

OFFSHORE MARINE

Builder of distinction

July – August 2010

MICA (P) 153/04/2008



KEPPEL TO DELIVER ENSCO 8503 ON TIME

Seizing the offshore wind

CONTENTS

BUSINESS

Keppel secures new Brazilian projects	3
Seizing the offshore wind	4
Delivered as promised	6
Star performer	8
Mission accomplished	12
Delivering another great ship	14

SPECIAL FEATURE

Going further and deeper with ENSCO	16
-------------------------------------	----

TECHNOLOGY

Generating optimal vessel designs	22
-----------------------------------	----

PEOPLE

Decades of dedication	24
Football fever at the lodges	26
The Singapore immersion	28

COMMUNITY

Marching for the nation	29
-------------------------	----



Keppel O&M has garnered 10 safety accolades at the 2010 Workplace Safety and Health Awards. These awards are presented annually by the Workplace Safety and Health Council in collaboration with the Ministry of Manpower.

EDITORIAL BOARD

EDITORIAL ADVISOR

Tong Chong Heong

EDITOR

Lai Ching Chuan

ASSISTANT EDITOR

Ivana Chua

SUB EDITOR

Huang Cui Yan

COMMITTEE MEMBERS

Michael Chia, Nelson Yeo, Wong Kok Seng, Hoe Eng Hock, Chin Sze Kiun, Alan I. Claveria, Dr Foo Kok Seng, Keith Teo, Lucienne de Jong, Cindy Lim, Gerard Lim, David Low, Aziz Merchant, Diana Chan, Lee Wan Jun, Roy Tan, Vett Ramos.

OffshoreMarine is a bi-monthly publication of Keppel Offshore & Marine Ltd

50 Gul Road, Singapore 629351

Tel: +65 6863 7200

Fax: +65 6261 7719 / 6265 1927

Company registration no. 199900642R

Keppel secures new Brazilian projects



(Top) M/T Theseus, a VLCC which will be converted into an FPSO marks another milestone in Keppel Shipyard's long standing partnership with SBM

(Bottom) Semisubmersible drilling rig, Alaskan Star which is undergoing repairs at BrasFELS will be deployed in the Campos Basin, Rio De Janeiro, offshore Brazil

Keppel O&M, through Keppel Shipyard and Keppel FELS Brasil, has secured two contracts from repeat customers, Single Buoy Moorings Inc (SBM) and Queiroz Galvão Óleo e Gás (QGOG) for the conversion of a Floating Production Storage and Offloading (FPSO) vessel and repair of a semisubmersible (semi) drilling rig respectively.

CH Tong, CEO of Keppel O&M, said, "Keppel has been providing offshore and marine solutions to the Brazilian market for more than 30 years. Together with our customers, we have pushed the boundaries to meet the unique challenges of Brazil's offshore operating environment.

"These latest contracts reinforce the strong partnerships we have built, and attest to the versatility and technological expertise, which have enabled the company to undertake a variety of complex projects seamlessly across its global yards. I would like to thank our long-time customers SBM and QGOG for their continued confidence in Keppel as we fortify our offerings as the total solutions

provider for the Brazilian market."

The first contract is for the conversion of the Very Large Crude Carrier, M/T Theseus, into an FPSO facility for SBM. Keppel Shipyard's scope of work includes the hull and marine conversion, fabrication and installation of the flare tower, helideck, spread-mooring system, as well as part of the topsides modules installation.

Scheduled to leave Keppel Shipyard in the first quarter of 2012, the vessel will head to Brazil where the installation and integration of topsides will be completed. The FPSO will subsequently be chartered to Petrobras Netherlands for deployment in the deepwater Tupi Nordeste area located in Santos Basin, Brazil.

The second contract is by Keppel FELS Brasil with QGOG for the repair and maintenance of their semi drilling rig, Alaskan Star. The work scope, which includes structural repairs, piping works, accommodation outfitting and painting, is expected to be completed in October 2010.

Seizing the offshore wind



Keppel FELS's new multi-purpose self-elevating platform, KFELS MPSEP, is set to redefine the way in which offshore wind farms are installed and maintained across the world

Keppel FELS's multi-purpose self-elevating platform (MPSEP) design has been chosen by the Seafox Group (Seafox) as the basis for a new-generation, wind turbine installation vessel that can withstand harsh offshore environmental conditions all year round in water depths of 65 metres in the North Sea.

Compared with existing wind turbine installation vessels, and the majority of those being constructed, this vessel can operate in deeper waters, while reducing downtime even in extreme storm conditions, thus providing a potentially longer operational

window. With a large carrying capacity of up to 12 turbines at a time, it enhances the efficiency of constructing offshore wind farms.

A 75/25 joint venture (JV) company has been formed between Keppel FELS and Seafox respectively, to build and own this vessel. Seafox has the option of acquiring Keppel's stake in the JV company.

The KFELS MPSEP, designed by Keppel's R&D arm, Offshore Technology Development, has the distinctive ability over other existing vessels to install and maintain heavy wind turbine foundations, such as the jacket

and tripod types, and especially in deeper waters.

In addition to being well-suited for servicing offshore wind farms, it also meets all the stringent operating regulations of the offshore oil & gas industry and can support a wide range of related activities such as accommodation, well intervention, maintenance, construction and decommissioning.

Wong Kok Seng, ED of Keppel FELS, said, "The offshore wind energy market holds good potential for installation and maintenance vessels that can operate over long periods in deeper waters beyond 45 metres.

"The KFELS MPSEP will offer significant advantages in terms of safety, operations, time and cost to operators working in these harsh environments. By overcoming the typical limitations of the existing fleet in the market, this advanced vessel will redefine the way in which offshore wind farms are installed and maintained across the world."

The KFELS MPSEP vessel is scheduled for delivery in the second half of 2012, and will be managed and operated by Workfox BV, a member of the Seafox Group.

SEAFOX 5 is a result of two-years' worth of research work

into solutions for offshore wind energy in Europe. The European Wind Energy Association targets to achieve 40 gigawatts (GW) of offshore wind in the European Union by 2020, and 150 GW by 2030. The biggest wind energy markets are the United Kingdom and Germany followed by Denmark and Belgium.

Keesjan Cordia, MD of Seafox Contractors BV, added, "When completed, this ground-breaking vessel named SEAFOX 5, will address and overcome vital technical and safety challenges faced in the construction and maintenance of wind farms in deeper waters, and carve a critical niche for Seafox and Keppel.

"In developing and building this high value asset, it is an imperative for us to collaborate with the most reliable offshore partner for the job. Keppel FELS's proven design and construction expertise and commitment to on-time and within-budget delivery sealed our decision to partner them."

Combining Keppel's experience as the world's foremost rig designer and builder, and Seafox's deep insights as a leading provider of self-elevating accommodation and maintenance support units in the North Sea, the KFELS MPSEP is set to provide a highly versatile and cost-efficient solution for the offshore energy industry.

About KFELS MPSEP

Keppel FELS's new multi-purpose self-elevating platform, KFELS MPSEP, is set to redefine the way in which offshore wind farms are installed and maintained across the world.

This vessel features a 1,200-ton crane and a spacious deck with variable load of up to 6,500 mt (for water depth of 45 metres) and 5,000 mt (for water depth of 65 metres). It is also equipped to install heavy components such as jacket and tripod type foundations up to 1000 tons.

Fitted with a Dynamic Positioning 2 (DP2) system, the vessel can perform station keeping with a very high level of accuracy. This not only contributes to a highly stable platform for operations, it

also provides the crew with safer handling in turbulent weather, maximising its operational window for installation work.

The enhanced arrangement of the safety systems and living quarters onboard will also contribute to the overall well-being of crew working in harsh environments.

The KFELS MPSEP utilises Keppel's proprietary jacking technology to meet the field requirements for faster jacking and a higher operating cycle. The design is compliant with the health and safety guidelines set out by the British Wind Energy Association and HSE SCR05, as well as best practices for operating in UK waters.



The offshore wind energy market holds good potential for installation and maintenance vessels that can operate over long periods in deeper waters beyond 45 metres

Delivered as promised



Keppel O&M demonstrates its commitment to ensure that all rigs and vessels are always delivered to customers' satisfaction with its latest deliveries (From left: Smit Angola, Ocean Alliance and MG Hulme Jr.)

