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ANNOUNCEMENT

INCREASE IN SHAREHOLDING IN SUBSIDIARY COMPANY

The board of directors ("**Board**") of Keppel Corporation Limited ("**KCL**") refers to the letter dated 15 April 2015 issued by KCL to the shareholders ("**Shareholders**") of Keppel Land Limited ("**KLL**") in relation to the right of Shareholders to require KCL to acquire shares in the capital of KLL ("**Shares**") held by Shareholders pursuant to Section 215(3) of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**" and such acquisition, the "**Acquisition**").

Pursuant to Rule 704(17)(d) of the Listing Manual ("**Listing Manual**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Board wishes to announce that following settlement of 3,128,451 Shares (the "**Relevant Shares**") acquired pursuant to the Acquisition ("**Settlement**"), KCL's direct interest in KLL has increased from 1,514,934,344 Shares, representing approximately 97.9 per cent of the total number of issued Shares to 1,518,062,795 Shares, representing approximately 98.1 per cent of the total number of issued Shares.[1] KCL's direct interest in KLL above does not include any deemed interest in Shares which it has agreed to acquire pursuant to the Acquisition, but settlement of which has not yet occurred. The aggregate consideration for the Settlement is S$13,264,632 in cash at S$4.24[2] for each Relevant Share in accordance with Section 215(3) of the Companies Act and will be funded by a combination of internal cash resources and borrowings of KCL. The book value, net tangible asset value and the market value of the Relevant Shares are S$15,986,385[3], S$15,986,385[4] and S$13,890,322[5] respectively.

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[1] In this Announcement, unless otherwise stated, all references to the total number of issued Shares are a reference to 1,546,881,101 Shares.

[2] As Settlement has occurred after the Books Closure Date (i.e. after 5.00 p.m. (Singapore time) on 7 May 2015) in respect of the final one-tier tax exempt dividend of S$0.14 per Share to be paid by KLL for the financial year ended 31 December 2014 (the "**FY2014 Dividend**"), the price received by Shareholders pursuant to the exercise of their rights under Section 215(3) of the Companies Act shall be S$4.24 in cash for each Relevant Share. Separately, Shareholders will receive the FY2014 Dividend of S$0.14 for each Share from KLL.

[3] This represents a book value per Share of S$5.11 based on the aggregate book value of S$7,909,520,000 of KLL and its subsidiaries (the "**KLL Group**") derived from the latest announced unaudited consolidated financial statements of the KLL Group for the financial quarter ended 31 March 2015 ("**1Q2015 Results**").

[4] This represents a net tangible asset value per Share of S$5.11 based on the aggregate net tangible asset value of S$7,906,787,000 of the KLL Group derived from 1Q2015 Results.

[5] Based on the volume weighted average price of approximately S$4.44 per Share for all the trades done on 31 March 2015 (being the last full day of trading in the Shares on the SGX-ST immediately prior to the date of suspension of trading of the Shares).

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

As at the date hereof:

(a) Mr Loh Chin Hua, the Chief Executive Officer and Executive Director of KCL, is also currently the Chairman of the board of directors of KLL; and

(b) Mrs Oon Kum Loon, an Independent Director of KCL, is also currently a Non-Independent Non-Executive Director of KLL.

Save as disclosed in this Announcement and through their shareholding interests, if any, in KCL and KLL, none of the directors and controlling shareholders of KCL has any interest, direct or indirect, in the Acquisition.

By Order of the Board of
Keppel Corporation Limited

Caroline Chang / Kelvin Chua
Company Secretaries
9 July 2015