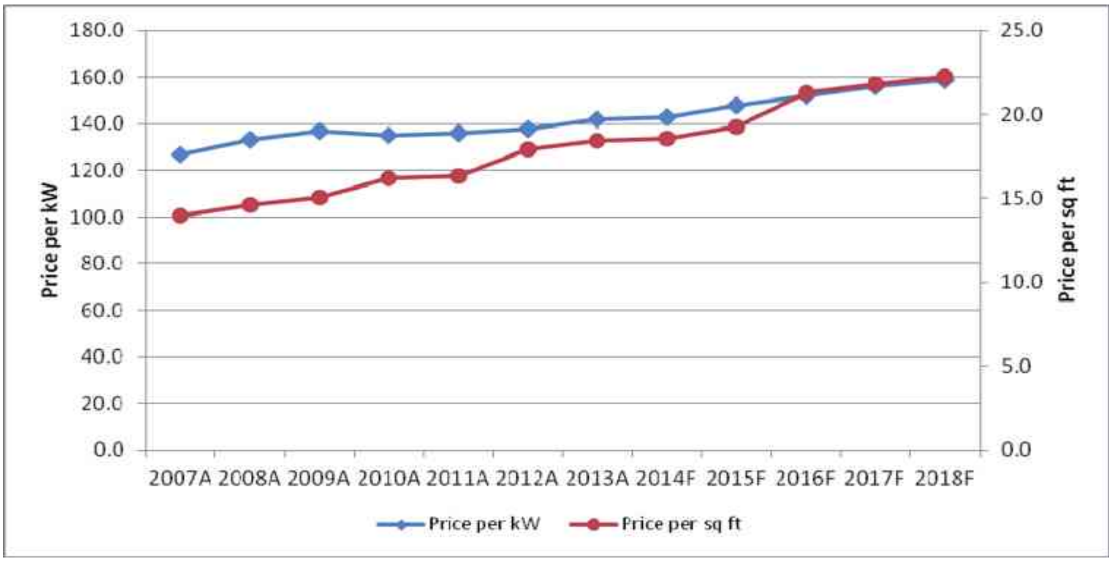


Source: BroadGroup

2.6.3 Rental levels

Wholesale co-location pricing in Dublin has been fairly flat in recent years, as shown in Figure 47. This has been partly a reflection of the performance of the local economy, as well as the bargaining power of US Internet companies. However, BroadGroup does expect some **price inflation over the forecast period** due to increasing demand.

Figure 47: Wholesale co-location pricing in Dublin (US$ per kW and per sq ft)



CAGR 2007A-13A in price per kW = 1.9%

CAGR 2013A-18F in price per kW = 2.3%

CAGR 2007A-13A in price per sq ft = 4.8%

CAGR 2013A-18F in price per sq ft = 3.8%

Source: BroadGroup

2.7 Conclusions

Despite a growing supply of data centre capacity globally, **BroadGroup expects incremental demand for data centre facilities to exceed incremental supply between 2013 and 2018 in the key markets where Keppel DC REIT operates.**

As a result, utilisation of data centre facilities in such key markets is expected to increase between 2013 and 2018. Data centre utilisation levels in various Keppel DC REIT markets are projected to increase steadily, with Singapore, London and Amsterdam expected to have utilisation rates of more than 85% by 2018.

The favourable demand and supply dynamics is expected to lead to increases in rental levels for data centres between 2013 and 2018 in all six markets which Keppel DC REIT operates in.

Section 3 Positioning of Keppel DC REIT

The Keppel DC REIT **portfolio provides exposure to the attractive data centre markets in Europe and Asia Pacific that are poised for strong growth**.

In the short and medium term, many global players view **Europe and Asia Pacific as more attractive markets for data centres than the US due to:**

- Faster growth in underlying data centre demand drivers – greater increase in population and economic growth, stronger growth in mobile/Internet usage/cloud computing (particularly in Asia Pacific), and sharper growth in outsourcing
- Limited competition – fewer third party data centre providers, smaller and local providers, and potential for consolidation to drive economies of scale

Keppel DC REIT's data centres are sited in locations with strong local demand for data centres, access to excellent telecommunications connectivity, ample power availability, ability to attract customers from other countries and in close proximity to end-users.

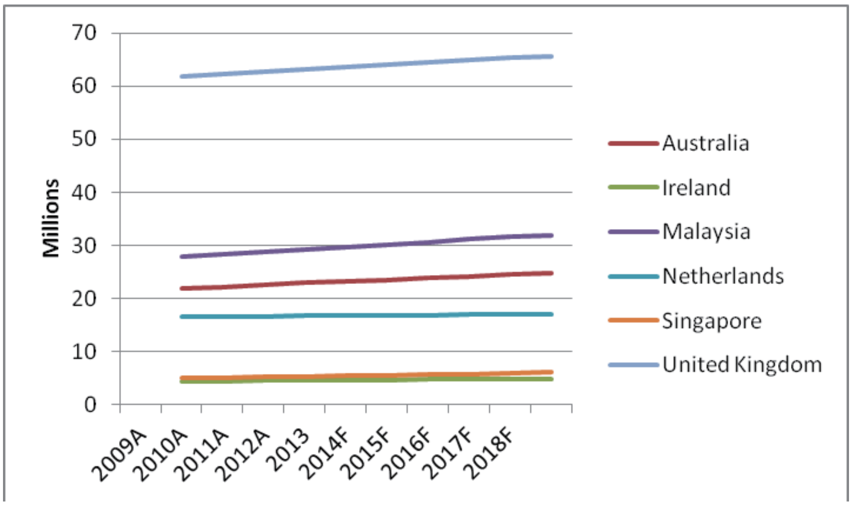
3.1 *Economic overview in the six Keppel DC REIT markets*

The following section looks at the six markets and compares them on three macro-economic factors; population, inflation and GDP growth. These factors underpin the local economies and therefore drive data centre demand.

Population

Population is a driver of data centre demand, leading to growth in the wider economy. The population in all six markets grew in 2009 to 2013, and is expected to continue into 2018, as shown in Figure 48. The growing populations will require ever greater amounts of data which BroadGroup believes will lead to additional data centre requirements.

Figure 48: Population in the six Keppel DC REIT locations (millions)



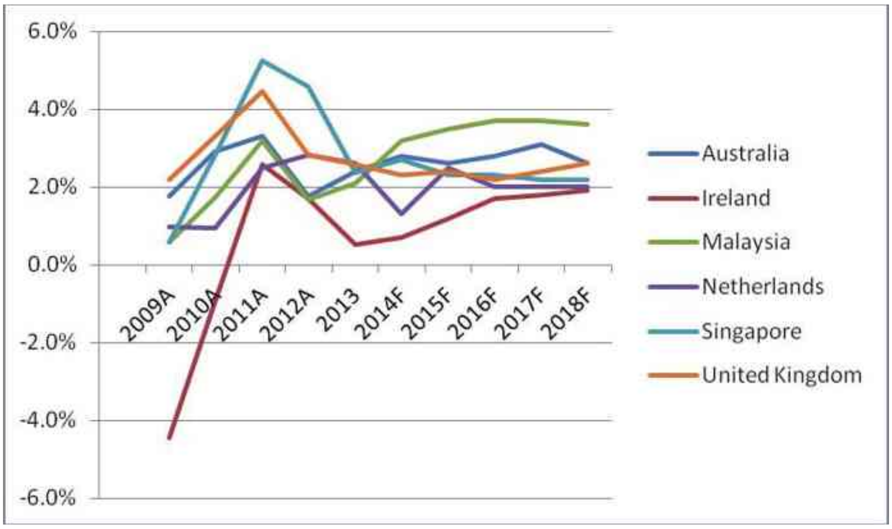
Population growth	**CAGR 2009A-2018F**
Australia	1.4%
Ireland	1.1%
Malaysia	1.6%
Netherlands	0.4%
Singapore	2.2%
UK	0.7%

Source: EIU

Inflation

Inflation affects the pricing stability and predictability, and is a key consideration factor for data centre operators and customers. The six Keppel DC REIT markets have had relatively low inflation environments, with most countries having experienced a fall in inflation in 2012. Moving forward into the forecast period till 2018, these markets are expected to have a relatively stable inflationary environment.

Figure 49: Inflation in six Keppel DC REIT locations



Source: EIU

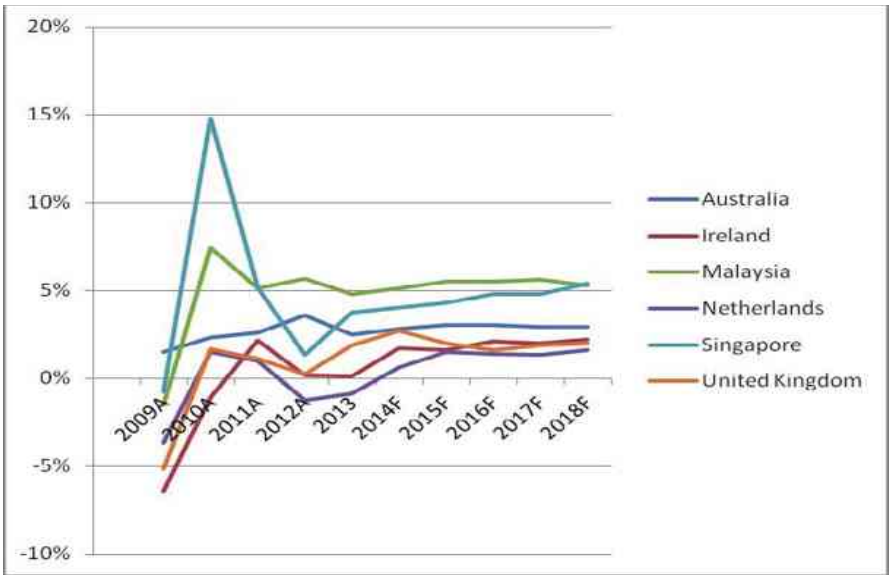
GDP growth

All six markets are projected to have a steady GDP growth in 2014 to 2018, which will provide the underlying economic base for data centre growth.

Yet, GDP growth is not entirely co-related with data centre demand. For example in 2009, while UK's GDP declined due to the GFC, the decline in its data centre market was offset by an increase in outsourcing activity by the broader corporate sector seeking to avoid any capital expenditure of their own.

Historical and forecast GDP growth is shown in Figure 50.

Figure 50: GDP Growth in six Keppel DC REIT locations



Source: EIU

3.2 *Overview of each of six locations*

In this section, countries where Keppel DC REIT has a presence are analysed in detail by comparing data centre demand and supply considerations such as ease of doing business, accessibility to power and security of energy, risk factors, costs, government support of the info-communications industry, and telecommunications connectivity.

Ease of doing business

Keppel DC REIT markets rank highly in terms of the ease of doing business. This illustrates the relative ease for customers as well as data centre operators, to set up base in the market, which then provides the underlying demand and supply respectively to the data centre industry. The strong showing of the Keppel DC REIT markets also provides confidence of the forecast growth in demand, as there is a strong correlation between ease of doing business and ability to attract inward investment.

Figure 51: Ease of doing business in six Keppel DC REIT markets

Ease of doing business	**Global ranking (2013)**
Australia	11th
Ireland	15th
Malaysia	6th
Netherlands	28th
Singapore	1st
UK	10th

Source: World Bank, 2014

Accessibility to power and security of energy

Figure 52 shows the assessment of accessibility to power and security of energy in the six markets as measured by the World Economic Forum. While the figures might not be completely representative as they refer to the average of the country and not specific cities or business parks (such as Cyberjaya), which may have higher than average score than the rest of the country, BroadGroup believes that this can be relied upon as a general indicator of overall quality of power infrastructure in each market. Figure 52 shows that the Keppel DC REIT locations rank ahead of their regional averages, with four locations being ranked higher than the United States.

Figure 52: Assessment of accessibility to power and security of energy in six Keppel DC REIT markets

	Global ranking (of 124 countries)
Australia	26th
Ireland	17th
Malaysia	71st
Netherlands	33rd
Singapore	62nd
UK	11th
US	37th
Europe average	29th(the ranking that would be achieved from the average score of 28 European countries)
Asia Pacific average	75th (the ranking that would be achieved from the average score of ten Asian Pacific countries)

Source: World Economic Forum, Global Energy Architecture Framework 2014

Risk factors

As analysed in Section 1.6, we discussed that data centres should be located away from risk prone areas given their mission critical nature. As a proxy, Figure 53 shows an international measurement of climate risk, which describes the likelihood of businesses being impacted by extreme weather events using data from 1993 to 2012. In this measurement, the higher the position, the lower the climate risk of the country (that is, to be ranked 100th is better than being ranked 1st). The best ranked country, at 178th, is Qatar.

As seen, all of Keppel DC REIT locations are located in areas where the climate risk was assessed to be lower than that in the US. In particular, Ireland and Singapore ranked highly at 135th and 174th respectively.

Figure 53: Climate Risk Index for 1993 to 2012 in six Keppel DC REIT markets

	Climate Risk Index for 1993–2012
Australia	38th
Ireland	135th
Malaysia	86th
Netherlands	70th
Singapore	174th
UK	65th
US	31st
Asia Pacific	Includes three countries in the bottom 10 as most impacted by extreme weather events; Vietnam (6th), Philippines (7th) and Thailand (10th)

Source: German Global Climate Risk Index 2014

Costs

Traditional metrics, such as labour costs/hourly wage rates, are relatively unimportant in the data centre market. It is more important to look at the cost of labour in relation to its overall skills, training and qualifications. Figure 54 shows the ranking of labour cost effectiveness of each market and that Keppel DC REIT locations score particularly well in this global assessment.

Figure 54: Labour force assessment

	Labour force evaluation (of 42 countries)
Australia	10th
Ireland	7th
Malaysia	-
Netherlands	9th
Singapore	1st
UK	11th

Source: Business Environment Risk Intelligence Index, 2013

Figure 55 lists corporate tax rates in each of Keppel DC REIT's data centre locations and illustrates the reasons countries such as Ireland and Singapore have been able to attract international corporations to their markets. Many of the locations also offer specific data centre incentives, but these vary widely depending on the customer and exact location, and are also often customized. All countries except Australia are below the OECD average tax rate of 25.3%. By comparison, the US has a tax rate of 40.0%. Most of the six countries also have a focus on reducing corporate tax rates and Ireland, in particular, has used this as a key incentive to attract international businesses.

Figure 55: Tax rates in six Keppel DC REIT markets

	Corporate tax rate (2014)
Australia	30.0%
Ireland	12.5%
Malaysia	25.0%
Netherlands	25.0%
Singapore	17.0%
UK	21.0%
US	40.0%
Asia Pacific average	21.9%
European Union average	21.3%

Source: KPMG, 2014

Government support of info-communications industry

BroadGroup believes that the government can contribute and stimulate demand and supply in the data centre industry in a multitude of ways:

- Government as a customer of data centres
- Government encouraging the use of Internet and providing the infrastructure and platform for adoption of new technologies
- Government's initiatives to promote the data centre industry

Three of Keppel DC REIT markets – Singapore, UK and Netherlands, rank among the top 10 in terms of e-government initiatives. Key assessment criteria include network infrastructure, presence of national portal, e-government promotion and citizen participation.

Figure 56: e-Government rankings in six Keppel DC REIT markets

	Waseda University International e-Government Ranking (of 55 countries)
Australia	9th
Ireland	-
Malaysia	27th
Netherlands	17th
Singapore	2nd
UK	4th
US	1st

Source: Waseda University, 2014

Telecommunications connectivity and infrastructure

Broadband penetration is a good measure of the level of maturity of telecommunications connectivity and government commitment towards telecommunications infrastructure. It is also important to include both fixed and wireless broadband penetration, as some markets (particularly in Asia Pacific) have focused on improving wireless broadband services. As per Figure 57, four Keppel DC REIT markets rank in the top ten countries globally on at least one of the measures.

Figure 57: Broadband penetration rankings in six Keppel DC REIT markets

Ranking of 183 countries	**Fixed broadband penetration**	**Wireless broadband penetration**
Australia	29th	6th
Ireland	35th	19th
Malaysia	74th	83rd
Netherlands	2nd	20th
Singapore	25th	1st
UK	10th	14th
US	20th	9th

Source: United Nations, 2013

3.2.1 Singapore

IT and telecoms

As illustrated by Figure 58, Singapore has world-class telecommunications infrastructure and fibre connectivity. The country has adopted a free and open economy policy and the telecommunications market has been fully liberalised since 2000. Political stability and a high degree of transparency in its regulatory processes make Singapore an attractive location for foreign carriers, IT providers and large multi-national organisations to set up their operations or to site their IT operations in Singapore.

The government rolled out the next-generation national broadband network (NGNBN), a fibre-to-the-home (FTTH) infrastructure, with all buildings connected by the end of 2013. The iN2015 plan (the 'Intelligent Nation' program first developed in 2005) forecasts that 90% of all households will have a broadband connection by 2015.

Figure 58: Singapore ranking on IT and telecoms infrastructure

	Global ranking (out of 148 countries)
Availability of latest technologies	16th
Firm-level technology absorption	13th
FDI and technology transfer	5th
Individuals using Internet	29th
Fixed broadband Internet subscriptions	20th
International Internet bandwidth, kb/s per user	4th
Mobile broadband subscriptions/100 population	1st

Source: World Economic Forum Global Competitiveness Index 2013-14

Power

Singapore continues to encourage competition in the energy market and promote alternative clean energy sources. Around 10,000 large electricity consumers today (comprising 75% of total electricity demand) can purchase electricity from a range of suppliers such as Keppel Electric, SembCorp Power, Senoko Energy, Seraya Energy and Tuas Power Supply.

About 80% of the electricity is generated using natural gas from Malaysia and Indonesia. Due to its limited geographical area, it is difficult to tap solar and wind energy on a large scale. The Singapore

Government is looking at electricity imports in the medium term while exploring renewable energy sources. Though nuclear power was considered before, a pre-feasibility study concluded in 2012 that current nuclear energy technology is not suitable for use in Singapore.

In a bid to lower cost of energy, the Tembusu Multi-Utilities Complex (TMUC) on Jurong Island was opened in February 2013, which makes use of low-sulphur coal and biomass to generate electricity with lower greenhouse gas emissions than that of an equivalent fuel oil plant.

While the cost of power in Singapore is relatively higher than its neighbouring countries, the transmission of electricity in Singapore is highly reliable and this has contributed significantly to the demand for data centres in Singapore. According to the Energy Market Authority, Singapore's grid performance as measured by the average disruption of electricity supply outperforms that of other major cities such as Tokyo, Hong Kong, Melbourne and London.

Others

The Singapore government has shown commitment to develop the data centre industry, from introducing supportive regulatory and taxation measures, to specific initiatives. This has included plans to establish data centres, developing data centre standards such as those around disaster recovery, and facilitating visa approvals and logistical support for disaster recovery provided to firms based in foreign countries.

The Singapore Data Centre Park was first announced in 2011 and was envisioned as a central location for data centres in Singapore. It will eventually consist of up to eight data centres offering up to 1,100,000 sq ft of gross floor area of data centre space, and is planned to be operational in early 2016.

Conclusions

Figure 59 summarises the advantages and disadvantages of Singapore as a data centre location.

