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INCREASE IN INVESTMENT IN SUBSIDIARY

The board of directors ("**Board**" or "**Directors**") of Keppel Corporation Limited ("**Company**") wishes to announce that its wholly-owned subsidiary, Keppel Land Limited ("**Keppel Land**") has, through an indirect wholly-owned subsidiary, Glendon Pte. Ltd., increased its investment in Krystal Investments Pte. Ltd. ("**Krystal Investments**") by acquiring the balance 49% stake (the "**Stake**") from Vassalerie Investment Corp for an aggregate consideration of US\$24,312,406 ("**Consideration**"). With this acquisition, Krystal Investments is now an indirect wholly-owned subsidiary and Keppel Land's aggregate effective interest in Saigon Centre Phase 1 and 2 has increased from 53.2% to 61.3% and in Saigon Centre Phase 3, from 76.2% to 84%.

The consideration was funded by internal financial resources and was arrived at on a willing buyer willing seller basis taking into account the unaudited net asset value of Krystal Investments and its subsidiaries. The unaudited net asset value and the book value of the Stake are approximately US\$18,025,000 and US\$18,820,000 respectively as at 31 October 2017.

The transaction is not expected to have any material impact on the consolidated net tangible assets per share and consolidated earnings per share of the Company for the current financial year ending 31 December 2017.

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