Keppel Corporation Limited
(Co Reg No. 196800351N)
1 HarbourFront Avenue
#18-01 Keppel Bay Tower
Singapore 098632
www.kepcorp.com

Tel: (65) 62706666
Fax: (65) 64136452

SALE OF ENTIRE INTEREST IN A SUBSIDARY

Keppel Corporation Limited (the "**Company**" or "**KCL**") wishes to inform that Third Dragon Development Pte. Ltd ("**TDD**"), a wholly-owned subsidiary held through Keppel Land Limited ("**KLL**"), has divested its entire 95% interest in Jiangyin Yangtze International Country Club Co., Ltd ("**JYICC**" and such interest, the "**TDD Equity Interest**") to Changzhou Wan Bang Qi Che Xiao Shou Fu Wu Co., Ltd (the "**Purchaser**") for a cash consideration of RMB 52.6 million, subject to post-completion adjustments (the "**Divestment**"). JYICC owns and operates the Jiangyin Yangtze International Country Club in Jiangyin, Jiangsu Province, People's Republic of China.

The aggregate consideration for the Divestment was negotiated on a willing buyer willing seller basis, taking into account the operating environment of the golf course in People's Republic of China and the book value and net tangible asset of the TDD Equity Interest, which as at 29 February 2016 were both negative S$832,000.

The divestment is in line with KLL's strategy to continually recycle assets for higher returns.

Following the Divestment, JYICC is no longer a subsidiary of the Company.

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the above transaction.

The abovementioned transaction is not expected to have any material impact on the earnings per share and net tangible asset per share of KCL for the current financial year.