

KEPPEL-KBS US REIT – ENTRY INTO SUBSCRIPTION AGREEMENT AND LODGEMENT OF PRELIMINARY PROSPECTUS

Entry into Subscription Agreement

Further to the announcement dated 6 October 2017 (the “**Announcement**”) in relation to the receipt of the eligibility-to-list letter from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) in connection with the proposed initial public offering and listing of units in Keppel-KBS US REIT (“**Units**”) and the initial public offering of Units, the “**Offering**”) on the SGX-ST, Keppel Corporation Limited (“**KCL**”) wishes to announce that Keppel Capital Investment Holdings Pte. Ltd. (“**KCIH**”), a wholly-owned subsidiary of Keppel Capital Holdings Pte. Ltd. which is in turn wholly-owned by KCL, has today entered into a subscription agreement with Keppel-KBS US REIT Management Pte. Ltd., the manager of Keppel-KBS US REIT (the “**Manager**”), to subscribe for 59,713,599 units in Keppel-KBS US REIT (“**KCIH Units**”) (constituting 9.5% of the total number of Units expected to be in issue) at a price per KCIH Unit equal to US\$0.88 which is the issue price per Unit offered under the Offering. The consideration payable by KCIH for the KCIH Units shall be paid in cash.

The subscription for the KCIH Units is conditional upon, amongst others, the registration of the final prospectus of Keppel-KBS US REIT by the Monetary Authority of Singapore (“**MAS**”) and the entry into of the underwriting agreement between the Manager and the underwriters for the Offering (the “**Underwriters**”).

The KCIH Units will be subject to a lock-up arrangement with the Underwriters for a period of twelve months from the date of listing of Keppel-KBS US REIT, subject to certain exceptions.

The subscription for the KCIH Units is not expected to have any material impact on the earnings per share or net tangible assets per share of KCL for the current financial year.

None of the directors or controlling shareholders of KCL has any interest, direct or indirect, in the said subscription, other than through their shareholding in KCL.

Lodgement of Preliminary Prospectus

Further to the Announcement, KCL wishes to announce that the Manager has today lodged the preliminary prospectus of Keppel-KBS US REIT with the MAS in connection with the Offering.

By Order of the Board
Keppel Corporation Limited

Caroline Chang/Leon Ng
Company Secretaries

25 October 2017

Important Notice

This announcement does not constitute an offer, invitation to purchase or subscribe for or solicitation of units in Keppel-KBS US REIT ("**Units**") in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in any connection with, any contract or commitment whatsoever. The information in this announcement is qualified in its entirety by, and is subject to, the more detailed information to be set out in the final prospectus of Keppel-KBS US REIT (the "**Final Prospectus**") to be registered by the MAS. The information presented in this announcement is subject to change. Anyone wishing to purchase Units should read the Final Prospectus before deciding whether to purchase Units and will need to make an application in the manner set out in the Final Prospectus. Any decision to purchase Units should be made solely on the basis of information contained in the Final Prospectus and no reliance should be placed on any information other than that contained in the Final Prospectus. The Units will not be offered or sold within the United States.