Figure 59: Advantages and disadvantages of Singapore as a data centre location

Advantages	**Disadvantages**
Well-connected via multiple submarine cables around the world Excellent domestic telecommunications infrastructure Main financial hub in Southeast Asia and key location for multi-national organisations Low risk of earthquakes and other natural disasters Open economy, greater regulatory transparency, low corruption and high ease of doing business Data centre park project proposed by the government expected to add significantly to data centre capacity Superior power grid	High land cost due to property boom in recent years Higher power costs Scarcity of land

3.2.2 Australia – Sydney and Brisbane

IT and telecoms

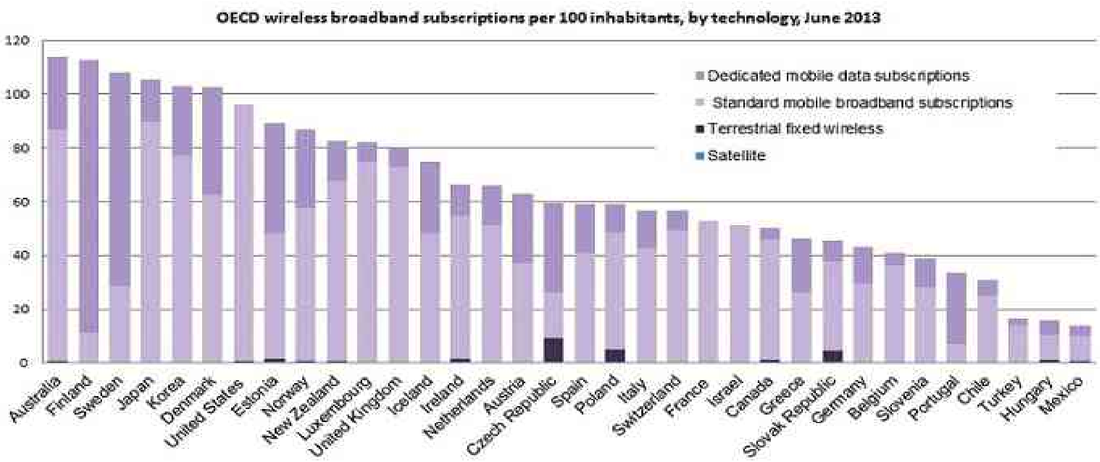
Australia scores well on global rankings on IT and telecoms infrastructure as shown in Figure 60. Additionally, as per Figure 61, based on definitions by OECD, it leads globally in terms of wireless broadband. The high data usage of wireless broadband, particularly as 4G is introduced, is expected to promote greater data usage and hence greater data centre demand.

Figure 60: Australia ranking on IT and telecoms infrastructure

	Global ranking (out of 148 countries)
Availability of latest technologies	23rd
Firm-level technology absorption	14th
FDI and technology transfer	17th
Individuals using Internet	18th
Fixed broadband Internet subscriptions	23rd
International Internet bandwidth, kb/s per user	34th
Mobile broadband subscriptions/100 population	6th

Source: World Economic Forum Global Competitiveness Index 2013-14

Figure 61: Australia leading global position in wireless broadband subscriptions



Source: OECD

Telecommunications infrastructure and connectivity are strong areas for Australia, and national connectivity has improved with the National Broadband Network, which started as a trial in 2010 and will provide telecommunications fibre access to 93% of Australian premises by 2021. Global data centre players have also helped improve telecommunications connectivity with, for example, Equinix developing a campus in Sydney, which is a major peering point for the city.

Power

Price of power in Sydney has approximately doubled over the last 5-6 years, to around US$0.20 per kWh in 2014. However, as is the case with Singapore, its resilient power infrastructure has supported the growth of the data centre demand. Data centres in Sydney have used the increased cost of power to their advantage in a number of ways, such as:

- Highlighting the increased cost of power to encourage outsourcing (rather than in-house operators having to secure power themselves) and presenting outsourcing as a way of allowing power, and increasingly carbon dioxide, considerations to be passed on to a third party.
- Building large and very power-efficient data centres

Other factors

In Australia, the government takes a strict approach to personal privacy and protection of personal information in the form of its National Privacy Principles. Data processing and data holding in Australia is carried out in accordance to these principles but there is no mandatory reporting of privacy violation – the business decides whether violations should be reported or not. This has helped to provide comfort to customers and ensure Australian data is generally kept within the country.

Sydney continues to be very attractive for many global corporates looking to enter and expand domestically and regionally into the Asia Pacific market. While the city is clearly a long distance from many other Asia Pacific cities, improvements in telecommunications infrastructure/connectivity make this less of an issue. Its economic strength and reliable telecoms infrastructure makes it an attractive location.

Brisbane has a highly skilled IT workforce and the city has undertaken a number of initiatives to improve the local economy. For example, the 2014 Brisbane Vision plan seeks to develop 343,000 additional jobs, across all sectors, by 2021.

Both cities benefit from their time zones, enabling global companies to use a ‘follow the sun’ strategy to provide 24 hour support.

Conclusions

Figures 62 and 63 summarise the advantages and disadvantages of Sydney and Brisbane as data centre locations.

Figure 62: Advantages and disadvantages of Sydney as a data centre location

Advantages	**Disadvantages**
Strong presence of multi-national corporations Strong data centre eco-system Key data centres close to Sydney International Airport Geologically stable Skilled IT resources Largest population in Australia Excellent telecommunications infrastructure Main financial hub for Australia	High land cost Risk of bushfires

Figure 63: Advantages and disadvantages of Brisbane as a data centre location

Advantages	**Disadvantages**
Strong connections from Brisbane International Airport Skilled IT resources State government incentives City is hub for resources industry in Australia, which is estimated to contribute approximately US$20bn to the local economy. Such industry can be heavy users of data centres	Risk from earthquakes Risk from severe storms and tsunamis

3.2.3 Malaysia – Kuala Lumpur

IT and telecoms

While Malaysia has a relatively low score compared to the other five markets in terms of IT and telecommunications infrastructure, BroadGroup believes that the score refers to the average of the country, rather than specific to Kuala Lumpur or Cyberjaya. In addition, the scores are based on current adoption, and do not take into account the foreseeable rapid improvements in Malaysia. BroadGroup believes Cyberjaya on a standalone basis score well under the chosen criteria because of the focus of the Malaysian government to develop it into a telecommunications and IT hub.

Figure 64: Malaysia ranking on IT and telecoms infrastructure

	Global ranking (out of 148 countries)
Availability of latest technologies	37th
Firm-level technology absorption	33rd
FDI and technology transfer	13th
Individuals using Internet	39th
Fixed broadband Internet subscriptions	66th
International Internet bandwidth, kb/s per user	77th
Mobile broadband subscriptions/100 population	79th

Source: World Economic Forum Global Competitiveness Index 2013-14

Malaysia has constantly sought to improve its telecoms infrastructure. Such improvements include a Public Private Partnership agreement with Telekom Malaysia to implement a high-speed broadband (HSBB) project, which is a mix of FTTH – fibre to the home, Ethernet-to-the-home and VDSL2 technologies. The HSBB covered 1.3 million premises in 2013. The 2014 budget included plans, referred to as HSBB2, to include a further 2.8 million premises.

The telecommunications market is relatively open with some foreign carriers holding a Network Services Providers licence. Through programmes such as the Multimedia Super Corridor (MSC) and Iskandar Malaysia, the government is also attracting foreign companies, particularly those in the Info-communications technology sector to locate their business operations in Malaysia. As part of the MSC initiative, cybercities and cybercentres are being developed to provide the necessary telecommunications and transportation infrastructure. Foreign firms are also given financial (e.g., tax allowance and R&D grants) and non-financial (e.g., R&D facilities in Multimedia University, one-stop support from government agency MDeC) incentives if they qualify for the MSC status.

Power

The electricity and gas supply industry in Malaysia is regulated by the Energy Commission (Suruhanjaya Tenanga) to ensure fair and efficient market conduct and tariffs that reflect fair and affordable pricing to consumers while allowing reasonable returns to the facilities.

The Tenaga Nasional Berhad (TNB) is the largest electric utility company in Malaysia engaged in the generation, transmission and distribution of electricity. TNB generates about 55% of the total industry capacity in Peninsular Malaysia through six thermal stations and three major hydroelectric plants. TNB also operates the National Grid linking power stations and IPPs (independent power producers) to the distribution network, and is connected to Thailand.

Malaysia produces oil and gas and is actively exploiting these non-renewable energy resources to generate electricity. Renewable sources such as biomass and solar are also being explored. The Malaysian government currently provides subsidies for electricity but this could change as the government is rationalising its subsidy programme.

A key **advantage of Malaysia is its low energy prices, which is half those of other countries in the region. This has attracted multi-national corporations such as HP and NTT into Cyberjaya.**

Others

Two other advantages of the Malaysian market are:

- Malaysian labour costs are typically at least 50% lower than those in Singapore, even for those in the technology sector
- Malaysia has placed data centres as central to its Economic Transformation Program (ETPs), within the Business Services National Key Economic Area (NKEA).

Conclusions

Malaysia has been politically stable and is well positioned to benefit from the growth of Southeast Asia. Factors supporting the country's growth include the rapidly growing number of middle income households, strong growth in intra-Asian trade and manufacturing supply chains with Northeast Asia as well as massive planned investment in infrastructure and urban development over the next two decades.

Figure 65 summarises the advantages and disadvantages of Kuala Lumpur as a data centre location.

Figure 65: Advantages and disadvantages of Kuala Lumpur as a data centre location

Advantages	Disadvantages
Government initiatives (Multimedia Super Corridor status) to attract multinationals to locations such as Cyberjaya Good broadband infrastructure, particularly in business parks Operating costs are lower in data centres in Malaysia (especially when compared to neighbour Singapore) Land is available for developing new and large-scale facilities Relatively low cost of labour	Local access still dominated by Telekom Malaysia due to its ownership of last mile connections Local broadband infrastructure less developed in areas further away from Kuala Lumpur Power reliability issues still persist, particularly outside Cyberjaya

3.2.4 UK - London

IT and telecoms

The UK scores highly in IT and telecoms infrastructure. BroadGroup feels that if separate figures were available just for the London market, it would fare better as its telecommunications infrastructure is significantly more established than the rest of the country.

Figure 66: UK ranking on IT and telecoms infrastructure

	Global ranking (out of 148 countries)
Availability of latest technologies	5th
Firm-level technology absorption	24th
FDI and technology transfer	22nd
Individuals using Internet	11th
Fixed broadband Internet subscriptions	10th
International Internet bandwidth, kb/s per user	10th
Mobile broadband subscriptions/100 population	14th

Source: World Economic Forum Global Competitiveness Index 2013-14

Power

The UK has historically enjoyed lower power pricing than the Europe average, but the lack of investment in new power generation and impact of green taxes has pushed it closer to the Europe average. There have been some concerns in the UK that lack of future investment could lead to brown-outs, as well as substantial rises in pricing. However, it appears likely that new investments in nuclear energy, together with the potential of shale gas, will help to mitigate this challenge.

Attractive data centre locations, such as Docklands in central London, have fully deployed its power supply capacity, and it is **extremely unlikely that any additional, large data centres could be built in the area**.

Other

The UK has been ahead of other European markets, and closer to the US, in terms of the use of third party outsourced data centre space. This trend looks set to continue, as the UK stays ahead of other European countries in its adoption and usage of cloud computing. This, in turn, will continue to drive data centre demand.

The UK's role as a global financial hub has also contributed to the viability of the data centre industry within the country. In particular, London is a key global trading hub, and a preferred entry point for multi-national corporates looking to access the European market. This has led to the high demand for data centre space in the Docklands area which is in close proximity to central London.

Data centre providers in London, as well as Amsterdam and Dublin, has also benefited in 2014 from the demand of major Internet companies to have a data centre presence in Europe, both to support local customers and ensure that they conform with data privacy and security legislation.

Conclusions

Figure 67 summarises the advantages and disadvantages of London as a data centre location.

Figure 67: Advantages and disadvantages of London as a data centre location

Advantages	**Disadvantages**
Pull of London as a global data centre hub because of the existing data centre eco-system Strength of LINX (telecommunications hub) Greater willingness of UK companies to utilize outsourced data centre space Relatively mature market with sophisticated offerings and users High usage outsourcing and cloud computing Strong financial hub	Risk of over-supply, particularly at the outskirts of London Power costs and availability (particularly in the longer term and in central London/Docklands) Potential impact of green taxes and regulation Specific incentives and government support Limited availability of renewable energy Limited power availability, particularly in central London/Docklands

3.2.5 Netherlands - Amsterdam

IT and telecoms

As per Figure 68, the Netherlands is one of the leading countries in the world for IT and telecommunications infrastructure and ranks in the top tier for fixed Internet and broadband usage. Netherland's Internet Exchange (AMS-IX) is worth highlighting, being second in Europe only to the Germany's exchange (DE-CIX) in terms of telecommunications traffic, but with a higher number of telcos connected.

The Netherlands, and in particular Amsterdam, has also developed a reputation as the 'Internet hub' for Europe, with many leading global players operating out of the country.

Many of the multinational companies looking to locate in the Netherlands have been focused on international trade or are in industries where connectivity is key, such as digital media. This has led to ongoing investments and improvements in the country's IT and telecommunications infrastructure.

Figure 68: Netherlands ranking on IT and telecoms infrastructure

	Global ranking (out of 148 countries)
Availability of latest technologies	9th
Firm-level technology absorption	22nd
FDI and technology transfer	38th
Individuals using Internet	4th
Fixed broadband Internet subscriptions	2nd
International Internet bandwidth, kb/s per user	13th
Mobile broadband subscriptions/100 population	20th

Source: World Economic Forum Global Competitiveness Index 2013-14

Power

Power is not a natural advantage for the Netherlands given its size and lack of resources. However, it has managed to retain power pricing just below the European average – at around US$0.12 per kWh.

The country is currently focused on improving power efficiency and developing renewable energy sources. As part of this focus, the Netherlands aims to cut carbon dioxide emissions by 80-95% by

2050 (compared with 1990). One initiative is for all buildings in the country to be carbon neutral by 2020.

Others

There are other main cities in Europe, notably London and Frankfurt, which are keen to challenge Amsterdam as the media/Internet hub of Europe. Similarly, other cities such as Geneva, Zurich and Paris, are intent on competing with Amsterdam as the central city providing access to the rest of the region.

However, Amsterdam has maintained its leading position and there is no indication it will become any less attractive as a data centre location in the near future. For example, its position as an Internet hub is becoming stronger as it continues to attract many of the leading global players (and their partners) to the city. It is also one of the top four Tier 1 data centre cities in Europe along with London, Frankfurt and Paris.

Many US Internet companies are keen to enter via Amsterdam in their initial foray into Europe. The location is seen as highly central with close proximity to large European countries. In addition, the city has a friendly business environment including excellent English language skills, excellent telecommunications and strong existing eco-system of Internet and media businesses.

Conclusions

Figure 69 summarises the advantages and disadvantages of Amsterdam as a data centre location.

Figure 69: Advantages and disadvantages of Amsterdam as a data centre location

Advantages	Disadvantages
Strength and scope of AMS-IX - positioning as 'media centre' for Europe Investment by Google and Microsoft attracts similar data centre investments Long-term focus on green issues, with new buildings in Amsterdam needing to have a PUE (power usage efficiency) of <1.3 Innovative local players and start-ups in market Very attractive to US/global companies entering Europe	Difficulty in accessing new sites Potential of over-supply, given the perceived attractiveness of the market Strong competition from neighbouring countries

3.2.6 Ireland - Dublin

IT and telecoms

Ireland scores highly on global IT and telecoms infrastructure rankings as per Figure 70. It scores particularly well on FDI and technology transfer, where it has developed strong relationships with international (particularly US) companies and has looked to make the country as receptive as possible to IT investments. The country has worked towards building a knowledge economy. This has included a strong higher education/university focus on IT and cloud computing, and attracting leading global Internet and IT companies.

Telecommunications has improved with the installation of fibre optic cables around Dublin, and new infrastructure to the US such as the Hibernia Atlantic, which reduces latency, improves bandwidth and pricing to the US.

Figure 70: Ireland ranking on IT and telecoms infrastructure

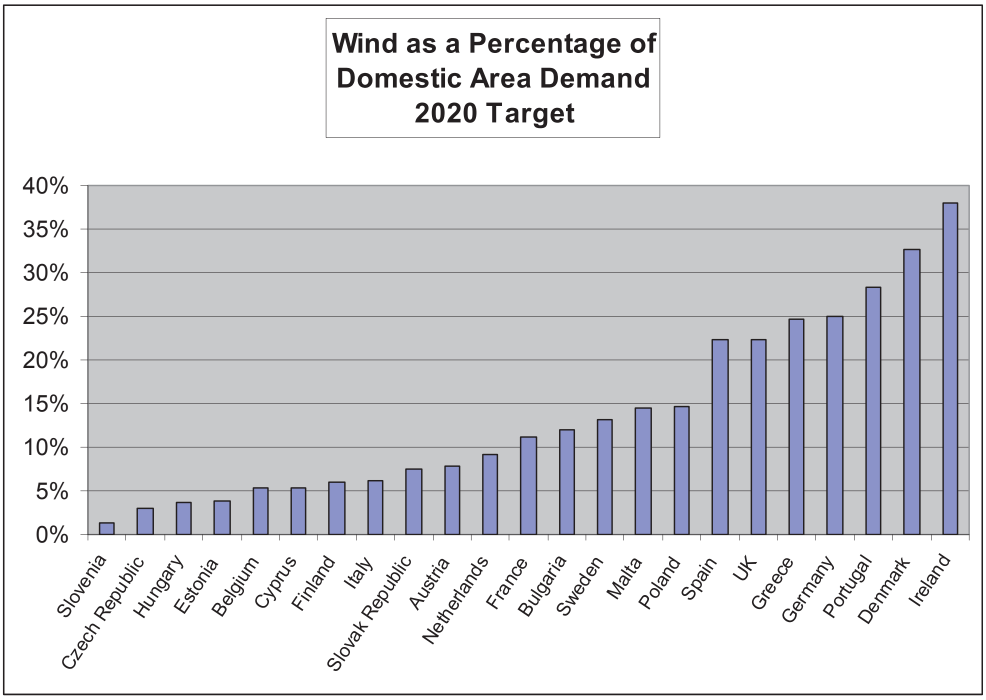
	Global ranking (out of 148 countries)
Availability of latest technologies	30th
Firm-level technology absorption	25th
FDI and technology transfer	1st
Individuals using Internet	25th
Fixed broadband Internet subscriptions	30th
International Internet bandwidth, kb/s per user	20th
Mobile broadband subscriptions/100 population	19th

Source: World Economic Forum Global Competitiveness Index 2013-14

Power

On the power side, the government has made deliberate efforts to ensure the sufficiency of electricity production so that it will not be a limiting factor for current and future investors (for example, Microsoft had earlier expressed concerns that it may not obtain sufficient power capacity to keep expanding in Ireland). One of the ways Ireland is looking at rapidly increasing its power production is from renewable energy. Figure 71 shows an EU forecast that Ireland will be the European leader in wind power generation by 2020. The climate in the country is particularly favourable for wind power generation, and turbines of up to 590 ft have been installed in the country.

Figure 71: Ireland usage of wind power



Source: EU

Others

It is important to highlight the significance of US Internet companies to the Irish economy where it is estimated that 60% of all new jobs created in the Irish capital in 2012 were a result of FDI from the US technology community.

There are >600 US companies in Ireland employing >100,000 people. Around 8% of all US investment in the EU and 4.6% worldwide have been made in Ireland. In 2012, the US accounted for 75% of Ireland's inward investment and 61% of Irish GDP.

These US-based operators, which find Ireland attractive, have based their European headquarters in Ireland and have subsequently aided the development of in-house and third party data centres in Ireland.

Figure 72 shows the extent of multi-national companies which **have a data centre presence in Dublin** (whether in-house or outsourced).

Figure 72: Examples of multi-national companies with data centres in Dublin

Furthermore, Ireland has also sought to attract corporations from other industry sectors, particularly their data centre operations. A good example is digital media, with Ireland having recently attracted global movie making firms and developing specific legislation and incentives around it.

Ireland is also very well-placed to benefit from the growth of cloud computing. It already has attracted major data centre investment from companies such as Microsoft, Amazon and Google. Ireland is seen as an attractive place to host pan-European operations with, for example, Amazon supporting all its European business out of Dublin.

This has led to Dublin becoming, alongside Amsterdam, the cloud computing hub for Europe.

Conclusions

Figure 73 summarises the advantages and disadvantages of Dublin as a data centre location.

