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

JOINT VENTURE TO DEVELOP RESIDENTIAL AND MIXED-USE DEVELOPMENTS IN THE THU THIEM NEW URBAN AREA IN HO CHI MINH CITY, VIETNAM

Keppel Corporation Limited (the "**Company**"), through Corredance Pte. Ltd. ("**CPL**"), a wholly-owned subsidiary of Keppel Land Limited ("**Keppel Land**"), has today entered into a conditional investment agreement ("**IA**") and a joint venture agreement ("**JVA**") with Empire City LLC ("**Project Company**"), Tien Phuoc Real Estate Joint Stock Company ("**TP**"), Tran Thai Lands Company Limited ("**TT**") and Denver Power Ltd ("**DP**") (TP, TT and DP collectively, the "**Existing Members**") to invest in the Project Company ("**JV Participation**") for an aggregate contribution of US$93,939,000 ("**Aggregate Contribution**"), comprising capital contribution (the "**Capital Contribution**") to the charter capital of the Project Company which shall represent a 40% equity interest in the current charter capital of the Project Company (the "**Equity Interest**") and convertible loans ("**Convertible Loans**") to the Project Company which may be converted into capital contributions to the expected charter capital of the Project Company.

The Project Company has received approval from the People's Committee of Ho Chi Minh City to lease a site in the south of the core of Thu Thiem New Area, Thu Thiem Ward, District 2, Ho Chi Minh City, Vietnam (the "**Land**"), for a period of 50 years. The Project Company intends to design, construct and develop residential and mixed-use developments on the Land (the "**Project**").

Keppel Land's participation in the Project Company and the Project is subject to the satisfaction of conditions precedent including, but not limited to regulatory approvals being obtained from the relevant authorities in Vietnam as contemplated under the IA and JVA.

In the event the conditions precedent are fulfilled, the Capital Contribution will be paid in cash on completion of the IA and the Convertible Loans will be paid in cash and disbursed in accordance with the approved schedule for instalment payments for the land use rights fees in respect of the Land as stipulated by the relevant Vietnamese authority.

The Aggregate Contribution was arrived at on a willing-buyer, willing-seller basis, taking into account, amongst others, the expected gross floor area of the Land and price per square meter for the Project and represents approximately 40% of the expected charter capital of the Project Company which is anticipated to be US$ 240 million.

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the JV Participation other than through their shareholding interests in the Company.

The JV Participation is not expected to have any material impact on the earnings per share or net tangible assets per share of Keppel Corporation Limited for the current financial year.