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COMPLETION OF THE DIVESTMENT OF 90.0% INTEREST IN KEPPEL DC SINGAPORE 3 TO KEPPEL DC REIT

*Capitalised terms used herein, unless otherwise defined, shall have the meanings ascribed to them in the announcement of Keppel Telecommunication & Transportation Ltd dated 17 October 2016 titled "Proposed Divestment of 90.0% interest in Keppel DC Singapore 3 to Keppel DC REIT" (the "**Divestment Announcement**").*

Further to the Divestment Announcement, Keppel Telecommunications & Transportation Ltd ("**Company**") is pleased to announce that the completion of the Proposed Divestment has taken place today ("**Completion**").

In connection with the Proposed Divestment, the Vendor has entered into an agreement with the Trustee to vary the arrangements set out in the Share Purchase Agreement, so that the rights and obligations of the Subject Company attributable to the 90 ordinary shares acquired by the Trustee shall pass to the Trustee as if Completion had occurred on 1 December 2016, notwithstanding that the Completion has taken place today.

In connection with the Proposed Divestment, KDCS3, a wholly-owned subsidiary of the Vendor, has also today entered into:

- (i) the Keppel Lease Agreement with the Subject Company, in relation to the lease of the Property by KDCS3 for a term of ten years with an option to renew for a further term of five years;
- (ii) as facility manager, the Facility Management Agreement with the Subject Company, where KDCS3 has been appointed to provide certain facilities management and maintenance services in relation to the Property; and
- (iii) the Business Transfer Agreement with the Subject Company to transfer the employees, contracts and certain assets (assets for the purpose of providing facility management services) of the Subject Company to KDCS3.

Shortly following Completion, the Subject Company is expected to be converted into a limited liability partnership pursuant to Section 21 of the Limited Liability Partnerships Act (Chapter 163A of Singapore) and the Vendor and the Trustee, as shareholders of the Subject Company, will enter into a limited liability partnership agreement to regulate the relationship between them *inter se* as partners of the limited liability partnership.