Figure 73: Advantages and disadvantages of Dublin as a data centre location

Advantages	Disadvantages
Broader FDI attractions and existing strengths in sectors such as financials and pharmaceuticals. A number of these organisations have data centres in the city Appeal to US companies – some third party providers see 60-80% of demand from US Eco-system in place Continuing strong government support Telecoms, already strong for international connectivity, extended across country and supported by new links such as Hibernia Atlantic Commitment to renewable energy Europe’s cloud computing hub	Market dominated around specific business parks in Dublin Relatively high cost power Broader economic challenges Some concerns over future corporation tax level and ability to offer data centre incentives

3.3 *Analysis of each Keppel DC REIT data centre*

3.3.1 Overview

Figure 74 shows the eight Keppel DC REIT data centres. The remainder of this section analyses the advantages and disadvantages of each data centre.

Figure 74: Locations of Keppel DC REIT data centres

Data centre	Location
S25	North East, Singapore
T25	East, Singapore
iseek Data Centre	Brisbane, Australia
Gore Hill Data Centre	Sydney, Australia
Basis Bay Data Centre	Selangor, Malaysia
GV7 Data Centre	London, U.K.
Almere Data Centre	Amsterdam, Netherlands
Citadel 100 Data Centre	Dublin, Ireland

3.3.2 S25 and T25

Figure 75: Advantages and disadvantages of S25 and T25

Advantages	Disadvantages
Well established presence and high quality customers Excellent telecommunications infrastructure TIA Tier III certified	Moderate amount of planned new build in close proximity

3.3.3 iseek Data Centre and Gore Hill Data Centre

Figure 76: Advantages and disadvantages of iseek Data Centre and Gore Hill Data Centre

Advantages	Disadvantages
Multiple data centres providing disaster recovery and back up options, together with option to link iseek Data Centre and Gore Hill Data Centre High quality facilities with highly energy efficient designs Carrier neutral Well located sites, such as within 5km of Sydney CBD External accreditations such as ISO27001 Fully leased sites under long term contracts	Major new builds planned, particularly for Sydney Large, global competitors expanding in Sydney

3.3.3 Basis Bay Data Centre

Figure 77: Advantages and disadvantages of Basis Bay Data Centre

Advantages	Disadvantages
Situated in premier Malaysia data centre location, Cyberjaya which has excellent network connectivity and access to the power grid High quality facility Focus on green issues in build and operation, which allows lower running costs Carrier neutral Well established in Malaysia	Around 50km from centre of Kuala Lumpur, which is the main business area

3.3.4 GV7 Data Centre

Figure 78: Advantages and disadvantages of GV7 Data Centre

Advantages	**Disadvantages**
Within the highly sought after Docklands location of central London. Limited supply in the area given space, planning and power issues. High quality facility offering higher power density (150-170W per sq ft) than most neighbouring facilities Excellent telecommunications connectivity Disaster recovery office space	Single location Larger competitors in close proximity

3.3.5 Almere Data Centre

Figure 79: Advantages and disadvantages of Almere Data Centre

Advantages	**Disadvantages**
Based in Almere, in metropolitan Amsterdam, which is within 30 minutes of Amsterdam Strong media and Internet demand locally High quality facility Excellent telecommunications connectivity Also offers disaster recovery services Fully leased site under long term lease	Some competing sites based in central Amsterdam

3.3.6 Citadel 100 Data Centre

Figure 80: Advantages and disadvantages of Citadel 100 Data Centre

Advantages	Disadvantages
Situated in one of the most attractive Dublin locations, the National Digital Campus at CityWest Well established in country Strong telecommunications infrastructure High quality facility Large corporate clients Under 10 milliseconds latency to London	Large Internet companies building their own data centres nearby

3.4 Conclusions – relative attractiveness of different sites

The analysis in Section 3.3 demonstrates that Keppel DC REIT's portfolio typically shows similar and compelling advantages such as:

- High quality data centre facilities
- Energy efficient data centre designs
- Carrier neutral and excellent telecommunications connectivity
- Strong track record with well-established and credible operations
- Strong client base
- Clear commitment to market and recent expansion
- Ability to offer additional services such as disaster recovery

In terms of locations, Keppel DC REIT portfolio is strategically located in sites suitable for data centres or within data centre hubs (such as Docklands in London, or Cyberjaya in KL) and benefit from excellent telecoms, secure and diverse power, and proximity to local demand and corporate customers.

In terms of country markets, as per Figure 24, the Keppel DC REIT data centres are located in main hubs and/or key trading hubs. While locations with just one or two advantages (such as cheap power or cost advantages) will often struggle to become attractive data centre locations, the **six Keppel DC REIT locations all have compelling and long-term attractiveness as data centre locations.**

Figure 81 analyses the six locations in terms of demand, supply and growth.

Figure 81: Relative attractiveness Keppel DC REIT's data centre locations

	Local demand	International demand	Low competition	Growth opportunities
Singapore	3	5	3	5
Australia	5	4	4	5
Malaysia	4	3	3	5
UK	5	4	3	4
Netherlands	4	5	4	5
Ireland	3	5	3	4

Source: BroadGroup

Scale = 1-5 with 5 being highest score

Section 4 Potential challenges for the industry

4.1 Over-supply and global players

Oversupply and the rise of global players, with their potential advantages in terms of economies of scale and access to funding, are often heralded as the two key challenges for data centre providers.

For example, six of the ten largest data centres in Southeast Asia are operated by US or European providers as shown in Figure 82.

Figure 82: Ten largest third party carrier-neutral data centres in Southeast Asia, 2014

Rank	**Provider**	**Gross floor size (sq ft)**	**Location**
1	*Equinix*	*350,000*	*Singapore*
2	*Digital Realty*	*340,000*	*Singapore*
3	*Global Switch*	*270,000*	*Singapore*
4	*Global Switch*	*250,000*	*Singapore*
5	CSF Computer Exchange 5	201,000	Malaysia
6	*Equinix SG2*	*180,000*	*Singapore*
7	*Equinix SG1*	*150,000*	*Singapore*
8	Freenet CX2	148,000	Malaysia
9	CSF Computer Exchange 3	120,000	Malaysia
10	1-Net	96,000	Singapore

Source: BroadGroup

There is industry speculation around further consolidation as global players look to expand their footprint and also offer a broader portfolio by, for example, adding retail co-location expertise to wholesale co-location.

However, while further merger and acquisition activity is likely, the market remains highly fragmented. For example, a player such as Equinix only has around 6-8% of the global retail co-location market. BroadGroup research shows that **local expertise, knowledge and relationships remain highly important**.

It should also be noted that many new entrants have failed to secure funding and/or anchor customers, and this remains a very difficult market to enter, as described in Section 4.3. Hence, over-supply remains unlikely to occur.

4.2 New technologies

There are some new developments in technology that could impact the data centre industry:

- Chipsets. For example, the Intel Atom-based server claims to provide the same performance level as Xeon but at a quarter of the latter's power consumption, and the low-power, many-core approach from Tilera which uses an architecture that eliminates the on-chip bus interconnect. There are also developments aimed at bringing cooling down to the chipset level. Such initiatives could significantly reduce the power and cooling required by data centres.
- Solid State Disks, with prices falling below US$0.50 per gigabyte during the first half of 2014 compared to ~US$1.56 in 2011, would radically improve storage performance and management in the data centre. This would limit data centre demand given such an improvement in storage efficiency.
- New cooling techniques. For example, some vendors claim savings of 'up to 95%' in data centre cooling. Such changes potentially speed up obsolescence and the useful life of existing data centres.
- Low voltage power and use of Direct Current (rather than Alternating Current) – the latter of which can be seen in ABB's work in Switzerland. A widespread adoption of Direct Current could speed up obsolescence in the industry. The advantages of Direct Current include avoiding the challenges of converting the power supply.
- Software Defined Data Centres – a term coined by VMware to represent data centre and computer resources defined and managed in a software environment. This might limit the number of physical data centres required and greatly improve the efficiency of facilities.
- Nano-photonics – efforts led by IBM to bring communication at the speed of light, expected to be commercialised by 2018. Such an initiative, if commercially successful, could lead to data centres being sited in lower-cost locations as the need to be close to existing telecommunications infrastructure would become less important.

Virtualisation is likely to be the major short-term threat. This refers to creating virtual forms of physical elements – for example, server virtualisation software can create up to 80 virtual machines from one physical server. The effect of server virtualisation is to reduce the number of physical servers required, and therefore lowers data centre space requirements.

While most of the focus has been on server virtualisation, this has been extended to other computing elements, particularly storage and desktop virtualisation. Leaders including VMware are keen expand this to include network and application virtualisation, under their management and partners' expertise.

Cloud computing can be considered as the linking and delivery of virtualised and shared computing services. Some cloud adopters claim that they only need one physical server for every five previously required.

However, the impact of virtualisation might be limited due to the following factors:

1. Virtualisation often leads to more powerful hardware requirements, such as blade servers, which have much higher power requirements and can require approximately 20kW per rack in the data centre;
2. Initial benefits from major server virtualisation exercises have often already been achieved by large corporations;
3. The additional server capability is often quickly used up in many corporate; and
4. Limitations to the effectiveness of virtualisation exercises such as legacy systems and management issues.

In summary:

- Virtualisation will continue to be used more broadly with most users expecting a greater penetration of virtualisation in their hardware over the next three years
- It will start to extend to other areas; notably storage, but also network, desktop and application layers. Software-defined networking is a particular focus in the data centre universe, and could lead to sharing workloads between data centres, although there are clear challenges in many applications, as well as security, performance and regulatory issues
- It is closely linked to better management and focus on data centres, and some of the thinking behind cloud computing
- Even with the benefits of consolidation and virtualisation, a lot of users are still seeing overall data centre space requirements being fairly flat, while power needs continue to increase
- Further, consolidation and virtualisation will eventually lead to an increase in power requirements and as mentioned in Section 1.1 that data centre offering can be priced in terms of kW, this trend will have a positive impact on the revenues of data centre owners and providers.

4.3 Regulation and environmental impact

Regulatory impact comes in many forms. For example, the UK Carbon Reduction Commitment (CRC) presents some specific concerns such as:

1. It penalises already efficient data centres (as it is based on year-on-year improvements in efficiency)
2. It is complex and unclear – many firms are taking legal advice and have estimated that they will need 2-3 people to administer the scheme
3. Additional cost burden – although, as it stands, even the worst offender will not pay more than 9% of their power bill in extra taxes by 2015

While the CRC legislation is on hold, it is likely that some form of carbon emission legislation will emerge. The most popular format is likely to be some sort of direct taxation or levy on power usage. Nonetheless, the UK example of CRC illustrates how the adoption of similar legislation could have widespread impact on the data centre industry.

However, BroadGroup believes that the adoption of such legislation could generally be helpful to the third party data centre industry. Specific reasons include:

1. Managing in-house data centres becomes more difficult due to environmental legislation
2. Owning in-house data centres becomes more dangerous due to the risk of equipment obsolescence and non-compliance with environmental legislation
3. Third party data centre providers have the skills and economies of scale to manage environmental requirements more successfully

4.4 Cloud computing

As per Section 1, the development of **cloud computing is seen as a major positive driver for the data centre industry**, providing a new vertical market and more demand for data centre space. Indeed, some of the retail co-location providers see their future positioning as 'Cloud Hotels' much in the way they have been 'Carrier Hotels'. The idea behind this is that a customer can switch between Amazon Web Services, Azure and OpenStack much in the same way they have historically moved between telecommunications carriers such as Telstra, SingTel and Verizon. Data centre providers also believe they can use their eco-systems and partnerships to become a natural hub for cloud computing users.

However, the other side of the argument is that if cloud computing providers, particularly Infrastructure As A Service (IaaS), start to compete with data centre providers and use their economies of scale and flexibility to make a competitive offering. Of particular concern to the low-end of the market is the pricing impact, with Amazon Web Services having reduced prices by 38 times in the last five years. Yet, cloud players also need data centre space and have often used outsourced options in past, so **the rise in cloud computing demand also provides opportunities for the industry, particularly for wholesale co-location providers.**

In reality, it is difficult to tell how the cloud computing market will develop, particularly as the major IaaS providers have shown limited interest in offering retail co-location services. The data centre providers also benefit from their reliability and security, and their existing installed base, eco-systems and other relationships.

BroadGroup believes data centre providers will need to adapt quickly to the evolution of cloud computing, become more agile and IT-oriented, and also have a clear strategy as to how to work within the cloud computing eco-system. They also need to respond to changing procurement and the impact of hybrid cloud deployments.

There is evidence of this already happening with, for example, the Equinix Cloud Exchange gaining strong industry support to use Equinix data centres as a key part of the infrastructure supporting cloud deployments.

Section 5 Conclusions

The Keppel DC REIT locations score highly on key selection criteria. Key attractions include:

- Strong and diverse telecommunications infrastructure
- High quality and redundant power systems
- Relatively low-risk and reliable locations
- Strong support from government for the data centre industry
- Robust legal system
- Attractive as business locations
- Existing high quality stock of data centres, and strong use of outsourced facilities

5.1 Growth drivers

In summary, growth drivers include:

1. **Growth in data creation and data storage needs**

- Network infrastructure is expanding and global communications are accelerating
- Data usage is expanding rapidly due to Internet usage, denser data, mobile broadband, social networking and mobile devices
- Data creation is rising strongly due to increasing numbers of more powerful Internet-connected devices. The data created is also becoming much larger, particularly due to the inclusion of video
- Rapid growth in data analytics and "Big Data"

2. **Growth in cloud computing**

- Changing the way that IT is used within an organisation by shifting the need for in-house IT infrastructure to outsourced data centre space
- Increasing demand for data which leads to greater data centre requirements

3. **Increasing compliance and regulatory requirements on data security**

- Heightened security and compliance regulations in handling sensitive data
- Physical protection of data urging companies to move data from "cupboards" to secure facilities

4. **Increasing outsourcing of data centre requirements**

- Consolidation and increased focus on greater efficiency in IT infrastructure, leading to outsourcing of data centres
- The design, construction and operation of data centres have become more complex and are now beyond the core competencies of many organisations
- Growing challenges for corporations in finding and securing their own data centres

5.2 *Winners and losers in the market*

BroadGroup win/loss analysis of data centre deals suggests:

Factors contributing to winning deals

Established presence and installed base is often a key consideration. BroadGroup analysis finds that some global data centre players are gaining 60% of its revenues come from customers in multiple countries, and well-established national players gain 70-75% of sales from existing customers expanding, around 20% come from incoming calls, and only around 5% of sales from proactively searching for new customers.

Proximity to customers and local demand as shown by the rise in data centre clusters and the desire for many corporates to remain close to their data centres and store data in-country. The benefits of existing data centre sites – such as excellent telecommunications connectivity – continue to attract new customers.

High quality facility as corporates need to know they will not suffer downtime and that there is redundancy among key mechanical and electrical components.

Excellent telecommunications connectivity and carrier neutrality is very important to many customers as it provides choice, diversity and lowers costs.

Credibility, track record and expertise of data centre provider is very important, particularly as the data centre sector is small (this is changing as data centre procurement becomes more aligned with broader IT and outsourcing).

Local relationships are another reason including working with other 'influencers' such as telecommunications providers, equipment providers and installers, managed service providers and ISPs.

Availability of space can be a reason, as other providers often have limited space or 'new build' is dependent on pre-sales/letters of intent. Having immediate space available on demand can still be a major advantage in this industry.

Proven reliability of data centre - the reason for the very high reliability demanded of data centres is clear; the cost of a downtime or outage is extremely high. Emerson Network Power has estimated that the **average data centre outage in 2013 (across global data centres) cost US$901,560 per outage, an increase of 33% over the last two years**. Some businesses have suffered major reputational and business damage due to data centre downtime.

Factors contributing to losing deals

Pricing – customers expect competitive pricing, but BroadGroup research finds that this only becomes a key factor when the customer is satisfied with the quality of the data centre and credentials of the provider.

Age of facilities – existing players often have facilities more than 15 years old (there were a lot of data centres built in the early and late 1990s, and then relatively few for the next decade due to the impact on the industry of the dot com crash, when 17 of 27 pan-European providers went out of business). Older facilities can often still boast high reliability, but may fare poorly in terms of energy efficiency.

Lack of flexibility (and sticking to standard terms) – this allows more innovative and flexible players to win business, as they can better match their offering to the customer requirement.

Lack of experience and track record – customers are often hesitant of being one of the initial clients of a new data centre provider. Customers typically want to see a proven operating record and that other customers have been successfully deployed in the facility.

5.3 Keppel DC REIT's strengths and opportunities

Figure 83 looks at the factors contributing to winning data centre deals and assesses how Keppel DC REIT's facilities rate on such factors.

Figure 83: Key factors for winning data centre deals and Keppel DC REIT's positioning

Key factors for winning data centre deals	Keppel DC REIT positioning
Established presence and installed base	Keppel DC REIT data centres are generally well regarded in their local markets, with a number having been established for more than five years. The sites have a well-established single customer or have built up a number of well-known corporate customers.
Proximity to customers and local demand	Keppel DC REIT data centres are close to key customers and data centre requirements, and are located not just in some of the most attractive cities for data centres, but most attractive locations within those cities.
High quality facilities	Keppel DC REIT data centres are built to conform to high quality standard demanded by customers with leading positions in their respective industries, and also typically have a focus on environmental efficiency.
Excellent telecommunications connectivity and carrier neutrality	Keppel DC REIT data centres are carrier neutral and close to key telecoms interconnection points.
Credibility, track record and expertise of data centre provider	Keppel DC REIT data centres are generally well-known and well-regarded in their local markets.
Local relationships	Keppel DC REIT data centres have typically built up strong local relationships among the data centre eco-system, from key channels to systems integrators to telcos.
Availability of space	Keppel DC REIT data centres have typically expanded to meet additional requirements, and have shown a willingness to make additional commitments across the six countries.
Proven reliability of data centre	Keppel DC REIT data centres have not suffered major outages or seen customers leave due to any reliability concerns.

List of figures

Glossary of key terms

ASHRAE

The American Society of Heating, Refrigerating and Air Conditioning Engineers, which has designed recommendations on the cooling within data centres and the temperature ranges in which the data centre can be operated

BICSI

Building Industry Consulting Service International, which designs recommendations for the cabling and information transportation within data centres

Cloud computing

Cloud computing is a model for enabling convenient, on-demand network access to a shared pool of configurable computing resources (e.g., networks, servers, storage, applications, and services) that can be rapidly provisioned and released with minimal management effort or service provider interaction. This cloud model promotes availability and is composed of five essential characteristics, three service models, and four deployment models.

GFC

The Global Financial Crisis which occurred between 2007 and 2008 and led to the demise of certain financial institutions, major bailouts from national governments and declines in global markets.

Hands and eyes

A type of service typically provided by data centre providers whereby a technician provides local engineering support to ensure the smooth running of data centre equipment of the customers.

PB

PetaByte = 1 PB = 1000000000000000B = 10^{15}bytes = 1000 terabytes.

Power Usage Efficiency (PUE)

The importance of environmental issues on the data centre industry has spawned a number of other measures more focused on efficiency. Power Usage Efficiency is the metric created by The Green Grid. The basic rule is power going into the data centre, compared to power actually being used by the IT systems. Often the PUE is around 2 – that is, around 50% of the power is 'wasted' on such areas as cooling the IT equipment, transmission losses and other inefficiencies. New metrics more recently developed include CUE (carbon) and WUE (water), as well as efforts to look more at the efficiency of the IT in the data centre.

The focus on the environmental efficiency of data centres is likely to become ever more concentrated as it has been estimated that data centres are responsible for around 1.5% of global CO2 emissions.

TIA-942

Telecommunications Industry Association's telecommunications infrastructure standard for data centres

Tier

There are a number of standards used to define the quality and specifications of a data centre, the two most common being the TIA-942 Telecommunications Infrastructure Association standard which specifically refers to the telecommunications infrastructure within the data centre and the Uptime Institute Tier ratings, which measure the availability (or uptime) of the data centre. The Uptime Institute Tier ratings are shown in Figure 4 and the TIA-942 standard in Figure 5.

