Keppel Corporation Limited
(Co Reg No. 196800351N)
1 HarbourFront Avenue
#18-01 Keppel Bay Tower
Singapore 098632
www.kepcorp.com

Tel: (65) 62706666
Fax: (65) 64136452

INCREASE IN SHAREHOLDING IN SUBSIDIARY

Keppel Corporation Limited (the "**Company**" or "**KCL**") wishes to inform that its wholly-owned subsidiary, FELS Offshore Pte Ltd ("**FELS Offshore**") has on 11 August 2014 acquired 609 ordinary shares (collectively, "**Acquired Shares**"), representing 12.18% of the issued and paid up capital of Benniway Pte Ltd ("**Benniway**"), KCL's indirect subsidiary, at the price of US$4,926.11 per Acquired Share from Star Rise Ltd. With the purchase of the Acquired Shares, the Company's shareholding interest in Benniway has increased from 87.82% to 100%.

Benniway is an investment holding company which indirectly holds a 75% shareholding interest in Caspian Shipyard Company Ltd.

The aggregate cash consideration of US$3,000,000 for the Acquired Shares was arrived at on a willing buyer, willing seller basis, taking into account the future earnings and book value of Benniway, and was funded through the internal working capital of FELS Offshore. The book value and net tangible asset value of the Acquired Shares were S$344 per share (equivalent to US$277.42 per share) as at 23 July 2014.

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

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