Whether it is a newbuild or repair work, Keppel O&M is committed to ensuring that projects undertaken are always delivered to customers' satisfaction.

A PRISTINE FINISH

Plying thousands of miles all the way from Gabon, Africa to Singapore shores early this year, was deepwater semisubmersible drilling rig, MG Hulme Jr.

Despite the distance, Transocean, the owner of the 1983-built vessel, sought to have the special periodic survey, life extension and refurbishment programme carried out at Keppel FELS in Singapore. Restored to mint condition safely, on schedule

and within-budget, the rig departed from the yard on 11 August 2010.

The overhaul of the rig involved the refurbishment and expansion of the living quarters. The rig also underwent major steel replacement, as well as the installation of four new column spousons for enhanced stability. Finally, a painting programme gave the rig a pristine finishing.

Ian Chin, Project Manager, Keppel FELS, said, "Crucial to the success was a combination of watertight project planning and management, which enabled engineering and production work to be carried out speedily, safely and smoothly."

A team of engineers were flown on location to carry out pre-engineering work. Hence, before the rig arrived in Singapore, countless sketches had already been done and converted into construction plans.

This method allowed for the early engineering, procurement and prefabrication of the new accommodation deck to be integrated to the existing living quarters even ahead of rig arrival.

SUCCESSFUL ALLIANCE

Working hand in hand with Diamond Offshore, Keppel FELS Brasil successfully completed the repair and maintenance of semisubmersible drilling rig, Ocean Alliance, on 26 June 2010 safely, on time and within budget.



The excellent partnership between Diamond Offshore and Keppel FELS Brasil was one which took roots when Ocean Alliance first came to BrasFELS in 2005 for general repairs.

This time round, Ocean Alliance arrived on 18 March this year in BrasFELS, Keppel FELS Brasil's yard in Angra dos Reis, Brazil, for painting, demolitions and steel and piping renewals.

Project Manager from BrasFELS, Airton Rodrigues, said, "Given the size of this vessel, one of our main challenges was constructing the scaffolding, hydro-blasting and painting all the external areas of the rig within the time frame given.

"To improve efficiency and prevent unpredictable water supply due to the region's climatic conditions, we used a water barge as a reservoir and a centrifugal pump integrated with the fresh water system at the yard to ensure that the water pressure of the hydro machines remained high for the hydro blasting. Good teamwork and experience enabled us to complete this project successfully."

SPECIALISED PARTNER

In China, Keppel Nantong Shipyard delivered three newbuild vessels to their respective satisfied owners in a similar on-time and within-budget fashion.

Two 45-tonne bollard pull twin-

screw ASD tugboats, KST Salvo and KST Stallion, were delivered to Keppel Smit Towage, while a 90-tonne bollard pull offshore support tug, Smit Angola, was handed over to its owner, Smit Shipping Singapore.

All three vessels are equipped with Azimuth thrusters to enhance strength and stability in their towing capability to better serve offshore structures.

Lee Tai Kwee, President of Keppel Nantong Shipyard, said, "The successful deliveries of these vessels reinforce Keppel Nantong's ability and commitment to provide value-added services to our clients. They deliver on our promises."

Star performer



West Callisto is the 32nd KFELS B Class jackup rig to enter the market

“Together, Keppel and Seadrill have been setting the global standard in offshore drilling since 1993. Our win-win partnership has yielded a fleet of 14 exceptional rigs worth US\$1.5 billion.”

*Wong Kok Seng
ED of Keppel FELS*

Keppel FELS has safely delivered a KFELS B Class jackup rig, West Callisto to Seadrill Limited (Seadrill) on time and on budget. The vessel will commence development drilling operations in Indonesia under a nine-month contract with Premier Oil, in the third quarter of 2010.

This rig was named at Keppel FELS by Lady Sponsor Poespawardhani Priyono, spouse of R. Priyono, Chairman of BPMIGAS, Indonesia’s upstream oil and gas supervisory agency on 24 July 2010.

Wong Kok Seng, ED of Keppel FELS, said, “Together, Keppel and Seadrill have been setting the global standard in offshore drilling since 1993. Our win-win partnership has yielded a fleet of 14 exceptional rigs worth US\$1.5 billion.

“The successful construction of West Callisto is another strong testimony of the teamwork between our companies. Keppel FELS looks forward to continue supporting our valued customer

Seadrill with growing its market leadership in premium rigs.”

Ian Shearer, Senior VP, Jack-ups Asia Pacific and Middle East, of Seadrill said, “With each consecutive rig, we have seen continuous improvement in the construction process and efficiencies. Today, Keppel FELS not only builds these complex drilling rigs with impressive standards of quality, they also do so expediently such that we can rely on taking delivery either on time or ahead of schedule. ”

Developed by Keppel’s OTD, the KFELS B Class design provides maximum uptime with reduced emissions and discharges. For its environmental-friendly features, the KFELS B Class design was bestowed the Prestigious Engineering Achievement Award from Institution of Engineers Singapore in 2009.

To date, Keppel FELS has successfully delivered five KFELS B Class jackup rigs and six KFELS semisubmersible drilling tenders to Seadrill.



Lady Sponsor, Poespawardhani Priyono, together with the managements of Keppel, Seadrill, Premier Oil and BPMIGAS



Wong Kok Seng (left), ED of Keppel FELS, hands over the rig nameplate to Ian Shearer, Senior VP, Asia Pacific & Middle East, Seadrill Management

Firm foundations



Senior management and project teams from Keppel FELS and Noble give the thumbs up for achieving a project milestone

It was all smiles on the faces of senior management from Keppel FELS and PetroVietnam at the laying of the keel for Vietnam's first semisubmersible drilling tender (SSDT) at Keppel FELS in Singapore on 2 August 2010.

Progressing safely, on-time and within-budget, the rig is expected to be delivered in the fourth quarter of 2011, after which it is to begin a multi-year charter drilling development wells for PetroVietnam's Bien Dong Production & Operating Company.

Prior to the new tender assist rig, Keppel has built three KFELS B

Class jackups for PV Drilling, all delivered safely, ahead of schedule and within-budget.

Another keel at Keppel FELS was laid recently on 7 July 2010 for the stern section of Noble Corporation's (Noble) drillship, Noble Leo Segerius.

The stern block is being pre-fabricated in Singapore for sister company, Keppel FELS Brasil, which secured the job last year to upgrade and repair three of Noble's Brazil-based drillships.

Majority of the rest of the work scope is to be undertaken at

Keppel's BrasFELS yard in Angra dos Reis, which involves the fabrication, repair and replacement of components, including the accommodation blocks, sponsors and heliport.

The competencies and resources of Keppel O&M's network of global yards position the Group as the choice partner to build, repair, upgrade and complete offshore vessels across the world safely, on-time and within-budget.

When completed, the drillships will be deployed offshore Brazil to meet the requirements of Petrobras' extensive drilling plans.

Scoring a new high in safety

“Together, let us take safety ownership to the next level, and look out for one another to achieve a work-safe environment,” said Wong Kok Seng, ED of Keppel FELS, at the closing ceremony of Keppel FELS’s HSE Excellence Promotion Campaign on 8 July 2010.

The campaign, running for the 14th consecutive year, is part of the yard’s systematic and continual efforts to improve the safety of its people, operations and environment.

This year’s campaign once again saw tremendous participation from staff, contractors and customers in all the various activities such as the safety innovation team presentations and poster competitions.

The consistent strong support from all the stakeholders shows in the results. Over the last few years, the yard has achieved good progress in its HSE performance. Its accident frequency rate has been steadily decreasing, from 0.19 in 2007 to 0.15 in 2008, and 0.09 in 2009.

Even so, Keppel FELS’s management makes it clear to employees and business partners that safety at the yard is not just about winning bonuses or awards, or achieving better statistics.

“Safety is about protecting lives that matter to us – lives of our colleagues, our friends, and our neighbours at work,” emphasised Wong Kok Seng.



