

Offshore Marine

Keppel

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**Offshore
Preparing Al-Zubarah
for Qatar**

WilBoss is 10 days early

**Marine
Asia's first ice-breakers
launched**

**Gaining contracts at
Keppel Shipyard**

**The naming of Maersk Resilient and
Maersk Ngujima-Yin**



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Keppel Shipyard starts the year running



Keppel Shipyard's excellent track record in Floating Production Storage Offloading (FPSO) conversions has secured it three solid contracts right at the start of the year.

These include the first US Gulf of Mexico FPSO for BW Offshore, the conversions of a tanker for Maersk Contractors; and a contract to integrate and complete a newbuild "Bully" drillship.*

* (see the back page for more information on the "Bully" drillship.)

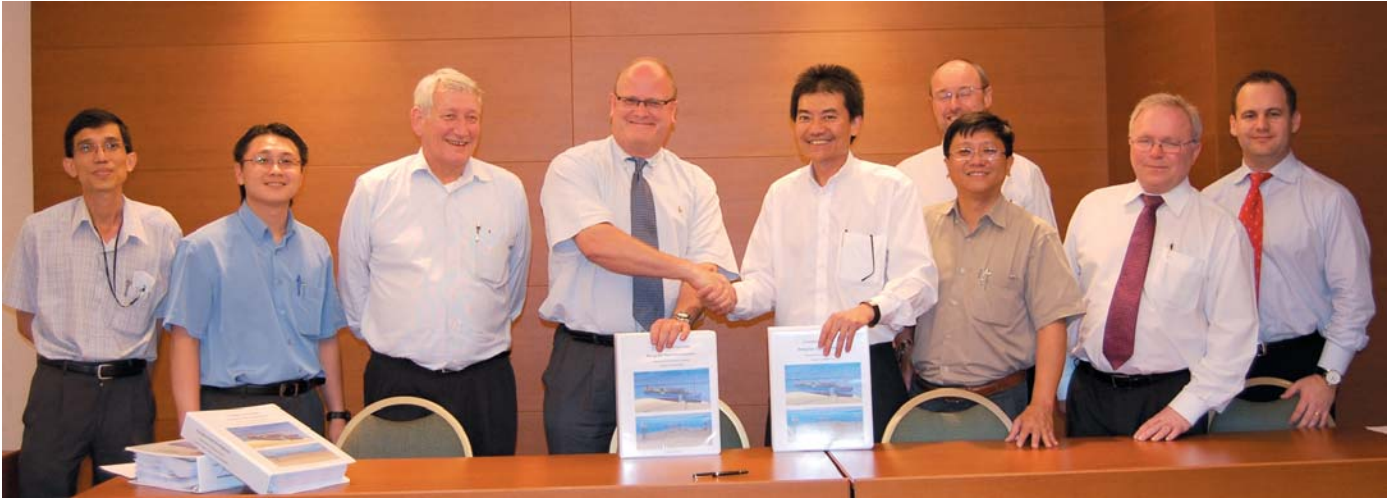
Pioneer in the US Gulf of Mexico

BW Pioneer Ltd, an affiliate of BW Offshore, has awarded Keppel Shipyard a contract to convert the first FPSO for the Cascade and Chinook fields in the US Gulf of Mexico (GoM).

When completed in the third quarter of 2009, the FPSO will be turret moored at a water depth of around 2600 m – the deepest waters ever for an FPSO. It is designed to disconnect and move on its own propulsion to safe waters when a storm approaches.

The latest FPSO conversion awarded to Keppel Shipyard by BW Offshore is the second since the conversion of *FPSO Berge Helene* in 2005

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Paul Carsten Pedersen, Group Senior VP of Maersk and Nelson Yeo, ED of Keppel Shipyard (centre) seal the deal

◀ Continued from page 3

Svein Moxnes Harfjeld, CEO of BW Offshore commented: “We have great confidence in Keppel Shipyard and in their abilities and experience, based on our former collaboration. Being the first FPSO for the US GoM waters, the *Cascade and Chinook* project represents a great challenge in many ways. Keppel Shipyard’s solid competence is therefore of strong value.”

ED of Keppel Shipyard, Nelson Yeo said, “This is the second FPSO conversion awarded to Keppel Shipyard by BW Offshore since the conversion of *FPSO Berge Helene* in 2005. We thank BW Offshore for this trust and are delighted to carry out work on the first FPSO to be deployed in the Gulf of Mexico.”

To be named *BW Pioneer*, the FPSO will have a storage capacity of about 600,000 barrels of oil, a process capacity of 80,000 bopd and gas export facilities of 16 mmscfd. This FPSO unit will be leased by Petrobras America Inc., and production on the *Cascade and Chinook* fields is expected in the first quarter of 2010.

More for Maersk

The latest Maersk Contractors contract is for the conversion of the company’s second FPSO out of Singapore. The FPSO will have a new VLCC hull that is due to arrive in the yard from China in the fourth quarter of 2008. The new facility is expected to be completed by end-2009.

Nelson Yeo said, “We are delighted that Maersk Contractors has entrusted us with a second FPSO. This is a vote of confidence to the good work we have accomplished together on the first vessel, which is nearing completion. We look forward to continuing our excellent partnership to deliver yet another quality project.”

Paul Carsten Pedersen, Group Senior VP of Maersk, said, “Maersk and Keppel have built a longstanding partnership on mutual understanding, trust and teamwork. We are impressed with what Keppel Shipyard has done for us on the first FPSO [*Maersk Ngujima-Yin*]. It is natural to appoint Keppel Shipyard again for our latest FPSO, a project which we believe they will complete to a similarly high degree of satisfaction.”

The workscope on the fast-track outfitting of the newbuild VLCC includes the installation and integration of the topside modules; the fabrication, installation and integration of the APL internal turret, flare tower, process piperack and helideck; and the upgrading of the accommodation.

The FPSO will operate in a water depth of around 100 m at the *Peregrino* field in Brazil’s Campos basin, and is capable of producing 100,000 bopd with a storage capacity of 1.6 million bbls.

Splashing start for two ice-breakers

Keppel Singmarine launched its first two ice-breakers into the tropical waters as the company crossed into the new year 2008.

The vessels, assigned with hull numbers H327 and H328, passed the test of seaworthiness on 29 December 2007 and 14 January 2008 respectively. Both launches were filled with excitement and lessons learned.

The first vessel, H327, taught Keppel Singmarine that the slender hull of ice-breakers would require more buoyancy when sliding into the waters.

H328, on the other hand, had to reckon with the onset of a heavy storm. Just a minute before the vessel was to slide down the slipway, big, heavy raindrops carried by gales beat upon the sturdy shoulders of the team involved in this milestone.

For a while, there were trepidations whether to proceed with the task on hand. The tide however would not wait for them. If they missed the moment, the water level on the coast would drop and it would be dangerous to launch the vessel.

A bold decision, backed by years of experience, was made to get on with the launch. This was proven right when the vessel elegantly slipped into the water.

Sheikh Khaled, Assistant Project Manager, Keppel Singmarine said, "I feel a sense of pride and achievement to see the vessel complete this major milestone. This is due to the hard work and co-operation of my whole project team. They have put in countless hours to make this happen."

Launching the ice-breakers is a major milestone for Keppel Singmarine.

Edmund Lek, GM (Production) of Keppel



Braving the storm at its launch, ice-breaker H328 achieves its first major milestone

Singmarine, who oversaw the launching process, shared, "These two vessels are by far the largest and heaviest ever launched in Keppel Singmarine.

"We did a lot of safety checks and had intensive discussions with our Engineering and Project teams to ensure that we are confident of the success of the project."

The ice-breakers are the first of their kind to be built in Asia and in Keppel. Designed by an ice-breaker specialist design firm, Keppel Singmarine carried out detailed engineering work.

One of the special characteristics of the vessels is the hull design made of special ice-breaking steel-plates that are much thicker than the normal ones used in offshore support vessels. The paint used can also withstand the extreme cold conditions.

The two ice-breakers Keppel Singmarine is building will operate both in very harsh and extreme conditions of -40°C in the Barents and Arctic Seas. They require

special heating systems in the accommodation areas to keep the crew warm and comfortable.

"It is a challenging project taking into account the very sophisticated design of the ship and the very strict requirements of the owner, LUKOIL-Kaliningradmorneft (LUKOIL), and the Classification society, Russian Maritime Register of Shipping (RMRS).

