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SALE OF INTEREST IN WISELAND INVESMENT (MYANMAR) LIMITED

Keppel Corporation Limited (the "**Company**") wishes to inform that Keppel Land Limited, through its subsidiary, Wiseland Investment Pte Ltd ("**Wiseland Investment**" or the "**Vendor**"), has today entered into a conditional sale and purchase agreement ("**SPA**") with Eden Hotels & Resort Co., Ltd (the "**Purchaser**"), for the sale of (a) 1,085 ordinary shares ("**Sale Shares**") representing 100% of the paid-up share capital of Wiseland Investment (Myanmar) Limited ("**Wiseland Myanmar**"), and (b) all of the rights, title and interest of Wiseland Investment in all sums due or owing to Wiseland Investment by Wiseland Myanmar as at the Completion Date, as defined below (the "**Shareholder's Loan**") (the "**Divestment**").

The aggregate consideration of US$41,000,000 (approximately S$55,350,000), subject to post-completion adjustments in accordance with the SPA (the "**Consideration**"), comprises the following:

(a) Approximately 1% of the Consideration paid by the Purchaser on 26 March 2016 and 24% of the Consideration to be paid by the Purchaser to the Vendor within five (5) business days from the date of the SPA;

(b) 10% of the Consideration to be paid by the Purchaser to the Vendor on the date of completion of the SPA ("**Completion Date**"); and

(c) the balance 65% of the Consideration (as adjusted in accordance with the SPA as necessary) (the "**Balance Amount**") to be paid in two tranches over the 15-month period following Completion.

The Consideration was arrived at on a willing buyer willing seller basis, taking into account the future prospects and fair value of the property owned by Wiseland Myanmar, being a hotel in Mandalay, Myanmar (the "**Property**"). As at 30 June 2016, the book value (being also the net asset value) of the Sale Shares and Shareholders' Loan was approximately S$12.2 million.

Under the SPA, a banker's guarantee is to be issued in favour of Wiseland Investment by a reputable bank with a branch located in Singapore that is acceptable to Wiseland Investment, to secure the Purchaser's payments of the Balance Amount (the "**Banker's Guarantee**"). The Banker's Guarantee is to be delivered by the Purchaser to the Vendor on the Completion Date.

The completion of the SPA is subject to the execution of a tripartite agreement among the Vendor, the Purchaser and the Directorate of Hotels and Tourism, Ministry of Hotels and Tourism, Republic of the Union of Myanmar in relation to the Property.

Wiseland Myanmar is in the business of operating the Property. The Purchaser is a company incorporated in Myanmar and is a conglomerate engaged in the business of, *inter alia*, hotel operations. The Divestment is in line with the Company's strategy to continually recycle assets for higher returns.

Following the completion of the SPA, Wiseland Myanmar will cease to be a subsidiary of Keppel Land Limited and the Company.

The Divestment is not expected to have any material impact on the net tangible assets and earnings per share of the Company for the financial year ending 31 December 2016.

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

A copy of the SPA is available for inspection at the registered office of the Company at 1 HarbourFront Avenue, #18-01 Keppel Bay Tower, Singapore 098632, during normal business hours for a period of three (3) months from the date of this announcement.