Safety reaches greater heights at Keppel FELS backed by strong team effort

Mission accomplished



The state-of-the-art FPSO, Maersk Peregrino, is another milestone project between the long time partners, Keppel and Maersk

Keppel Shipyard has completed the conversion of FPSO Maersk Peregrino for long-time customer Maersk FPSOs.

This vessel was converted to Maersk FPSOs' stringent requirements, which will prepare her to handle the heavy crude oil of the Peregrino field, and operate in its challenging environment safely and efficiently. She is chartered to Statoil for deployment in the Peregrino field in the Campos Basin, located

85 km off the coast of Rio de Janeiro, Brazil.

Maersk Peregrino was named at Keppel Shipyard by Lady Sponsor Eva Ruud, spouse of Morten Ruud, Statoil's Executive VP for Projects and Project Director for Peregrino Project on 3 July 2010.

At the ceremony, CB Choo, CEO of Keppel Corporation and Chairman of Keppel O&M, said, "More than a customer, Maersk is also one of our key partners in safety, which has



Reaching out to the wider community, Keppel, Maersk and Statoil contribute \$50,000 to the Gawad Kalinga Hope Initiative which seeks to eradicate poverty

contributed significantly to our efforts in creating an incident-free workplace for all at Keppel Shipyard.

“With the efforts and commitment of the Keppel and Maersk project teams, I am pleased that we have delivered a fine FPSO that will serve Statoil well throughout her deployment in Brazil.”

Nils S. Andersen, Group CEO of A.P. Moller – Maersk A/S (Maersk), said, “Tailoring the FPSO to meet the requirements of the Peregrino field is a complex undertaking. We have chosen Keppel Shipyard for this massive project due to the skills and competencies of the Keppel yards.

“We are pleased to note

the capable leadership and competency of both the Maersk and Keppel teams, resulting in the timely and safe conversion of our latest FPSO. This is a truly remarkable working relationship, which we hope to expand and build upon in the future.”

The vessel is expected to achieve its first oil in early 2011. Maersk Peregrino has a storage capacity of 1.6 million barrels of oil, and will be able to process 100,000 barrels of oil per day on location.

The job scope on Maersk Peregrino involved the marine conversion of a newbuild Very Large Crude Carrier, installation and integration of topside modules, work on the APL internal turret, fabrication and installation of the flare tower,

process pipe rack and helideck, and upgrading of the accommodation quarters.

The success of the project was also shared with the wider community through a donation of \$50,000 by Keppel Shipyard, Maersk FPSOs and Statoil to Gawad Kalinga, an international charity organisation committed to poverty eradication through the building of holistic and sustainable communities.

Keppel O&M also sponsored the welcome reception of the Gawad Kalinga Hope Initiative summit held recently at Ngee Ann Polytechnic from 25 to 27 June 2010 to showcase effective models and initiatives to fight against poverty.

Delivering another great ship



Greatship Mamta is the third multi-purpose platform supply & support vessel delivered to Greatship Global Offshore Services

“This safety bonus is a boost to Keppel Singmarine and we are grateful to Greatship for its partnership and confidence in us.”

*Hoe Eng Hock,
ED of Keppel Singmarine*

Keppel Singmarine has delivered its third multi-purpose platform supply & support vessel (MPSSV) to Greatship Global Offshore Services Pte. Ltd (Greatship) with a perfect safety record, meriting a bonus of US\$10,000.

The MPSSV was named Greatship Mamta by Lady Sponsor, Nimmi Suresh, wife of P.V. Suresh, Group

Head (New Building) of Greatship Global Offshore Services Pte. Ltd on 20 July 2010.

Hoe Eng Hock, ED of Keppel Singmarine, said, “The safe and within budget delivery of Greatship Mamta is another feather in the cap for Keppel Singmarine, demonstrating our excellent construction capabilities

and commitment to meet our customers' needs.

"This safety bonus is a boost to Keppel Singmarine and we are grateful to Greatship for its partnership and confidence in us. Looking ahead, we will continue to fortify our core competencies to offer innovative solutions that will fulfil the needs of the global offshore and marine industry."

Ravi K. Sheth, MD of Greatship (India) Limited said, "We are very pleased with the excellent quality and capability of Greatship Mamta. With the successful construction of this complicated vessel, Keppel Singmarine has proven itself to be a reliable and strong partner to Greatship and we are proud of it. We look forward to strengthen our win-win partnership and push new boundaries together."

This 94-metre long vessel is equipped with two units of electrically-driven 2600KW Azimuth thrusters and three units of 1050KW tunnel thrusters to achieve a Dynamic Positioning II capability. Greatship Mamta is capable of supporting offshore exploration, production and subsea construction activities and was built in compliance with the new SPS Code 2008 to meet stringent standards of safety and stability.



Celebrating the naming of Greatship Mamta are Lady Sponsor Nimmi Suresh (fourth from left), Ravi K. Sheth, MD of Greatship (India) Limited (centre), wife of K.M. Sheth (fifth from right) and K. M. Sheth, Chairman of Great Eastern Shipping Group (fourth from right) with Keppel management



Igniting brilliant beginnings for Greatship Mamta - Lady Sponsor Nimmi Suresh (centre) bestowed blessings upon the vessel during the naming ceremony

Going further and deeper with Ensco



When all seven ENSCO 8500 Series® semisubmersible drilling rigs are completed, Keppel-built rigs will make up a third of the leading driller's premium fleet

Lady Sponsor Cynthia Bryant (middle) names ENSCO 8503, in the presence of Guest-of-Honour Ms Ho Ching

"I am very heartened to learn that the first two ENSCO 8500 Series® units, ENSCO 8500 and 8501, which we delivered, have become the only two deepwater rigs to be re-permitted to return to drill in the Gulf of Mexico under the new and stringent requirements imposed by the US government."

*CH Tong
CEO of Keppel O&M*

Keppel FELS is on track to deliver ENSCO 8503, the fourth of seven ENSCO 8500 Series® semisubmersible drilling rigs being built exclusively for Ensco plc (Ensco).

ENSCO 8503 was named at Keppel FELS on 7 August 2010 by Lady Sponsor, Cynthia Bryant, spouse of Joseph H. Bryant, Chairman and CEO of Cobalt International Energy, L.P., in the presence of Guest-of-Honour, Ms Ho Ching, ED and CEO of Temasek Holdings Pte Ltd.

Ms Ho Ching shared, "The collaboration with Ensco over

the last two decades has enabled Keppel FELS to hone its construction and engineering competencies, human capital development, and safety programmes, burnishing its reputation as a leading rigbuilder.

"Keppel FELS's execution capabilities and track record have given it a strong edge overseas, and done Singapore proud."

Daniel W. Rabun, Ensco's Chairman, President and CEO, said, "Given our long-term relationship and confidence in Keppel FELS, Ensco has awarded Keppel FELS



of-Honour, Ms Ho Ching, ED and CEO of Temasek Holdings (third from left) and senior management from Keppel and EnSCO

contracts for all seven rigs in the ENSCO 8500 Series®.

“Like her preceding sister rigs, ENSCO 8503 and the remaining three rigs being built are reaping progressive productivity gains, due to Keppel FELS’s accumulated experience and collaboration with EnSCO.”

Over the course of completing the first four units of the US\$3 billion ENSCO 8500 Series® of seven fleet, Keppel FELS has trimmed construction lead time by about one million man-hours, compared to the first unit.

CH Tong, CEO of Keppel O&M, said, “Keppel has grown with EnSCO over the years and witnessed its rise from a fledgling energy company to a premier global offshore drilling contractor with a formidable fleet of premium rigs across the world.

“Through the ENSCO 8500 Series® programme, we have sharpened our engineering edge and construction methodology. This has culminated in the exceptional safety record and significant productivity improvements achieved in building ENSCO 8503.

“With the knowledge and insights

amassed from the earlier rigs, we remain focused on completing the rest of the ENSCO 8500 Series® fleet, on time, within budget and with the highest safety standards.”

ENSCO 8503 is scheduled to commence a two-year primary term with Cobalt International Energy, L.P. in the Gulf of Mexico in early 2011.

Continues on page 18...

Continues on page 17...

Keppel rigs aid in Gulf oil spill

As the offshore drilling industry is set to operate under a stricter regulatory environment in the Gulf of Mexico where stringent compliance with best oil field practices will be the standard, Keppel O&M stands ready to support clients who need to meet these new requirements through its global network of yards and expertise.

