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Media Release

Keppel Land China secures residential site in Chengdu Tianfu New Area

Singapore, 28 December 2018 – Keppel Land China Limited (Keppel Land China), a wholly-owned subsidiary of Keppel Corporation Limited (Keppel Corporation), has secured a 4.7-ha residential site in the Chengdu Tianfu New Area for a total consideration of RMB 889.7 million (approximately S$ 183.4 million) in a government land tender on 27 December 2018. The Tianfu New Area is a state-level development zone in Sichuan Province, China.

The new site will be developed into a residential community comprising 768 units of high-rise apartments and 96 units of low-rise apartments. Targeted at home upgraders, the project is expected to be launched in Q4 2019.

Keppel Land China has also entered into a cooperation agreement (the "Cooperation Agreement") with Chengdu Jin Se Hua Fu Real Estate Development Co., Ltd (Chengdu Jin Se Hua Fu), whereby Keppel Land China will establish a wholly-owned subsidiary, Chengdu Wan Ji Property Development Co., Ltd ("NewCo"), to develop the new site. Subject to Chengdu Jin Se Hua Fu completing the necessary procedures with the relevant authorities for the change in equity interest in NewCo, Chengdu Jin Se Hua Fu will then subscribe for a 70% interest in NewCo.

Based on a 30% stake, Keppel Land China's total development cost for the project is expected to be in excess of RMB 519 million[1] (approximately S$ 107 million).

Upon completion of the share transfer to Chengdu Jin Se Hua Fu, which is expected to take place in 1Q 2019, Chengdu Jin Se Hua Fu will hold 70% equity interest in NewCo, and NewCo will then become an associated company of Keppel Corporation.

Mr Ben Lee, President of Keppel Land China, said, "Keppel Land China is pleased to win this prime residential site in Chengdu, which is in line with the company's strategy to expand our presence in the growing Chengdu metropolis.

"Our six residential projects in Chengdu, including The Waterfront, The Botanica, Park Avenue Heights and V City, have been very well received by the local community. To date, Keppel Land China has launched about 17,800 homes in Chengdu, which are almost all sold out. We are confident that the new residential development will receive strong demand from upgraders looking for well-designed homes with strong value propositions."

The site is located in the CBD of the Tianfu New Area and benefit from convenient transportation and access to educational institutions, commercial amenities and medical facilities. It is 600 m away from Wuhan Road Station of Metro Line 1, 24 km from Tianfu Square, the traditional city center of Chengdu, 17 km from Chengdu Shuangliu Airport and 30 km from the Chengdu New Airport that will be operational in 2020.

[1] Land cost is included in the total development cost.

Since China's State Council approved the Tianfu New Area as the 11th state-level development zone in 2014, it has been positioned by the central government as the economic engine for western China. It is designated as a base for industries such as new materials, energy conservation, biotechnology, IT and high-end equipment manufacturing. Spanning a total area of 1,578 sq km, the Tianfu New Area currently has a population of 3.25 million, and it is expected to reach 5.85 million by 2030. The Tianfu New Area achieved a GDP of RMB 238.49 billion in 2017, up 8.6% year-on-year. According to the Tianfu New Area's long-term plan, its GDP is expected to exceed RMB 300 billion by 2020.

None of the directors or controlling shareholders of Keppel Corporation 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 Keppel Corporation for the current financial year.

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About Keppel Land China

Keppel Land China is a wholly-owned subsidiary of Keppel Land, the property arm of Keppel Corporation, a multi-business company providing robust solutions for sustainable urbanisation, with key businesses in offshore and marine, property, infrastructure and investments.

Keppel Land is geographically diversified in Asia, with Singapore, China and Vietnam as its key markets, while it continues to scale up in other markets such as Indonesia and India.

Keppel Land China is focused on developing township, residential, waterfront, commercial and mixed-use developments in China. Over the years, the company has expanded its footprint in China to close to 10 cities. To date, Keppel Land China has about 20 projects with a pipeline of more than 20,000 homes.

Keppel Land China is an investor in the government-to-government project, the Sino-Singapore Tianjin Eco-City (Eco-City). It also plays the role of the developer for the Keppel Group's eco-developments in the Eco-City.

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This press release is also available at www.kepcorp.com and www.keppelland.com.