UPS

Uninterruptible Power System - to provide continuous power supply in the case of problems with the local power grid

Virtualisation

A virtual instance of a physical system, with server virtualisation referring to software which can support up to 80 virtual machines associated with one physical server. Virtualisation is also being applied to other areas of IT and telecoms, such as storage, desktop, application and network virtualisation. Cloud computing is sometimes described as the delivery and support of virtualised environments

ZB

ZettaByte = 1 ZB = 1000000000000000000000bytes = 1000^7bytes = 10^{21}bytes = 1 billion terabytes

TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION FOR AND ACCEPTANCE OF THE UNITS IN SINGAPORE

Applications are invited for the subscription of the Units at the Offering Price per Unit on the terms and conditions set out below and in the printed application forms to be used for the purpose of the Offering and which forms part of the prospectus (the "**Application Forms**") or, as the case may be, the Electronic Applications (as defined below).

Investors applying for the Units in the Offering by way of Application Forms or Electronic Applications are required to pay the Offering Price per Unit, subject to a refund of the full amount or, as the case may be, the balance of the applications monies (in each case without interest or any share of revenue or other benefit arising therefrom) where (i) an application is rejected or accepted in part only, or (ii) if the Offering does not proceed for any reason.

(1) **Your application must be made in lots of 1,000 Units or integral multiples thereof. Your application for any other number of Units will be rejected.**

(2) You may apply for the Units only during the period commencing at 9.00 p.m. on 5 December 2014 and expiring at 12.00 p.m. on 10 December 2014. The Offering period may be extended or shortened to such date and/or time as the Manager may agree with the Joint Bookrunners, subject to all applicable laws and regulations and the rules of the SGX-ST.

(3) (a) Your application for the Units offered in the Public Offer (the "**Public Offer Units**"), may be made by way of the printed **WHITE** Public Offer Units Application Forms or by way of Automated Teller Machines ("**ATM**") belonging to the Participating Banks ("**ATM Electronic Applications**"), the Internet Banking ("**IB**") website of the relevant Participating Banks ("**Internet Electronic Applications**") or the DBS Bank Ltd. ("**DBS Bank**") mobile banking interface ("**mBanking Applications**" which, together with ATM Electronic Applications and Internet Electronic Applications, shall be referred to as "**Electronic Applications**").

(b) Your application for the Units offered in the Placement Tranche (the "**Placement Units**") may be made by way of the printed **BLUE** Placement Units Application Forms (or in such other manner as the Joint Bookrunners may in their absolute discretion deem appropriate).

(4) **You may use up to 35.0 per cent. of your CPF Investible Savings ("CPF Funds") to apply for the Units under the Public Offer.** Approval has been obtained from the Central Provident Fund Board ("**CPF Board**") for the use of such CPF Funds pursuant to the Central Provident Fund (Investment Schemes) Regulations, as may be amended from time to time, for the subscription of the Units. You may also use up to 35.0 per cent. of your CPF Funds for the purchase of the Units in the secondary market.

(5) If you are using CPF Funds to apply for the Units, you must have a CPF Investment Account maintained with a CPF agent bank, *i.e.* DBS Bank, Oversea-Chinese Banking Corporation Limited or United Overseas Bank Limited (the "**CPF Agent Bank**"). You do not need to instruct the CPF Board to transfer CPF Funds from your CPF Ordinary Account to your CPF Investment Account. The use of CPF Funds to apply for the Units is further subject to the terms and conditions set out in the section on "Terms and Conditions for Use of CPF Funds" on page G-24.

(6) **Only one application may be made for the benefit of one person for the Public Offer Units in his own name. Multiple applications for the Public Offer Units will be rejected, except in the case of applications by approved nominee companies where each application is made on behalf of a different beneficiary.**

You may not submit multiple applications for the Public Offer Units via the Public Offer Units Application Form, or Electronic Applications. A person who is submitting an application for the Public Offer Units by way of the Public Offer Units Application Form may not submit another application for the Public Offer Units by way of Electronic Applications and vice versa.

A person, other than an approved nominee company, who is submitting an application for the Public Offer Units in his own name should not submit any other applications for the Public Offer Units, whether on a printed Application Form or through an ATM Electronic Application or Internet Electronic Application or mBanking Application, for any other person. Such separate applications will be deemed to be multiple applications and shall be rejected.

Joint or multiple applications for the Public Offer Units shall be rejected. Persons submitting or procuring submissions of multiple applications for the Public Offer Units may be deemed to have committed an offence under the Penal Code, Chapter 224 of Singapore and the Securities and Futures Act, and such applications may be referred to the relevant authorities for investigation. Multiple applications or those appearing to be or suspected of being multiple applications (other than as provided herein) will be liable to be rejected at our discretion.

(7) **Multiple applications may be made in the case of applications by any person for (i) the Placement Units only (via Placement Units Application Forms or such other form of application as the Joint Bookrunners may in their absolute discretion deem appropriate) or (ii) the Placement Units together with a single application for the Public Offer Units.**

(8) Applications from any person under the age of 18 years, undischarged bankrupts, sole proprietorships, partnerships, chops or non-corporate bodies, joint Securities Account holders of CDP will be rejected.

(9) Applications from any person whose addresses (furnished in their printed Application Forms or, in the case of Electronic Applications, contained in the records of the relevant Participating Bank, as the case may be) bear post office box numbers will be rejected. No person acting or purporting to act on behalf of a deceased person is allowed to apply under the Securities Account with CDP in the deceased's name at the time of the application.

(10) The existence of a trust will not be recognised. Any application by a trustee or trustees must be made in his/her or their own name(s) and without qualification or, where the application is made by way of a printed Application Form by a nominee, in the name(s) of an approved nominee company or approved nominee companies after complying with paragraph 11 below.

(11) **Nominee applications may only be made by approved nominee companies.** Approved nominee companies are defined as banks, merchant banks, finance companies, insurance companies, licensed securities dealers in Singapore and nominee companies controlled by them. Applications made by nominees other than approved nominee companies will be rejected.

(12) **If you are not an approved nominee company, you must maintain a Securities Account with CDP in your own name at the time of your application.** If you do not have an existing Securities Account with the CDP in your own name at the time of application, your application will be rejected (if you apply by way of an Application Form) or you will not be able to complete your application (if you apply by way of an Electronic Application). If you have an existing Securities Account with CDP but fail to provide your CDP Securities Account number or provide an incorrect CDP Securities Account number in your Application Form or in your Electronic Application, as the case may be, your application is liable to be rejected.

(13) Subject to paragraphs 16 and 17 below, your application is liable to be rejected if your particulars such as name, National Registration Identity Card ("**NRIC**") or passport number or company registration number, nationality and permanent residence status, and CDP Securities Account number provided in your Application Form, or in the case of an Electronic Application, contained in the records of the relevant Participating Bank at the time of your Electronic Application, as the case may be, differ from those particulars in your Securities Account as maintained by CDP. If you have more than one individual direct Securities Account with the CDP, your application shall be rejected.

(14) **If your address as stated in the Application Form or, in the case of an Electronic Application, contained in the records of the relevant Participating Bank, as the case may be, is different from the address registered with CDP, you must inform CDP of your updated address promptly, failing which the notification letter on successful allocation from CDP will be sent to your address last registered with CDP.**

(15) This Prospectus and its accompanying documents (including the Application Forms) have not been registered in any jurisdiction other than in Singapore. The distribution of this Prospectus and its accompanying documents (including the Application Forms) may be prohibited or restricted (either absolutely or unless various securities requirements, whether legal or administrative, are complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions.

Without limiting the generality of the foregoing, neither this Prospectus and its accompanying documents (including the Application Forms) nor any copy thereof may be taken, transmitted, published or distributed, whether directly or indirectly, in whole or in part in or into the United States or any other jurisdiction (other than Singapore) and they do not constitute an offer of securities for sale into the United States or any jurisdiction in which such offer is not authorised or to any person to whom it is unlawful to make such an offer. The Units have not been and will not be registered under the Securities Act and may not be offered or sold within the United States (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state laws. The Units are being offered and sold outside the United States (including institutional and other investors in Singapore) in offshore transactions as defined in and in reliance on Regulation S. There will be no public offer of Units in the United States. Any failure to comply with this restriction may constitute a violation of securities laws in the United States and in other jurisdictions.

The Manager reserves the right to reject any application for Units where the Manager believes or has reason to believe that such applications may violate the securities laws or any applicable legal or regulatory requirements of any jurisdiction.

No person in any jurisdiction outside Singapore receiving this Prospectus or its accompanying documents (including the Application Form) may treat the same as an offer or invitation to subscribe for any Units unless such an offer or invitation could lawfully be made without compliance with any regulatory or legal requirements in those jurisdictions.

(16) The Manager reserves the right to reject any application which does not conform strictly to the instructions or with the terms and conditions set out in this Prospectus (including the instructions set out in the accompanying Application Forms, in the ATMs and IB websites of the relevant Participating Banks and the mobile banking interface ("**mBanking Interface**") of DBS Bank) or, in the case of an application by way of an Application Form, the contents of which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly drawn up or improper form of remittance.

(17) The Manager further reserves the right to treat as valid any applications not completed or submitted or effected in all respects in accordance with the instructions and terms and conditions set out in this Prospectus (including the instructions set out in the accompanying Application Forms and in the ATMs and IB websites of the relevant Participating Banks and the mBanking Interface of DBS Bank), and also to present for payment or other processes all remittances at any time after receipt and to have full access to all information relating to, or deriving from, such remittances or the processing thereof. Without prejudice to the rights of the Manager, each of the Joint Bookrunners as agents of the Manager, has been authorised to accept, for and on behalf of the Manager, such other forms of application as the Joint Bookrunners may, in consultation with the Manager, deem appropriate.

(18) The Manager reserves the right to reject or to accept, in whole or in part, or to scale down or to ballot, any application, without assigning any reason therefor, and none of the Manager, nor any of the Joint Bookrunners will entertain any enquiry and/or correspondence on the decision of the Manager. This right applies to applications made by way of Application Forms and by way of Electronic Applications and by such other forms of application as the Joint Bookrunners may, in consultation with the Manager, deem appropriate. In deciding the basis of allocation, the Manager, in consultation with the Joint Bookrunners, will give due consideration to the desirability of allocating the Units to a reasonable number of applicants with a view to establishing an adequate market for the Units.

(19) In the event that the Manager lodges a supplementary or replacement prospectus ("**Relevant Document**") pursuant to the Securities and Futures Act or any applicable legislation in force from time to time prior to the close of the Offering, and the Units have not been issued, the Manager will (as required by law) at the Manager's sole and absolute discretion either:

(a) within two days (excluding any Saturday, Sunday or public holiday) from the date of the lodgment of the Relevant Document, give you notice in writing of how to obtain, or arrange to receive, a copy of the same and provide you with an option to withdraw your application and take all reasonable steps to make available within a reasonable period the Relevant Document to you if you have indicated that you wish to obtain, or have arranged to receive, a copy of the Relevant Document; or

(b) within seven days of the lodgment of the Relevant Document, give you a copy of the Relevant Document and provide you with an option to withdraw your application; or

(c) deem your application as withdrawn and cancelled and refund your application monies (without interest or any share of revenue or other benefit arising therefrom) to you within seven days from the lodgment of the Relevant Document.

Any applicant who wishes to exercise his option under paragraphs 19(a) and (b) above to withdraw his application shall, within 14 days from the date of lodgment of the Relevant Document, notify the Manager whereupon the Manager shall, within seven days from the receipt of such notification, return all monies in respect of such application (without interest or any share of revenue or other benefit arising therefrom).

In the event that the Units have already been issued at the time of the lodgment of the Relevant Document but trading has not commenced, the Manager will (as required by law) either:

(i) within two days (excluding any Saturday, Sunday or public holiday) from the date of the lodgment of the Relevant Document, give you notice in writing of how to obtain, or arrange to receive, a copy of the same and provide you with an option to return to the Manager the Units which you do not wish to retain title in and take all reasonable steps to make available within a reasonable period the Relevant Document to you if you have indicated that you wish to obtain, or have arranged to receive, a copy of the Relevant Document; or

(ii) within seven days from the lodgment of the Relevant Document, give you a copy of the Relevant Document and provide you with an option to return the Units which you do not wish to retain title in; or

(iii) deem the issue as void and refund your payment for the Units (without interest or any share of revenue or other benefit arising therefrom) within seven days from the lodgment of the Relevant Document.

Any applicant who wishes to exercise his option under paragraphs 19(i) and (ii) above to return the Units issued to him shall, within 14 days from the date of lodgment of the Relevant Document, notify the Manager of this and return all documents, if any, purporting to be evidence of title of those Units, whereupon the Manager shall, within seven days from the receipt of such notification and documents, pay to him all monies paid by him for the Units without interest or any share of revenue or other benefit arising therefrom and at his own risk, and the Units issued to him shall be deemed to be void.

Additional terms and instructions applicable upon the lodgment of the Relevant Document, including instructions on how you can exercise the option to withdraw, may be found in such Relevant Document.

(20) The Units may be reallocated between the Placement Tranche and the Public Offer for any reason, including in the event of excess applications in one and a deficit of applications in the other at the discretion of the Joint Bookrunners, in consultation with the Manager, subject to any applicable laws.

(21) There will not be any physical security certificates representing the Units. It is expected that CDP will send to you, at your own risk, within 15 Market Days after the close of the Offering, and subject to the submission of valid applications and payment for the Units, a statement of account stating that your CDP Securities Account has been credited with the number of Units allocated to you. This will be the only acknowledgement of application monies received and is not an acknowledgement by the Manager. You irrevocably authorise CDP to complete and sign on your behalf as transferee or renouncee any instrument of transfer and/or other documents required for the issue or transfer of the Units allocated to you. This authorisation applies to applications made both by way of Application Forms and by way of Electronic Applications.

(22) You irrevocably authorise CDP to disclose the outcome of your application, including the number of Units allocated to you pursuant to your application, to the Manager, the Joint Bookrunners and any other parties so authorised by CDP, the Manager and/or the Joint Bookrunners.

(23) Any reference to "you" or the "Applicant" in this section shall include an individual, a corporation, an approved nominee company and trustee applying for the Units by way of an Application Form or by way of Electronic Application or by such other manner as the Joint Bookrunners may, in their absolute discretion, deem appropriate.

(24) By completing and delivering an Application Form and, in the case of (i) an ATM Electronic Application, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key or any other relevant key on the ATM, (ii) in the case of an Internet Electronic Application, by clicking "Submit" or "Continue" or "Yes" or "Confirm" or any other button on the IB website screen or (iii) in the case of an mBanking Application, by transmitting "Submit" or "Continue" or "Yes" or "Confirm" or any other icon via the mBanking Interface in accordance with the provisions herein, you:

(a) irrevocably agree and undertake to purchase the number of Units specified in your application (or such smaller number for which the application is accepted) at the Offering Price for each Unit and agree that you will accept such number of Units as may be allocated to you, in each case on the terms of, and subject to the conditions set out in, the Prospectus and its accompanying documents (including the Application Forms) and the Trust Deed;

(b) agree that, in the event of any inconsistency between the terms and conditions for application set out in this Prospectus and its accompanying documents (including the Application Form) and those set out in the IB websites, mBanking Interface or ATMs of the relevant Participating Banks, the terms and conditions set out in the Prospectus and its accompanying documents (including the Application Forms) shall prevail;

(c) in the case of an application by way of a Public Offer Units Application Form or an Electronic Application, agree that the Offering Price for the Public Offer Units applied for is due and payable to the Manager upon application;

(d) in the case of an application by way of a Placement Units Application Form or such other forms of application as the Joint Bookrunners may in their absolute discretion deem appropriate, agree that the Offering Price for the Placement Units applied for is due and payable to the Manager upon application;

(e) warrant the truth and accuracy of the information contained, and representations and declarations made, in your application, and acknowledge and agree that such information, representations and declarations will be relied on by the Manager in determining whether to accept your application and/or whether to allocate any Units to you;

(f) (i) consent to the use, processing, collection and disclosure of your name, NRIC/passport number or company registration number, address, nationality, permanent resident status, CDP Securities Account number, Unit application details, the outcome of your application (including the number of Offering Units allocated to you pursuant to your application) and other personal data ("**Personal Data**") by the Unit Registrar and Unit Transfer Office, CDP, CPF Board, the CPF Agent Bank, Securities Clearing Computer Services (Pte) Ltd ("**SCCS**"), the SGX-ST, the Participating Banks, the Manager, the Trustee, the Sponsor, the Joint Bookrunners and/or other authorised operators (the "**Relevant Parties**") for the purpose of the processing of your application for the Offering Units, and in order for the Relevant Parties to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**") and warrant that such Personal Data is true, accurate and correct, (ii) warrant that where you, as an approved nominee company, disclose the Personal Data of the beneficial owner(s) to the Relevant Parties, you have obtained the prior consent of such beneficial owner(s) for the collection, use, processing and disclosure by the

Relevant Parties of the Personal Data of such beneficial owner(s) for the Purposes, (iii) agree that the Relevant Parties may do anything or disclose any Personal Data or matters without notice to you if the Manager, the Trustee, the Sponsor, the Joint Bookrunners considers them to be required or desirable in respect of any applicable policy, law, regulation, government entity, regulatory authority or similar body, and (iv) agree that you will indemnify the Relevant Parties in respect of any penalties, liabilities, claims, demands, losses and damages as a result of your breach of warranties. You also agree that the Relevant Parties shall be entitled to enforce this indemnity (collectively, the "**Personal Data Privacy Terms**");

(g) agree and warrant that, if the laws of any jurisdictions outside Singapore are applicable to your application, you have complied with all such laws and none of the Manager nor any of the Joint Bookrunners will infringe any such laws as a result of the acceptance of your application;

(h) agree and confirm that you are outside the United States; and

(i) understand that the Units have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from or in a transaction not subject to the registration requirements of the Securities Act and applicable state securities laws. There will be no public offer of the Units in the United States. Any failure to comply with this restriction may constitute a violation of the United States securities laws.

(25) Acceptance of applications will be conditional upon, *inter alia,* the Manager being satisfied that:

(a) permission has been granted by the SGX-ST to deal in and for the quotation of (i) all Units comprised in the Offering, (ii) the Private Trust Units, (iii) the Sponsor Units, (iv) the KLL Units, (v) the Cornerstone Units, (vi) the Basis Bay Consideration Units, and (vii) all the Units which will be issued to the Manager from time to time in full or part payment of the Manager's fees on the Main Board of the SGX-ST;

(b) the Underwriting Agreement, referred to in the section on "Plan of Distribution" in this Prospectus, has become unconditional and has not been terminated; and

(c) the Authority has not served a stop order which directs that no or no further Units to which this Prospectus relates be allotted or issued ("**Stop Order**"). The Securities and Futures Act provides that the Authority shall not serve a Stop Order if all the Units have been issued, sold, and listed for quotation on the SGX-ST and trading in them has commenced.

(26) In the event that a Stop Order in respect of the Units is served by the Authority or other competent authority, and:

(a) the Units have not been issued (as required by law), all applications shall be deemed to be withdrawn and cancelled and the Manager shall refund the application monies (without interest or any share of revenue or other benefit arising therefrom) to you within 14 days of the date of the Stop Order; or

(b) if the Units have already been issued but trading has not commenced, the issue will (as required by law) be deemed void and the Manager shall refund your payment for the Units (without interest or any share of revenue or other benefit arising therefrom) to you within 14 days from the date of the Stop Order.

This shall not apply where only an interim Stop Order has been served.

(27) In the event that an interim Stop Order in respect of the Units is served by the Authority or other competent authority, no Units shall be issued to you until the Authority revokes the interim Stop Order. The Authority is not able to serve a Stop Order in respect of the Units if the Units have been issued and listed on the SGX-ST and trading in them has commenced.

(28) Additional terms and conditions for applications by way of Application Forms are set out in the section below entitled "Additional Terms and Conditions for Applications using Printed Application Forms" on pages G-8 to G-11 of this Prospectus.