Two Keppel-built rigs are currently deployed in the Deepwater Horizon spill response in the Gulf region. They are deepwater semisubmersible drilling rig, Development Driller III, and semisubmersible service platform, Q4000, which were built by Keppel FELS in Singapore and Keppel AmFELS in the US respectively.

Since its deployment on 2 May 2010, Development Driller III has carried out its work expediently in intercepting the Macondo well. Thereafter, the crew onboard will verify whether the Macondo well has been successfully cemented at the top, and will then proceed with a bottom kill and final cement job.

The Q4000 is presently performing the static kill operation to plug the Macondo well from the top. It is doing so by pumping mud into the well at various stages as the crew monitor and control the pressure levels in the well. To date, Q4000 has pumped about 2,300 barrels of mud into the well to push the oil back into the reservoir.

The Q4000 is concurrently serving as an oil recovery and containment

vessel. Oil collected from the spill is processed onboard Q4000 before being offloaded to a tanker. Currently the safest and most practical method to manage the excessive oil and gas is to burn them in a controlled manner. This is being performed meticulously with the clean burning system onboard the Q4000.



Keppel-built rigs, Development Driller III (foreground) and Q4000 (extreme right), continue to perform well in the spill response in the Gulf of Mexico

Perfect 10



Keppel winning big at the WSH awards with the support of their customers and contractors

Through vigilance and teamwork, Keppel O&M has garnered 10 Workplace Safety and Health (WSH) Awards 2010 from WSH Council and Ministry of Manpower.

Held on 30 July at Shangri-La hotel, the Annual WSH Awards celebrates the best in workplace safety and health on a national level.

Abu Bakar, Chairman of the Inter-Business Unit safety committee and Senior GM (Operations) of Keppel Shipyard, said, "We

are very encouraged by WSH Council's recognition of our safety efforts. These awards serve as a platform to spur us to take safety to the next level. We have taken significant steps to align and integrate safety across our businesses and I am pleased to see that we are getting nearer to our target where no one gets hurt."

Receiving the award for Supervisors, Sima Ram, a foreman at Keppel FELS leads by example. He takes effort to mentor his

workers on safe work procedures personally and take appropriate measures to reduce any risk.

To emphasise safety ownership, Keppel reinforced the need to lookout for one another with its "Safety Starts with Me-Together We Care" campaign in 2009. Under this campaign, it introduced the Safety-Buddies scheme where workers are responsible not only for their own safety but also of those working with and around him.

Bonuses for zero incidents



Strong teamwork and camaraderie enabled the teams from Stena Drilling and Keppel FELS to return Stena Clyde to mint condition

successfully completing a robust and meticulous maintenance and upgrade programme for its semisubmersible rig Stena Clyde.

John O. Banks, COO of Stena Drilling Ltd, commended, "We are pleased to award Keppel FELS a completion performance bonus of US\$1 million for delivering the work ahead of schedule, and for the excellent safety and operational performance demonstrated throughout Stena Clyde's special periodic survey and upgrading programme."

Wong Kok Seng, ED of Keppel FELS, shared, "Our ability to consistently add value and deliver high standards of safety and quality enables us to meet the needs of our customers and support them in fulfilling their commitments to their charterers. This is the basis of the longstanding relationship between Keppel FELS and Stena Drilling."

Keppel FELS also recently received \$10,000 on 25 June 2010 for achieving zero lost-time in some four million man-hours worked during the construction of two jackup drilling rigs for Seadrill.

"All of us at Keppel share the same strong determination to ensure that our projects are completed without anyone getting hurt. Being rewarded by Seadrill for this safety milestone achievement is very encouraging. It will spur us to keep up our good efforts," shared Keppel FELS's Project Manager, Bryan Toh.



Keppel FELS's Project Manager Bryan Toh receives the cheque from Seadrill's Project Manager, Jerry Dokos

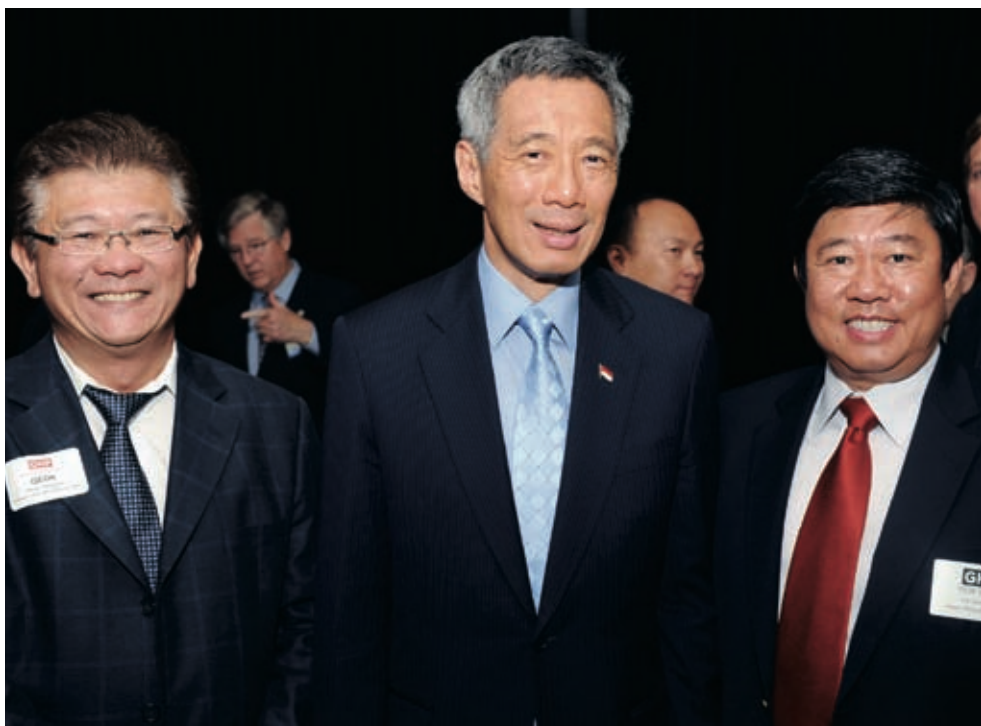
Apart from its proprietary designs, Keppel FELS is also distinguished by strong project management and high safety standards in its service and product deliveries.

Hence, it is no surprise when Keppel FELS was recognised with a safety bonus award of US\$1 million from repeat customer Stena Drilling for

A prime meeting

On his recent trip to the US from 8 to 13 July 2010, Singapore's Prime Minister Lee Hsien Loong visited Houston, where he spoke at a luncheon jointly organised by the Asia Society and the Greater Houston Partnership. During a roundtable discussion, he engaged key leaders from the upstream energy and chemicals industries.

At the event, Prime Minister also met representatives of the local business community including Singaporean companies with an established presence in the Houston region, such as Keppel O&M. Prime Minister Lee's trip to Houston is part of Singapore's continuing efforts to expand the country's external trade linkages.



From left: GS Tan, President and CEO of Keppel AmFELS, Prime Minister Lee Hsien Loong and YY Chow, President (The Americas), Keppel O&M USA

Engaging Zhejiang visitors



CB Choo, CEO of Keppel Corporation and Chairman of Keppel O&M hosted the 20 delegates from Zhejiang and Zhoushan delegation led by Executive Vice Governor Chen Min'er

Impressed by Keppel O&M's reputation as one of the world's largest offshore and marine groups, a group of Zhejiang and Zhoushan delegation visited Keppel O&M on 13 August 2010.

CB Choo, CEO of Keppel Corporation and Chairman of Keppel O&M hosted the 20 delegates led by Executive Vice Governor Chen Min'er.