"Those of us on this project have been given great opportunities to hone our skills and work with highly experienced owner representatives, surveyors and designers. We may face many challenges as we interact with project representatives from different parts of the world, but these do not deter our team and our morale on the huge task of building ice-breakers," added Khaled, who is also undergoing an MBA course.

The contract to build the two vessels – a multi-purpose ice-breaking supply vessel and an auxiliary ice-breaker vessel – was secured in July 2006.

'Allo Al-Zubarah



Yousif Al-Khater, CEO of GDI, Mohammed Al-Shirrawi, Chairman of GDI's Board of Directors, CB Choo, Chairman/CEO of Keppel O&M, His Excellency Rashid Ali Hassan Al-Khater, Qatar Ambassador to Singapore and CH Tong, MD/COO of Keppel O&M celebrate the naming of *Al-Zubarah*

Keppel FELS has delivered second jackup drilling rig for Gulf Drilling International Ltd (GDI), a joint venture between Qatar Petroleum (QP) and Japan Drilling Co., Ltd. (JDC).

At a ceremony on 26 January 2008, the rig was named *Al-Zubarah*, after one of Qatar's very important economic centres, by Mohammad Al-Shirrawi, Chairman of the Board of Directors of GDI.

Al-Shirrawi said, "We are gathered here to inaugurate and name GDI's new rig that has been built by one of the very well known names in the industry – Keppel FELS. To make this rig ready for operations within such a tight schedule, many men and women have worked extremely hard and made many sacrifices."

Built to Keppel's proprietary KFELS B Class design, the rig has been customised to GDI's requirements for drilling in the Arabian Gulf. *Al-Zubarah* is capable of operating in water depths of up to 300 ft, drilling 30,000 ft deep and accommodating up to 110 men.

Yousif R. Al-Khater, CEO of GDI declared, "We are proud that *Al-Zubarah* is completed safely with a good record of construction progress. I appreciate the effort, dedication and professionalism of the Keppel FELS Management and their staff. Because of the excellent relationship that we share, the rig is completed and ready for delivery to our client."



Al-Zubarah stands tall

Al-Zubarah is the second KFELS B Class jackup that Keppel FELS has completed for GDI. The first rig, *Al-Khor*, is successfully operating offshore Qatar in the Arabian Gulf.

Choo Chiau Beng (CB Choo), Chairman/CEO of Keppel O&M, noted, "With the addition of *Al-Zubarah* to its fleet, GDI is a step closer to realise its vision of becoming a world class drilling services provider. Keppel FELS is honoured to play an important role in helping GDI, and Qatar, to achieve its aim."

Apart from offshore drilling rigs, the Keppel Group is also building for Qatar its first integrated solid waste treatment facility and its largest wastewater treatment and reuse plant. Other collaborations include the setting up of a shipyard in the port of Ras Laffan and the survey, maintenance and repair of a fleet of Liquefied Natural Gas (LNG) carriers chartered by Qatar Liquefied Gas Company Ltd (Qatargas).



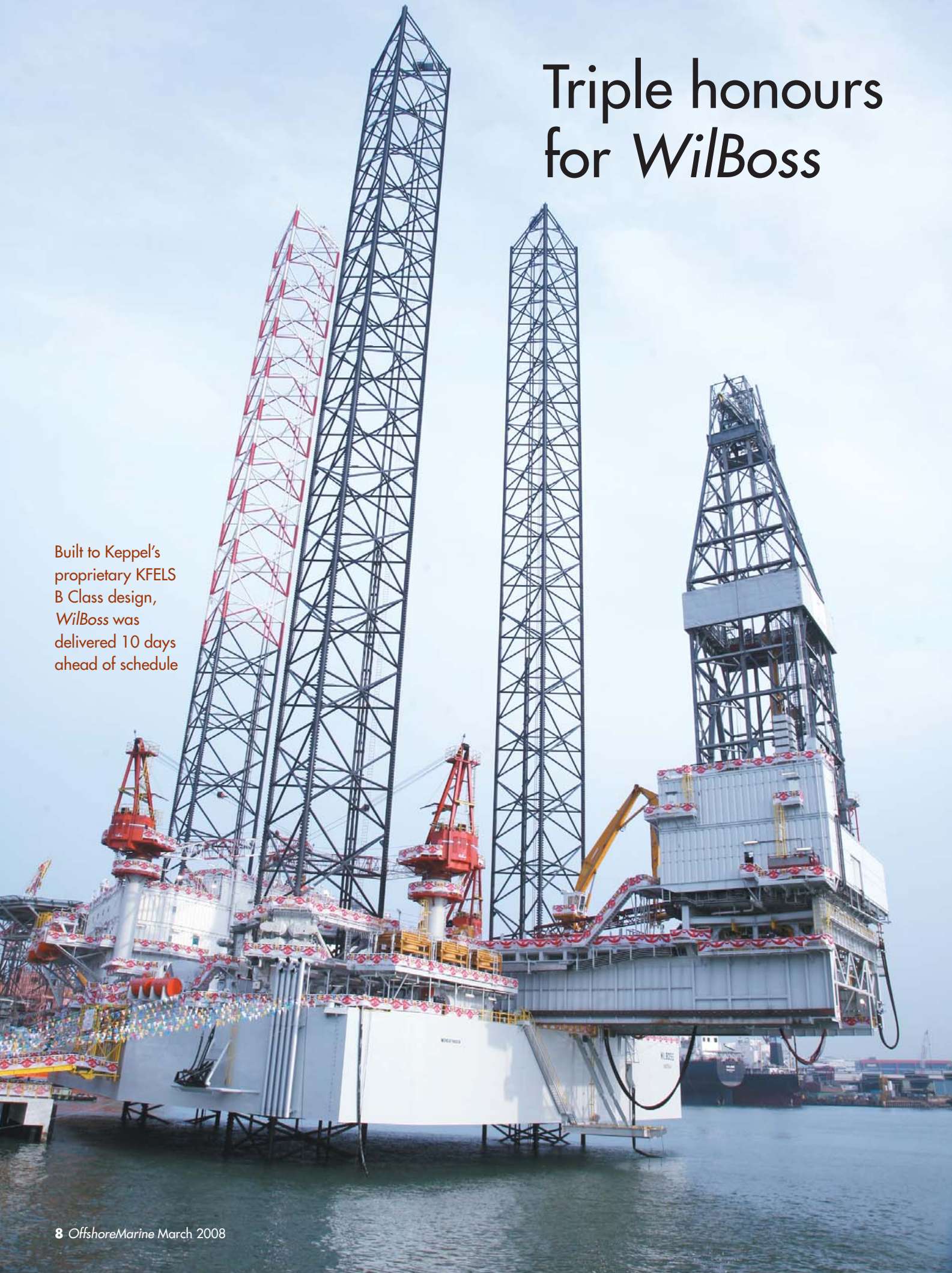
At the helm of *Al-Zubarah*



The Keppel FELS project team of *Al-Zubarah* celebrates a job well done!

Triple honours for *WilBoss*

Built to Keppel's
proprietary KFELS
B Class design,
WilBoss was
delivered 10 days
ahead of schedule





Lady Sponsor Ann Karin Refsland Fougner names *WilBoss* as husband Henrik Fougner, MD of Awilco, the Norwegian Ambassador to Singapore, Janne Julsrud, and the senior management of Keppel FELS and Awilco look on



Michael Chia, ED of Keppel FELS, presents the rig's name plate to Khairudin Koi Kamar, Rig Manager- Premium Drilling



Inspecting the galley

Keppel FELS delivered another jackup drilling rig 10 days ahead of contractual schedule to Awilco Offshore ASA (Awilco), a member of the Anders Wilhelmsen Group without any lost-time incidents during its construction.

WilBoss was triply honoured as it had no lost-time incident during construction, it was delivered early and received a bonus from Awilco.

CH Tong, MD/COO of Keppel O&M, said, "Amidst the yard's current heavy workload, this high quality, high performance rig was constructed within

21 months and without a single lost-time incident.

"I am pleased to announce that as the result of this superb performance, Awilco has rewarded Keppel FELS with a US\$40,000 bonus."

Lady Sponsor, Ann Karin Refsland Fougner, wife of Henrik Fougner, MD of Awilco, named the rig *WilBoss* at a ceremony held at Keppel FELS on 16 February 2008.