(29) Additional terms and conditions for applications by way of Electronic Applications are set out in the section below entitled "Additional Terms and Conditions for Electronic Applications" on pages G-12 to G-18 of this Prospectus.

(30) All payments in respect of any application for Public Offer Units, and all refunds where (a) an application is rejected or accepted in part only, or (b) the Offering does not proceed for any reason, shall be made in Singapore dollars.

(31) All payments in respect of any application for Placement Units, and all refunds where (a) an application is rejected or accepted in part only, or (b) the Offering does not proceed for any reason, shall be made in Singapore dollars.

(32) No application will be held in reserve.

(33) This Prospectus is dated 5 December 2014. No Units shall be allotted or allocated on the basis of this Prospectus later than 12 months after the date of this Prospectus.

Additional Terms and Conditions for Applications using Printed Application Forms

Applications by way of an Application Form shall be made on, and subject to the terms and conditions of this Prospectus, including but not limited to the terms and conditions set out below, as well as those set out under the section entitled "Terms, Conditions and Procedures for Application for and Acceptance of the Units in Singapore" on pages G-1 to G-24 of this Prospectus and the Trust Deed.

(1) Applications for the Public Offer Units must be made using the printed **WHITE** Public Offer Units Application Forms and printed **WHITE** official envelopes "**A**" and "**B**", accompanying and forming part of this Prospectus.

Applications for the Placement Units must be made using the printed **BLUE** Placement Units Application Forms (or in such manner as the Joint Bookrunners may in their absolute discretion deem appropriate), accompanying and forming part of this Prospectus.

Without prejudice to the rights of the Manager and the Joint Bookrunners, the Joint Bookrunners, as agents of the Manager, have been authorised to accept, for and on behalf of the Manager, such other forms of application, as the Joint Bookrunners may (in consultation with the Manager) deem appropriate.

Your attention is drawn to the detailed instructions contained in the Application Forms and this Prospectus for the completion of the Application Forms, which must be carefully followed. **The Manager reserves the right to reject applications which do not conform strictly to the instructions set out in the Application Forms and this Prospectus (or, in the case of applications for the Placement Units, followed) which are illegible, incomplete, incorrectly completed or which are accompanied by improperly drawn remittances or improper form of remittances.**

(2) You must complete your Application Forms in English. Please type or write clearly in ink using **BLOCK LETTERS**.

(3) You must complete all spaces in your Application Forms except those under the heading "**FOR OFFICIAL USE ONLY**" and you must write the words "**NOT APPLICABLE**" or "**N.A.**" in any space that is not applicable.

(4) Individuals, corporations, approved nominee companies and trustees must give their names in full. If you are an individual, you must make your application using your full name as it appears on your NRIC (if you have such an identification document) or in your passport and, in the case of a corporation, in your full name as registered with a competent authority. If you are not an individual, you must complete the Application Form under the hand of an official who must state the name and capacity in which he signs the Application Form. If you are a corporation completing the Application Form, you are required to affix your common seal (if any) in accordance with your Memorandum and Articles of Association or equivalent constitutive documents of the corporation. If you are a corporate applicant and your application is successful, a copy of your Memorandum and Articles of Association or equivalent constitutive documents must be lodged with Keppel DC REIT's Unit Registrar. The Manager reserves the right to require you to produce documentary proof of identification for verification purposes.

(5) (a) You must complete Sections A and B and sign page 1 of the Application Form.

(b) You are required to delete either paragraph 7(c) or 7(d) on page 1 of the Application Form. Where paragraph 7(c) is deleted, you must also complete Section C of the Application Form with particulars of the beneficial owner(s).

(c) If you fail to make the required declaration in paragraph 7(c) or 7(d), as the case may be, on page 1 of the Application Form, your application is liable to be rejected.

(6) You (whether an individual or corporate applicant, whether incorporated or unincorporated and wherever incorporated or constituted) will be required to declare whether you are a citizen or permanent resident of Singapore or a corporation in which citizens or permanent residents of Singapore or any body corporate constituted under any statute of Singapore have an interest in the aggregate of more than 50 per cent. of the issued share capital of or interests in such corporation. If you are an approved nominee company, you are required to declare whether the beneficial owner of the Units is a citizen or permanent resident of Singapore or a corporation, whether incorporated or unincorporated and wherever incorporated or constituted, in which citizens or permanent residents of Singapore or any body corporate incorporated or constituted under any statute of Singapore have an interest in the aggregate of more than 50 per cent. of the issued share capital of or interests in such corporation.

(7) You may apply and make payment for your application for the Units in Singapore currency in the following manner:

(a) **Cash only** – You may apply for the Units using only cash. Each application must be accompanied by a cash remittance in Singapore currency for the full amount payable in Singapore dollars of the Offering Price per Unit, in respect of the number of Units applied for. The remittance must in the form of a **BANKER'S DRAFT** or **CASHIER'S ORDER** drawn on a bank in Singapore, made out in favour of "**KDCREIT UNIT ISSUE ACCOUNT**" crossed "**A/C PAYEE ONLY**" with your name, CDP Securities Account number and address written clearly on the reverse side. Applications not accompanied by any payment or accompanied by any other form of payment will not be accepted. No combined Banker's Draft or Cashier's Order for different CDP Securities Accounts shall be accepted. Remittances bearing "**NOT TRANSFERABLE**" or "**NON-TRANSFERABLE**" crossings will be rejected.

(b) **CPF Funds only** – You may apply for the Units using only CPF Funds. Each application must be accompanied by a remittance in Singapore currency for the full amount payable at the Offering Price per Unit, in respect of the number of Units applied for. The remittance must be in the form of a **CPF CASHIER'S ORDER** (available for purchase at the CPF Agent Bank with which you maintain your CPF Investment Account), made out in favour of "**KDCREIT UNIT ISSUE ACCOUNT**" with your name, CDP Securities Account number and address written clearly on the reverse side. Applications not accompanied by any payment or accompanied by any other form of payment will not be accepted. For additional terms and conditions governing the use of CPF Funds, please refer to page G-24 of this document.

(c) **Cash and CPF Funds** – You may apply for the Units using a combination of cash and CPF Funds, PROVIDED THAT the number of Units applied for under each payment method is in lots of 1,000 Units or integral multiples thereof. Such applications must comply with the requirements for applications by cash and by CPF Funds as set out in the preceding paragraphs. In the event that applications for Offer Units are accepted in part only, the cash portion of the application monies will be used in respect of such applications before the CPF Funds are used.

An applicant applying for 1,000 Units must use either cash only or CPF Funds only. No acknowledgement of receipt will be issued for applications and application monies received.

(8) Monies paid in respect of unsuccessful applications are expected to be returned (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post, in the event of oversubscription for the Units, within 24 hours of the balloting (or such shorter period as the SGX-ST may require), at your own risk. Where your application is rejected or accepted in part only, the full amount or the balance of the application monies, as the case may be, will be refunded (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post at your own risk within 14 Market Days after the close of the Offering, PROVIDED THAT the remittance accompanying such application which has been presented for payment or other processes has been honoured and the application monies received in the designated unit issue account. If the Offering does not proceed for any reason, the full amount of application monies (without interest or any share of revenue or other benefit arising therefrom) will be returned to you within three Market Days after the Offering is discontinued.

(9) Capitalised terms used in the Application Forms and defined in this Prospectus shall bear the meanings assigned to them in this Prospectus.

(10) By completing and delivering the Application Forms, you agree that:

(a) in consideration of the Manager having distributed the Application Form to you and by completing and delivering the Application Form before the close of the Offering:

(i) your application is irrevocable;

(ii) your remittance will be honoured on first presentation and that any monies returnable may be held pending clearance of your payment without interest or any share of revenue or other benefit arising therefrom; and

(iii) you represent and agree that you are located outside the United States (within the meaning of Regulation S);

(b) all applications, acceptances or contracts resulting therefrom under the Offering shall be governed by and construed in accordance with the laws of Singapore and that you irrevocably submit to the non-exclusive jurisdiction of the Singapore courts;

(c) in respect of the Units for which your application has been received and not rejected, acceptance of your application shall be constituted by written notification by or on behalf of the Manager and not otherwise, notwithstanding any remittance being presented for payment by or on behalf of the Manager;

(d) you will not be entitled to exercise any remedy of rescission for misrepresentation at any time after acceptance of your application;

(e) reliance is placed solely on information contained in this Prospectus and that none of the Manager, the Sponsor, the Joint Bookrunners or any other person involved in the Offering shall have any liability for any information not contained therein;

(f) you accept and agree to the Personal Data Privacy Terms set out in this Prospectus;

(g) for the purposes of facilitating your application, you consent to the use, processing, collection and disclosure of your name, NRIC/passport number or company registration number, address, nationality, permanent resident status, CDP Securities Account number, Unit application details and other Personal Data to the Relevant Parties; and

(h) you irrevocably agree and undertake to purchase the number of Units applied for as stated in the Application Form or any smaller number of such Units that may be allocated to you in respect of your application. In the event that the Manager decides to allocate any smaller number of Units or not to allocate any Units to you, you agree to accept such decision as final.

Procedures Relating to Applications for the Public Offer Units by Way of Printed Application Forms

(1) Your application for the Public Offer Units by way of printed Application Forms must be made using the **WHITE** Public Offer Units Application Forms and **WHITE** official envelopes "**A**" and "**B**".

(2) You must:

(a) enclose the **WHITE** Public Offer Units Application Form, duly completed and signed, together with correct remittance for the full amount payable at the Offering Price in Singapore currency in accordance with the terms and conditions of this Prospectus and its accompanying documents, in the **WHITE** official envelope "**A**" provided;

(b) in appropriate spaces on the **WHITE** official envelope "**A**":

(i) write your name and address;

(ii) state the number of Public Offer Units applied for; and

(iii) tick the relevant box to indicate form of payment;

(c) **SEAL THE WHITE OFFICIAL ENVELOPE "A"**;

(d) write, in the special box provided on the larger **WHITE** official envelope "**B**" addressed to Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623, the number of Public Offer Units you have applied for;

(e) insert the **WHITE** official envelope "**A**" into the **WHITE** official envelope "**B**" and seal the **WHITE OFFICIAL ENVELOPE "B"**; and

(f) affix adequate Singapore postage on the **WHITE** official envelope "**B**" (if dispatching by ordinary post) and thereafter **DESPATCH BY ORDINARY POST OR DELIVER BY HAND** the documents at your own risk to Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623, so as to arrive by 12.00 p.m. on 10 December 2014 or such other date(s) and time(s) as the Manager may agree with the Joint Bookrunners. **Courier services or Registered Post must NOT be used.**

(3) Applications that are illegible, incomplete or incorrectly completed or accompanied by improperly drawn remittances or which are not honoured upon their first presentation are liable to be rejected. Except for application for the Placement Units where remittance is permitted to be submitted separately, applications for the Public Offer Units not accompanied by any payment or any other form of payment will not be accepted.

(4) **ONLY ONE APPLICATION** should be enclosed in each envelope. No acknowledgement of receipt will be issued for any application or remittance received.

Procedures Relating to Applications for the Placement Units by Way of Printed Application Forms

(1) Your application for the Placement Units by way of printed Application Forms must be made using the **BLUE** Placement Units Application Forms.

(2) The completed and signed **BLUE** Placement Units Application Form and your remittance, in accordance with the terms and conditions of this Prospectus, for the full amount payable at the Offering Price, as the case may be, for each Unit in respect of the number of Placement Units applied for, with your name, CDP Securities Account number and address clearly written on the reverse side, must be enclosed and sealed in an envelope to be provided by you. Your application for Placement Units must be delivered to Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623, to arrive by 12.00 p.m. on 10 December 2014 or such other date(s) and time(s) as the Manager may agree with the Joint Bookrunners. **Courier services or Registered Post must NOT be used.**

(3) Applications that are illegible, incomplete or incorrectly completed or accompanied by improperly drawn remittances or which are not honoured upon their first presentation are liable to be rejected.

(4) **ONLY ONE APPLICATION** should be enclosed in each envelope. No acknowledgement of receipt will be issued for any application or remittance received.

Additional Terms and Conditions for Electronic Applications

Electronic Applications shall be made on and subject to the terms and conditions of this Prospectus, including but not limited to the terms and conditions set out below and those under the section "Terms, Conditions and Procedures for Application for and Acceptance of the Units in Singapore" on pages G-1 to G-24 of this Prospectus, as well as the Trust Deed.

(1) The procedures for Electronic Applications are set out on the ATM screens of the relevant Participating Banks (in the case of ATM Electronic Applications) and the IB website screens of the relevant Participating Banks (in the case of Internet Electronic Applications) and the mobile banking interface of DBS Bank (in the case of mBanking Applications). DBS Bank is the only Participating Bank through which mBanking Applications may be made.

(2) For illustration purposes, the procedures for Electronic Applications for Public Offer Units through ATMs and the IB website of DBS Bank and the mBanking Interface (together the "**Steps**") are set out in pages G-19 to G-23 of this Prospectus. The Steps set out the actions that you must take at ATMs, the IB website or the mBanking Interface of DBS Bank to complete an Electronic Application. The actions that you must take at the ATMs or the IB websites of the other Participating Banks are set out on the ATM screens and the IB website screens of the respective Participating Banks. Please read carefully the terms and conditions of this Prospectus and its accompanying documents (including the Application Form), the Steps and the terms and conditions for Electronic Applications set out below before making an Electronic Application.

(3) Any reference to "you" or the "Applicant" in these Additional Terms and Conditions for Electronic Applications and the Steps shall refer to you making an application for Public Offer Units through an ATM of one of the relevant Participating Banks or the IB website of a relevant Participating Bank or the mBanking Interface of DBS Bank.

(4) If you are making an ATM Electronic Application:

(a) You must have an existing bank account with and be an ATM cardholder of one of the Participating Banks. An ATM card issued by one Participating Bank cannot be used to apply for Public Offer Units at an ATM belonging to other Participating Banks.

(b) You must ensure that you enter your own CDP Securities Account number when using the ATM card issued to you in your own name. If you fail to use your own ATM card or do not key in your own CDP Securities Account number, your application will be rejected. If you operate a joint bank account with any of the Participating Banks, you must ensure that you enter your own CDP Securities Account number when using the ATM card issued to you in your own name. Using your own CDP Securities Account number with an ATM card which is not issued to you in your own name will render your Electronic Application liable to be rejected.

(c) Upon the completion of your ATM Electronic Application, you will receive an ATM transaction slip ("**Transaction Record**"), confirming the details of your ATM Electronic Application. The Transaction Record is for your retention and should not be submitted with any printed Application Form.

(5) If you are making an Internet Electronic Application or a mBanking Application:

(a) You must have an existing bank account with, and a User Identification ("**User ID**") as well as a Personal Identification Number ("**PIN**") given by, the relevant Participating Bank.

(b) You must ensure that the mailing address of your account selected for the application is in Singapore and you must declare that the application is being made in Singapore. Otherwise, your application is liable to be rejected. In connection with this, you will be asked to declare that you are in Singapore at the time you make the application.

(c) Upon the completion of your Internet Electronic Application through the IB website of the relevant Participating Bank or the mBanking Interface of DBS Bank, there will be an on-screen confirmation ("**Confirmation Screen**") of the application which can be printed out or screen captured by you for your record. This printed record or screen capture of the Confirmation Screen is for your retention and should not be submitted with any printed Application Form.

(6) In connection with your Electronic Application for Public Offer Units, you are required to confirm statements to the following effect in the course of activating the Electronic Application:

(a) that you have received a copy of the Prospectus (in the case of Electronic Applications) and have read, understood and agreed to all the terms and conditions of application for the Public Offer Units and the Prospectus prior to effecting the Electronic Application and agree to be bound by the same;

(b) that, you accept and agree to the Personal Data Privacy Terms set out in this Prospectus;

(c) that, for the purposes of facilitating your application, you consent to the collection, use, processing and disclosure, by the relevant Participating Bank, of your name, NRIC/passport number or company registration number, address, nationality, CDP Securities Account number, CPF investment account number, Unit application details and other Personal Data (the "**Relevant Particulars**") from your records with the relevant Participating Bank, to the Relevant Parties; and

(d) where you are applying for the Public Offer Units, that this is your only application for the Public Offer Units and it is made in your name and at your own risk.

Your application will not be successfully completed and cannot be recorded as a completed transaction unless you press the "Enter" or "OK" or "Confirm" or "Yes" or any other relevant key in the ATM or click "Confirm" or "OK" or "Submit" or "Continue" or "Yes" or any other relevant button on the website screen or the mobile banking interface. By doing so, you shall be treated as signifying your confirmation of each of the three statements above. In respect of statement 6(c) above, your confirmation, by pressing the "Enter" or "OK" or "Confirm" or "Yes" or any other relevant key in the ATM or click "Confirm" or "OK" or "Submit" or "Continue" or "Yes" or any other relevant button, shall signify and shall be treated as your written permission, given in accordance with the relevant laws of Singapore, including Section 47(2) of the Banking Act, Chapter 19 of Singapore, to the disclosure by that Participating Bank of the Relevant Particulars of your account(s) with that Participating Bank to the Relevant Parties.

By making an Electronic Application you confirm that you are not applying for the Public Offer Units as a nominee of any other person and that any Electronic Application that you make is the only application made by you as the beneficial owner. You shall make only one Electronic Application for the Public Offer Units and shall not make any other application for the Public Offer Units whether at the ATMs of any Participating Bank, the IB websites of the relevant Participating Banks or the mBanking Interface of DBS Bank or on the Application Forms. Where you have made an application for the Public Offer Units on an Application Form, you shall not make an Electronic Application for the Public Offer Units and vice versa.

(7) You must have sufficient funds in your bank account and/or your CPF Investment Account with your Participating Bank and/or CPF Agent Bank at the time you make your ATM Electronic Application, Internet Electronic Application or mBanking Application, failing which such Electronic Application will not be completed. Any ATM Electronic Application, Internet Electronic Application or mBanking Application which does not conform strictly to the

instructions set out in this Prospectus or on the screens of the ATMs or on the IB website of the relevant Participating Bank or the mBanking Interface of DBS Bank, as the case may be, through which your Electronic Application is being made shall be rejected.

(8) You may apply and make payment for your application for the Public Offer Units in Singapore currency in the following manner:

(a) **Cash only** – You may apply for the Public Offer Units through any ATM or IB website of your Participating Bank or the mBanking Interface of DBS Bank (as the case may be) by authorising your Participating Bank to deduct the full amount payable from your bank account(s) with such Participating Bank.

(b) **CPF Funds only** – You may apply for the Public Offer Units through any ATM or IB website of your CPF Agent Bank or the mBanking Interface of DBS Bank (as the case may be) using only CPF Funds by authorising your CPF Agent Bank to deduct the full amount payable from your CPF Investment Account with the respective CPF Agent Bank. For additional terms and conditions governing the use of CPF Funds, please refer to page G-24 of this Prospectus.

(c) **Cash and CPF Funds** – You may apply for the Public Offer Units through any ATM or IB website of your Participating Bank and/or CPF Agent Bank or the mBanking Interface of DBS Bank (as the case may be) using a combination of cash and CPF Funds, PROVIDED THAT the number of Public Offer Units applied for under each payment method is in lots of 1,000 Units or integral multiples thereof. Such applications must comply with the requirements for applications by cash and by CPF Funds as set out in the preceding paragraphs. In the event that such applications are accepted in part only, the cash portion of the application monies will be used in respect of such applications before the CPF Funds are used.

An applicant applying for 1,000 Public Offer Units must use either cash only or CPF Funds only.

(9) You irrevocably agree and undertake to subscribe for and to accept the number of Public Offer Units applied for as stated on the Transaction Record or the Confirmation Screen or any lesser number of such Public Offer Units that may be allocated to you in respect of your Electronic Application. In the event that the Manager decides to allocate any lesser number of such Public Offer Units or not to allocate any Public Offer Units to you, you agree to accept such decision as final. If your Electronic Application is successful, your confirmation (by your action of pressing the “Enter” or “OK” or “Confirm” or “Yes” or any other relevant key in the ATM or clicking “Confirm” or “OK” or “Submit” or “Continue” or “Yes” or any other relevant button on the Internet screen or the mBanking Interface of DBS Bank) of the number of Public Offer Units applied for shall signify and shall be treated as your acceptance of the number of Public Offer Units that may be allocated to you and your agreement to be bound by the Trust Deed.