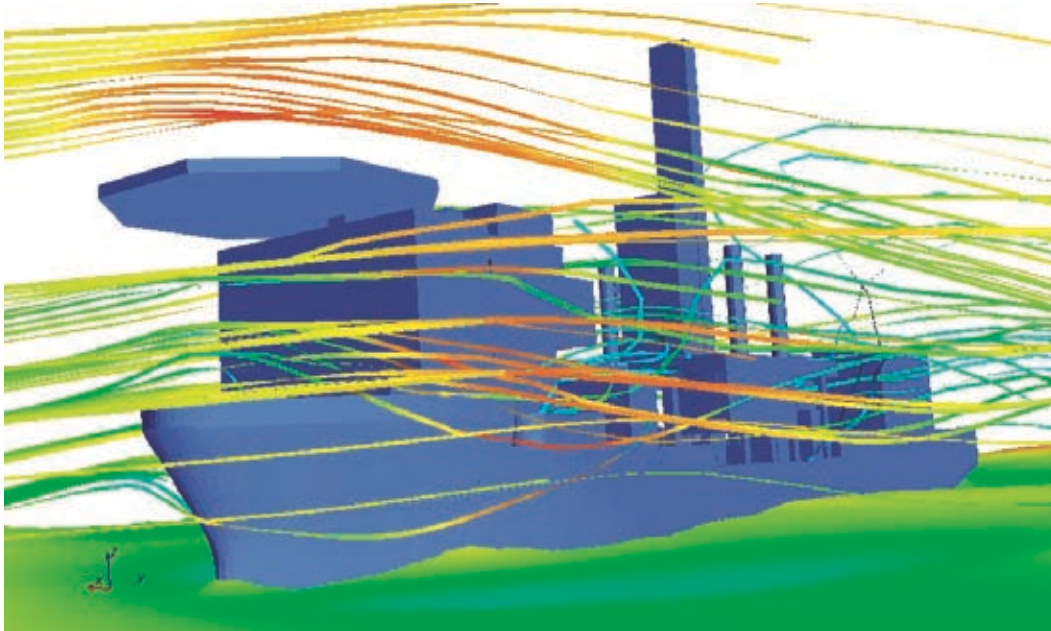
These delegates were given an overview of the conglomerate's key businesses worldwide and particularly those in China.

Success stories in spearheading investments, how the company leverages its international network, resources and strong branding to grow key businesses into global entities were also shared.

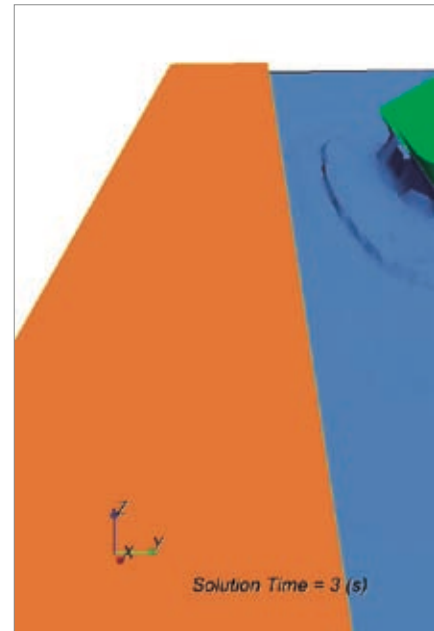
Thereafter, they went for a short bus tour around Keppel FELS Pioneer yard.

Lee Tai Kwee, President of Keppel Nantong Shipyard and representatives from across the Keppel Group also hosted the delegation to lunch on the same day.

Generating optimal vessel designs



CFD calculation determines the dynamic positioning of a vessel to maintain its position and heading during operation under various sea conditions



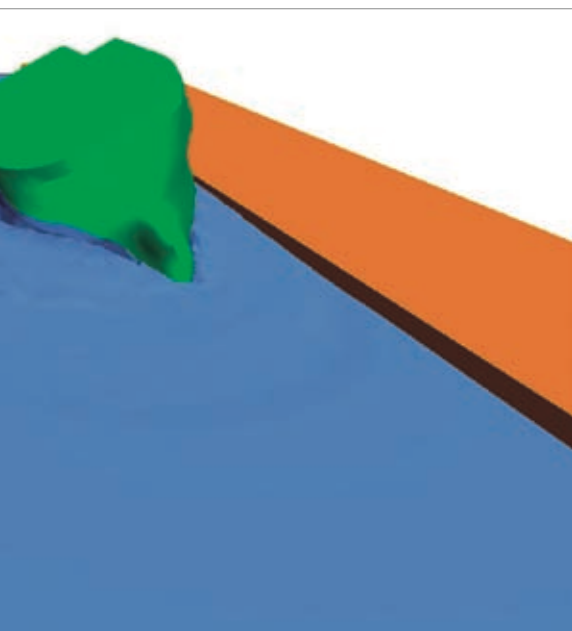
CFD technology is a good way to calculate and

Designing vessels or marine structures is a challenging task and requires tremendous effort. One of the most important considerations in designing a vessel is to understand how they react, move and respond to the marine environment. As oil exploration moves into deeper and harsher environments, the ability to accurately predict a ship's interaction with the sea or wind conditions has become even more critical.

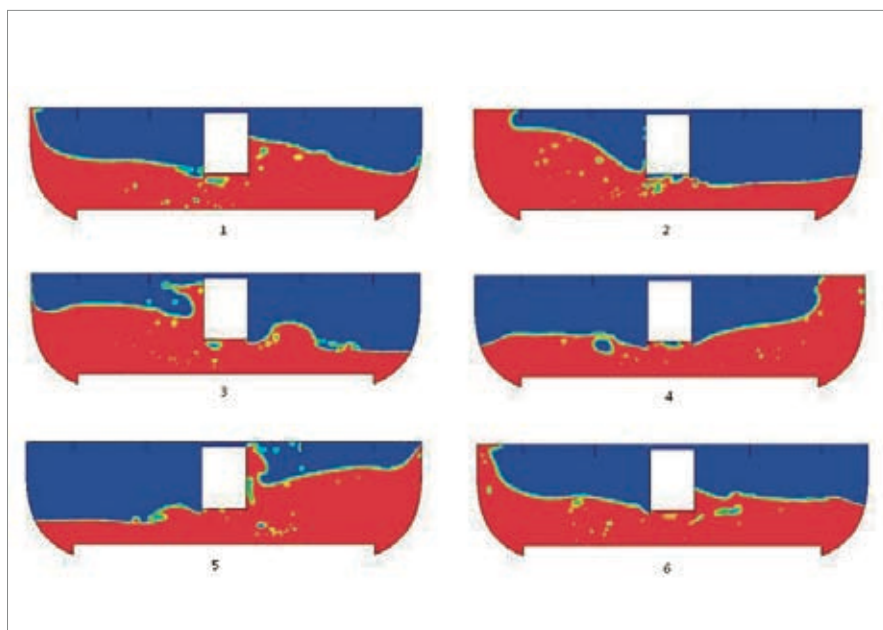
Computer simulation techniques such as Computational Fluid Dynamics (CFD) have been very useful in predicting the effects

of waves and wind on a ship especially in extreme conditions. CFD software turns a computer into a virtual laboratory. This method saves time and valuable resources as it helps to optimise vessel design and provide accurate results. With the increasing popularity of CFD technology in the marine industry, KOMtech has formed a research team to carry out several projects using it for various applications.

CFD technology provides a unique solution to examine aspects of ship design that is not possible with other traditional simulation methods. For example, in the



manage the risk of side launching of a vessel



Many ships are equipped with anti-roll equipment such as anti-roll stabilisation tanks to avoid strong resonance in roll motion

Dynamic Positioning (DP) system used for both vessels and ship platforms, CFD is superior to traditional methods in accurately accounting for the effect of wind and waves. This has helped to improve DP design and provided a better understanding of how these thrusters work in different environments.

Another good example is the use of CFD to predict different aspects of the side launching of a ship. This will enable engineers to study the complex flow movements to help mitigate and manage the potential risks during a ship launch.

In addition, the CFD technique has also been used as a simulation method to improve anti-roll mechanism that prevents excessive motions on a ship. This is because the anti-roll tank contains water and CFD can help to study the motion of the water in the tank to better stabilise the ship.

Moving forward, CFD technology will play a more important role as a design and research tool in KOMtech. This method provides good insights to the interaction of waves and wind on vessels and other marine structures. Not only is it able to achieve significant

cost-savings, it also allows for a faster feedback loop during the early design stages for as compared to traditional methods. This will pave the way for the realisation of designing high performance and advanced vessels that can withstand harsher conditions in the future.

