

MEDIA RELEASE

KEPPEL INFRASTRUCTURE TRUST UNAUDITED RESULTS FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2018

22 January 2019

The Directors of Keppel Infrastructure Fund Management Pte Ltd, as Trustee-Manager of Keppel Infrastructure Trust, advise the following results of Keppel Infrastructure Trust for the fourth quarter and full year ended 31 December 2018.

These figures have not been audited.

FY18 RESULTS HIGHLIGHTS

1. Distribution per Unit (“DPU”) of 0.93 cents was declared for the quarter ended 31 December 2018, bringing total DPU to 3.72 cents for FY2018, and translates to a yield of 7.7⁽¹⁾%.
2. Group revenue for FY2018 was S\$637.4 million, 0.8% higher than FY2017, due mainly to higher contributions from City Gas due to higher town gas tariff as a result of higher fuel prices. This was partially offset by lower fees earned at Basslink due to the service outage between 25 March and 5 June 2018 as a result of an incident caused by a third party contractor. Basslink resumed service on 5 June 2018.
3. The Group recorded lower profit attributable to Unitholders of the Trust in FY2018 as compared to FY2017, mainly due to lower contribution from City Gas due to the time lag in the adjustment of gas tariffs to reflect actual fuel cost, lower revenue at Basslink as a result of the March 2018 service outage and higher fair value loss of derivative financial instruments recognised.
4. FY2018 distributable cash flows⁽²⁾ of S\$141.2 million were S\$3.0 million lower than FY2017 mainly due to lower contributions from City Gas.
5. Net asset value per unit as at 31 December 2018 decreased to 27.3 Singapore cents from 29.9 Singapore cents as at 31 December 2017 primarily attributable to distributions to Unitholders, partially offset by marked-to-market movements of derivative financial instruments and profit recognised for the period.
6. Gearing⁽³⁾ as at 31 December 2018 was 40.6% compared to 39.9% as at 31 December 2017.

7. On 15 November 2018, KIT announced the proposed DPU-yield accretive acquisition of Ixom Holdco Pty Ltd⁽⁴⁾ (“Ixom”), a leading industrial infrastructure business in Australia and New Zealand, supplying and distributing key water treatment chemicals, as well as industrial and specialty chemicals.
8. Strategic addition of Ixom will strengthen KIT’s overall portfolio, and increase AUM to S\$5.1 billion, as well as provide KIT with sustainable cash flows and stable distributions to Unitholders over the long term.

(1) Based on the price per Unit of \$0.485 as at the last trading day for FY 2018

(2) Excluding Basslink, consistent with previous results announcements

(3) Defined as net debt over total assets

(4) Subject to approval by Unitholders at an Extraordinary General Meeting

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