Henrik Fougner asserted, "Today's ceremony is a milestone in our ambition to become a leading international drilling

company. To succeed, we need premium assets and a premium organisation. When building at Keppel FELS you know you get a premium asset."

The rig is the second of three rigs Keppel FELS is building for Awilco. The first rig, *WilCraft* was delivered ahead of schedule in December 2006. The third rig is scheduled for delivery in the second quarter of 2009.

WilBoss is the 19th KFELS B Class jackup drilling rig to enter the market since the design was launched in 2000. The rig design has been chosen by oil companies and drilling contractors as a benchmark for jackup rigs in worldwide operations.



Sea Apache exceeds her contractual bollard pull and speed during sea trial

Bonus for early delivery of *Sea Apache*

Keppel Singmarine, delivered its first project for the year 2008 on time and with an excellent safety record on 21 January 2008.

The yard also received a bonus of US\$10,000 for the timely delivery of *Sea Apache*, a 139-tonne bollard pull Anchor Handling Tug/Supply (AHTS) vessel, to Gulfmark Offshore Inc. with zero lost-time incident.

Its completion adds on to Keppel O&M's sterling track record of on-time, on-budget deliveries.

CB Choo, Chairman/CEO of Keppel O&M, said, "We are pleased to announce that all our major projects for 2007 were delivered on time to our customers despite the tight labour market and equipment supply crunch."



A toast for a project well done – the vessel, *Sea Apache*, was completed on time and on budget by Keppel Singmarine

“Credit goes to the forward planning and hard work of our people at all levels and our sub-contractors. Thanks to our customers and our vendors for their support. Looking ahead, we remain committed to our promise of on-time, on-budget completion of high quality projects for our customers.”

Meeting the expectation of its customers has been a motto for Keppel O&M, whose vision is to be the provider of choice for its customers.

At the naming ceremony of the *Sea Apache* held recently, Martin Watts, Area Director for Gulf Marine Far East, a subsidiary of Gulfmark, said, “Keppel has once again achieved a first class production of our vessel. The *Sea Apache* is the second delivery of a new class of vessels that we are very proud to add to our fleet. We are expecting four more deliveries this year, all from Keppel Singmarine.”

Hoe Eng Hock, ED of Keppel Singmarine, said, “This vessel is delivered well on schedule despite late delivery of key equipment. Her performance during sea trials has also exceeded the design and contractual requirements for bollard pull and speed. We are very glad to play a part towards building Gulfmark’s fleet of over 60 offshore support vessels, and its continued expansion into the Southeast Asian offshore market.”

Sea Apache is the second of a fleet of six vessels ordered by Gulfmark, which provides marine transportation services to the energy industry, primarily in the North Sea, Southeast Asia and the Americas. Designed by Marine Technology Development (MTD), the ship R&D arm of Keppel O&M, she will be deployed in South East Asia.

The all-weather solution



Smit Lumut was delivered on time by Keppel Nantong

Cold. Snow storms. Bitter chills. Extreme weather would have discouraged a less committed team than the one in Keppel Nantong. Although they faced extreme climate conditions in China early this year, the Keppel Nantong team weathered the snow storms to see to their project’s completion.

Smit Lumut set sail for her voyage on 1 February 2008. It arrived in Singapore on time for the preparation of a naming ceremony at Smit International’s (Smit) yard on 11 February 2008.

The commitment to the project despite the harsh environment has brought the tripartite partnership between Keppel, Hadi Offshore Pte Ltd (Hadi) and Smit to

a higher level of confidence and closeness.

Smit Lumut is the first in a series of four vessels Keppel Nantong is building for Hadi, a Singapore subsidiary of Hadi H. Al. Hammam Est., Saudi Arabia. After the contract was awarded, Hadi established a partnership with Smit to jointly operate the vessel in the Middle East.

The long-standing relationship between Keppel and Hadi dates back to 2001, with 11 vessels delivered to Hadi to-date. Keppel Nantong currently has a total of 23 newbuilding projects under construction on its 16-hectare site.

Buzzing with activity at Keppel FELS

Several Keppel FELS projects celebrated their respective milestones in the month of February. Here is a roll call of their achievements.

Project: *Sedco 706*
Type: Sedco 700 design semisubmersible (semi)
Owner: Transocean
Milestone: Undocking
Date: 13 February 2008
Highlights: The semi is currently undergoing life extension and upgrading works to increase its capabilities, from drilling 1,000 ft in water depths to 6,500 ft.

Project: *Deep Driller 6*
Type: KFELS Super B Class jackup
Owner: Aban / Sinvest
Milestone: Undocking
Date: 13 February 2008

Project: *Discovery 1*
Type: KFELS B Class jackup
Owner: Jindal Drilling / Discovery Drilling
Milestone: Undocking
Date: 13 February 2008

Project: *Virtue I*
Type: KFELS B Class jackup
Owner: Jindal Drilling / Virtue Drilling
Milestone: Launching of centre strip of hull
Date: 14 February 2008
Highlights: An example of leveraging Keppel's network of yards, the rig's hull blocks were fabricated by Keppel Singmarine before being transported to Keppel FELS for assembly.



Sedco 706 exits the Admiral dock at Keppel FELS to make way for the undocking of *Deep Driller 6* and *Discovery 1* behind



Virtue 1 launches into the next phase of construction as its centre hull strip heads for the Admiral dock

Project: *Deep Driller 8*
Type: KFELS Super B Class jackup
Owner: Aban / Sinvest
Milestone: Keel laying
Date: 18 February 2008
Highlights: The fifth KFELS Super B Class jackup drilling rigs Keppel FELS is constructing for the same owner. The first three are already gainfully operating in various parts of the world.

Project: *WilStrike*
Type: KFELS B Class jackup
Owner: Awilco Offshore
Milestone: Keel laying
Date: 18 February 2008
Highlights: The third KFELS B Class design jackup Keppel FELS is constructing for Awilco Offshore. The first two were delivered ahead of time, on budget and with sterling safety records.



The first completed hull blocks of *Deep Driller 8* and *WilStrike* are laid on keel blocks in the Admiral drydock

Safety is Gold

Construction of Keppel FELS' first drilling rig for Brazilian waters, *Gold Star*, achieved 2 million incident-free manhours and was awarded S\$20,000 on 18 January 2008.

The contract for the fifth generation deepwater semi was awarded to Keppel FELS by Brazilian drilling contractor Queiroz Galvão Perfurações (QGP).

Built to the innovative and highly cost-effective DSS38 design, the semi has been developed to drill in waters just over 9,000 ft and meets operational requirements in the deepwater "Golden Triangle" region, comprising Brazil, Africa and the Gulf of Mexico.



BH Woo, Keppel FELS Senior Project Manager, Rodrigo Ribeiro, QGP Project Manager and Michael Chia, ED of Keppel FELS

Knight of St Olav for Skeie



Bjarne Skeie being conferred his knighthood by County Governor, Ann-Kristin Olsen, on behalf of HRM, the King of Norway

Keppel O&M sends its heartiest congratulations to Bjarne Skeie for being conferred the Knight of 1. Class of the Order of St. Olav, by HRM the King of Norway. The knighthood of the Order of St. Olav is one of the highest Norwegian distinctions.

In his congratulatory letter to Bjarne, CH Tong, MD/COO of Keppel O&M said “We acknowledge that you have been a driving force in the development of the international oil & gas industry. Indeed your excellent foresight and business acumen has not only contributed to the development of world class drilling rigs but has resulted in large spin-off effects in Norway and other countries worldwide, Singapore included.”

Bjarne, a Norwegian entrepreneur and engineer, ordered Five KFELS Super B Class jackup drilling rigs from Keppel FELS through the company, Sinvest ASA of Norway.

Between March and December 2007, his newly formed company Skeie Drilling & Production ASA, ordered three KFELS N Class jackup rigs. The KFELS N Class design provides customers the flexibility of having a jackup unit that can undertake drilling and production activities concurrently in the Norwegian sector of the North Sea.

The Council of the Order of St. Olav recognised Bjarne as an outstanding industry builder who had been very successful in creating an environment of competence in Kristiansand, Norway.

The Order was awarded to him on 2 November 2007 in Kristiansand, Norway, by the County Governor, Ann-Kristin Olsen, on behalf of his HRM, the King of Norway. Bjarne was also granted an audience with HRM, the King of Norway, on 14 January 2008.