Decades of dedication



Keppel O&M Board members organised a farewell lunch for Charles Foo after he relinquished most of his appointments in Keppel O&M with effect from 30 June 2010

It was a warm and intimate farewell gathering for Charles Foo on 6 August 2010.

Keppel O&M Board members organised a farewell lunch for this true-blue Keppelite after he had relinquished most of his appointments as Centre Director of KOMtech and Chairman of Keppel Singmarine on 30 June 2010.

Keppel O&M has also specially commissioned a Singapore painter Tan Leong Kheng to paint the old Keppel yard and the painting was

presented as a gift to Charles Foo. The painting evokes a nostalgic recollection as it was where Charles Foo started his career in 1959.

Charles Foo, 69, shared, "After working for more than 51 years in the marine industry, anytime is a good time to retire. As I retire from full time employment, I sincerely thank all my colleagues who have enriched my working life with a sense of humor and a willingness to forgive."

With six grand children to keep him amused and at times exasperated, Charles Foo quipped, "Coupled with part time work, it does seem a fulfilling retirement and I look forward to it."

He continues to serve as Director/ Advisor of KOMtech and the Head of Keppel Technology Advisory Panel Secretariat.

HANDING OVER THE REINS

With the semi retirement of Mr Foo, Dr Foo Kok Seng, 48, has been appointed the new Centre Director of KOMtech with effect from 1 July 2010. His role involves overseeing KOMtech's operations, spearheading research and development initiatives, as well as interfacing with clients and stakeholders. He will perform his duties as GM of OTD concurrently.

Meanwhile, Nelson Yeo, 53, has

assumed the position of Chairman of Keppel Singmarine with effect from 1 July 2010. He continues to hold his concurrent designations as MD (Marine) of Keppel O&M and MD of Keppel Shipyard.



Dr Foo Kok Seng



Nelson Yeo

Shining examples of steadfastness



Thousands of Keppel O&M employees stood to attention in honour of the flag-raising ceremony on 10 August 2010

Thousands stood to attention at the raising of Singapore's national flag at the open-air car park of Keppel O&M on 10 August 2010.

It was a joyous morning as the yard and its daily inhabitants, from senior management to workers, celebrated Singapore's 45th birthday.

But for some, it was twice the joy. 66 loyal employees were also

recognised for their steadfast contributions to Keppel FELS at the ceremony.

Ranging from 10 to 40 years of service, they received appreciation awards in the presence of Guest-of-Honour, Mr Hawazi Daipi, Senior Parliamentary Secretary for Manpower & Health.

Mr Daipi commended them as "shining examples of the

determination and mettle needed to overcome adversity and go beyond."

CB Choo, Chairman of Keppel O&M also attributed the company's steady performance to the versatility, dedication and resilience of its people.

"Like Singapore, Keppel has remained fighting fit. We have developed a versatile and well-rounded workforce with multiple skill sets and a wide range of expertise that can be fully deployed across the company," he said.

He also acknowledged the contributions of older personnel, especially those who have been with the Company for many years, and those who have rejoined after retirement.

Presently, Keppel O&M has employed 120 older workers.

CB Choo highlighted, "Older employees fulfill an important role as mentors to our younger generation of employees.

"Passing on our values and experience to the younger generation, they help to ensure good continuity and succession in our workforce."

Thanking the unions for working hand in glove with management to take care of staff welfare over the years, CB Choo also emphasised the continued need for a cohesive workforce to help the Company to remain competitive.

Football fever at the lodges

With millions of football fans across the globe enraptured by the 2010 World Cup Season in June and July, it was no exception for the yard workers at Keppel O&M who found themselves partaking in the excitement by watching some of the matches "live" from televisions installed in their canteens at Acacia Lodge, Juniper Lodge and Lantana Lodge.

Steven Lee, GM of Keppel Housing, said, "We constantly seek to improve the quality of life for our workers so that they can

still experience such simple joys despite being away from their home countries. Installing the televisions at the lodges during World Cup provided some form of entertainment for the workers after a hard day's work. We believe that workers who live well, work well."

"The workers were disciplined and responsible, as they did not watch the late 2.30 am matches. They understood that they required sufficient sleep as they had to be up by 5.00 am for work."



Hundreds of workers gathered at the canteen in Acacia Lodge to watch football matches during World Cup Season

Quality counts



Wong Fook Seng (centre), GM of Planning and Control, Keppel FELS, with the newly minted Internal Auditors, and personnel from the Quality System and Process Excellence departments

While quality assurance may be the responsibility of all, nine young employees from Keppel FELS went beyond the call of duty and volunteered themselves as Quality System Internal Auditors for their respective departments.

These new responsibilities had

not come without appropriate training. In a newly launched Internal Auditors programme, the nine employees underwent ISO 9001 training, which teaches the framework for taking a systematic approach to managing an organisation's processes.

The knowledge and newly honed auditing skills were immediately put to good use in the last company-wide internal audit.

Arina Tan from the Logistics department, said, "During the audit, I put what I had learnt into practice and gained a better appreciation of the importance of having a clear Quality Assurance Procedure to achieve consistent quality in our processes."

Wong Fook Seng, GM (Planning and Control), Keppel FELS said, "I am impressed by the high standard of performance of the new Internal Auditors, considering that they are undertaking the task for the first time."

Heartfelt leadership



Customised to Keppel's needs, the Felt Leadership Training programme aims to nurture safety leaders

Over the past two months, management and safety personnel from Keppel O&M have joined participants across the Keppel Group to attend the Felt Leadership Training, safety programme.

Conducted by consultant company DuPont, the programme aims to further align Keppel O&M and other business units' vision, principles and thrusts for safety, as well as impart principles for effective leadership in matters of safety.

To create a sustainable safety culture in organisations, DuPont had stressed that those in leadership positions have to make strong, visible commitment to safety and lead by example.

Edmund Lek, GM (Production) of Keppel Singmarine shared, "Employees tend to emulate their superiors. Therefore, it is crucial that employees are aware that safety is the top priority of those who lead them and they can see their leaders actively applying safety best practices."

Elaborating on the contents on the programme, he said, "The discussions and ideas introduced by the Felt Leadership Training programme are useful and rewarding. Many of us would like to implement our personal safety actions plan – which we had prepared as part of the programme – as soon as possible to further improve safety in our workplace."

The Singapore immersion

Wouter Henstra, 30, project engineer from Keppel Verolme had immersed himself into the Keppel culture in Singapore for almost a year. He shares with *OffshoreMarine* his experience in KOMtech.



Wouter Henstra had a rewarding stay in Singapore during his one-year attachment in KOMtech

“What we have to learn to do, we learn by doing,” a Greek philosopher once said. This was probably what the management of Keppel Verolme had in mind when they sent me to do a year-long attachment with KOMtech in Singapore beginning mid 2009.

After graduating from Delft University of Technology in Netherlands, I joined Keppel Verolme as a project engineer. Over the years, I was involved in many exciting projects such as the topside integration as well as the

hook-up of the Sevan FPSOs, the first cylindrical and geostationary FPSO installed in the North Sea.

While embarking on the various projects, I had worked closely with Keppel FELS engineering department and visited Singapore yards during my training in KOMtech. My interest in offshore wind energy is growing and deepening due to more opportunities to work on new offshore wind farm projects in the North Sea for Keppel Verolme.

It was a privilege and an enjoyable experience to team up with the research engineers at KOMtech where we worked together to develop technologies for this exciting new field in offshore engineering.

Currently, we are planning to increase the number of dedicated research engineers in Keppel Verolme so that we can continue our collaboration with KOMtech to leverage their R&D expertise for offshore wind energy market as well as to commercialise the technologies developed so far. The offshore wind energy market holds good potential for installation and maintenance

vessels and I look forward to contribute more in this area.

During my attachment in KOMtech, Keppel’s cultural diversity struck me as the researchers come from different backgrounds, and nationalities races and religions. The harmony amidst diversity reflects the Keppel as a truly global company.

It has been a memorable stay for me in Singapore. During my spare time, I had visited recreational attractions in Singapore such as the Singapore Flyer, Marina Bay theater. I was also glad to get the chance to witness the Night-time Formula One Grand Prix race, which was definitely an eye opener.

