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ACQUISITION OF 25% INTEREST IN QUOC LOC PHAT JOINT STOCK COMPANY

Keppel Corporation Limited ("**Company**" or "**KCL**") wishes to inform that its subsidiary, Keppel Land Limited has, through a wholly owned subsidiary, Orbista Pte Ltd, entered into a sale and purchase agreement (the "**Agreement**") with Mr Pham Quang Hung, (the "**Vendor**"), a shareholder of Quoc Loc Phat Joint Stock Company ("**QLP**"), to acquire 37,500,000 shares (the "**Sale Shares**"), representing 25% of the total issued share capital of QLP, an associated company of the Company (the "**Transaction**"), for a consideration of VND 412,327,545,000 (approximately S$25.6 million) (the "**Consideration**").

Following the completion of the Transaction, the Company's effective shareholding in QLP is 45%.

QLP is a company incorporated in Vietnam and its activities involve real estate development, particularly in Ho Chi Minh City, Vietnam.

The Consideration was arrived at on a willing-buyer, willing-seller basis, taking into account the fair value of the assets and liabilities of QLP, and will be satisfied fully in cash. The unaudited book value and unaudited net tangible asset value attributable to the Sale Shares as at 30 June 2016 were both VND 374,500,000,000 (approximately S$23.2 million).

The Transaction is not expected to have any material impact on the earnings per share or net tangible assets per share of the Company for the current financial year.

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