(10) The Manager will not keep any application in reserve. Where your Electronic Application is unsuccessful, the full amount of the application monies will be returned (without interest or any share of revenue or other benefit arising therefrom) to you by being automatically credited to your account with your Participating Bank or CPF Agent Bank, within 24 hours of the balloting (or such shorter period as the SGX-ST may require) provided that the remittance in respect of such application which has been presented for payment or other processes has been honoured and the application monies received in the designated unit issue account.

Where your Electronic Application is rejected or accepted in part only, the full amount or the balance of the application monies, as the case may be, will be returned (without interest or any share of revenue or other benefit arising therefrom) to you by being automatically credited to your account with your Participating Bank or CPF Agent Bank, within 14 Market Days after the close of the Offering provided that the remittance in respect of such application which has been presented for payment or other processes has been honoured and the application monies received in the designated unit issue account.

If the Offering does not proceed for any reason, the full amount of application monies (without interest or any share of revenue or other benefit arising therefrom) will be returned to you within three Market Days after the Offering is discontinued.

Responsibility for timely refund of application monies (whether from unsuccessful or partially successful Electronic Applications or otherwise) lies solely with the respective Participating Banks and/or CPF Agent Banks. Therefore, you are strongly advised to consult your Participating Bank and/or CPF Agent Bank as to the status of your Electronic Application and/or the refund of any money to you from an unsuccessful or partially successful Electronic Application, to determine the exact number of Public Offer Units, if any, allocated to you before trading the Units on the SGX-ST. None of the SGX-ST, CDP, CPF Board, SCCS, the Participating Banks, the CPF Agent Banks, the Manager or the Joint Bookrunners assume any responsibility for any loss that may be incurred as a result of you having to cover any net sell positions or from buy-in procedures activated by the SGX-ST.

(11) If your Electronic Application is unsuccessful, no notification will be sent by the relevant Participating Bank.

(12) Applicants who make ATM Electronic Applications through the ATMs of the following Participating Banks may check the provisional results of their ATM Electronic Applications as follows:

Bank	Telephone	Other Channels	Operating Hours	Service expected from
DBS Bank Ltd. (including POSB) ("**DBS Bank**")	1800 339 6666 (for POSB account holders) 1800 111 1111 (for DBS account holders)	Internet Banking http://www.dbs.com(1)	24 hours a day	Evening of the balloting day
Oversea-Chinese Banking Corporation Limited ("**OCBC**")	1800 363 3333	Phone Banking/ATM/Internet Banking http://www.ocbc.com(2)	24 hours a day	Evening of the balloting day
United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited ("**UOB Group**")	1800 222 2121	ATM (Other Transactions – "IPO Enquiry")/Internet Banking http://www.uobgroup.com(3)	24 hours a day	Evening of the balloting day

Notes:

(1) Applicants who have made Internet Electronic Applications through the Internet Banking website of DBS Bank Ltd. or mBanking Applications through the mBanking Interface of DBS Bank may also check the results of their applications through the same channels listed in the table above in relation to ATM Electronic Applications made at the ATMs of DBS Bank.

(2) Applicants who have made Electronic Applications through the ATMs or the Internet Banking website of OCBC may check the results of their applications through OCBC Personal Internet Banking, OCBC ATMs or OCBC Phone Banking services.

(3) Applicants who have made Electronic Applications through the ATMs or the IB website of the UOB Group may check the results of their applications through UOB Personal Internet Banking, UOB Group ATMs or UOB Phone Banking Services.

(13) ATM Electronic Applications shall close at 12.00 p.m. on 10 December 2014 or such other date(s) and time(s) as the Manager may agree with the Joint Bookrunners. All Internet Electronic Applications and mBanking Applications must be received by 12.00 p.m. on 10 December 2014, or such other date(s) and time(s) as the Manager may agree with the Joint Bookrunners. Internet Electronic Applications and mBanking Applications are deemed to be received when they enter the designated information system of the relevant Participating Bank.

(14) You are deemed to have irrevocably requested and authorised the Manager to:

(a) register the Public Offer Units allocated to you in the name of CDP for deposit into your CDP Securities Account or a nominee of CDP for deposit in the special CPF securities sub-account of the nominee company of the CPF Agent Bank;

(b) return or refund (without interest or any share of revenue earned or other benefit arising therefrom) the application monies, should your Electronic Application be rejected or if the Offering does not proceed for any reason, by automatically crediting your bank account with your Participating Bank or CPF Agent Bank, with the relevant amount within 24 hours after balloting (or such shorter period as the SGX-ST may require), or within three Market Days if the Offering does not proceed for any reason, after the close or discontinuation (as the case may be) of the Offering, PROVIDED THAT the remittance in respect of such application which has been presented for payment or such other processes has been honoured and application monies received in the designated unit issue account; and

(c) return or refund (without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies, should your Electronic Application be rejected or accepted in part only, by automatically crediting your bank account with your Participating Bank or CPF Agent Bank, at your risk, with the relevant amount within 14 Market Days after the close of the Offering, PROVIDED THAT the remittance in respect of such application which has been presented for payment or such other processes has been honoured and application monies received in the designated unit issue account.

(15) You irrevocably agree and acknowledge that your Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdown, fires, acts of God and other events beyond the control of the Participating Banks, the CPF Agent Banks, the Manager, the Joint Bookrunners, and if, in any such event the Manager, the Joint Bookrunners, the relevant Participating Bank and/or the CPF Agent Banks do not receive your Electronic Application, or any data relating to your Electronic Application or the tape or any other devices containing such data is lost, corrupted or not otherwise accessible, whether wholly or partially for whatever reason, you shall be deemed not to have made an Electronic Application and you shall have no claim whatsoever against the Manager, the Joint Bookrunners, the relevant Participating Bank and/or the CPF Agent Banks for any Public Offer Units applied for or for any compensation, loss or damage.

(16) The existence of a trust will not be recognised. Any Electronic Application by a trustee must be made in his own name and without qualification. The Manager shall reject any application by any person acting as nominee (other than approved nominee companies).

(17) All your particulars in the records of your Participating Bank or CPF Agent Bank at the time you make your Electronic Application shall be deemed to be true and correct and your Participating Bank or CPF Agent Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in your particulars after making your Electronic Application, you must promptly notify your Participating Bank or CPF Agent Bank.

(18) You should ensure that your personal particulars as recorded by both CDP and the relevant Participating Bank or CPF Agent Bank are correct and identical, otherwise, your Electronic Application is liable to be rejected. You should promptly inform CDP of any change in address, failing which the notification letter on successful allocation will be sent to your address last registered with CDP.

(19) By making and completing an Electronic Application, you are deemed to have agreed that:

(a) in consideration of the Manager making available the Electronic Application facility, through the Participating Banks or CPF Agent Banks acting as agents of the Manager, at the ATMs and IB websites of the relevant Participating Banks and the mBanking Interface of DBS Bank:

(i) your Electronic Application is irrevocable;

(ii) your Electronic Application, the acceptance by the Manager and the contract resulting therefrom under the Public Offer shall be governed by and construed in accordance with the laws of Singapore and you irrevocably submit to the non-exclusive jurisdiction of the Singapore courts; and

(iii) you represent and agree that you are not located in the United States (within the meaning of Regulations S);

(b) none of CDP, the Manager, the Joint Bookrunners, the Participating Banks or the CPF Board shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to your Electronic Application to the Manager, or CDP or the SGX-ST due to breakdowns or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 15 above or to any cause beyond their respective controls;

(c) in respect of the Public Offer Units for which your Electronic Application has been successfully completed and not rejected, acceptance of your Electronic Application shall be constituted by written notification by or on behalf of the Manager and not otherwise, notwithstanding any payment received by or on behalf of the Manager;

(d) you will not be entitled to exercise any remedy for rescission for misrepresentation at any time after acceptance of your application;

(e) reliance is placed solely on information contained in this Prospectus and that none of the Manager, the Sponsor, the Joint Bookrunners or any other person involved in the Offering shall have any liability for any information not contained therein; and

(f) you irrevocably agree and undertake to subscribe for the number of Public Offer Units applied for as stated in your Electronic Application or any smaller number of such Public Offer Units that may be allocated to you in respect of your Electronic Application. In the event the Manager decides to allocate any smaller number of such Public Offer Units or not to allocate any Public Offer Units to you, you agree to accept such decision as final.

Steps for ATM Electronic Applications for Public Offer Units through ATMs of DBS Bank (including POSB ATMs)

Instructions for ATM Electronic Applications will appear on the ATM screens of the respective Participating Bank. For illustration purposes, the steps for making an ATM Electronic Application through a DBS or POSB ATM are shown below. Certain words appearing on the screen are in abbreviated form ("A/C", "amt", "appln", "&", "I/C", "No.", "SGX" and "Max" refer to "Account", "amount", "application", "and", "NRIC", "Number", "SGX-ST" and "Maximum", respectively). Instructions for ATM Electronic Applications on the ATM screens of Participating Banks (other than DBS Bank (including POSB)), may differ slightly from those represented below.

Step 1: Insert your personal DBS or POSB ATM Card.

2: Enter your Personal Identification Number.

3: Select "MORE SERVICES".

4: Select language (for customers using multi-language card).

5: Select "ESA-IPO SHARE/INVESTMENTS".

6: Select "ELECTRONIC SECURITY APPLN (IPOS/BOND/ST-NOTES/SECURITIES)".

7: Read and understand the following statements which will appear on the screen:

- THE OFFER OF SECURITIES (OR UNITS OF SECURITIES) WILL BE MADE IN, OR ACCOMPANIED BY, A COPY OF THE PROSPECTUS/DOCUMENT OR PROFILE STATEMENT (AND IF APPLICABLE, A COPY OF THE REPLACEMENT OR SUPPLEMENTARY PROSPECTUS/DOCUMENT OR PROFILE STATEMENT) WHICH CAN BE OBTAINED FROM ANY DBS/POSB BRANCH IN SINGAPORE AND, WHERE APPLICABLE, THE VARIOUS PARTICIPATING BANKS DURING BANKING HOURS, SUBJECT TO AVAILABILITY.

- (IN THE CASE OF SECURITIES OFFERING THAT IS SUBJECT TO A PROSPECTUS/OFFER INFORMATION/DOCUMENT REGISTERED WITH THE MONETARY AUTHORITY OF SINGAPORE) ANYONE WISHING TO ACQUIRE THESE SECURITIES (OR UNITS OF SECURITIES) SHOULD READ THE PROSPECTUS/DOCUMENT OR PROFILE STATEMENT (AS SUPPLEMENTED OR REPLACED, IF APPLICABLE) BEFORE SUBMITTING HIS APPLICATION WHICH WILL NEED TO BE MADE IN THE MANNER SET OUT IN THE PROSPECTUS/DOCUMENT OR PROFILE STATEMENT (AS SUPPLEMENTED OR REPLACED, IF APPLICABLE). A COPY OF THE PROSPECTUS/DOCUMENT OR PROFILE STATEMENT, AND IF APPLICABLE, A COPY OF THE REPLACEMENT OR SUPPLEMENTARY PROSPECTUS/DOCUMENT OR PROFILE STATEMENT HAS BEEN LODGED WITH AND REGISTERED BY THE MONETARY AUTHORITY OF SINGAPORE WHO ASSUMES NO RESPONSIBILITY FOR ITS OR THEIR CONTENTS.

- (IN THE CASE OF SECURITIES OFFERING THAT DOES NOT REQUIRE A PROSPECTUS TO BE REGISTERED WITH THE MONETARY AUTHORITY OF SINGAPORE) THE OFFER OF SECURITIES (OR UNITS OF SECURITIES) MAY BE MADE IN A NOTICE PUBLISHED IN A NEWSPAPER AND/OR A CIRCULAR/DOCUMENT DISTRIBUTED TO SECURITY HOLDERS. ANYONE WISHING TO ACQUIRE SUCH SECURITIES (OR UNITS OF SECURITIES) SHOULD KEEP THE NOTICE/CIRCULAR/DOCUMENT BEFORE SUBMITTING THIS APPLICATION WHICH WILL NEED TO BE MADE IN THE MANNER SET OUT IN THE NOTICE/CIRCULAR/DOCUMENT. PRESS THE "ENTER" KEY TO CONFIRM THAT YOU HAVE READ AND UNDERSTOOD.

8: Select "KDCREIT" to display details.

9: Press the "ENTER" key to acknowledge:

- YOU HAVE READ, UNDERSTOOD AND AGREED TO ALL TERMS OF THE APPLICATION AND (WHERE APPLICABLE) THE PROSPECTUS, OFFER INFORMATION STATEMENT, DOCUMENT, PROFILE STATEMENT, REPLACEMENT OR SUPPLEMENTARY PROSPECTUS/DOCUMENT/PROFILE STATEMENT NOTICE AND/OR CIRCULAR.

- FOR THE PURPOSES OF FACILITATING YOUR APPLICATION, YOU CONSENT TO THE BANK COLLECTING YOUR NAME, NRIC/PASSPORT NO., ADDRESS, NATIONALITY, CDP SECURITIES A/C NO., CPF INVESTMENT A/C NO., APPLICATION DETAILS AND OTHER PERSONAL DATA AND DISCLOSING THE SAME FROM OUR RECORDS TO SHARE REGISTRARS, SGX, SCCS, CDP, CPF, ISSUER/VENDOR(S) AND ISSUE MANAGER(S).

- FOR FIXED AND MAX PRICE SECURITIES APPLICATION, THIS IS YOUR ONLY APPLICATION AND IT IS MADE IN YOUR OWN NAME AND AT YOUR OWN RISK.

- THE MAXIMUM PRICE FOR EACH SECURITY IS PAYABLE IN FULL ON APPLICATION AND SUBJECT TO REFUND IF THE FINAL PRICE IS LOWER.

- FOR TENDER SECURITIES APPLICATION, THIS IS YOUR ONLY APPLICATION AT THE SELECTED TENDER PRICE AND IT IS MADE IN YOUR OWN NAME AND AT YOUR OWN RISK.

- YOU ARE NOT A US PERSON AS REFERRED TO IN (WHERE APPLICABLE) THE PROSPECTUS, OFFER INFORMATION STATEMENT, DOCUMENT, PROFILE STATEMENT, REPLACEMENT OR SUPPLEMENTARY PROSPECTUS/DOCUMENT/PROFILE STATEMENT, NOTICE AND/OR CIRCULAR.

- THERE MAY BE A LIMIT ON THE MAXIMUM NUMBER OF SECURITIES THAT YOU CAN APPLY FOR SUBJECT TO AVAILABILITY. YOU MAY BE ALLOCATED A SMALLER NUMBER OF SECURITIES THAN YOU APPLIED FOR OR (IN THE CASE OF AN EARLIER CLOSURE UPON FULL SUBSCRIPTION) YOUR APPLICATION MAY BE REJECTED IF ALL THE AVAILABLE SECURITIES HAVE BEEN FULLER ALLOCATED TO EARLIER APPLICATION.

10: Select your nationality.

11: Select the DBS Bank account (Autosave/Current/Savings/Savings Plus) or the POSB account (Current/Savings) from which to debit your application monies.

12: Enter the number of securities you wish to apply for using cash.

13: Enter or confirm (if your CDP Securities Account number has already been stored in DBS Bank's records) your own 12-digit CDP Securities Account number (Note: This step will be omitted automatically if your Securities Account Number has already been stored in DBS Bank's records).

14: Check the details of your securities application, your CDP Securities Account number, number of securities and application amount on the screen and press the "ENTER" key to confirm your application.

15: Remove the Transaction Record for your reference and retention only.

Steps for Internet Electronic Application for Public Offer Units through the IB Website of DBS Bank

For illustrative purposes, the steps for making an Internet Electronic Application through the DBS Bank IB website are shown below. Certain words appearing on the screen are in abbreviated form ("A/C", "&", "amt", "I/C" and "No." refer to "Account", "and", "Amount", "NRIC" and "Number", respectively).

Step 1: Click on DBS Bank website (www.dbs.com)

2: Login to Internet banking.

3: Enter your User ID and PIN.

4: Enter your DBS Bank iB Secure PIN

5: Select "Electronic Security Application (ESA)".

6: Click "Yes" to proceed and to warrant, among others, that you are currently in Singapore, you have observed and complied with all applicable laws and regulations and that your mailing address for DBS Bank mailing address for DBS Internet Banking is in Singapore and that you are not a U.S. person (as defined in Regulation S under the United States Securities Act of 1933, amended).

7: Select your country of residence and click "I confirm".

8: Click on "KDCREIT" and click "Submit".

9: Click on "I Confirm" to confirm, among others:

- You have read, understood and agreed to all terms of this application and the Prospectus/Document or Profile Statement and if applicable, the Supplementary or Replacement Prospectus/Document or Profile Statement.

- For the purposes of facilitating your application, you consent to the bank collecting and using your name, NRIC/passport number, address, nationality, CDP Securities Account number, CPF Investment Account number, application details and other personal data and disclosing the same from our records to registrars of securities of the issuer, SGX, SCCS, CDP, CPF, the issuer/vendor(s) and issue manager(s).

- You are not a U.S. person (as such term is defined in Regulation S under the United States Securities Act of 1933, as amended).

- You understand that the securities mentioned herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "US Securities Act") or the securities laws of any state of the United States and may not be offered or sold in the United States or to, or for the account or benefit of any "U.S. person" (as defined in Regulation S under the US Securities Act) except pursuant to an exemption from or in a transaction not subject to, the registration requirements of the US Securities Act and applicable state securities laws. There will be no public offer of the securities mentioned herein in the United States. Any failure to comply with this restriction may constitute a violation of the United States securities laws.

- This application is made in your own name and at your own risk.

- For FIXED/MAX price securities application, this is your only application. For TENDER price securities application, this is your only application at the selected tender price.

- For FOREIGN CURRENCY securities, subject to the terms of the issue, please note the following: the application monies will be debited from your bank account in S$, based on the Bank's prevailing board rates at the time of application. Any refund monies will be credited in S$ based on the Bank's prevailing board rates at the time of refund. The different prevailing board rates at the term of application and the time of refund of application monies may result in either a foreign exchange profit or loss or application monies may be debited and refund credited in S$ at the same exchange rate.

- For 1ST-COME-1ST SERVE securities, the number of securities applied for may be reduced, subject to availability at the point of application.

10: Fill in details for securities application and click "Submit".

11: Check the details of your securities application, your CDP Securities A/C No. and click "Confirm" to confirm your application.

12: Print the Confirmation Screen (optional) for your reference and retention only.

Steps for mBanking Applications for Public Offer Units through the mBanking interface of DBS Bank

For illustrative purposes, the steps for making an mBanking Application are shown below. Certain words appearing on the screen are in abbreviated from ("A/C", "&", "amt", "I/C", "SGX" and "No." refer to "Account", "and", "Amount", "NRIC", "SGX-ST" and "Number", respectively).

Step 1: Click on DBS Bank mBanking application using your User ID and PIN.

2: Select "Investment Services".

3: Select "Electronic Securities Application".

4: Select "Yes" to proceed and to warrant, among others, that you are currently in Singapore, you have observed and complied with all applicable laws and regulations and that your mailing address for DBS Internet Banking is in Singapore and that you are not a U.S. person (as such term is defined in Regulation S under the United States Securities Act of 1933 as amended).

5: Select your country of residence.

6: Select "KDCREIT".

7: Select “Yes” to confirm, among others:

- You have read, understood and agreed to all terms of this application and the Prospectus/Document or Profile Statement and if applicable, the Supplementary or Replacement Prospectus/Document or Profile Statement.