My stint in Singapore had been very fruitful, rewarding and inspiring. It has enabled me to understand the work processes and people in Keppel and even, myself better. I realised that I have a lot of new things to learn and discover, and I hope to have the opportunity to come back to Singapore again.

Marching for the nation

Months of rigorous training and rehearsals by the participants since early April culminated in an impressive performance marked by synchronised footwork and well-coordinated movements.

Employees from Keppel O&M who formed part of the Keppel Contingent, have put up a smart performance at Singapore's National Day Parade (NDP) 2010. They marched over 10 kilometres, while bearing specially designed Keppel flags, from the F1 Pit Building into the Padang.

The NDP was held at the Padang this year, with the Marina Bay area transformed into a sea of red and white flags.

Leading the Keppel Contingent was Ivan Lim, Yard Manager of Keppel Shipyard (Gul). He enthused, "I am honoured to have this opportunity to be part of the parade segment. The camaraderie between contingent members and the sense of satisfaction that we get when we turn out sharp, precise marches is truly remarkable."

True to the spirit of national day, the NDP 2010 journey saw the strengthening of ties and the forging of many new friendships amongst members within the Keppel contingent.

This year marks Singapore's 45th birthday and the theme of the NDP 2010 is "live our dreams and fly our flags".



The Keppel Contingent in high spirits at the Padang



Four months of hard work to perfection on the actual day of NDP 2010



The media and investing community engaged Keppel's senior management on the Group's outlook at first half results in 2010

SUSTAINING CREDITABLE PERFORMANCE

Keppel Group delivered creditable first half results in 2010. Group net profit was \$669 million and EPS stood at 41.9 cents. Annualised ROE was 21.1%. The Company's EVA of \$493 million was \$41 million higher than that of the corresponding period in the previous year. Group revenue of \$4,889 million was 21% below that of the corresponding period in 2009.

STRONG DEBUT BY K-GREEN TRUST

K-Green Trust (KGT), Keppel Corporation's "green" infrastructure business trust, made a strong debut when it commenced trading on the Main

Board of the Singapore Exchange Securities Trading Limited on 29 June 2010.

Units of KGT began trading at \$1.17, which was higher than the listing price of \$1.13, and rose as much as \$1.33 with over eight million shares traded on its first day of listing. The strong showing was an indication of investors' keen interest and belief in the Trust's "green" infrastructure assets and their long-term prospects.

GOLD RUSH AT THE MARINA

Marina at Keppel Bay recently became the first marina in Asia to be awarded the 5 Gold Anchors rating from the Marina Industries Association of Australia (MIAA)

for top excellence in services and facilities.

The MIAA is the leading industry association for the marina industry across the Asia Pacific region. The association launched the Gold Anchor International Rating Scheme in 2009 which assigns ratings to marinas on a scale of three to five gold anchors.

The 5 Gold Anchors rating adds to an impressive list of accolades and awards that Marina at Keppel Bay has won despite having been established for only less than three years. The Marina was named Best Asian Marina at the sixth annual Asian Boating Awards in May 2010.

GLOBAL NETWORK

Keppel Offshore & Marine Ltd

(Head Office)
50 Gul Road Singapore 629351
Tel: 65 6863 7200
Fax: 65 6261 7719
www.keppelom.com

SINGAPORE

Keppel FELS Limited

(Pioneer Yard 1 – Head Office)
50 Gul Road Singapore 629351

(Pioneer Yard 2)
55 Gul Road Singapore 629353
(Shipyard Road)
31 Shipyard Road Singapore 628130
(Crescent Yard)
60 Shipyard Road Singapore 628131

Tel: 65 6863 7200
Fax: 65 6261 7719
Email: marketing@keppelfels.com
www.keppelfels.com
Contact Persons: Wong Kok Seng, Executive Director
Keith Teo, General Manager (Marketing)

Keppel Shipyard Limited

(Tuas Yard – Head office)
51 Pioneer Sector 1 Singapore 628437
Tel: 65 6861 4141
Fax: 65 6861 7767

(Benoi Yard)
15 Benoi Road Singapore 629888
Tel: 65 6861 6622
Fax: 65 6861 4393

(Gul Yard)
55 Gul Road Singapore 629353
Tel: 65 6861 3007
Fax: 65 6862 3645/7

www.keppelshipyard.com
Email: ks@keppelshipyard.com
Contact Persons: Nelson Yeo, Managing Director
Mah Chan Wah, General Manager (Commercial – Shiprepair)
Louis Chow, General Manager (Commercial – Conversion)

Keppel Singmarine Pte Limited

15 Benoi Road Singapore 629888
Tel: 65 6861 6622
Fax: 65 6862 1792
Email: singmarine@keppelsingmarine.com
www.keppelsingmarine.com
Contact Persons: Hoe Eng Hock, Executive Director
Poon Tai Lum, General Manager (Commercial)

Keppel Offshore & Marine Technology Centre (KOMtech)

31 Shipyard Road Singapore 628130
Tel: 65 6591 5450
Fax: 65 6265 9513
Email: KOMtech@keppelom.com
Contact: Charles Foo, Centre Director

Offshore Technology Development Pte Ltd

55 Gul Road Singapore 629353
Tel: 65 6863 7409
Fax: 65 6862 3465
Email: felsotd@pacific.net.sg
Contact Person: Dr Foo Kok Seng, General Manager

Deepwater Technology Group Pte Ltd

50 Gul Road Singapore 629351
Tel: 65 6863 7163
Fax: 65 6863 1739
Email: aziz.merchant@keppelom.com
Contact Person: Aziz Merchant, Head

Marine Technology Development Pte Ltd

15 Benoi Road Singapore 629888
Tel: 65 6860 2858
Fax: 65 6860 2502
Email: chenghui.tan@keppelsingmarine.com
Contact Person: Tan Cheng Hui, Senior General Manager

Asian Lift Pte Ltd

23 Gul Road Singapore 629356
Tel: 65 6668 4222
Fax: 65 6668 4333
Email: asianlift@asianlift.com.sg
Contact Person: John Chua, General Manager

Keppel Smit Towage Pte Ltd

23 Gul Road Singapore 629356
Tel: 65 6668 4222
Fax: 65 6897 8056
Email: kst@keppelsmit.com.sg
Contact Person: Ben Chew, General Manager

AUSTRALIA

Keppel Prince Engineering Pty Ltd

Level 7, 3 Bowen Crescent, Melbourne, Victoria 3004, Australia
Tel: 61 3 9820 9033
Fax: 61 3 9866 6110
Email: cchiam@ozemail.com.au
Contact Person: Charles Chiam, Director

AZERBAIJAN

Caspian Shipyard Company Ltd

South Bay, KMNFB Basin
Baku AZ1023, Azerbaijan
Tel: 994 12 449 9930
Fax: 994 12 449 9931
Email: csc@csc.az
Contact Person: Yan Naing Myint, President

BRAZIL

Keppel FELS Brasil SA

Rua da Assembla, 10 - 2113
20011-000 Rio de Janeiro, RJ, Brazil
Tel: 55 21 2102 9400
Fax: 55 21 2224 2248
www.kfelsbrasil.com.br
Email: kaichong.kwok@keppelfels.com
Contact Person: Kwok Kai Choong, President & CEO

BULGARIA

Keppel FELS Baltech Ltd

54 Debar Street, Varna 9000, Bulgaria
Tel: 359 52 684 250/1
Fax: 359 52 684 252 (Admin)
Email: office@fels.bg
Contact Person: Lyudmil Stoev, General Manager

CHINA/HONG KONG

Keppel Nantong Shipyard Ltd

No. 9 Yan Jiang Road, Nantong City, Jiangsu Province
P.R. China 226005
Tel: 86 513 8530 0000
Fax: 86 513 8530 0011
Email: taikwee.lee@keppelnantong.com
Contact Person: Lee Tai Kwee, President

Keppel FELS Engineering Shenzhen Co., Ltd.

