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RESPONSE TO SGX QUERIES

Keppel Telecommunications & Transportation Ltd (the "Company" or "KT&T") wishes to respond to the queries from the Singapore Exchange Securities Trading Limited ("SGX-ST") on 30 September 2016 in respect of recent unusual price movements as follows:

Query 1:

Are you (the issuer) aware of any information not previously announced concerning you, your subsidiaries or associated companies which, if known, might explain the trading? Such information may include events that are potentially material and price-sensitive, such as discussions and negotiations that may lead to joint ventures, mergers, acquisitions or purchase or sale of a significant assets. You may refer to paragraph 8 in Appendix 7.1 of the Mainboard Rules for further examples.

- If yes, the information shall be announced immediately.

Response:

The Company wishes to note that it is common for its shares to experience increased trading activity and movements to its share price following the release of positive research reports on the Company. For example, the Company observed movement in the Company's share price from 21 July to 8 August 2016 following the release of a positive research report by CIMB on the Company on 20 July 2016. UOB Kay Hian has recently released a positive research report on the Company on 21 September 2016 and in light of the past trading pattern, the Company believes that the trading activity and the movement of its share price is not unusual.

Separately, following the earlier announcement by the Company in its full year unaudited FY2015 financial statement in January 2016 of the Company's intention to inject a Singapore data centre in Tampines into Keppel DC REIT sometime in 2016, Keppel Data Centres Holding Pte. Ltd., a subsidiary of the Company, is currently in discussion with Keppel DC REIT for the proposed injection of the asset. No definitive agreements have been entered into for the proposed injection and there is no assurance that any definitive agreements will be entered into.

The Company is also constantly exploring opportunities to maximise shareholder value in relation to its businesses and there is no assurance that the exploration of such opportunities will result in any transaction.

The Company will release a further announcement in accordance with the listing rules of SGX-ST if and when there are further material developments.

In the meantime, shareholders of the Company are advised to exercise caution when dealing in the shares of the Company.

Query 2:

Are you aware of any other possible explanation for the trading? Such information may include public circulation of information by rumours or reports?

Response:

Save as set out in the response to Query 1 and as set out below, the Company is not aware of any other possible explanation.

- (a) The Company had announced on 1 July 2016 the sale of 50% shareholding interest in Keppel DC REIT Management Pte. Ltd., the manager of Keppel DC REIT, to Keppel Capital Holdings Pte. Ltd. In the announcement, the Company had reported that the transaction would result in KTT recognising a gain on disposal of approximately S\$56 million in its profit and loss account.
- (b) The Company had announced on 20 July 2016 a collaboration between Keppel Data Centres Holding Pte Ltd, a 70-30 joint venture between the Company and Keppel Land Limited, and Alpha Investment Partners Limited on a US\$500 million data centre fund – Alpha Data Centre Fund.

Query 3:

Can you confirm your compliance with the listing rules and in particular, Mainboard Rule 703?

Response:

We confirm compliance with the listing rules and in particular, Mainboard Rule 703.

By Order of the Board of
Keppel Telecommunications & Transportation Ltd

Tan Wah Nam / Kenny Lee
Company Secretaries
30 September 2016