Tête-à-tête with Bjarne Skeie

OffshoreMarine caught up with Bjarne after he was awarded his knighthood. Bjarne reflects on his career, his relationship with Keppel FELS and the future of the offshore & marine industry.

1. Congratulations on your knighthood! How do you feel achieving this honour?

It is a great honour for me to receive such a prestigious distinction. It is very rare that such a distinction has been given to a person from the industry.



Bjarne Skeie (centre), Lim Swee Say, Minister in Prime Minister's Office (fourth from right); Lady Sponsor Lena Skeie (fifth from right) and Keppel senior management at the christening of *Deep Driller 2* in 2006

2. What attracted you to join the offshore industry?

My background is in mechanical engineering. After four years doing engineering work with mechanical machinery in different companies, I started my own company. I founded Maritime Hydraulics back in 1971 and aligned the company's focus towards drilling rigs, especially the Aker H3-design, which was a new and challenging industry.

3. Were there any significant moment(s) which contributed to the development of your career?

The most important moments have been both the challenge to develop and create new technical solutions and products and forming new companies.

4. Tell us more about your initial contact with Keppel and your experiences of working with them over the years.

It goes back to the 1970's when Maritime Hydraulics supplied drilling equipment to the *Treasure Seeker* rig that was being built at that time and through the 1990's with the supply of equipment, from Hydralift. I have had a good relationship with Keppel's trustworthy people.

5. What were the key factors which drove you (and Sinvest) to invest in the five Keppel FELS Super B Class jack-up rigs - *Deep Driller 2, 3, 5, 6 and 8*?

After I ordered the first units, other investors followed my lead and then the market demand for modern jackups materialized. I wanted to be in the front position and be first out with a "small fleet" of new, modern jackups.

6. What motivated you (and Skeie Drilling and Production) to invest in the Keppel FELS "N" Class jackup rigs?

No jackups had yet been ordered for the Norwegian Continental Shelf (NCS). In the North Sea there are about 60 smaller discoveries within 120 m water depths with huge undiscovered areas. They were not commercial at an oil price of USD 10-15 per bbl at that time.

At the same time 30 to 40 new smaller oil companies focussed on geology and exploration were being established in Norway.

I concluded that there would be a new play in the North Sea and decided to develop, together with Keppel FELS, a new, commercial North Sea jackup with the capacity to carry the production

facility at the same time as it could drill and easily be removed to new locations.

This jackup can either operate as drilling rig or as a drilling and production rig. It has now been 1³/₄ years since we started the project with Keppel FELS. And today I am more convinced than ever that I made the right decision when I ordered these three North Sea N-Class jackups.

I decided to work with Keppel FELS as I have a good experience with the yard over the last decades.

7. Are there any industry development initiatives which you are currently involved in?

In the autumn of 2007, I established an energy company, Skeie Energy AS. The company will focus on simple, reusable development solutions for the drilling and production of smaller fields by using jackup based technology. Most of the newcomers in the North Sea focus on geology and exploration. We have focused on reservoir and production and drilling facilities for smaller fields, to get the oil out from the reservoir in the simplest and most cost effective way.

Strikes galore!

Celebrations were held in Singapore, the Philippines, China and Brazil for five Keppel FELS' projects to mark their construction milestones.

Two projects struck steel on 1 December 2007, another two on 2 January and one on 1 February 2008.

Greatship Global Energy Services' (Greatship), *Greatdrill Chitra*, a KFELS B Class jackup drilling and Keppel FELS' first floating hotel (floatel) for Floatel International held the earliest strike steel events.

The construction of *Greatdrill Chitra* is being carried out at the Keppel FELS yard in Singapore. The fabrication of the pontoons for the floatel will be carried out in the Keppel Batangas Shipyard in the Philippines. Upon completion, the pontoons will be brought to Singapore for integration with the upper hull at the Keppel FELS yards.

Floatel International's new generation floatel is being built to the DSS20 NS DP3 design, co-developed by Keppel's R&D arm, Deepwater Technology Group and Marine Structure Consultants.

The other two projects which struck steel were, *PV Drilling II*, the second KFELS B Class rig for PetroVietnam.

Over in Keppel Nantong, China, Seadrill's *West Berani II*, which struck steel on 1 February 2008 is also utilising Keppel's synergistic global network of yards to great effect. The lower hull of the semisubmersible drilling tender is being fabricated in Keppel Nantong, China before shipping back to Keppel FELS in Singapore for integration with the upper deck.



Strike steel marks the beginning of the physical construction work for each project



Tan Lye Soon, Project Manager, Keppel FELS, Marcus Chew, Business Development Manager of Seadrill and Lee Tai Kwee, President of Keppel Nantong at the strike steel of *West Berani II*

P-56 begins construction

The strike steel ceremony for the gargantuan P-56 was conducted amid much rejoicing at Keppel FELS

Brasil's BrasFELS shipyard in Angra dos Reis on 12 February 2008.

The P-56, a semisubmersible floating production unit (FPU), is a repeat of P-51 which is currently being built at the same yard. The FPU will consume 40,000 tonnes of steel and measure 125 m tall by 110 m long and wide. It is expected to operate for 25 years.

Witnessing the ceremony were senior management from Keppel FELS Brasil and Petrobras



Present at the ceremony were Gilberto Israel, Keppel FELS Brasil Commercial Director, Gim Guan Ng, BrasFELS Shipyard Manager, José Pedro Mota FSTP's P-51 and P-56 Project Director and Altamiro Ferreira Filho, Petrobras' Entrepreneurship Implementation Manager for Marlim Sul.

Raising the bar

Keppel O&M goes one step further in its pursuit of talent. The company makes it a priority to develop an individual's skill set even before they join the company!

On 16 January 2008, Keppel O&M in collaboration with the Institute of Technical Education (ITE) launched the Higher National ITE Certificate (*Higher Nitec*) in the Marine and Offshore Engineering course.

The course will equip students with relevant trade skills to meet the critical need for supervisors in the offshore and marine industry.

At the launch, the ITE Board of Governors engaged Keppel O&M's senior management in discussion on the Group's business. They also took the opportunity to visit one of Keppel O&M's yards.

CB Choo, Chairman/CEO of Keppel O&M said, "As a leader in our industry,

Keppel O&M is glad to provide these academic institutions a glance into our industry. We want to inspire talents with the right set of skills, knowledge and mindset to join us."

This offshore and marine industry has seen meteoric growth, with a 2006 record

output of over S\$12 billion, a 38 per cent rise from 2005. A manpower survey conducted by the Association of Singapore Marine Industries (ASMI) in October 2006 predicted that there would be a demand for about 120 local supervisors per year over the next five years.



CB Choo (right) welcomes Bob Tan, Chairman of ITE to Keppel O&M



Maersk Resilient (left) leads the fleet

Double joy for Maersk

Keppel O&M has completed two offshore facilities for Maersk Contractors.

The first project, which has been delivered, is a jackup drilling rig built by Keppel FELS. Of the MSC CJ 50 design, the jackup rig was named *Maersk Resilient* by Susanne Hemmingsen, wife of Claus Hemmingsen, Partner in AP Moller and CEO of Maersk Contractors, on 30 January 2008 at a ceremony held at the Keppel FELS yard.

With maximum operating and drilling

depths of up to 350 ft and 30,000 ft respectively, *Maersk Resilient* has been contracted by Dubai Petroleum Establishment for drilling operations off the coast of Dubai in the Arabian Gulf.

It is the first of four jackups to be completed for Maersk Contractors. Delivery of the rigs has been scheduled on half-yearly intervals.

The second project, by Keppel Shipyard, is the complex conversion of the former 308,000 dead weight tonne *VLCC Ellen*

Maersk into a Floating Production Storage and Offloading (FPSO) facility.

The facility was named in a separate ceremony graced by Lim Hwee Hua, Singapore Minister of State for Finance and Transport, on 2 February 2008. Kim Spence, wife of Keith Spence, Woodside Energy's Executive VP for Enterprise Capability, named the vessel *Maersk Ngujima-Yin*.

Maersk Ngujima-Yin will be deployed in the Vincent field, offshore Australia. It is capable of handling a daily production



(Top) Lady Sponsor Susanne Hemmingsen, Claus Hemmingsen, CB Choo and CH Tong celebrate the naming of *Maersk Resilient* at Keppel FELS



(Top right) *Maersk Ngujima-Yin*

(Right) *Maersk Ngujima-Yin* being named by Lady Sponsor, Kim Spence, at Keppel Shipyard



capacity of 120,000 barrels of oil per day and has a storage capacity of 1.2 million barrels of oil. The vessel will be moored at a water depth of 320 m to 420 m.

