



Keppel Corporation Limited Tel: (65) 62706666
(Co Reg No. 196800351N) Fax: (65) 64136452
1 HarbourFront Avenue
#18-01 Keppel Bay Tower
Singapore 098632
www.keppcorp.com

Keppel and Titan agree to terminate Management Services Agreement

Keppel Corporation Limited (“**KCL**” and the “**Company**”) refers to its announcement dated 9 April 2014 on the management services agreement entered into between FELS Offshore Pte Ltd (“**FELS**”), a wholly-owned subsidiary of Keppel Offshore & Marine Limited (“**KOM**”), Titan Petrochemicals Group Limited (“**Titan**”) and Titan Quanzhou Shipyard Co. Ltd (“**TQS**”), to manage the TQS shipyard (the “**MSA**”). The MSA became effective on 15 July 2016.

As a result of the downturn in the offshore and marine business, Titan has held back its investment to reactivate TQS, and FELS has therefore not formally commenced the provision of management services under the MSA.

After careful consideration and discussion, in view of the current market conditions and operational requirements of the partners, FELS, Titan and TQS have agreed to terminate the MSA, effective immediately. Both Keppel and Titan have agreed to explore potential future collaboration as and when market conditions improve.

The abovementioned termination will not have any material impact on the net tangible assets and earnings per share of KCL for the financial year ending 31 December 2018.