

ACQUISITION OF SHARES RESULTING IN A COMPANY BECOMING A SUBSIDIARY

Keppel Corporation Limited (the "**Company**" or "**KCL**") wishes to announce that its indirect wholly owned subsidiary, Keppel Offshore & Marine USA, Inc., ("**KOM USA**"), has on 27 August 2015 entered into a stock and asset purchase agreement ("**SAPA**") with Cameron International Corporation ("**Cameron**") to acquire Cameron's LETOURNEAU rig design and rig kit business (the "**Business**") for an aggregate cash consideration of USD100 million. The Business will be acquired through (i) the purchase of Cameron's 100% equity interest in a new Delaware corporation incorporated by Cameron ("**NewCo**") and into which the Business (other than certain equipment and inventory located in the United Arab Emirates and Singapore) will be transferred prior to completion of the SAPA, and (ii) the transfer of certain equipment and inventory of the Business located in the United Arab Emirates and Singapore to KOM USA's affiliates.

The completion of the SAPA is conditional upon, *inter alia*, the receipt of approvals from the relevant authorities (including anti-trust approvals) in relation to the transaction. Upon completion of the transaction, KOM USA will hold a 100% equity interest in NewCo, which will become an indirect wholly-owned subsidiary of the Company.

The aggregate cash consideration of USD100 million for the Business was arrived at on a willing buyer willing seller basis taking into account the intellectual property and assets owned by the Business as well as the potential synergies between the Business and the Company's offshore and marine business. The adjusted proforma book value and net tangible asset value of the Business as at 30 June 2015 were approximately USD87 million and USD63 million respectively. The cash consideration will be financed through internal working capital.

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the aforementioned transaction.

The foregoing transaction is not expected to have any material impact on the net tangible assets and earnings per share of the Company for the current financial year.

A copy of the SAPA may be inspected at the registered office of the Company at 1 HarbourFront Avenue, #18-01 Keppel Bay Tower Singapore 098632 during normal business hours for a period of three (3) months from the date of this announcement.