Maersk Contractors is set to invest about S\$3 billion between now and 2012 to expand its floating production and drilling rig businesses, largely driven by ongoing demand for jackups and semisubmersible drilling units, as well as floating production, storage and offloading vessels (FPSO).

Claus V. Hemmingsen, CEO of Maersk

Contractors, said, "We are glad to partner Keppel O&M for our recent expansion plans. The Keppel and Maersk project teams have worked hard to complete these highly efficient and technically advanced projects. We now look forward to proving their qualities in operation."

CB Choo, Chairman/CEO of Keppel O&M said, "We are pleased that Maersk Contractors continues to choose Keppel as their partner of choice to participate in their offshore fleet expansion programme. We are committed to deliver on our promise to our valued customer, and

I thank Maersk Contractors for their vote of confidence in us."

Maersk Contractors is part of the A.P. Moller – Maersk Group and is a significant drilling contractor and supplier of floating production solutions. The fleet counts 26 drilling rigs and four FPSOs including five high efficiency jackup rigs, three deepwater development semisubmersibles and one FPSO vessel under construction.

Insuring opportunities



Nick Sansom engages the audience with his views on marine insurance

With plentiful opportunities in the offshore and marine industry, those considering a career in marine insurance can expect to see their plate growing with excitement.

This was pointed out at the 22nd Chua Chor Teck Memorial Lecture (CCTML), where speaker Nick Sansom encouraged his audience to consider a career in marine insurance.

Speaking at the Lecture titled 'Marine Insurance: Past, Present and Future', Nick gave his audience an overview of the development of the marine insurance industry over the last thirty years, both in Singapore and worldwide.

Singapore's hull market is increasing in capacity. Nick revealed that this is largely attributed to several factors. Among these, is an increase in the number of shipowners setting up shop here.

Singapore government initiatives also encourage ship operators and marine

insurance companies to make Singapore their base which might lead to higher demand for marine insurers.

According to Nick, the next stage of development is to have Singapore become a wholesale insurance market for Asian – and ultimately global – shipowners.

Held in memory of the late Chua Chor Teck, MD of Keppel Corporation, the Lecture took place at the Singapore Polytechnic Auditorium on 16 January 2008.

The annual event is organised by the Society of Naval Architects and Marine Engineers of Singapore and supported by Singapore Polytechnic and Keppel O&M.

Apart from the CCTML, a Memorial Fund also gives out scholarships in keeping with Chor Teck's dedication to attracting talents to the marine industry. To read more about the late Chor Teck and the Fund, visit www.kepcorp.com/CCT_Memorial_Fund_Trustee.



Nick Sansom

Nick Sansom is the Senior VP and Head of Marine in Asia of Marsh (S) Pte Ltd.

Nick was a barrister before working in marine insurance. Having built a strong grounding in claims and loss prevention, he moved into underwriting.

He is a council member of the Singapore Shipping Association, a member of the Ship Insurance and Legal Committee of the Asia Shipowners Forum and VP of the Maritime Law Association of Singapore.

Getting to the bottom of it

KOMtech and Keppel FELS in joint study to improve reliability of jackup installations managed by RPS Energy.

What do Keppel Offshore & Marine Technology Centre (KOMtech), University of Western Australia, Oxford University, National University of Singapore (NUS) and the jackup industry players have in common?

They all share a special interest in improving the existing industry guidelines and codes for jackup foundations. The subject has been of utmost importance to the jackup industry in the past two decades which encouraged KOMtech and Keppel FELS to promote the establishment of a joint industry-funded project called the “Improved guidelines for the prediction of geotechnical performance of spudcan foundations during installation and removal of jackup units” or InSafeJIP for short.

Various players in the jackup industry will participate in this programme which will be managed by RPS Energy. A kick-off

meeting was held through a video conference attended by experts from the leading academic institutions and the JIP participants on 28 January 2008.

The InSafeJIP aims to improve the reliability of foundation bearing capacity prediction for use in assessing jackup foundation performance. It will be achieved by reviewing and calibrating state-of-the-art geotechnical predictive methods which have been established from the recent research and development in the offshore geotechnics area.

The outcome of the programme is expected to form an industry guideline for geotechnical site assessments, which will help to enhance safety and reliability of jackup operations.

Foo Kok Seng, GM, Offshore Technology Development (OTD) and Deputy Director, KOMtech, underscored the importance of the research, “This

collaborative effort with the academia and the various interested industry players is a big step towards increasing technological competence and building knowledge in the jackup sector of the offshore industry.

“This is unprecedented in the offshore industry as this research involves three major universities working and sharing data with one another across the globe,” added Matthew Quah, R&D Manager, KOMtech/OTD.

KOMtech was launched in December 2007 to spearhead KOM’s technology schemes while working closely with OTD, Deepwater Technology Group (DTG) and Marine Technology Group (MTD).

KOMtech’s R&D scope covers innovations in rig and vessel design, shipyard process, critical equipment, subsea and subsurface equipment, process topside miniaturisation, environmental and materials concerns.



The best minds gather to discuss geotechnical aspects of jackups

Coming under the Keppel flag



Inge Oliversen, President of Keppel Norway

Offshore and Marine ASA (O&M) in Norway became a wholly-owned subsidiary of Keppel O&M in September 2006 and adopted the Keppel name in December 2006. Little more than a year later, its President, Inge Oliversen, takes stock of the company, Keppel Norway.

He said “A lot of new processes have been implemented since we became part of the Keppel Group. There is a stronger focus on specific technologies combined with execution excellence. The Keppel O&M branding and the strong support that we receive from top management in Singapore have been instrumental in the company achieving new success

“We have been able to co-operate with our sister companies in the Group. We have delivered a power system for an ice-

breaker vessel to Keppel Singmarine and are currently working on another power system for a semisubmersible meant for Brazilian waters.”

But it's not all one-way traffic. Keppel Norway has also brought onboard its experience and expertise by seconding its personnel to KOMtech to develop technology and new products in drilling technology.

Technology and services are the company's two main specialisations, said Inge. “In technology the company focus is on drilling systems and modular drilling units.

“Our technology portfolio further includes mud-systems, drilling control systems and concepts for modularised drilling. We provide modification and



Keppel Norway

maintenance of supply vessels, drilling units as well as offshore installations.”

A busy year

In the past year, Keppel Norway has undertaken around 10 technology projects and 10 service projects in addition to a large number of minor projects and studies. A key project concerned the delivery of diesel electric propulsion systems for ice-breakers for Russian waters.

Another important project was the upgrading of the mud system on the 220,000-tonne Heidrun Tension Leg Platform (TLP), the world's first concrete tension leg platform. Keppel Norway's solutions have improved the working environment for the personnel onboard as well as cut down environmental emissions.

Looking ahead

With its proximity to the Arctic region, Keppel Norway is in a good position to develop technologies suited to the region. The yard serves as a springboard to customers in Europe, Russia and the Barents Sea.

Keppel Norway has plans to expand and increase its market share of modification projects in the Norwegian Continental Shelf.

It has embarked on an ambitious and innovative marketing and recruitment campaign. A short and snappy recruitment video clip will be screened in movie theatres in areas near Keppel Norway for six months. The subsidiary is also using other recruiting forums like setting up education booths to attract talent.



Busy at work on the power systems



A giant lords over Keppel Verolme

Rowan Gorilla VII, a jackup drilling rig under the management of Rowan UK Ltd., is in the Keppel Verolme yard for several modifications and for the lengthening of her legs.

Originally, the jackup legs were lengthened by 11 m. Since the work was going smoothly, the client decided to extend Rowan Gorilla VII's legs by an additional 11 m.

The rig has a triangular hull 93 m long and 91 m wide. The three legs are now each 197 m long.

The drilling rig leaves Keppel Verolme in mid- March for her next assignment for the coast of Angola. The rig did not remain unnoticed in the Rotterdam area.



His Excellency Haji Jusuf Kalla and other dignitaries led on a tour around PT Bintan Offshore by Michael Chia

Eminent visits to Keppel O&M

Stately welcome for Indonesian dignitary

On 8 February 2008, PT Bintan Offshore was graced with a visit from the Indonesian Vice President His Excellency Haji Jusuf Kalla and his wife.

