

Media Release

Keppel Land China to acquire commercial property in Haidian District, Beijing

Singapore, 31 December 2018 – Keppel Land China Limited (Keppel Land China), through its wholly-owned subsidiary, Tosalco Pte. Ltd., has entered into an agreement with A Li Yun Shan (Beijing) Business Consulting Co., Ltd to secure a 100% equity interest in Beijing Chang Sheng Business Consulting Co., Ltd. which owns a completed commercial property (the property) in Haidian District, Beijing, for an aggregate cash consideration of RMB 555 million¹ (approximately S\$ 111 million²). The transaction is expected to be completed in 1Q 2019.

The property is in the Greater Wuluju Area of Haidian District which is China's first information technology base and home to Zhongguancun, widely known as China's Silicon Valley. Also located in the vicinity are the headquarters of the China State Administration of Foreign Experts Affairs and China National Space Administration, and top universities such as Renmin University of China, Beijing Foreign Studies University and Beijing Jiaotong University.

Mr Ben Lee, President of Keppel Land China, said, "The acquisition is in line with our strategy to grow our commercial portfolio in China, with a focus on first-tier cities. We are confident that this strategically located property will meet the rising demand for prime office and retail space in Beijing. Securing the project is opportune considering that it is a completed asset enjoying almost full occupancy and in a city where supply for quality commercial developments is limited."

The property, comprising nine storeys of office space covering 8,532 sqm of gross floor area, two storeys of retail space (2,104 sqm of gross floor area) and 23 car park lots (992 sqm of gross floor area), is about 97% occupied as at September 2018. It is directly above the existing Subway Line 6 Haidian Wuluju Station, connecting it to Beijing city centre as well as Tongzhou, Beijing's new municipal centre. Benefitting from the recent extension of Subway Line 6 and a new Subway Line 12 which will be operational by 2021, the property will sit atop a subway interchange station which will be a key transport hub in West Beijing.

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

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¹ Subject to closing adjustments as agreed between the parties.

² The exchange rate used is SGD1: RMB 5.

About Keppel Land China

Keppel Land China is a wholly-owned subsidiary of Keppel Land, the property arm of Keppel Corporation, a multi-business company providing robust solutions for sustainable urbanisation, with key businesses in offshore and marine, property, infrastructure and investments.

Keppel Land is geographically diversified in Asia, with Singapore, China and Vietnam as its key markets, while it continues to scale up in other markets such as Indonesia and India.

Keppel Land China is focused on developing township, residential, waterfront, commercial and mixed-use developments in China. Over the years, the company has expanded its footprint in China to close to 10 cities. To date, Keppel Land China has about 20 projects with a pipeline of more than 20,000 homes.

Keppel Land China is an investor in the China-Singapore government-to-government project, the Sino-Singapore Tianjin Eco-City (Eco-City). It also plays the role of the developer for the Keppel Group's eco-developments in the Eco-City.

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