- For the purposes of facilitating your application, you consent to the bank collecting and using your name, NRIC/passport number, address, nationality, CDP Securities Account number, CPF Investment Account number, application details and other personal data and disclosing the same from our records to registrars of securities of the issuer, SGX, SCCS, CDP, CPF, the issuer/vendor(s) and issue manager(s).

- You are not a U.S. person (as such term is defined in Regulation S under the United States Securities Act of 1933, as amended).
- You understand that the securities mentioned herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**US Securities Act**”) or the securities laws of any state of the United States and may not be offered or sold in the United States or to, or for the account or benefit of any “U.S. person” (as defined in Regulation S under the US Securities Act) except pursuant to an exemption from or in a transaction not subject to, the registration requirements of the US Securities Act and applicable state securities laws. There will be no public offer of the securities mentioned herein in the United States. Any failure to comply with this restriction may constitute a violation of the United States securities laws.

- This application is made in your own name and at your own risk.

- For FIXED/MAX price securities application, this is your only application. For TENDER price securities application, this is your only application at the selected tender price.

- FOR FOREIGN CURRENCY Securities, subject to the terms of the issue, please note the following: the application monies will be debited from your bank account in S$, based on the Bank’s prevailing board rates at the time of application. Any refund monies will be credited in S$ based on the Bank’s prevailing board rates at the time of refund. The different prevailing board rates at the time of application and the time of refund of application monies may result in either a foreign exchange profit or loss or application monies may be debited and refund credited in S$ at the same exchange rate.

- FOR 1ST-COME-1ST-SERVE securities, the number of securities applied for may be reduced, subject to availability at the point of application.

8: Fill in details for securities application and click “Submit”.

9: Check the details of your securities application, your CDP Securities A/C No. and click “Confirm” to confirm your application.

10: Where applicable, capture Confirmation Screen (optional) for your reference and retention only.

Terms and Conditions for Use of CPF Funds

(1) If you are using CPF Funds to subscribe for the Units, you must have a CPF Investment Account maintained with a relevant CPF Agent Bank at the time of your application. The CPF Investment Account is governed by the Central Provident Fund (Investment Schemes) Regulations, as may be amended from time to time. CPF Investment Accounts may be opened with any branch of the CPF Agent Banks. If you are applying for the Units through an ATM Electronic Application, you must have an ATM card with that CPF Agent Bank at the time of your application before you can use the ATMs of that CPF Agent Bank to apply for the Units. For an Internet Electronic Application or mBanking Application you must have an existing bank account with, and a User Identification ("**User ID**") as well as a Personal Identification Number ("**PIN**") given by, the relevant CPF Agent Bank. Upon the completion of your Internet Electronic Application through the IB website of the relevant CPF Agent Bank or mBanking Application through the mBanking Interface of DBS Bank, there will be a Transaction Completed Screen of the application which can be printed out by you for your record. This printed record of the Transaction Completed Screen is for your retention and should not be submitted with any printed Application Form.

If you are using CPF Funds to subscribe for the Units through an ATM or IB website (as the case may be), you must subscribe for the Public Offer Shares through the ATM or IB website (as the case may be) of the CPF Agent Bank with which you maintain your CPF Investment Account.

(2) CPF Funds may only be withdrawn for applications for the Units in lots of 1,000 Units or integral multiples thereof.

(3) If you are applying for the Units using a printed Application Form and you are using CPF Funds to apply for the Units, you must submit a CPF Cashier's Order for the total amount payable for the number of Units applied for using CPF Funds.

(4) Before you apply for the Units using your CPF Funds, you must first make sure that you have sufficient funds in your CPF Investment Account to pay for the Units. You need not instruct the CPF Board to transfer your CPF Funds from your CPF Ordinary Account to your CPF Investment Account. If the balance in your CPF Investment Account is insufficient and you have sufficient investible CPF Funds in your CPF Ordinary Account, the CPF Agent Bank with which you maintain your CPF Investment Account will automatically transfer the balance of the required amount from your CPF Ordinary Account to your CPF Investment Account immediately for you to use these funds to buy a CPF Cashier's Order from your CPF Agent Bank in the case of an application by way of a printed Application Form or submit your application in the case of an application by way of an Electronic Application. The automatic transfer facility is available until the close of the Public Offer, and the operating hours of the facility are between 8.00 a.m. and 10.00 p.m. from Mondays to Saturdays, and between 8.00 a.m. and 5.00 p.m. on Sundays and public holidays.

(5) The special CPF securities sub-account of the nominee company of the CPF Agent Bank (with whom you maintain a CPF Investment Account) maintained with CDP will be credited with the principal amount of the Units you subscribed for, or such number of Units allocated to you, with CPF Funds.

(6) Where you are using CPF Funds, you cannot apply for the Units as nominee for any other person.

(7) All instructions or authorisations given by you in a printed Application Form or through an Electronic Application are irrevocable.

(8) All information furnished by the CPF Board and the CPF Agent Banks on your authorisation will be relied on as being true and correct. For the purposes of facilitating your application, you consent to the collection, use, processing and disclosure by the relevant CPF Agent Bank of your Relevant Particulars to the Relevant Parties.

LIST OF PRESENT AND PAST PRINCIPAL DIRECTORSHIPS OF DIRECTORS AND EXECUTIVE OFFICERS

(A) Directors of the Manager

(1) Mr Teo Soon Hoe

Current Directorships	Past Directorships (for a period of five years preceding the Latest Practicable Date)
FSHCO Holdings Pte. Ltd. Focus Up Holdings Limited K1 Ventures Limited Kephinance Investment (Mauritius) Pte Limited Keppel Care Foundation Limited Keppel DC REIT Management Pte. Ltd. Keppel Group Eco-City Investments Pte. Ltd. Keppel IVI Investments Inc M1 Limited The Farrer Park Company Pte. Ltd. (formerly known as Singapore HealthPartners Pte. Ltd.) Singapore Tianjin Eco-City Investment Holdings Pte. Ltd. Substantial Enterprises Limited Sino-Singapore Tianjin Eco-City Investment and Development Co., Ltd	Abbeville Investment Pte. Ltd. China Canton Investments Limited China Canton Management (Hong Kong) Limited Esqin Pte. Ltd. FELS SES International Pte. Ltd. GKB Holdings Pte. Ltd. HarbourFront One Pte. Ltd. HarbourFront Two Pte. Ltd. HarbourFront Three Pte. Ltd. K1 Ventures (Hong Kong) Limited Kep Holdings Limited Kephinance Investment Pte. Ltd. Keplands Enterprise (Pte) Ltd Kepmount Shipping Pte. Ltd. Keppel (USA) Inc Keppel Bay Pte. Ltd. Keppel Corporation Limited Keppel Energy Pte. Ltd. Keppel First Eastern Holdings Limited Keppel Hi-Tech Innovation Park Holdings Pte. Ltd. Keppel Industries (Hong Kong) Limited Keppel Infrastructure Fund Management Pte. Ltd. Keppel Infrastructure Holdings Pte. Ltd. Keppel Infrastructure Pte. Ltd. Keppel Investment Limited Keppel Kunming Resort Limited Keppel Land China Limited Keppel Land Limited Keppel Offshore & Marine Ltd Keppel Oil and Gas Pte. Ltd. (Formerly Waterfront Development Consultants Pte. Ltd.) Keppel Philippines Holdings Inc. Keppel Point Pte. Ltd. Keppel Real Estate Investment Pte. Ltd. Keppel Telecommunications & Transportation Ltd

Current Directorships	Past Directorships (for a period of five years preceding the Latest Practicable Date)
	Keppel Telecoms Pte. Ltd. Kepventure Pte. Ltd. KI Investments (HK) Limited Knowledge City Pte. Ltd. Petro Tower Ltd Primero Investments Pte. Ltd. Securus Data Property Fund Pte. Ltd. Singapore Petroleum Company Limited Singapore-Suzhou Township Development Pte. Ltd. The Vietnam Investment Fund (Singapore) Ltd TradeOneAsia Pte. Ltd. (now known as Keppel DC Investment Holdings Pte. Ltd.) Travelmore (Pte) Ltd.

(2) Mr Chan Hon Chew

Current Directorships	Past Directorships (for a period of five years preceding the Latest Practicable Date)
FELS Property Holdings Pte Ltd Harbourfront One Pte. Ltd. Harbourfront Three Pte. Ltd. Harbourfront Two Pte. Ltd. Kephinance Investment Pte Ltd Keppel Bay Pte. Ltd. Keppel Capital Holdings Pte. Ltd. Keppel Capital One Pte. Ltd. Keppel Capital Pte. Ltd. Keppel DC REIT Management Pte. Ltd. Keppel Enterprise Services Pte. Ltd. Keppel Funds Investment Pte. Ltd. Keppel Infrastructure Holdings Pte. Ltd. Keppel Investment Limited Keppel Land Limited Keppel Offshore & Marine Ltd Keppel Point Pte. Ltd. Keppel Real Estate Investment Pte. Ltd. Keppel Telecommunications & Transportation Ltd Keppel Telecoms Pte. Ltd. Primero Investments Pte. Ltd. Securus Data Property Fund Pte. Ltd. Singapore-Suzhou Township Development Pte. Ltd. Singapore Tianjin Eco-City Investment Holdings Pte. Ltd.	RCMS Properties Private Limited Singapore Aviation and General Insurance Company (Pte) Limited Tiger Airways Holdings Limited Virgin Atlantic Airways Limited Virgin Atlantic Limited Virgin Travel Group Limited

(3) Mr Lee Chiang Huat

Current Directorships	Past Directorships (for a period of five years preceding the Latest Practicable Date)
Channoil Asia Pte. Ltd. Icurrencies Pte. Ltd. Keppel DC REIT Management Pte. Ltd. Keppel REIT Management Limited	Fullca Ltd. Prime Sea Limited Sakra Island Carbon Dioxide Pte. Ltd. Sampang Holdings Ltd. Singapore Carbon Dioxide Company Private Limited Singapore Petroleum Sampang Ltd. Singapore Petroleum Trading Company Limited Singapore Petroleum Venture Private Limited Singapore Petroleum Vietnam Song Hong Co., Ltd. Singapore Petroleum (China) Private Limited Singapore Petroleum (Thailand) Co., Ltd SP (Sampang) Ltd. SPC Bass Pty Ltd. SPC E&P Pte. Ltd. SPC E&P (China) Pte. Ltd. SPC Kakap Limited SPC Production Company Ltd SPC Refining Company Private Limited SPC Shipping Pte. Ltd. Singapore Refining Company Private Limited Straits Management Ltd.

(4) Mr Leong Weng Chee

Current Directorships	Past Directorships (for a period of five years preceding the Latest Practicable Date)
Keppel DC REIT Management Pte. Ltd. Reef Management Pte. Ltd.	Celestine Management Private Limited

(5) Mr Lim Chin Hu

__Current Directorships__

Changi General Hospital Pte. Ltd.
Citibank Singapore Limited
Eastern Health Alliance Pte. Ltd.
G-Able Thailand Ltd
Heliconia Capital Management Pte. Ltd.
Integrated Health Information Systems Pte. Ltd.
Keppel DC REIT Management Pte. Ltd.
Kulicke and Soffa Industries, Inc
Personal Data Protection Commission
Singapore Institute of Directors
Telstra Ltd
Vanda 1 Investments Pte Ltd

__Past Directorships (for a period of five years preceding the Latest Practicable Date)__

Accel Frontline Limited, Singapore Branch
BT Frontline Pte. Ltd. (now known as BT Global Solutions Pte. Ltd.)
BT Singapore Pte. Ltd.
Caledonian Investments Pte. Ltd.
Frontline Technologies Sdn Bhd
IASPIRE.NET Pte. Ltd.
ITH Holdings Pte. Ltd.
Modern Devices China Ltd
PT Sun Microsystems, Inc
S I2I Limited
Sun Microsystems Vietnam Pte. Ltd.
Sun Philippines Pte. Ltd.
Sun Vietnam Pte. Ltd.

(6) Mr Dileep Nair

__Current Directorships__

Agri-Food Veterinary Authority of Singapore
Keppel DC REIT Management Pte. Ltd.

__Past Directorships (for a period of five years preceding the Latest Practicable Date)__

Nil

(7) Mr Teo Cheng Hiang Richard

__Current Directorships__

International Healthway Corporation Limited
Keppel DC REIT Management Pte. Ltd.
Viva Asset Management Pte. Ltd.
Viva Industrial Trust Management Pte. Ltd.

__Past Directorships (for a period of five years preceding the Latest Practicable Date)__

Healthway Medical Development (Private) Limited
Mahogany Global Advisors LLP
Pacific Star REIT Management Holdings (Singapore)
Pacific Star Ventures Pte. Ltd.
Pacific Star (China Holdings) Pte. Ltd.
YTL Starhill Global REIT Management Holdings Pte. Ltd.

(8) Dr Tan Tin Wee

Current Directorships	**Past Directorships (for a period of five years preceding the Latest Practicable Date)**
Asia Pacific Bioinformatics Network Limited IGates BioInnovation Pte. Ltd. Keppel DC REIT Management Pte. Ltd. Knorex Pte. Ltd.	International Society of Computational Biology. Inc. Keppel Telecommunications & Transportation Ltd

(9) Mr Thomas Pang Thieng Hwi

Current Directorships	**Past Directorships (for a period of five years preceding the Latest Practicable Date)**
Adfact Pte. Ltd. Advance Research Group, Inc Anew Corporation Ltd Apsilon Ventures Pte. Ltd. Asia Airfreight Terminal Company Ltd Basis Bay Capital Management Sdn Bhd CGS India Pvt Ltd CGS Redmond Technologies, LLC Citadel 100 Datacenters Limited Computer Generated Solutions Canada Ltd Computer Generated Solutions, Inc Indo-Trans Keppel Logistics Vietnam Co. Ltd Keppel Almere Pte. Ltd. Keppel Anhui Food Logistics Park Pte. Ltd. Keppel Communications Pte. Ltd. Keppel Datahub Pte. Ltd. Keppel Datahub2 Pte. Ltd. Keppel Digihub Ltd Keppel Data Centres Holding Pte. Ltd. Keppel Data Centres Pte. Ltd Keppel Data Centre Facility Management Pte. Ltd. Keppel DC Investment Holdings Pte. Ltd. Keppel DC REIT Management Pte. Ltd. Keppel Jilin Food Logistics Park Pte. Limited Keppel Logistics Pte. Ltd. Keppel Logistics (Tianjin Eco-city) Limited Keppel Telecommunications & Transportation Ltd Keppel Telecoms Pte. Ltd. Radiance Communications Pte. Ltd. Radiance Converged Communications Sdn Bhd Radiance Converged Solutions Sdn Bhd Securus Partners Pte. Ltd. SVOA Public Company Limited Transware Logistics (Private) Limited Trisilco Radiance Communications Sdn Bhd	Caspian Rigbuilders Pte. Ltd. Keppel Seghers Newater Development Co Pte. Ltd. Keppel Seghers Tuas Waste-To-Energy Plant Pte. Ltd. Senoko Waste-To-Energy Pte. Ltd.

(B) Executive Officers of the Manager

(1) Mr Chua Hsien Yang

Current Directorships	Past Directorships (for a period of five years preceding the Latest Practicable Date)
Nil	Mirvac 8 Chirfley Pty Limited Mirvac (Old Treasury) Pty Limited

(2) Mr Ian Hay

Current Directorships	Past Directorships (for a period of five years preceding the Latest Practicable Date)
4 Highbury Place Management Co Ltd	Nil

(3) Ms Rebecca Ng

Current Directorships	Past Directorships (for a period of five years preceding the Latest Practicable Date)
Citadel 100 Datacenters Limited Greenwich View Place Limited iseek Facilities Pty Ltd Keppel DC REIT Fin. Company Pte. Ltd. Securus Australia No. 1 Pty Ltd Securus Australia No. 2 Pty Ltd Securus C100 Pte. Ltd. Securus Data Property Fund Pte. Ltd. Securus GVP Pte. Ltd. Securus Guernsey 1 Limited Securus Guernsey 2 Limited Securus Guernsey 3 Limited Securus Netherlands 1 Pte. Ltd. Securus Netherlands 2 Pte. Ltd. Securus Netherlands B.V. Securus Almere B.V.	Keppel DC REIT Management Pte. Ltd. Securus Partners Pte. Ltd.

(4) Mr Maritz Bin Mansor

Current Directorships	Past Directorships (for a period of five years preceding the Latest Practicable Date)
Citadel 100 Datacenters Limited	Excel Global Venture Pte. Ltd.

AIFMD DISCLOSURES

*This **Appendix I** should be read by any prospective investor domiciled, or with a registered office, in a member state of the European Economic Area ("**EEA**"). The Manager is due to offer Units that are anticipated to be marketed in the member states of the EEA.*

*Keppel DC REIT will be an "alternative investment fund" (the "**AIF**"), as defined in the Alternative Investment Fund Managers Directive 2011/61/EU of the European Parliament and of the European Council (the "**AIFMD**"). The Manager is considered the "alternative investment fund manager" of Keppel DC REIT (the "**AIFM**"), as defined in the AIFMD.*

No.	Nature of disclosure	Disclosure
		Article 23(1)(a)
1.	Objectives of the AIF.	The key objectives of AIFM are to provide Keppel DC REIT's Unitholders with regular and stable distributions and to achieve long-term growth in distribution per Unit and net asset value per Unit, while maintaining appropriate capital structure.
2.	Investment strategy of the AIF.	The investment strategy of Keppel DC REIT is to principally invest, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centre purposes, as well as real estate-related assets, with an initial focus on Asia-Pacific and Europe.
3.	Location of any master AIF.	This is not applicable as Keppel DC REIT does not qualify as a feeder within the meaning of the AIFMD.
4.	Where underlying funds are established if the AIF is a fund of funds.	This is not applicable as Keppel DC REIT is not a fund of funds.
5.	Types of assets in which the AIF may invest.	Under its investment strategy, Keppel DC REIT may invest in income-producing real estate assets which are used primarily for data centre purposes, as well as real estate-related assets, with an initial focus on Asia-Pacific and Europe. For general statutory investment restrictions, please refer to paragraph 7 of this Appendix I.
6.	Techniques which the AIF may employ and all associated risks.	Please refer to the disclosure in paragraph 1 above for Keppel DC REIT's principal investment strategy and the section entitled "Risk Factors" of this Prospectus for the risks relating to the techniques which Keppel DC REIT Management Pte. Ltd. (acting in its capacity as manager of Keppel DC REIT) (the "**Manager**") may employ. Keppel DC REIT has an investment policy of investing in real estate and real estate-related assets whether by way of direct ownership of real estate and real estate related assets or by way of a holding of shares, units or any other interest(s) in special purpose vehicles which are unlisted, each of whose primary purpose is to hold or own real estate and real estate related assets.
7.	Any applicable investment restrictions on the AIF.	(i) Keppel DC REIT is required to comply with Appendix 6 of the Code on Collective Investment Schemes (the "**Property Funds Appendix**") and the applicable provisions of the trust deed

No.	Nature of disclosure	Disclosure
		constituting Keppel DC REIT (as amended) (the "**Trust Deed**"). (ii) Pursuant to paragraph 6.1 of the Property Funds Appendix, Keppel DC REIT may only invest in: (a) real estate, whether freehold or leasehold, in or outside Singapore, which may be by way of direct ownership or a shareholding in an unlisted special purpose vehicle constituted to hold or own real estate; (b) real estate-related assets, wherever the issuers / assets / securities are incorporated / located / issued / traded; (c) listed or unlisted debt securities and listed shares of, or issued, by local or foreign non-property corporations; (d) government securities (issued on behalf of the Singapore Government or governments of other countries) and securities issued by a supranational agency or a Singapore statutory board; and (e) cash and cash equivalent items. (iii) Pursuant to paragraph 7.1 of the Property Funds Appendix, Keppel DC REIT is required to comply with the following restrictions and requirements: (a) at least 75% of Keppel DC REIT's deposited property (as defined in the Property Funds Appendix) should be invested in income-producing real estate; (b) Keppel DC REIT should not undertake property development activities whether on its own, in a joint venture with others, or by investing in unlisted property development companies, unless Keppel DC REIT intends to hold the developed property upon completion. For this purpose, property development activities do not include refurbishment, retrofitting and renovations; (c) Keppel DC REIT should not invest in vacant land and mortgages (except for mortgage-backed securities); (d) the total contract value of property development activities undertaken and investments in uncompleted property developments should not exceed 10% of Keppel DC REIT's deposited property; and (e) for investments in permissible investments under sub-paragraphs (ii) (c), (d) or (e) above (except for deposits placed with eligible financial institutions and investments in high-quality money market instruments or debt securities), not more than 5% of Keppel DC REIT's deposited property may be invested in any one issuer's securities or any one manager's funds.
8.	Circumstances in which the AIF may use leverage.	Pursuant to paragraph 9.1 of the Property Funds Appendix, Keppel DC REIT may use borrowings for investment or redemption purposes. Keppel DC REIT may also use borrowings to fund its distributions to Unitholders. It may mortgage its assets to secure such borrowings.

