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ACQUISITION OF SHARES RESULTING IN A COMPANY BECOMING AN ASSOCIATED COMPANY

Keppel Corporation Limited (the "**Company**" or "**KCL**") wishes to announce that its indirect wholly-owned subsidiary, KV Ventus B.V. ("**KV Ventus**"), has on 3 January 2012 entered into:

- (a) a share purchase and subscription agreement ("**SPSA**") with OWEC Tower (AS) and its existing shareholders, namely NorWind AS ("**NorWind**"), Trønderenergi Invest AS ("**TEI**"), InnoVent GmbH ("**InnoVent**"), Per Bull Haugsøen, Gunnar Foss, Erling Eriksen, Truls Sanner, Johannes Rauboti, Harald R Christensen, Jon Erik Jacobsen, Gunnar Serck-Hanssen, Katharina Ringen Astring (collectively, the "**Existing Shareholders**") to acquire in aggregate 1,332,102 common shares in the capital of OWEC Tower (AS) ("**Shares**") for an aggregate cash consideration of NOK 61,221,863.36; and
- (b) a shareholders' agreement ("**SHA**") with OWEC Tower (AS), NorWind, TEI, InnoVent, Per Bull Haugsøen and Gunnar Foss (Per Bull Haugsøen and Gunnar Foss, collectively, the "**Founders**") to regulate their relationship as shareholders of OWEC Tower (AS).

OWEC Tower (AS) is a Norwegian company primarily involved in designing jacket foundations for offshore wind turbines and conducting engineering work and studies in connection with the jacket foundations.

Pursuant to the terms of the SPSA, KV Ventus will:

- (a) subscribe for 812,591 new Shares for an aggregate cash consideration of NOK 37,346,682.36;
- (b) acquire from the Existing Shareholders (except for NorWind, InnoVent and TEI) 519,511 Shares at an aggregate cash consideration of NOK 23,875,181.

The completion of the SPSA is conditional upon, *inter alia*:

- (a) the receipt of approval from the relevant authorities in relation to the transactions contemplated by the SPSA; and
- (b) the completion of all due diligence investigation and the results of such investigation being satisfactory to KV Ventus.

Upon completion of the aforementioned transactions, KV Ventus will hold a 49.9% equity interest in OWEC Tower (AS), which will become an associated company of the Company.

The aggregate cash consideration of NOK 61,221,863 for a 49.9% equity interest in OWEC Tower (AS) was arrived at on a willing buyer willing seller basis taking into account OWEC Tower (AS)'s proprietary jacket foundation design for offshore wind turbines and the potential synergies between OWEC Tower (AS)'s business and KCL's Offshore and Marine business. This cash consideration will be financed through internal working capital. Based on the unaudited accounts of OWEC Tower (AS) as at 31 October 2011, the book value and net tangible liabilities of a 49.9% equity interest in OWEC Tower (AS) was NOK 987,738.

KV Ventus, NorWind, TEI, InnoVent, the Founders and OWEC Tower (AS) have entered into the SHA to regulate their relationship as shareholders of OWEC Tower (AS) after KV Ventus becomes a shareholder of OWEC Tower (AS).

Pursuant to the terms of the SHA, KV Ventus has been granted a call option (the "**Call Option**") to purchase Shares from the Founders, exercisable at any time in KV Ventus' sole discretion from the 3rd anniversary to the 5th anniversary from the date of SHA. The exercise price of the Call Option will be based on the cash-free, debt-free valuation of OWEC Tower (AS) at the point of exercise, determined by using 5 times of the average of the Earnings before Interest and Taxes (EBIT) for the year before the exercise, the projected EBIT for the year of exercise and the projected EBIT for the year after the exercise, subject to a floor of EUR 15.7 million and a ceiling of EUR 30.0 million.

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

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

A copy of the SPSA may be inspected 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.