Keppel Corporation Limited
(Co Reg No. 196800351N)
1 HarbourFront Avenue
#18-01 Keppel Bay Tower
Singapore 098632
www.kepcorp.com

Tel: (65) 62706666
Fax: (65) 64136452

COMPLETION OF CONSOLIDATION OF INTERESTS IN BUSINESS TRUST MANAGEMENT, REAL ESTATE INVESTMENT TRUST MANAGEMENT AND FUND MANAGEMENT BUSINESSES

Further to Keppel Corporation Limited's (the "**Company**" or "**KCL**") announcement dated 25 January 2016, the Company wishes to announce that Keppel Capital Holdings Pte. Ltd. ("**Keppel Capital**"), a wholly-owned subsidiary of the Company, has completed the consolidation of:

(i) 100.0% of the shares of Keppel REIT Management Limited (the manager of Keppel REIT);

(ii) 100.0% of the shares of Alpha Investment Partners Limited (a fund manager);

(ii) 100.0% of the shares of Keppel Infrastructure Fund Management Pte. Ltd. (the trustee-manager of Keppel Infrastructure Trust); and

(iv) 50.0% of the shares of Keppel DC REIT Management Pte. Ltd. (the manager of Keppel DCREIT) (the "**KDC REIT Manager**"),

under Keppel Capital (the "**Consolidation**").

In relation to the consolidation of interests in the KDC REIT Manager, Keppel Capital had entered into a share purchase agreement ("**KDC REIT Manager SPA**") with Keppel Data Centres Pte. Ltd. ("**KDCPL**") to acquire 50.0% of the shares of the KDC REIT Manager (the "**Relevant Shares**").

KDCPL, a wholly-owned subsidiary of Keppel Telecommunications & Transportation Ltd ("**KT&T**"), will continue to own the remaining 50.0% of the shares of the KDC REIT Manager. This is in line with the intent for the KDC REIT Manager to continue to leverage KDCPL's strength and expertise in the development and operation of data centres.

The purchase consideration of the Relevant Shares is S$38,000,000, which was arrived at on a willing-buyer and willing-seller basis taking into account comparable market transactions, the potential cost synergies arising from the Consolidation, the growth potential of the KDC REIT Manager, and other factors such as the book value and net tangible asset value attributable to the Relevant Shares, which as at 31 March 2016 were S$9,900,000 and S$1,500,000 respectively.

The acquisition of the Relevant Shares is not expected to have any material impact on the net tangible assets and earnings per share of the Company for the current financial year.

As at the date hereof:

(a) Temasek Holdings (Private) Limited, a controlling shareholder of the Company, is also a controlling shareholder of KT&T;

(b) Mr Loh Chin Hua, the Chief Executive Officer and Executive Director of the Company, is also currently the Chairman of the boards of directors of KT&T and Keppel Capital; and

(c) Mr Tow Heng Tan, a Non-Independent Non-Executive Director of the Company, and Ms Veronica Eng, an Independent Director of the Company, are also currently members of the board of directors of Keppel Capital.

Save as disclosed above, none of the directors and controlling shareholders of the Company has any interest, direct or indirect, in the acquisition of the Relevant Shares.

A copy of the KDC REIT Manager SPA is available for inspection during normal business hours (prior appointment will be appreciated) at the registered office of the Company at 1 HarbourFront Avenue, #18-01 Keppel Bay Tower, Singapore 098632 for a period of three months commencing from the date of this Announcement.