No.	Nature of disclosure	Disclosure
9.	Types and sources of leverage permitted and associated risks.	Under Guidance Note 1 of paragraph 9.1 of the Property Funds Appendix, "borrowings" is explained to include bonds, notes, syndicated loans, bilateral loans or other debt. Please refer to the section entitled "Risk Factors" of this Prospectus for the risks factors relating to leverage entitled "The amount Keppel DC REIT may borrow is limited, which may affect the operations of Keppel DC REIT." and "Keppel DC REIT may face risks associated with debt financing and the Facility and the debt covenants could limit or affect Keppel DC REIT's operations".
10.	Any restrictions on the use of leverage.	Pursuant to paragraph 9.2 of the Property Funds Appendix, the total borrowings and deferred payments (collectively, the "**aggregate leverage**") of Keppel DC REIT should not exceed 35% of Keppel DC REIT's deposited property. The aggregate leverage of Keppel DC REIT may exceed 35% of Keppel DC REIT's deposited property (up to a maximum of 60%) only if a credit rating of Keppel DC REIT from Fitch, Moody's or Standard and Poor's is obtained and disclosed to the public.
11.	Any collateral and asset reuse arrangements.	Pursuant to paragraph 9.1 of the Property Funds Appendix, Keppel DC REIT may mortgage its assets to secure borrowings which are used for investment or redemption purposes. In connection with such collateral, the assets are given in security only and are appropriated to the satisfaction of payment of the borrowings by Keppel DC REIT to the relevant chargees / mortgagees, and not by way of transfer of title or possession of the assets to such chargees / mortgagees (as opposed to, for example, a prime broker to whom securities are pledged and who can use them for securities lending purposes).
12.	Maximum level of leverage which the AIFM is entitled to employ on behalf of the AIF.	Please refer to the disclosure in paragraph 10 above.
Article 23(1)(b)		
13.	Procedure by which the AIF may change its investment strategy.	Upon the expiry of three years from the public listing date of Keppel DC REIT, the Manager may change its investment policies for Keppel DC REIT so long as it has given at least 30 days' prior notice of the change to The Trust Company (Asia) Ltd (in its capacity as trustee of Keppel DC REIT) (the "**Trustee**"), to the unitholders of Keppel DC REIT ("**Unitholders**") by way of an announcement to Singapore Exchange Securities Trading Limited (the "**SGX-ST**").
14.	Procedure by which the AIF may change its investment policy	Please refer to the disclosure in paragraph 13 above.
Article 23(1)(c)		
15.	Main legal implications of the contractual relationship entered into for the purposes of	An investor who has acquired or subscribed for units in Keppel DC REIT ("**Units**") shall be a Unitholder. The rights and interests of Unitholders are provided for in the Trust Deed which is governed by the laws of Singapore. The terms and conditions of the Trust Deed shall be binding

No.	Nature of disclosure	Disclosure
	investment (including jurisdiction, applicable law and the existence or not of any legal instruments providing for the recognition and enforcement of judgements in the territory where the AIF is established).	on each Unitholder as if such Unitholder has been a party to the Trust Deed and as if the Trust Deed contains covenants by such Unitholder to observe and be bound by the provisions of the Trust Deed. A Unitholder has no equitable or proprietary interest in the underlying assets of Keppel DC REIT. A Unitholder is not entitled to the transfer to him of any asset (or any part thereof) or of any real estate, any interest in any asset and real estate-related assets (or any part thereof) of Keppel DC REIT. Please refer to the section entitled "The Formation and Structure of Keppel DC REIT" of this Prospectus. There is no single legal regime in Singapore governing the recognition and enforcement of foreign judgments in Singapore. Rather, under Singapore law, there exists common law, and statute mechanisms for the recognition and enforcement of foreign judgments in Singapore. Each of these is subject to its own procedures and qualifications and whether a judgment given in a foreign court will be enforced in Singapore must be considered in light of the relevant factors in each case, including the applicable regime, the specific jurisdiction where such judgment was given and whether the requirements for recognition and enforcement of the foreign judgment have been satisfied. The Trust Deed is available for inspection by investors and prospective investors at the registered office of the Manager for as long as Keppel DC REIT is in existence.
Article 23(1)(d)		
16.	The identity of the AIFM.	The Manager, Keppel DC REIT Management Pte. Ltd. is incorporated in Singapore under the Companies Act, Chapter 50 of Singapore on 16 December 1995 and as at the Latest Practicable Date has a paid-up capital of S$1,000,000. Its principal place of business is 18 Cross Street #10-10, China Square Central, Singapore 048423, and its telephone number is +65 6535 5665. The Manager will be categorised as the alternative investment fund manager (as defined in the AIFMD) and the agents appointed by the Manager will conduct the marketing of Keppel DC REIT in the United Kingdom and the Netherlands in accordance with the requirements of the AIFMD.
17.	The identity of the AIF's depositary.	Keppel DC REIT's depository and clearing organisation is The Central Depository (Pte) Limited, For the avoidance of doubt, investors are expressly notified that this does not concern an depositary within the meaning of the AIFM Directive; Keppel DC REIT is not obliged to appoint and AIFM Directive depositary and The Central Depository (Pte) Limited is not obliged to comply with the provisions following from the directive. The contact details of the depositary are as follows: Address : 9 North Buona Vista Drive, #01-19/20, The Metropolis Singapore 138588 Telephone No. : +65 6535 7511 Facsimile No. : +65 6535 0775
18.	The identity of the AIF's	Keppel DC REIT's auditor is KPMG LLP. The contact details of KPMG

No.	Nature of disclosure	Disclosure
	auditor.	LLP are as follows: Address : 16 Raffles Quay, #22-00 Hong Leong Building, Singapore 048581 Telephone No. : +65 6213 2413 Facsimile No. : +65 62256157
19.	The identity of any other AIF service providers, a description of their duties and the investors' rights.	Keppel DC REIT is reliant on the continued service and performance of its facility managers (each a "**Facility Manager**") to certain facilities management and maintenance services for Keppel DC REIT's properties pursuant to the facility management agreements signed for the respective properties. The Facility Managers are as follows: (i) Keppel Digihub Ltd., which is the facility manager for S25 Data Centre; (ii) Keppel Datahub Pte. Ltd., which is the facility manager for T25 Data Centre; (iii) iseek Communications Pty Limited, which is the facility manager for iseek Data Centre; (iv) iseek-KDC Services Pty Limited, which is the facility manager for Gore Hill Data Centre; (v) Basis Bay Services MSC Sdn Bhd, which is the facility manager for Basis Bay Data Centre; and (vi) Mercury Cloud Cover, which is the facility manager for Citadel 100 Data Centre. Without prejudice to any potential right of action in tort or any potential derivative action, investors in Keppel DC REIT may not have a direct right of recourse against any Facility Manager appointed by Keppel DC REIT as such a right of recourse will lie with the relevant contracting counterparty rather than the investors. Further, in circumstances where an affiliate or third party delegate is appointed by the Manager or the Trustee, any contractual claim, demand or action against such delegate may, in the absence of any derivative action, be brought only by the Managers and/or the Trustee. In the event that an investor in Keppel DC REIT considers that it may have a claim against Keppel DC REIT, the Manager, the Trustee (in its capacity as trustee of Keppel DC REIT) or against any other Property Manager in connection with its investment in Keppel DC REIT, such investor should consult its own legal advisers.
Article 23(1)(e)		
20.	Description of how the AIFM complies with the requirements to cover professional liability risks (own funds / professional indemnity insurance).	The Manager is required to satisfy the base capital requirement of S$1.0 million for its regulated activity of REIT management as per the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations, Chapter 289 Regulation 13 of Singapore. As set out in the disclosure in paragraph 16 above, as at the Latest Practicable Date, the issued share capital of the Manager is S$1,000,000.

No.	Nature of disclosure	Disclosure
		In addition, the Manager maintains professional indemnity insurance coverage for the liability of its directors ("**Directors**") and officers.
Article 23(1)(f)		
21.	Description of any delegated management function (such as portfolio management or risk management) by the AIFM to third parties, the identity of the delegate(s) and any conflicts of interest that may arise from such delegation(s).	Pursuant to the Trust Deed, the Manager may, with the written consent of the Trustee, delegate certain of its duties in performing its functions in relation to Keppel DC REIT, provided that the Manager shall be liable for all acts and omissions of such persons as if such acts or omissions were its own acts or omissions. As disclosed in paragraph 19 above, the Manager has outsourced the function of facility management of Keppel DC REIT's properties to the Facility Managers. Amongst the Facility Managers, Keppel Digihub Ltd. and Keppel Datahub Pte. Ltd. are "interested persons" vis-à-vis Keppel DC REIT. Potential conflicts of interests have been identified and details of these are set out in the risk factor entitled "*The Manager is a wholly-owned subsidiary of the Sponsor and the facility managers of S25, T25 and Gore Hill Data Centre are subsidiaries of the Sponsor. There may be potential conflicts of interest between Keppel DC REIT, the Manager, these facility managers and the Sponsor.*" Please refer to the section entitled "Risk Factors" of this Prospectus. As disclosed in the section entitled "The Manager and Corporate Governance – Corporate Governance of the Manager – Potential Conflicts of Interest" of this Prospectus, the Manager has also instituted the following procedures to deal with potential conflicts of interest issues: (i) the Manager will not manage any other REIT which invests in the same type of properties as Keppel DC REIT; (ii) all executive officers will be working exclusively for the Manager and will not hold other executive positions in other entities; (iii) all resolutions in writing of the directors of the Manager in relation to matters concerning Keppel DC REIT must be approved by at least a majority of the directors of the Manager, including at least one Independent Director; (iv) at least one-third of the Board shall comprise independent directors; (v) in respect of matters in which the Sponsor and/or its subsidiaries have an interest, direct or indirect, any nominees appointed by the Sponsor and/or its subsidiaries to the Board to represent their interests will abstain from deliberation and voting on such matters. For such matters, the quorum must comprise a majority of the independent directors and must exclude nominee directors of the Sponsor and/or its subsidiaries; and (vi) it is also provided in the Trust Deed that if the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of Keppel DC REIT with a Related Party (as defined herein) of the Manager, the Manager shall be obliged to consult with a reputable law firm (acceptable to the Trustee) which shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of Keppel DC REIT, has a prima facie case against the party allegedly in breach under such agreement, the

No.	Nature of disclosure	Disclosure
		Manager shall be obliged to take appropriate action in relation to such agreement. The directors of the Manager (including its independent directors) will have a duty to ensure that the Manager so complies. Notwithstanding the foregoing, the Manager shall inform the Trustee as soon as it becomes aware of any breach of any agreement entered into by the Trustee for and on behalf of Keppel DC REIT with a Related Party of the Manager and the Trustee may take such action as it deems necessary to protect the rights of Unitholders and/or which is in the interests of Unitholders. Any decision by the Manager not to take action against a Related Party of the Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such Related Party. The Manager has established an internal control system to ensure that all future Related Party Transactions will be undertaken on normal commercial terms and will not be prejudicial to the interests of Keppel DC REIT and the Unitholders.
22.	Description of any safe-keeping function delegated by the AIF's depositary, the identity of the delegate(s) and any conflicts of interest that may arise from such delegation(s).	This is not applicable as Keppel DC REIT is not obliged to appoint a depositary within the meaning of the AIFM Directive.
Article 23(1)(g)		
23.	Description of the AIF's valuation procedure.	Paragraph 8.1 of the Property Funds Appendix requires Keppel DC REIT to conduct a full valuation of its real estate assets at least once per financial year, in accordance with any applicable code of practice for such valuations. Generally, where the Manager proposes to issue new Units (except in the case where new Units are being issued in payment of the Manager's management fees) or to redeem existing Units, a valuation of the real properties held by Keppel DC REIT must be carried out in accordance with the Property Funds Appendix. The Manager or the Trustee may at any other time arrange for the valuation of any of the real properties held by Keppel DC REIT if it is of the opinion that it is in the best interest of Unitholders to do so. Keppel DC REIT engages independent professional valuers with the appropriate professional qualifications and experience in the location and category of the real estate assets being valued.
24.	Description of the AIF's pricing methodology for valuing assets (including the methods used in valuing hard-to-value assets).	Keppel DC REIT's real estate assets are stated at fair value, with changes in fair values being recognised in the Statement of Total Return. The Keppel DC REIT group engages independent professional valuers with the appropriate professional qualifications and experience in the location and category of the real estate assets being valued to determine the fair value of its real estate assets. The fair value of the Keppel DC REIT group's real estate assets (including those held through its associates and joint ventures) is determined by independent real estate valuation experts using approved valuation

No.	Nature of disclosure	Disclosure
		methodologies. In determining the fair value of Keppel DC REIT's real estate assets, the valuers have used valuation methods which involve estimates and discount rates applicable to those real estate assets.
Article 23(1)(h)		
25.	Description of the AIF's liquidity risk management (including redemption rights in normal and exceptional circumstances and existing redemption arrangements with investors).	Keppel DC REIT's cash flow position and working capital are to be monitored closely to ensure that there are adequate liquid reserves in terms of cash and credit facilities to meet its short-term obligations. Steps have been taken to plan early for funding and expense requirements so as to manage the cash position at any point in time. For so long as the Units are listed and traded on the SGX-ST, save for the Redemption as disclosed in this Prospectus, the Unitholders have no right to request the Manager to repurchase or redeem their Units. Unitholders may only deal in their listed Units through trading on the SGX-ST. Please refer to the section entitled "The Formation and Structure of Keppel DC REIT – Trust Deed – Redemption of Units" of this Prospectus.
Article 23(1)(i)		
26.	Description of all fees, charges and expenses and of the maximum amounts thereof which are directly or indirectly borne by investors.	Please refer to the section entitled "Certain Fees and Charges" of the Prospectus.
Article 23(1)(j)		
27.	Description of how the AIFM ensures a fair treatment of investors and details of any preferential treatment received by investors (including where the right to obtain preferential treatment exists, a description of that preferential treatment, the type of investors who obtain such preferential treatment and, where relevant, their legal or economic links with the AIF or AIFM).	No unfair or preferential treatment is afforded to any Unitholder. Under the Trust Deed, every Unit carries the same voting rights. Keppel DC REIT has only issued one class of Units, and as a result will treat all Unitholders equally.
Article 23(1)(k)		
28.	The latest annual report prepared for the AIF (to include, at a minimum: i) a balance sheet or statement of assets and liabilities;	This is not applicable as Keppel DC REIT has yet to issue its first annual report.

No.	Nature of disclosure	Disclosure
	ii) any income and expenditure report for the financial year; iii) a report on the activities of the financial year; iv) any material changes in Article 23 disclosures during the financial year covered by the report; v) the total amount of remuneration for the financial year, split into fixed and variable remuneration, paid by the AIFM to its staff, and number of beneficiaries, and, where relevant, carried interest paid by the AIF; and vi) the aggregate amount of remuneration broken down by senior management and members of staff of the AIFM whose actions have a material impact on the risk profile of the AIF).	
Article 23(1)(l)		
29.	The procedure and conditions for the issue and sale of units or shares.	Pursuant to the Trust Deed, the Manager shall have the exclusive right to effect for the account of Keppel DC REIT the issuance of Units. The issuance of any Units by the Manager must be in compliance with the Listing Manual and the Trust Deed, which sets out the approvals required from Unitholders and the restrictions on the price of the Units to be issued. For so long as the Units are listed and traded on the SGX-ST, the Unitholders have no right to request the Manager to repurchase or redeem their Units. Unitholders may only deal in their listed Units through trading on the SGX-ST. Please refer to the sections entitled "The Formation and Structure of Keppel DC REIT – Issue of Units" and "The Formation and Structure of Keppel DC REIT – Suspension of Issue of Units" of this Prospectus.
Article 23(1)(m)		
30.	The latest net asset value of the AIF or the latest	As at the Latest Practicable Date, the net asset value of each Unit is approximately S$0.87. Upon the listing of Keppel DC REIT, its unit price

No.	Nature of disclosure	Disclosure
	market price of the unit or share of the AIF, calculated in accordance with the law of the country where the AIF is established. [1]	will be publicly available from the SGX-ST website, Keppel DC REIT's website and from financial information vendors.
Article 23(1)(n)		
31.	Details of the historical performance of the AIF (where available).	The unaudited pro forma financial information of Keppel DC REIT for the year ended 31 December 2012, the year ended 31 December 2013 and the nine month period ended 30 September 2014 can be found in the section entitled "Unaudited Pro Forma Financial Information" of this Prospectus.
Article 23(1)(o)		
32.	The identity of the prime broker.	This is not applicable.
33.	Description of any material arrangements of the AIF with its prime brokers and the way the conflicts of interest in relation thereto are managed.	This is not applicable.
34.	Details of the provision in the contract with the AIF's depositary on the possibility of transfer and reuse of AIF assets.	This is not applicable.
35.	Information about any transfer of liability to the prime broker that may exist.	This is not applicable.
Article 23(1)(p)		
36.	Details of how and when the AIFM will provide reports on the following topics to its investors in relation to each EU AIF that it manages and each	The Manager will make the relevant announcement via SGXNET in the event that there is material information on these topics to be disclosed in accordance with the prevailing listing rules of the SGX-ST. The announcement will be publicly available to all investors.

[1] The valuation must either be performed by an external valuer (being a legal or natural person independent from the AIF, AIFM and any other persons with close links to the AIF or AIFM) or the AIFM itself, provided that the valuation is functionally independent from the portfolio management and the remuneration policy and other measures ensure that conflicts of interest are mitigated and that undue influence upon the employees is prevented. If an external valuer performs the valuation, the AIFM must be able to demonstrate that the external valuer is subject to mandatory professional registration, that they can provide sufficient professional guarantees that they can carry out the valuation, and that the appointment is justified on objective grounds.

No.	Nature of disclosure	Disclosure
	AIF that it markets within the EU: i) the percentage of the AIF's assets which are subject to special arrangements arising from their illiquid nature; ii) any new arrangements for managing the liquidity of the AIF; and iii) the current risk profile of the AIF and the risk management systems employed by the AIFM to manage those risks.	
37.	Details of how and when the AIFM will (when managing EU AIFs employing leverage or marketing in the EU AIFs employing leverage) will disclose, for each AIF, on a regular basis: i) any changes to the maximum level of leverage which the AIFM may employ on behalf of the AIF as well as any right of the reuse of collateral or any guarantee granted under the leveraging arrangement; and ii) the total amount of leverage employed by that AIF.	The Manager will make periodic disclosures about Keppel DC REIT's aggregate leverage during its quarterly financial reporting, and such information will be made available to investors via the announcements released on SGXNET or the published annual report. Please refer to the disclosure in paragraph 10 above on the permitted maximum level of leverage as stated in the Property Funds Appendix. Any changes to the Property Funds Appendix (as far as maximum level of leverage is concerned) may be communicated by way of publication of notices on the MAS website which can be found at http://www.mas.gov.sg/.

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KEPPEL DC REIT

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