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COMPLETION OF SALE OF KEPPEL VEROLME BV

Further to its media release on 10 April 2017, Keppel Corporation Limited ("**KCL**" or the "**Company**") wishes to announce that its wholly owned subsidiary Keppel Offshore & Marine ("**KOM**") has on 30 June 2017 entered into a sale and purchase agreement and completed the sale of Keppel Verolme BV ("**Keppel Verolme**"), Keppel's shipyard in the Netherlands, to Damen Shipyards Group ("**Damen**") for a total consideration of Euro 23,500,000.

The total consideration was arrived at on a willing buyer willing seller basis taking into account Keppel Verolme's expected net asset value at the close of transaction and the shipyard's position in the Netherlands ship repair and conversion market.

The sale is part of KOM's efforts to optimise its operations and rationalise its global network of yards in line with its business needs. Through its network of yards in Singapore and globally, KOM has the capacity and resources to continue servicing its customers in Europe and the North Sea region, as well as pursue opportunities in these markets.

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

The above transaction will not have any material impact on the net tangible assets and earnings per share of KCL for the financial year ending 31 December 2017.

With the completion of the sale, Keppel Verolme has ceased to be a subsidiary of the Company with immediate effect.

A copy of the sale and purchase agreement entered into between KOM and Damen is available for inspection at the registered office of the Company during normal business hours for a period of three months from the date of this announcement.