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SALE OF ENTIRE INTEREST IN KEPPEL FMO PTE LTD

Keppel Corporation Limited (the "**Company**" or "**KCL**") wishes to inform that its wholly-owned subsidiary, Keppel Integrated Engineering Limited ("**KIE**"), has today sold 60,000 ordinary shares ("**Sale Shares**"), comprising the entire issued share capital of Keppel FMO Pte Ltd ("**KFMO**"), a wholly-owned subsidiary of KIE, to Cofely South East Asia Pte. Ltd. (the "**Purchaser**") for a consideration of S$44.72 million paid wholly in cash, subject to a post-closing adjustment for working capital and a deferred consideration amount of up to S$9.72 million (to be paid if certain targets are achieved by KFMO).

KFMO is a company incorporated in Singapore and its principal activity is the provision of integrated facilities management for clients across various industries and business segments in both the public and private sectors. The Purchaser is a subsidiary of the GDF SUEZ Group, and engages in the business of design, implementation and delivery of integrated facilities management solutions.

The consideration for the Sale Shares is on a cash-free debt-free basis and was negotiated on a willing buyer willing seller basis taking into account future business prospects. Both the adjusted book value and net tangible assets (on cash-free basis) of the Sale Shares as at 31 December 2013 was S$11.98 million.

KFMO is no longer a subsidiary of the Company.

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

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.