



(Constituted in the Republic of Singapore pursuant to a trust deed dated 28 November 2005 (as amended))

PAYMENT OF MANAGEMENT FEE BY WAY OF ISSUE OF UNITS IN K-REIT ASIA

The Board of Directors of K-REIT Asia Management Limited, the manager of K-REIT Asia (the "**Company**") wishes to announce that 1,651,770 Units ("**Management Fee Units**") in K-REIT Asia have been issued today at a price of S\$1.1215 per Unit as payment of 50% of the management fee ("**Management Fee**") due to the Company for the period from 1 April 2010 to 30 June 2010. The issue price per Management Fee Unit is the volume weighted average price for a Unit for all trades done on Singapore Exchange Securities Trading Limited (the "**SGX-ST**") in the ordinary course of trading for the period of ten business days immediately preceding 30 June 2010.

The payment of the Management Fee and the manner of such payment are provided for in the trust deed dated 28 November 2005 (as amended) constituting K-REIT Asia (the "**Trust Deed**"). It is provided in the Trust Deed that from K-REIT Asia's financial year ended 31 December 2008 and onwards, the Company is entitled to receive its management fee in a combination of Units and cash in such proportions as it may elect. For the period from 1 April 2010 to 30 June 2010, the Company has elected to receive 50% of its Management Fee in the form of Units and the other 50% of its Management Fee in cash.

The Management Fee Units will, pursuant to the Company's instructions, be issued directly to a wholly-owned subsidiary of Keppel Land Limited, K-REIT Asia Investment Pte. Ltd. ("**KRAI**"), as the Company has sold these Units to KRAI.

As at the date of this announcement, the Company does not have any unitholding in K-REIT Asia and the total number of Units in issue in K-REIT Asia is 1,342,352,050.

About K-REIT Asia

K-REIT Asia is a real estate investment trust constituted by the Trust Deed entered into between K-REIT Asia Management Limited as manager of K-REIT Asia and RBC Dexia Trust Services Singapore Limited as trustee of K-REIT Asia. K-REIT Asia was listed on the SGX-ST by way of an introduction on 28 April 2006.

K-REIT Asia's objective is to generate steady and sustainable returns for its Unitholders by owning and investing in a portfolio of quality income-producing commercial real estate and real estate-related assets. K-REIT Asia has a pan-Asian mandate that enables it to invest in quality commercial properties in Singapore and other Asian growth cities.

K-REIT Asia's portfolio comprises six assets, namely Bugis Junction Towers, Keppel Towers, GE Tower, Prudential Tower (73.4% interest), One Raffles Quay Pte Ltd (33.3% interest) in Singapore and a 50.0% interest in 275 George Street, Brisbane, Australia. In July 2010, K-REIT Asia announced the acquisition of the office tower at 77 King Street in Sydney, Australia. K-REIT Asia's portfolio size was \$2.3 billion as at 30 June 2010.

K-REIT Asia is managed by K-REIT Asia Management Limited, a wholly-owned subsidiary of Keppel Land Limited, one of the largest listed property companies in Singapore.

By Order of the Board
K-REIT Asia Management Limited
(Company Registration Number: 200411357K)
as manager of K-REIT Asia

Choo Chin Teck / Jacqueline Ng
Joint Company Secretaries
30 July 2010

Important Notice

The value of Units and the income from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by the Company, as manager of K-REIT Asia, or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that unitholders of K-REIT Asia may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of K-REIT Asia is not necessarily indicative of the future performance of K-REIT Asia.