3th Floor, Chiwan Petroleum Building
Chiwan Road No. 5, P.R. China 518068
Tel: 86 755 26851902, 86 755 26851959,
65 68637215 (Singapore Contact)
Fax: 86 755 26851670
Email(China): jiongheng.ho@kfelsshenzhen.com
Email (Singapore): jiongheng.ho@keppelfels.com
Contact Person: Ho Jong Heng, General Manager

INDIA

Keppel FELS Offshore and Engineering Services Mumbai Pvt Ltd

Unit Number 3, 8th Floor, Prism Tower-A, Mindspace,
Link Road, Goregaon (West), Mumbai 400 062, India
Tel: 91 22 4001 8888
Fax: 91 22 4001 8898
E-mail: anant.shukla@kfelsmumbai.com
Contact Person: Anant Shukla, General Manager

INDONESIA

Bintan Offshore

Kampung Budi Mulia, RT.02/RW.01, Desa Sei Walang
Kecamatan Bintan Timur, Kabupaten Bintan
Propinsi Kepulauan Riau, Indonesia
Tel: 62 771 462 2297
Fax: 62 771 462 2298
Email: herman.effendy@keppelfels.com
Contact person: Herman Effendy, General Manager

JAPAN

Regency Steel Japan Ltd

46-59 Nakabaru, Tobata-ku
Kitakyushu, Fukuoka 804-8505 Japan
Tel: 81 93 861 3103
Fax: 81 93 861 3114
Email: ws.chong@r-sj.com
Contact person: Mr Chong Woei Siong, President

KAZAKHSTAN

Keppel Kazakhstan LLP

SEZ "Seaport Aktau", Aktau 130000, Mangistau Oblast
Republic of Kazakhstan
Tel: 7 3292 571 100
HP: 7 300 528 4885
Fax: 7 3292 571 110
Email: pw.yick@kkl.kz
Contact Person: Yick Ping Wong, General Director

THE NETHERLANDS

Keppel Verolme BV

Prof. Gerbrandyweg 25, 3199 KK Rotterdam-Boleke
Harbour no. 4550, P O Box 1001, 3180 AA Rozenburg
The Netherlands
Tel: 31 181 234300
Fax: 31 181 234346
Email: mail@keppelverolme.nl
www.keppelverolme.nl
Contact Person: Harold W.M. Linssen, Managing Director

NORWAY

Keppel Norway AS

Strandgaten 147, P O Box 425, 4304 Sandnes, Norway
Tel: 47 5160 2500
Fax: 47 5160 2510
Email: stha@keppelnorway.com
www.keppelnorway.com
Contact person: Steinar Haugen, President

THE PHILIPPINES

Keppel Philippines Marine Inc

Unit 3-B Country Space 1 Building
Sen. Gil Puyat Avenue, Salcedo Village
1200 Makati City, Philippines
Tel: 63 2 892 1816
Fax: 63 2 815 2581, 63 2 892 4604
www.keppelphilippinesmarineinc.com
Email: mhq@keppelmp.com /commercial@keppelmp.com
Contact Person: Toh Ko Lin, President

Keppel Batangas Shipyard

Barrio San Miguel, 4201 Bauan, Batangas
Philippines
Tel: 63 43 7271532 to 36
Fax: 63 43 7271453
Email: kbs@keppelmp.com
Contact Person: Kok Boon Heng, President

Subic Shipyard and Engineering, Inc.

Cabanga Point, Cavag
2209 Subic, Zambales, Philippines
Tel: 63 47 232 2380
Fax: 63 47 232 3350, 63 47 232 3883 to 84
Email: all@subicship.com
Contact Person: Mok Kim Whang, President

UNITED ARAB EMIRATES

Arab Heavy Industries

P O Box 529, Ajman, UAE
Tel: 971 6 526 3232
Fax: 971 6 526 3233
Email: ahiaeme@emirates.net.ae
www.ahi-uae.com
Contact Person: Leong Yew Kong, Managing Director

USA

Keppel Offshore & Marine USA Inc.

5177 Richmond Ave, Suite 1065
Houston, TX 77056, USA
Tel: 1 713 840 8811
Fax: 1 713 840 1198
Email: yewyuen.chow@keppelOM-usa.com
Contact Person: Chow Yew Yuen, President

Keppel AmFELS Inc.

PO Box 3107, 20000 South Highway 48
Brownsville, TX 77523, USA
Cell: 1 956 592 6149
Tel: 1 956 838 3187 Fax: 1 956 831 6220
Email: g.tan@keppelamfels.com
Contact Person: Tan Geok Seng, President & CEO

FloaTEC, LLC

14701 St. Mary's Lane
Suite 250, Houston, TX 77079
Main Tel: +1 281 870 5200
Main Fax: +1 281 870 5210
Email: businessdevelopment@floatec.com
Website: www.FloaTEC.com
Contact Person: Eric H. Namtvedt, President
Direct Tel: +1 281 870 5556
Mobile: +1 281 381 2781
Email: ehnamtvedt@floatec.com

Keppel Marine Agencies International

(Texas Office)
5177 Richmond Ave, Suite 1065
Houston, TX 77056, USA
Tel: 1 713 840 1188
Fax: 1 713 840 1960
Email: mike.holcomb@kmaihouston.com /
Contact Person: Michael Holcomb, President/Director
Email: john.bajor@kmaihouston.com
Contact Person: John C Bajor, Marketing Manager

(New Jersey Office)
15 Huddy Avenue, PO Box 417
Highlands, New Jersey, USA
Tel: 1 732 872 8800
Fax: 1 732 872 8801
Email: keppelnj@comcast.net
Contact Person: John J. Bajor, Director

VIETNAM

Keppel FELS Limited

Petrovietnam Tower, Suite 150M
9 Hoang Dieu Street, Ward 1, Vung Tau City
S.R. Vietnam
Tel: 84 64 850098
Fax: 84 64 850089
Email: john.chin@keppelfels.com
Contact Person: John Chin, Country Manager

RUSSIA

Marine & Shelf Development Ltd

129090 Moscow, 12,
B.Spasskaya str., office 101,
Russia
Tel: 7 (495) 9378978, 9378966
Fax: 7 (495) 9378978
Email: marketing@keppelfels.com

Growing our toehold in Subic



SSEI is a leading shipyard located in Subic Bay, the Philippines, which provides repair, conversion and building services to shipowners and offshore operators

Keppel Philippines Marine Inc., a subsidiary of Keppel Corporation Limited, is raising its shareholdings in two associated companies, Subic Shipyard and Engineering Inc. (SSEI) and Consort Land, Inc. (CLI) to boost its *Near Market, Near Customer* strategy in the Philippines.

SSEI is a leading shipyard located in Subic Bay, the Philippines, which provides repair, conversion and building services to shipowners and offshore operators in the region. It also carries out routine and specialised machinery reconditioning works, as well as steel fabrication for marine and offshore structures. CLI owns 72 ha of land including the 20 ha on which SSEI is situated.

A total cash consideration of approximately S\$85.7 million will be made by Keppel to raise its effective stakes from 44% to 83.9% in SSEI and from 33.7% to

38.7% in CLI. The sale and purchase of shares in both companies is expected to be completed by the end of September 2010, following which, SSEI will become a Keppel subsidiary.

Nelson Yeo, MD (Marine) of Keppel O&M and Chairman of KPMI, said, "We have been present in the Philippines for more than three decades, and are continuously improving on the safety, quality and productivity of our yards, as well as equipping them to undertake more sophisticated work to meet the increasing market demand for high value services.

"The move to take a bigger share in the Subic shipyard reinforces our *Near Market, Near Customer* strategy to enhance the depth and breadth our services to global customers. It also demonstrates our confidence in the offshore and marine industry. As a majority

shareholder, Keppel will be in a better position to add value to the Subic shipyard and fortify our offerings to meet the growing needs of our customers."

Keppel has built up a solid reputation as a reliable and versatile solutions provider with a quality track record with over 30 years of operating experience in the Philippines.

In recent years, Keppel has invested more than PHP3 billion (\$88.7 million) to boost its capacities and upgrade its workforce in the Philippines to meet the market's increasing demand for high value services. This includes the upgrading of equipment and machinery at Keppel Batangas, and a major expansion of the drydock and berthing facilities, and the building of a new training hub and additional workers' accommodation/amenities at Subic Shipyard.