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ACQUISITION OF SHARES RESULTING IN COMPANY BECOMING A SUBSIDIARY

Keppel Corporation Limited (the "**Company**" or "**KCL**") wishes to inform that Chengdu Hillstreet Development Co., Ltd ("**Chengdu Hillstreet**"), its indirect wholly-owned subsidiary held through Keppel Land China Limited ("**KLCL**"), has on 3 August 2018 entered into a conditional sale and purchase agreement ("**SPA**") with Sichuan Shengdai Food Co., Ltd ("**Vendor**") to acquire its interest in a People's Republic of China company to be incorporated by the Vendor ("**NewCo**") and into which the Vendor will inject a 3.35ha plot of land in Chengdu, China ("**Subject Site**") (the "**Acquisition**").

The Acquisition is conditional upon, *inter alia*, the Vendor securing formal regulatory approval from the relevant authorities in relation to the transaction. Subject to regulatory approvals, KLCL intends to develop a residential project at the Subject Site. Details will be disclosed if and when the necessary approvals have been obtained.

Upon completion of the Acquisition, Chengdu Hillstreet will hold 100% equity interest in NewCo, which will become an indirect wholly-owned subsidiary of the Company.

Subject to completion adjustments, the total consideration for the Acquisition is approximately RMB 373 million (approximately S$74.6 million)[1] (the "**Consideration**") payable in cash upon satisfaction of agreed milestones with final payment against completion of the share transfer.

Completion of the Acquisition is expected to take place sometime in third quarter of 2018.

The Consideration was arrived at on a willing buyer willing seller basis taking into account the market value of the Subject Site which is estimated to be approximately RMB 416 million as of 29 July 2018 based on market comparable.

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the above transaction.

A copy of the SPA is available for inspection at the registered office of the Company at 1 HarbourFront Avenue, #18-01 Keppel Bay Tower, Singapore 098632, during normal business hours for a period of three (3) months from the date of this announcement.

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

[1] Based on exchange rate of S$1 to RMB 5.00