



Proposed Divestment of 1/3 interest in MBFC Phase 1 and Proposed Acquisition of Keppel Towers & GE Tower

11 October 2010



Content

- **Overview**
- **Rationale**
- **Proposed Asset Swap**
- **Pricing**
- **Financial Impact**
- **Keppel Land Post-Transaction**

Overview

Proposed Asset Swap	<ul style="list-style-type: none"> Between Keppel Land's 1/3 stake in MBFC Ph 1 and K-REIT Asia's KTGE Bundled deal benefits both
Divestment	<ul style="list-style-type: none"> At agreed property value : \$1,426.8m for 1/3 stake in MBFC Ph 1
Acquisition	<ul style="list-style-type: none"> Purchase KTGE at \$573m to redevelop into high-rise residences
Financial Impact	<ul style="list-style-type: none"> Net Cash Proceeds : \$812m Net Gain : \$321m
EGM	<ul style="list-style-type: none"> Subject to approval of minority shareholders and unitholders at respective EGMs

3

Rationale

4

Rationale

Strengthen Growth Pillars in Property Development and Property Fund Management

- **Good opportunity to acquire prime freehold site in CBD**
 - Increase quality residential landbank in Singapore
- **Unlock part of Keppel Land's investment holding**
 - Enhance financial capacity to invest in more projects
- **Grow fund management business**
 - Continue to participate in growth of K-REIT Asia

5

Proposed Asset Swap

6

Divest 1/3 Marina Bay Financial Centre Ph 1



- **Two office towers* : 1.65m sf**
 - Fully leased with blue-chip tenants including :
 - Standard Chartered Bank
 - Barclays
 - BHP Billiton
 - Nomura
- **Marina Bay Link Mall : 94,500 sf**
 - About 87% leased
- **Car park lots : 684**

* Refers to Towers 1 & 2. Tower 3, Marina Bay Residences and Marina Bay Suites are not part of the deal.

7

Acquire Keppel Towers & GE Tower for Redevelopment

- **Outline planning permission obtained**
 - Plan for 45 and 26-storey towers
 - About 620 freehold homes
 - Plot ratio : 5.6
 - GFA : 481,800 sf
- **Ride on transformation into new Waterfront City under Master Plan**
 - Enhanced by relocation of ports and Malaysian railway station
 - Revitalised by new developments



Source : URA

8

Pricing

9

Pricing

Prices in Line with Valuation

- **1/3 stake of MBFC Ph 1**

- Agreed Property Value : \$1,426.8m or \$2,450 psf⁽¹⁾ supported by independent valuation of \$1,420.5m⁽²⁾

- **Keppel Towers & GE Tower**

- Purchase Price : \$573m or \$1,201 psf⁽³⁾ supported by independent valuation of \$576m⁽²⁾

(1) Includes rental support of up to \$29m. Sale price would be \$2,400 psf without rental support.

(2) By Colliers as at 5 October 2010

(3) Per sf per plot ratio including development charge

10

Financial Impact

11

Financial Impact

- **Net Cash Proceeds : \$812m**
- **Net Gain : \$321m**
- **Recycle capital and strengthen capacity for growth**

As at 31 December 2009*	Before Asset Swap	After Asset Swap
Net Profit (\$m)	280.4	572
Earnings per Share (EPS) (cts)	24.2	49.4
Total Shareholders' Funds (\$m)	3,788.6	4,110.3
Net Tangible Assets per Share (\$)	2.36	2.59
Net Debt (\$m)	834	22
Net Debt/Equity Ratio (%)	22	0.5

* Proforma based on FY2009 figures, is intended for illustration purposes only and does not necessarily reflect the future financial position and earnings of the Group. For the bases and assumptions, please refer to Keppel Land's announcement dated 11 October 2010, a copy of which is available at www.sgx.com.

12

Keppel Land Post-Transaction

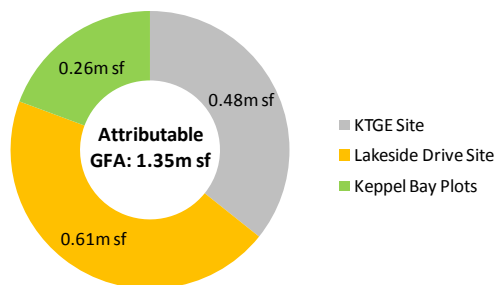
13

Increase Residential Pipeline in Singapore

▪ Enlarge Portfolio of Choice Sites

- Attributable GFA ↑ 55% to 1.35m sf
- Residential pipeline ↑ 49% to 1,884 units

Residential Landbank Post-Asset Swap

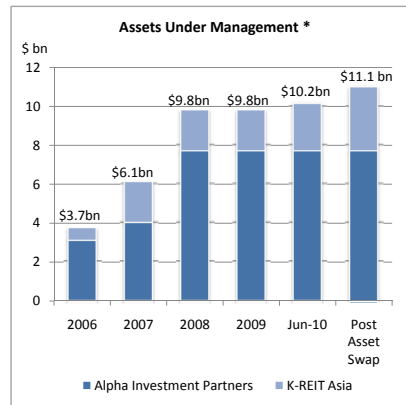


14

Strengthen Fund Management Platform

■ Enhance acquisition capacity with larger AUM

- K-REIT Asia's portfolio size ↑ from \$2.5 bn to \$3.4 bn
- Keppel Land Group's total AUM ↑ from \$10.2 bn to \$11.1 bn



* When fully leveraged and fully invested, and includes 1/3 interest in MBFC Phase 1

Thank You

This release may contain statements which are subject to risks and uncertainties that could cause actual results to differ materially from such statements. You are cautioned not to place undue reliance on such statements, which are based on the current views of Management on future developments and events.