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Media Release

Keppel Land divests stake in retail mall in Surabaya

Singapore, 22 September 2014 – Keppel Land Limited (Keppel Land), through its wholly-owned subsidiary, PT Keppel Land, has entered into an agreement to sell its 80% effective shareholding in BG Junction, a strata-titled retail development in Surabaya, Indonesia, to Silverise Enterprise Ltd and PT Pelangi Arjuno, for approximately Rp 400 billion (S\$42.8 million). Silverise Enterprise Ltd currently owns a 20% stake in the retail development. The sale is expected to result in an after-tax profit of about S\$12.5 million for Keppel Land.

Located near the Central Business District in Jalan Bubutan, BG Junction comprises a six-storey retail mall with a net floor area of about 47,000 sm and an adjoining multi-storey car park. The retail mall is currently about 95% occupied with anchor tenants such as Carrefour hypermarket, Cahaya Departmental Store and Hartono Electronic.

Mr Sam Moon Thong, President (Indonesia), Keppel Land, said, "We constantly review our portfolio to maximise returns and redeploy capital to new projects. Indonesia remains one of Keppel Land's key growth markets, where we are focused on the Greater Jakarta region.

"The medium to long term market outlook for Indonesia remains positive, supported by a large population base, an expanding middle class and increasing urbanisation, which will continue to drive demand for quality homes and investment-grade offices in the country."

Keppel Land's portfolio of projects in Indonesia includes International Financial Centre Jakarta (IFC), located on a prime site along Jalan Jendral Sudirman in Jakarta's central business district, a three-hectare residential site in West Jakarta acquired earlier this year, as well as Ria Bintan, an integrated resort comprising hotels and championship golf courses.

Keppel Land is currently developing Tower 2 of IFC, a 48-storey Grade A office building. When completed in the second half of 2015, Tower 2 will offer about 50,000 sm of NLA.

The above transaction is expected to be completed by end-2014.

About Keppel Land Limited

One of Asia's premier property companies, Keppel Land is recognised for its sterling portfolio of award-winning residential developments and investment-grade commercial properties as well as high standards of corporate governance and transparency.

The Company is geographically diversified in Asia, with Singapore and China as its core markets, and Vietnam and Indonesia as its growth markets. It focuses on a two-pronged strategy of property development for sale and property fund management.

A leading prime office developer in Singapore, Keppel Land contributes to enhancing the city's skyline with landmark developments such as Marina Bay Financial Centre, Ocean Financial Centre and One Raffles Quay.

The Company is committed to grow its commercial portfolio in key Asian cities. Its portfolio of overseas commercial properties includes Seasons City in the Sino-Singapore Tianjin Eco-City, a Grade A office development in Beijing and a retail mall Life Hub @ Jinqiao in Shanghai, China, Saigon Centre in Ho Chi Minh City, Vietnam, as well as International Financial Centre Jakarta in Indonesia, which is the first project in Indonesia to be conferred the highest Green Mark Platinum Award by the Building and Construction Authority (Singapore). The Company also plans to develop Park Avenue Central in Shanghai into a retail-cum-office complex.

Keppel Land is also Asia's premier home developer with world-class iconic waterfront residences at Keppel Bay and Marina Bay in Singapore.

With a pipeline of over 66,000 homes across Asia, Keppel Land is well-positioned to meet the demand for quality housing driven by homeownership aspirations.

An established property fund manager, Keppel Land has two property fund management vehicles, Keppel REIT, a pan-Asian commercial real estate investment trust, and Alpha Investment Partners.

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