The visitors were treated to a warm welcome and a local dance performance before being taken a tour of the offshore fabrication facility.

Michael Chia, ED of Keppel FELS who hosted the delegation, said “The Vice President was very interested in our yard. He showed a lot of interest in our operations and also talked to several of the workers.”

Accompanying the Vice President were Minister of Industry, Fahmi Idris, Minister of Agriculture, Anton Apriyantono, Minister of Communication, Jusman Syafii Djamil, Minister of State of Business Establishment, Sofyan Djalil, the Governor of Riau Archipelago, Ismeth Abdullah and other dignitaries.

Warm reception for Arctic

Eager to learn the organisation and operations of Keppel’s yard, Scandinavian fund managers and analysts from the Arctic Securities in Norway met with Keppel O&M management for an interactive discussion on 8 January 2008.

Just over a week later, a group of educational policy makers and business leaders from North

Carolina’s Center for International Understanding and the Public School Forum also called on Keppel O&M to get a close-up view of the yard’s operations and facilities.

Red carpet greeting for Brunei’s Energy Minister

Brunei Minister of Energy, His Excellency Pehin Dato Yahya visited Keppel Shipyard on 12 January 2008 for a tour of the drillship that will be working off the shores of his country.

He was received by CB Choo, Chairman/CEO of Keppel O&M, as well as Keppel Shipyard’s ED, Nelson Yeo who gave an overview of the yard’s operations.

The drillship, *Peregrine II*, which was being outfitted at Keppel Shipyard for Frontier Drilling will be leased to Shell for operations in offshore Brunei.

Key representatives from Frontier Drilling and Shell also presented the workings of the vessel.

Graham Henderson, MD of Brunei Shell Petroleum said of the vessel, “It’s only when you see these things in reality that you realise how incredible it is. This is a very important project for us in Brunei.”

Of the yard, he added, “The safety here is fantastic. I’ve never been given so much safety



gear before in my life. You could just feel everyone lives and breathes safety here and we appreciate that.”

The visit demonstrated the warm relationship between the various parties and provided talking points for further discussions.

HE Pehin Dato Yahya flanked by CB Choo, Keppel, Frontier Drilling and Shell management

More than just good governance

Keppel Philippines Marine, Inc (KPMI) was once again a finalist in the fifth MAP Best Annual Report (BAR) Awards on 11 December 2007.

Organised by the Management Association of the Philippines (MAP), in co-operation with the Philippine Stock Exchange (PSE) and news publication BusinessWorld, the Awards recognises companies who practice principles of good governance in the Philippines business community.

This promotes investor confidence in the Philippine stock market by increasing the

level of transparency, accountability and fairness amongst its members.

Since the Awards were instituted in 2003, KPMI has always been in the list of finalists for the coveted award.

“This award is another vote of confidence to KPMI’s practice of good corporate governance and disclosure,” said Agnes Barbara L. Lorenzo, KPMI’s VP for Administration and Finance, who received the award on behalf of the company.

She added, “The Annual Report is a very useful and powerful communication tool.

The shareholders are provided with a clear, balanced and fair assessment of the company’s performance as well as the plans to further increase the value of their investment.”

Sharing corporate governance practices

How does a Singaporean multi-national organisation such as Keppel O&M successfully translate Singapore’s corporate governance practices to its overseas units?

This question was at the top of the mind of 32 managers from Motorola who visited Keppel O&M on 25 January 2008.

Wong Ngiam Jih, GM (Finance) of Keppel O&M, talked to the participants about the need for good corporate governance as well as the challenges in instilling it when Keppel O&M expanded its operations overseas.

The visit was part of a curriculum which the Singapore Management University (SMU) had tailored for Motorola to prepare the group of senior executives from the Asia-Pacific region for higher responsibilities.



Keppel O&M is highly recommended by SMU as a case study for strong corporate governance

Cultural exchange – employees of Keppel O&M learn from their Chinese and Korean counterparts



A captive audience listen as Keppelites recount their varied overseas experiences

Sharing experiences

“**E**ducate, Empower and Energise”. This is the motto of the Keppel Keppel O&M College. The college, was officially unveiled by CB Choo, Chairman/CEO of Keppel O&M, on 3 November 2007. In the next two months it got busy arranging talks for Keppelites.

Learning from the region

The main hall in Keppel Shipyard was abuzz with 130 people from Keppel FELS, Keppel Shipyard and Keppel Singmarine. It had to be an especially interesting event to draw such a crowd on the Saturday before Christmas – and indeed it was.

They had gathered on 22 December 2007 to listen to a presentation by two groups of Keppelites who shared their

experiences of visiting the two shipbuilding powerhouses of Korea and China.

Both groups set out with a mission to “See, hear, network and learn”. Judging from the presentations and the enthusiastic response of their audience, the two groups fulfilled their goals very well.

Ivan Lim, Project Manager, Keppel Shipyard, presented the first talk, “20th FPSO Conference & Visit to DSME Shipyard”. Highlights of the trip included attending the 20th FPSO conference, and visiting DSME Shipyard.

The “takeaways” from the trip to Korea were plenty. In particular the detailed planning put in by the Korean shipyards at the design level impressed the group. Another aspect was the Korean shipyards’

achievement in replacing scaffoldings with a cherry picker system.

The group talked about how the Korean system had allowed the country’s shipyards to scale new heights in the shipbuilding industry.

A group undergoing a Masters in Science in Marine Technology (International) at University of Newcastle upon Tyne presented the second talk.

The group which comprised people from Keppel FELS, Keppel Shipyard and Keppel Singmarine visited Shanghai, China, for a study trip from 26 November to 2 December 2007.

The group talked about their experiences attending Marinotec China 2007 and the Senior Maritime forum as well as visiting

“If it is for good for the company, I will go on an international assignment again. In my years at Keppel AmFELS, I was challenged in a positive way. I accomplished many things that I did not think I could achieve.”

Roger Leng who spent 13 years in Keppel AmFELS as VP (Operations).

Wai Gao Qiao Shipyard, Keppel Nantong Shipyard and Shanghai Shipyard. They also had the opportunity to visit Yang Shan Port and Shang Hai Jiao Tong University.

Wong Jen Ming, Project Manager of Keppel Shipyard said enthusiastically, “It was a really enlightening trip. We were able to observe the development of China’s shipyards on a first-hand basis. We also saw the collaboration between academia and industry in China.”

At the end of the session, CB Choo commented, “We can learn from yards that are both less advanced and more advanced than us so that we can improve the services and solutions that we give our partners and customers. We have to continuously benchmark ourselves against the best to stay competitive.”

Overcoming challenges abroad

An Open Mind. Passion. Perseverance. Adaptability.

These were some of the values reflected by Keppelites who completed overseas stints as they shared their experiences with their colleagues during a talk organised by the Keppel O&M College last month.

The panellists comprised Tay Kim Hock, Senior General Manager (Group Business

Development) of Keppel O&M, Roger Leng, Yard Manager at Keppel FELS, Crescent Yard, Leow Ban Tat, Senior Marketing Manager, Keppel FELS and Yip Hee Yan, Senior Programme Manager and Asbjorn Mortensen, Programme Manager, Drilling Equipment, both from KOMtech.

“If it is for good for the company, I will go on an international assignment again. In my years at Keppel AmFELS, I was challenged in a positive way. I accomplished many things that I did not think I could achieve,” said Roger Leng who spent 13 years in Keppel AmFELS as VP (Operations).

Displaying the Keppel Core Values of “*Can Do!*” and “*Global Mindset*”, Roger and fellow Keppelites answered the clarion call of their company to venture abroad with Keppel O&M overseas units in locations ranging from far-flung Brazil to nearby Japan.

Kim Hock who spent seven years as Keppel FELS Brasil’s President & CEO added “An overseas posting provides invaluable experience for those who are willing to take up the challenge.

“There were initial difficulties in establishing a presence in Brazil. We had to market Keppel to potential clients, deal with our Brazilian partner, reactivate BrasFELS and launch our Core Values. We not only clinched our first big contract from Halliburton but by working with

partners like Technip, we were able to clinch big projects like the P-52, P-51 and P-56.”

