

## Press Release

### **Keppel Offshore & Marine wraps up 2011 with new contracts worth S\$150 million**

**Singapore, 29 December 2011** - Keppel Offshore & Marine Ltd (Keppel O&M) through its subsidiaries, Keppel Singmarine Pte Ltd (Keppel Singmarine) and Keppel Verolme BV (Keppel Verolme), has secured contracts totaling S\$150 million from international customers.

Keppel Singmarine, the specialised shipbuilding division of Keppel O&M, has entered into contracts for the building of a 91-metre container vessel and three 4000 DWT (deadweight tonnage) bulk ore/fuel carriers for Papua New Guinea customer Ok Tedi Mining Limited (Ok Tedi Mining), while Keppel Verolme, Keppel O&M's comprehensive yard in the Netherlands, is undertaking upgrading activities of a semisubmersible drilling rig, Scarabeo 6, for Italian customer Saipem Misr for Petroleu Services S.A.E. (Saipem).

Mr Chow Yew Yuen, Managing Director of Keppel O&M, said, "With these contracts, our new orders for the year to date has reached a record high of some S\$10 billion, with deliveries extending to 2015. It reflects the confidence of global customers in the capabilities of our yards across the Keppel O&M group. We have established a solid track record of successfully completed projects and we intend to maintain this by executing our orders to the satisfaction of our customers.

"With a network of yards around the world, we are proud to be able offer a variety of services to customers wherever they are. We will continue to strengthen the partnership with repeat customers like Saipem and gain the trust of new customers like Ok Tedi Mining."

The container vessel to be built by Keppel Singmarine is capable of loading 3,000 tonnes of copper concentrate or carrying 236 TEU (twenty-foot equivalent unit) of containers. In addition, the three 4000 DWT bulk ore/fuel carriers that Keppel Singmarine will be building, will each be able to carry a minimum of 4,000 tonnes of copper concentrate or 1,900,000 litres of bulk diesel fuel. All the vessels are scheduled for delivery in 2Q 2013.

In the Netherlands, Keppel Verolme will undertake the upgrade and maintenance of the semisubmersible drilling rig, Scarabeo 6. The vessel is expected to arrive at the yard in 2Q 2012 for a period of six months.

Work on the rig includes upgrading its drilling capabilities to a water depth of 1,200 metres, the prefabrication and installation of various deck extensions, and the renewal of traction winches, cable spooling winches and double riser tensioners. A new storage area for risers will be constructed and new sponsons and blisters will be installed to accommodate the new winches as well as enhance buoyancy and stability. The maintenance programme will include refurbishment of the accommodation.

Keppel Verolme previously carried out a major upgrade on Scarabeo 6 in 1998. A regular customer of Keppel, Saipem had also sent the Saipem 7000, a semisubmersible crane and pipelaying vessel, for drydocking at Keppel Verolme in 2007. More recently, the yard completed the repair and modification of the semisubmersible pipelay vessel, Castoro Sei in 2010. Earlier this year, Keppel FELS in Singapore delivered Scarabeo 9, a 6<sup>th</sup> generation ultra-deepwater semisubmersible drilling rig, to Saipem on schedule and with no lost time incidents.

Keppel's current projects for Saipem include the completion of a newbuild pipe laying vessel, Castorone, which is being jointly undertaken by Keppel Shipyard and Keppel Singmarine as well as a survey and repair programme on the S44, a barge for post-trenching and backfilling of pipelines, carried out by Keppel Verolme.

The above contracts are not expected to have material impact on the net tangible assets and earnings per share of Keppel Corporation for the current financial year.

- End -

### **About Keppel Singmarine**

Keppel Singmarine has a track record of some 400 newbuildings of diverse types and sophistication. Its portfolio of customised vessels spans Anchor Handling Tug/Supply vessels, multi-purpose Offshore Support Vessels and tugboats to highly advanced solutions such as ice-capable vessels for a worldwide clientele. It is the specialised shipbuilding arm of Keppel O&M group, a wholly-owned subsidiary of Keppel Corporation Limited. Keppel O&M's near market, near customer strategy is bolstered by a global network of 20 yards in the Asia Pacific, Gulf of Mexico, Brazil, the Caspian Sea, Middle East and the North Sea regions. Integrating the experience and expertise of its yards worldwide, the group aims to be the provider of choice and partner for solutions for the offshore and marine industry.

### **About Keppel Verolme**

Keppel Verolme, a wholly-owned subsidiary of Keppel O&M, operates a comprehensive yard in Rotterdam, the Netherlands, which is in proximity to the oil fields of Scotland and Norway, and has direct access to the North Sea. The yard features modern facilities, including one of Europe's largest docks. Backed by a versatile and highly skilled workforce, Keppel Verolme is able to undertake the dry-docking, repair and maintenance, modification, conversion and construction of various vessel types.

### **About Ok Tedi Mining**

Based in Papua New Guinea (PNG), Ok Tedi Mining Limited is a major producer of copper concentrate for the world smelting market with customers in Germany, India, Japan, Korea and the Philippines. The Company operates the mine which is located in the Star Mountains region of the Western Province of Papua New Guinea. The mine started operations in 1984, and has become the single largest business contributor to the economies of the Western Province and PNG.

### **About Saipem**

Saipem is internationally one of the largest and best balanced turnkey contractors in the oil & gas industry. Saipem has a strong bias towards oil and gas related activities in remote areas and in deepwaters. It is a leader in the provision of engineering, procurement, project management and construction services with distinctive capabilities in the design and execution of large-scale offshore and onshore projects. It has technological competencies such as gas monetization and heavy oil exploitation.

### **For further information, please contact:**

Ms Wong Chai Yueh  
Assistant Manager  
Keppel Group Corporate Communications  
Tel: (65) 6413 6450  
Email: [chaiyueh.wong@kepcorp.com](mailto:chaiyueh.wong@kepcorp.com)