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ACQUISITION OF UNITS IN KEPPEL REIT

Keppel Corporation Limited (the "**Company**") wishes to announce that its subsidiary, Keppel REIT Management Limited ("**KRML**"), as manager of Keppel REIT has acquired 6,474,804 units in Keppel REIT ("**Management Fee Units**"). These Management Fee Units constitutes payment by Keppel REIT of:

(a) 100% of the management fee due to KRML (as the manager of Keppel REIT) in respect of (i) Keppel REIT's 50% interests in 8 Exhibition Street, Melbourne and (ii) Keppel REIT's approximate 87.51% interest in Ocean Properties LLP, both for the period from 1 October 2014 to 31 December 2014;

(b) 100% of the management fee due to KRML (as the manager of Keppel REIT) in respect of Keppel REIT's one-third interest in Marina Bay Financial Centre Tower 3 for the period from 17 December 2014 to 31 December 2014; and

(c) 50% of the management fee due to KRML (as the manager of Keppel REIT) in respect of the other portfolio properties owned by Keppel REIT for the period from 1 October 2014 to 31 December 2014;

The Management Fee Units were issued at a price of S$1.1937 per unit which was arrived at based on the volume weighted average price for a unit in Keppel REIT for all trades done on the Singapore Exchange Securities Trading Limited in the ordinary course of trading for the period of 10 business days immediately preceding 31 December 2014, being the last business day for the period.

This mode of payment of the management fee in the form of units in Keppel REIT is in accordance with the provisions of the trust deed dated 28 November 2005 (as amended from time to time) constituting Keppel REIT.

With this transaction, the Company's deemed interest in Keppel REIT has increased from approximately 45.28%* (comprising 1,435,516,986units) to 45.39%** (comprising 1,441,991,790 units).

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

30 January 2015

Note:

* The percentage is calculated based on the total number of issued units in Keppel REIT of 3,170,433,879 units as at 30 December 2014.

** The percentage is calculated based on the total number of issued units in Keppel REIT of 3,176,908,683 units as at 30 January 2015.