Though their experiences were unique, common threads could be found in each story. Many of them faced the dilemma of whether to have their families accompanying them, or leave them behind and bear with the loneliness of being away from their loved ones.

Asbjorn Mortensen, Programme Manager, Drilling Equipment at KOMtech, said, “I have been in Singapore for seven months. It’s advantageous for me to be here as I can build up my network, which will help me once I am back in Norway. However, my family and I miss our friends back home.” He has been seconded from Keppel Norway.

Keppelites had to get used to a new country and new culture; often they had to adapt their own working styles to that of their host country. Sometimes language issues arose as well. All the speakers agreed that the support of their families played a positive role.

The talk left many young Keppelites inspired. Colleen Chua, an executive at Keppel O&M Group Human Resources commented, “I think that overseas exposure can help to develop a person professionally and personally. I feel really motivated now to take up an international assignment.”

Vigilance put to the test

SCDF officers decontaminating the suspect after they bring him down from the vessel



Keppel Shipyard (Benoi) security assisting the SCDF with the containment of the suspected chemical attack



It seemed to be a normal work morning on 11 December 2007 when security personnel spotted a suspicious looking male entering Keppel Shipyard Benoi on a sampan through the slipway.

Minutes later, yellowish smoke could be seen on board the vessel *Golar Spirit*. Workers onboard the vessel were immediately evacuated.

The Singapore Civil Defence Force (SCDF) and police were alerted as Keppel's Safety and Security officers swung into action, rushing to the scene in an instant. A search party for the suspect began in earnest while another force equipped to handle such critical situations assisted the SCDF to investigate the nature of the agent used in the chemical gas attack.

A Command Post was also set up for command and control in coordinating both the external and internal response teams. People complaining of any symptoms such as itchiness, teary eyes, and shortness of breath or vomiting were referred to the yard's in-house doctor at the temporary First Aid centre. They showered off and were quarantined before the arrival of the SCDF for a chemical decontamination.

The suspect was soon found and SCDF escorted him down and proceeded to decontaminate him. It turned out that the intruder was a disgruntled ex-contract worker who purchased ammonia gas and set it off on board the vessel to vent his frustrations.

The intruder was then handed over to the police to be dealt with according to the law.

Having neutralised the ammonia gas and ascertained that it was not a terrorist-related incident, the green light was given for the Exercise to stand down.

This marked the end of a successful joint Exercise code named "Hazmat" held with the Divisional Police, SCDF, Police Coastguard, captain of the vessel *Golar Spirit* and the yard's Security & Safety officers at Keppel Shipyard Benoi (KSB).

This was the sixth in a series of International Ship and Port Facility Security Code (ISPS) exercises carried out since mid-2004. The exercises are aimed at strengthening Keppel O&M's Business Continuity Plan (BCM).

The plan was painstakingly developed to identify potential threats and their impact on the organisation's operations.

This in turn will help in the development

of response, continuity and recovery plans to ensure that critical functions recover promptly and increase the organisation's resilience to unplanned disruptions in assets and personnel.

Anthony Toh, Group Security Manager of Keppel O&M said, "This exercise may have taken many months to plan but it has now prepared us to save many lives and help set in place proper procedures for the future of the company. Combined training and exercises with Government agencies help us hone our own security and safety procedures when faced with compromising situations.

"It is an exercise everyone in the yard appreciates, from customers to sub-contractors and our exercise today is testament to the effectiveness of our BCM plan."

Caspian Shipyard keeps clear of avian flu

The outside temperatures were already freezing at Caspian Shipyard Company

(CSC) when employees starting the day's work found their own temperatures being taken to check for Avian Flu.

Over five days, from 6 December 2007 onwards, CSC conducted random temperature testing to gauge the yard's pandemic preparedness in the event of a potential outbreak. This would help protect the health of its workers and minimise any disruption to the yard's operations.

More than 50 employees were tested and despite the cold weather, the exercise was well-received as employees realised susceptibility to the virus occurs regardless of the weather.

CFO of CSC, Elshan Kurbanov said, "The bird flu exercise at CSC was part of Keppel O&M's risk management programme for all its yards including CSC. This helps us to stay vigilant. In the event of an outbreak, the yard's operations will not be disrupted.

"We have learnt from this exercise and improved our existing procedures."



Employees of CSC being "quarantined" at the medical centre while undergoing temperature checks

Core Values goes to Bintan



Team spirit is high at Bintan Offshore

As part of the Core Values integration programme, Keppel O&M Group HR conducted a teambuilding workshop for subsidiary Bintan Offshore's 78 employees on 13 and 14 December 2007.

Applying a series of specially-designed teambuilding activities, the workshop helped build staff motivation, loyalty and team spirit by spreading the Group's Core Values with employees.

Launched on 8 August 2002, Keppel O&M's Core Values is an important programme to align employees' ambitions with company's goals.

This was followed by the introduction of the Core Values icons on 6 November 2006 which have been well-received in both Singapore and overseas yards.

Rewarding excellence

The PSA Club played host to 24 delighted young people and their families on 28 December 2007. These young talents received bursaries and scholarships at the Keppel Employees Union Scholarship/Bursary Awards ceremony that evening.

Gracing the occasion was Seng Han Tong, NTUC Assistant Secretary General and MP for Yio Chu Kang.

Phang Weng Onn, General Secretary of Keppel Employees Union said, "Our education system gives children the chance for upward mobility. Our system doesn't ask where you live and where you come from. It only asks if you are capable and willing to scale the peaks of excellence."

The bursary and scholarship awards were for PSLE, GCE "O" Level, polytechnic and university courses.

Two-time award recipient Nithianathan s/o Sigamani who is pursuing his chemical engineering degree at the Nanyang Technological University, said, "I feel very privileged to receive this award, especially since I got one for my "A" levels. It has helped me to achieve

my dream of becoming a chemical engineer."

Keppel O&M Management and the Union collaborated to start the Keppel Employees Union Bursary in the 1970s. The Bursary and scholarship awards ceremony is now an annual event.



Giving children of Keppelites a better future – the ceremony was witnessed by MP (Yio Chu Kang) Seng Han Tong (2nd row, 5th from right)

3 Ps to success

The latest additions to the Keppel O&M family were pepped up with inspirational talks at Keppel O&M's corporate orientation on 21 December 2007.

Starting with a welcome address from Chairman/CEO CB Choo, the programme also included a sharing session by veteran Keppelite, Leow Ban Tat, Senior Marketing Manager of Keppel FELS.

Not only did he speak about the overseas experiences and career opportunities he had in his years with Keppel, he also talked about his principles for personal success, urging everyone to balance the 3 Ps, namely, *Patience, Perseverance and Politeness*.

Into its 17th run since its inception in March 2006, the Keppel O&M corporate orientation allows new Keppelites to get acquainted with each other and also helps to integrate them into the organisation. The programme has benefitted more than new 700 employees.



Building camaraderie amongst new employees while helping them integrate with the organisation is of highest priority to Keppel O&M

"It's like going to school on the first day and not knowing anyone. It can be quite overwhelming as Keppel O&M is a huge organisation. Through the orientation, new members know that they are not alone and that the management actively engages employees at all levels. Their mentors are also introduced to them during these sessions," explained Cindy

Lim, Keppel O&M's Senior HR Manager, whose department is the facilitator for the orientation.

The orientation programme offers an insight to the organisation's structure, heritage, practices and policies as well as an opportunity to meet and interact with senior managers.

Tour of duty

Koh Tah Seng completed his secondment to PrimeSteelKit and has returned to Keppel Singmarine as Senior Commercial Manager with effect from 10 January 2008.

Charles Yap has been appointed General Manager of PrimeSteelKit and General Manager (Business Development) of

Keppel Singmarine. He leaves his post as President of Subic Shipyard & Engineering Inc, having started in the Philippines since 1995.

Mok Kim Whang, previously General Manager (Operations) of Keppel Shipyard (Benoi), has taken over the mantle of President, Subic Shipyard and Engineering Inc with effect from 19 November 2007.

Albert Kee, the Yard Manager (Operations) of Keppel Shipyard (Tuas) has been promoted to General Manager (Operations) of Keppel Shipyard (Benoi).

In Keppel FELS Brasil, Gilberto Israel has been appointed Keppel FELS Brasil Commercial Director. He leaves his post of President of BrasFELS. Eduardo Nunez the former Project Director of P-52 is now the new President of BrasFELS.

Around our yards

OffshoreMarine tracks works at various Keppel yards.



