



Keppel Corporation Limited Tel: (65) 62706666
(Co Reg No. 196800351N) Fax: (65) 64136452
1 HarbourFront Avenue
#18-01 Keppel Bay Tower
Singapore 098632
www.keppcorp.com

SALE OF INTEREST IN GE KEPPEL ENERGY SERVICES PTE LTD

Keppel Corporation Limited (the “**Company**” or “**KCL**”) wishes to inform that its wholly-owned subsidiary, Keppel Infrastructure Holdings Pte. Ltd. (“**KIH**”), has on 27 January 2017 entered into a sale and purchase agreement (the “**SPA**”) through Keppel Infrastructure Services Pte. Ltd. (“**KIS**”), in turn a wholly-owned subsidiary of KIH, to divest its entire 49.99% interest in the issued share capital of GE Keppel Energy Services Pte Ltd (“**GE Keppel**”) to GE Singapore Pte. Ltd. (the “**Purchaser**”) for a consideration of S\$24.6 million (the “**Divestment**”).

KIS houses the technical support and Operations & Maintenance (O&M) capabilities within the Keppel Infrastructure group. It operates energy and environmental related infrastructure facilities globally.

GE Keppel is a company incorporated in Singapore and its principal activity is the repair of electrical, mechanical and marine equipment and the repair of power generation equipment. The Purchaser is a member of the General Electric group of companies.

The Divestment is in line with the Company’s strategy to regularly review its asset portfolio to identify capital recycling opportunities. The proceeds from the divestment will be used by the Company to pursue new growth opportunities.

The consideration will be paid to KIS on completion of the Divestment and was negotiated on a willing buyer willing seller basis taking into account, among other things, the unaudited book value and net tangible assets attributable to KIS’ 49.99% interest in GE Keppel as at 31 December 2016.

Completion of the Divestment is expected to take place sometime in February 2017. Upon completion, GE Keppel will cease to be an associate 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.

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.