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INVESTMENT IN TIANJIN ECO-CITY SHENG HENG ECO-MAINTENANCE AND SERVICES CO., LTD.

Keppel Corporation Limited ("**KCL**" or the "**Company**") wishes to announce that its wholly-owned subsidiary, Keppel FMO Pte. Ltd., has today entered into a conditional capital increase agreement and a conditional joint venture contract with Sino-Singapore Tianjin Eco-City Investment And Development Co., Ltd. ("**SSTEC**"), an associated company of KCL, to purchase a 25% equity interest in a wholly-owned subsidiary of SSTEC, Tianjin Eco-City Sheng Heng Eco-Maintenance And Services Co., Ltd. (the "**Joint Venture Company**"), for a consideration of RMB2,000,000 (approximately S\$408,000) (the "**Acquisition**" and such consideration, the "**Capital Injection**"). The joint venture contract included an option to purchase an additional 15% equity interest within 3 years.

The principal business activities of the Joint Venture Company are to provide facilities management and property services, property consultancy, energy management services and related training.

The Acquisition is subject to the satisfaction of conditions precedent including but not limited to obtaining regulatory approvals from the relevant authorities for entry into the capital increase agreement and joint venture contract.

In the event the conditions precedent are fulfilled, the Acquisition will be financed through internal funds. The cash consideration, payable upon securing the necessary regulatory approvals, was arrived at on a willing buyer, willing seller basis, taking into account the existing registered capital of RMB6,000,000 and business potential of the Joint Venture Company.

Based on the audited financial statement of the Joint Venture Company for the financial year ended 31 December 2012 and without taking into account the Capital Injection, the total asset value, book value (net asset value) and net tangible asset of a 25% equity interest in the Joint Venture Company are RMB1,653,721, RMB470,061 and RMB470,061 respectively.

An indirect wholly-owned subsidiary of Temasek Holdings (Private) Limited, Singbridge International Singapore Pte. Ltd., holds a 10% stake in Singapore Tianjin Eco-city Investment Holdings Pte. Ltd. ("**STEC**") which in turn holds a 50% stake in SSTEC. STEC is a subsidiary of the Company.

Save as disclosed hereunder, none of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the above transaction.

Following the completion of the Acquisition, the Joint Venture Company will be an associated company of KCL.

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