MOL Elbe



SPIRIT OF OCEANUS

Singapore

Keppel Shipyard

Name : **MOL Elbe**
 Owner : MOL Ship Management Co. Ltd
 Type : Container
 DWT : 58,112
 GRT : 50,352
 Date : 4 January – 1 February 2008
 Country : Japan
 Scope : During drydocking the tailshaft was surveyed, the bow thrusters were completely overhauled and there was a partial renewal of the anchor chain. The hatch cover was repaired; and the flexi pad modified. The hatch cover was hydroblasted and various miscellaneous other repairs took place.

Name : **MOL Discovery**
 Owner : Azalea Maritime
 Type : Container Ship
 DWT : 40,499
 GRT : 42,812
 Date : 7 January 2008 to present
 Country : The Netherlands

Scope : The bottom plates were renewed; the hatch cover and coaming resting pad were modified; the sewage pipe was newly installed; the cargo hold tanktop and the ballast tank underwent hydrojet and paint works.

GRT : 4,627
 Date : 18-30 December 2007
 Scope : The hull was cleaned, blasted and painted. The engine room pipes and hydraulic pipes were renewed.

The Philippines

Keppel Batangas Shipyard

Name : **FANTASY STAR**
 Owner : Picer Marine S.A.
 Country : Japan
 Type : Bulk Carrier
 DWT : 56,029
 GRT : 31,214
 Date : 13-31 December 2007
 Scope : The hull, anchor and chains were painted. The cargo hold, main engine air cooler and auxiliary boiler were hydroblasted and painted.

Name : **WHITE CATTLEA 10**
 Owner : VLK Traders (S) Pte. Ltd.
 Country : Singapore
 Type : Tanker
 DWT : 7,901.54

Keppel Cebu Shipyard

Name : **CEC Daisy**
 Client : CEC Shipmanagement
 Country : Denmark
 Type : Cargo
 DWT : 4,125.00
 GRT : 2,815.00
 Date : 6 December 2007 – 25 January 2008
 Scope : Sea chest and sea and overboard valves work was undertaken. The fuel oil system for ME was modified and a HFO purifier was installed. Tanks were cleaned. Electrical, generator, piping and valve work was done in the engine room. Safety equipment was repaired and repairs were done to the cargo holds, hatch cover and between decks.



Name : **SPIRIT OF OCEANUS**
 Client : Dong Sung Engineering & Shiprepair Co. Ltd,
 Country : South Korea
 Type : Passenger Cruise
 DWT : 4,835.00
 GRT : 3,383.00
 Date : 15 December 2007 – 2 January 2008
 Scope : Major work was done on the ER machinery. The engine, turbocharger and electrical motor were overhauled. A new provision crane was installed and the speedlog isolation valve was renewed.

Subic Shipyard & Engineering

Name : **MV "SUN ROUND"**
 Owner : Sunford Shipping Ltd.
 Country : Japan
 Type : Container Ship
 DWT : 57,904
 GRT : 53,359
 Date : 21 November – 2 December 2007
 Scope : Hull preservation work was undertaken. The cargo holds and hatch cover were upgraded. Mounting valves, safety valves and sea valves

were overhauled; the main engine air cooler was pressure tested; The propeller blades were polished and root blade dye checked.

Name : **MV "SHIN SAKAIDE"**
 Owner : Hachiuma Steamship Co., Ltd.
 Country : Japan
 Type : Bulk Carrier
 DWT : 91,625
 GRT : 50,238
 Date : 19 November – 5 December 2007
 Scope : The cargo hold was preserved. Painting and electrical work was undertaken. The main engine turbocharger and generator engine governor, auxiliary boiler and safety valve were overhauled.

Name : **MT "KUDAM"**
 Owner : Prosafe Production Services Pte Ltd.
 Country : Singapore
 Type : Oil Tanker
 DWT : 101,832
 GRT : 62,682
 Date : 30 June 2007 – 26 January 2008
 Scope : Major work included drydocking which took

place for bottom steel plate renewal. The water tanks were repaired. The accommodation deck and the air vent head were repaired. Asbestos was removed and disposed. Electrical, piping and plumbing work took place.

The Netherlands

Keppel Verolme

Name : **Grande San Paolo**
 Owner : Grimaldi Group
 Country : Italy
 Type : Carrier
 DWT : 26.169
 GRT : 56.738
 Date : 7-12 February 2008.
 Scope : Docking and repairs to the bow thrusters took place.

Name : **Smit Barge 2**
 Owner : Smit Fleet Services
 Country : The Netherlands
 Type : Barge
 DWT : 13.980
 GRT : 5.688
 Date : 30 January – 13 February 2008
 Scope : Docking and full painting work took place.

Keppel Group Newsbytes



(From left to right) Keppel Corporation's senior management, Teo Soon Hoe, Lim Chee Onn and Choo Chiau Beng, briefs the media and analysts on the Group's performance and milestones for the year 2007 and its future prospects

Keppel Group scales new heights

Keppel Group had an outstanding year. Group revenue exceeded \$10 billion and Group attributable profit exceeded \$1 billion for the first time in its 40-year history. Profit before exceptional terms for the year of \$1,026 million was 37% higher than the previous year of \$751 million. Profit after exceptional items improved by 51% to \$1,131 million.

ExxonMobil selects Keppel Energy as gas supplier

Keppel Gas, a subsidiary of Keppel Energy has entered into a long term gas supply agreement with ExxonMobil to supply natural gas to its facilities on Jurong Island. The total contract value is expected to be more than S\$3 billion over the contract period, based on the current energy prices.

Record profits for SPC

The SPC group's revenue of \$8.8 billion for 2007 was a record achievement, an improvement of about \$200 million over the 2006 figure of \$8.6 billion. The group also successfully accomplished its largest E&P acquisition to date.

Premier of new luxury waterfront

Singapore's latest premier nautical destination, Marina at Keppel Bay, was

opened on 19 January 2008 by Senior Minister Goh Chok Tong in a spectacular ceremony which saw the arrival of the fleet in the Clipper 07-08 Round the World Yacht Race.

New Singapore Landmark

Singapore's new landmark bridge at the southern waterfront, Keppel Bay Bridge, was named and opened on 3 January 2008. It was opened by President S. R. Nathan in a grand light-up ceremony involving spectacular pyrotechnics across its 250m span.



Keppel Bay Bridge forms part of the masterplan and infrastructure to transform Keppel Bay into a premier waterfront precinct that integrates exclusive waterfront residences, a private marina and prime offices

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Another "Bully" at Keppel



The Keppel Shipyard and Frontier Drilling teams looking forward to another fruitful relationship as Nelson Yeo, ED of Keppel Shipyard (4th from right) seals the deal with Vern Westerhout, Project Director of Frontier Drilling (6th from right)

Keppel Shipyard has been awarded a contract to integrate and complete a new build "Bully" drillship. Keppel secured the contract with a company jointly owned by Frontier Drilling and Shell.

This is the second drillship of the "Bully" rig design awarded to Keppel by the same owners. The first "Bully" drillship was awarded in June 2007 with delivery by fourth quarter 2009.

The new hull will be built in China and is due to arrive at Keppel Shipyard in the first quarter of 2009. The drillship is expected to be delivered by the second quarter of 2010.

Nelson Yeo, ED of Keppel Shipyard, said, "Owners continue to see value and viability in using Keppel to carry out the complex integration and completion of drillships and FPSOs utilising hulls built elsewhere.

"We thank Frontier and Shell for their trust and confidence in Keppel Shipyard in awarding us the integration and completion phase of their

first and now their second newbuild drillship, the *Bully 2*."

The "Bully" drillships are designed to conduct surface BOP (Blow-out Preventer) drilling operations in water depths of up to 12,000 ft and sub-sea BOP operations in water depths of up to 8,250 ft as equipped (up to 10,000 ft capability). The total drilling depth below the drill floor is 40,000 ft. The drillships will also be equipped with ice-class hulls and fitted with Dynamic Positioning (DP-2) capabilities.

Keppel Shipyard's work scope for the *Bully 2* includes installation, integration and completion of the owner supplied power generation, thrusters and drilling equipment packages on a new hull.

In addition to the "Bully" drillship contracts with Frontier and Shell, Keppel Shipyard is currently working on the refurbishment and upgrading of a drillship for Frontier due for delivery in the third quarter 2008.