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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 6,822,462 Shares (the "**Relevant Shares**") acquired pursuant to the Acquisition ("**Settlement**"), KCL's direct interest in KLL has increased from 1,494,580,962 Shares, representing approximately 96.6 per cent of the total number of issued Shares to 1,501,403,424 Shares, representing approximately 97.1 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$29,882,384 in cash at S$4.38[2] for each 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$34,862,781[3], S$34,862,781[4] and S$30,291,731[5] respectively.

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.

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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] If any dividend, right, other distribution and/or return of capital ("**Distribution**") is announced, declared, paid or made by KLL on or after 23 January 2015, and KCL is not entitled to receive such Distribution in full in respect of any Share acquired pursuant to Section 215(3) of the Companies Act, the price payable in respect of such Share shall be reduced by an amount which is equal to the amount of such Distribution.

[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).

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
7 May 2015