

Offshore Marine

Keppel

A publication of Keppel Offshore & Marine

May/June 2007

MICA (P) 062/05/2007

Offshore
**Fourth ultra-deepwater
semi for ENSCO**

New Keppel Chair Professor

Marine
**Keppel Philippines scores
green points**

**Keppel delivers *Deep Driller 5*
and *West Propero***





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Company registration no. 199900642R

Keppel FELS to build fourth ultra-deepwater semi for ENSCO

Keppel FELS has secured an order for an ultra-deepwater semisubmersible (semi) drilling rig from a wholly-owned subsidiary of ENSCO International Incorporated (ENSCO).

The semi, *ENSCO 8503*, will be the fourth semi that Keppel FELS is constructing for ENSCO. It is expected to be delivered in the third quarter of 2010.

Choo Chiau Beng (CB Choo), Chairman & CEO of Keppel Offshore & Marine (Keppel O&M) said, "It is our privilege to participate in the growth of ENSCO. Since 1999, we have built nine premium jackup rigs and have four semisubmersibles under construction for ENSCO including the latest order."

Keppel FELS delivered its ninth jackup rig, *ENSCO 108*, to ENSCO in March this year. It is constructing three semis, *ENSCO 8500*, *ENSCO 8501* and *ENSCO 8502*, for delivery to ENSCO in second quarter-2008, first quarter-2009 and end-2009 respectively. *ENSCO 8500* and *ENSCO 8501* are both committed under long-term drilling contracts beginning upon delivery.

As ENSCO's preferred shipyard group, Keppel O&M, through its subsidiaries, has had, since 1997, a longstanding Master Vessel Modification and Repair Agreement with ENSCO.

CB Choo added, "The construction of the first three ENSCO semis is progressing well on track. We share ENSCO's confidence that these cost-efficient units will meet the industry's need for deepwater drilling solutions."

Daniel W. Rabun, Chairman, President



With the on-track construction of the first semi, *ENSCO 8500* (background), Keppel and ENSCO further strengthens their partnership with a fourth semi order. Seen here are William S. Chadwick, Jr., Executive Vice President – COO of ENSCO; CH Tong, Daniel W. Rabun, Chairman, President and CEO of ENSCO; CB Choo and Paul Wildberger, General Manager, Capital Projects of ENSCO

and Chief Executive Officer of ENSCO, said, "Today marks another milestone in our commitment to our strategic objective of expanding our deepwater fleet through our ENSCO 8500 Series™ proprietary design semisubmersible rigs.

"We are taking a balanced approach toward our objective of delivering long-term shareholder value by reinvesting in our business while, at the same time, addressing our capital structure by executing on our stock repurchase programme. We continue to see strong demand for deepwater equipment and believe that our 8500 Series™ rigs are a cost-effective approach for addressing the growing deepwater market.

"We are gratified to again be working with Keppel FELS shipyard on the *ENSCO 8503* project."

Like her sister rigs, the *ENSCO 8503* ultra-deepwater semi rig is based on ENSCO's proprietary design, the ENSCO 8500 Series™, which is an enhanced version of the ENSCO 7500 design. The 8500 Series™ rigs will be capable of drilling in up to 8,500 feet of water, and can readily be upgraded to 10,000 feet water-depth capability if required.

Enhancements include a two million pound quad derrick, offline pipe handling capability, increased drilling capacity, greater variable deck load, and improved automatic station keeping ability. With these features, the 8500 Series™ rigs will be especially well-suited for deepwater development drilling.

ENSCO, headquartered in Dallas, Texas, owns and operates a modern fleet of offshore drilling rigs servicing the petroleum industry on a global basis.

A drilling tender for Seadrill Asia

The new tender rig is an enhancement of the proprietary KFELS SSDT™ 3600 design rigs, *West Setia* (seen here) and *West Berani*, which Keppel FELS has designed and built for Seadrill



Repeat customer Seadrill Asia Limited (Seadrill Asia) has signed a contract with Keppel FELS for a semisubmersible drilling tender (SSDT).

Slated for delivery at end 2009, the drilling tender will be built to Keppel FELS's proprietary design, the KFELS SSDT™ 3600E.

CB Choo said, "We are glad to continue our support of Seadrill in meeting their drilling requirements by delivering quality products on time and within budget. It is our aim to be the service provider of choice for our customers through innovation, engineering and excellent execution of projects."

This new tender rig will be an enhancement of the last two KFELS SSDT™ 3600 design rigs, *West Setia* and *West Berani*, which Keppel FELS built for Seadrill Asia. The enhanced version includes modifications such as increased crane load capacity to 250 tonnes, four mud pumps and accommodation and services for 160 personnel.

The Keppel O&M group has built a total of five tender drilling rigs for Seadrill Asia, formerly Smedvig, since 1994. All the five rigs are gainfully deployed across the world. The first rig, *West Pelaut*, was voted 'Shell Platform Rig of the year' in 2006 for consistent long term performance. The last rig, *West Berani*, was successfully put into operation in Kuantan, East Malaysia, immediately after its delivery in December 2006.

Seadrill Asia's parent company, Seadrill Limited, has also ordered four jackup rigs with Keppel FELS, of which three are currently under construction. The first of the four, *West Ceres* (ex *Seadrill 3*), was delivered on time and within budget in 2006.

The KFELS SSDT™ series is developed by Keppel O&M's R&D arm, Deepwater Technology Group. A conventional drilling tender can only be deployed next to fixed platforms, but the KFELS SSDT™ series, with their enhanced capabilities, can operate in deepwaters up to 5,000 feet alongside Spars and Tension Leg Platforms.

Recognised for global reach

Keppel O&M global presence in 15 countries enables the group to tap market opportunities and offer products and services across geographical boundaries.

Its "Near Market, Near Customer" strategy bolstered by its global network of 20 yards in the Asia-Pacific, Gulf of Mexico, Brazil, the Caspian Sea, Middle East and Europe, has enabled Keppel O&M to have a high level of its sales revenue from overseas markets.

This high revenue allowed Keppel O&M to come in seventh place under the Singapore International 100 Ranking 2007.

This event is a national initiative which started in 2005. It identifies companies with the largest revenue contributions from the markets of Africa, the Americas, China, Europe, India, the Middle East, North Asia, Oceania and Southeast Asia.

The ranking exercise is based on the 2006 overseas revenue.

Keppel FELS was ranked 16th.

CH Tong, MD/COO, of Keppel O&M and Michael Chia, Executive Director of Keppel FELS, received the certifications on behalf of their respective companies.

CB Choo, Senior Executive Director of

Keppel Corporation represented Keppel Corporation at the event. Keppel Corporation won sixth place at the awards.

The ranking was organised by IE Singapore with DP Information Group as the ranking organisation.

The gala dinner on 10 July 2007 was graced by Deputy Prime Minister and Co-ordinating Minister for National Security and Minister for Law, Professor S Jayakumar.



Broadening the group's global reach: (from left) CH Tong, CB Choo and Michael Chia

Keppel secures third KFELS N Class jackup rig

Keppel FELS has secured a repeat order for a KFELS N Class jackup rig from Skeie Drilling and Production, a member of the Skeie Group.

The contract is subject to certain conditions being met by 9 July 2007.

The new rig is expected to be delivered in the fourth quarter of 2010.

CB Choo said, "Having three KFELS N Class orders in less than half a year is strong endorsement for this innovative design. It reinforces our confidence that the rig has what it takes to meet market requirements for highly robust rigs in the North Sea type of conditions."

Developed by Keppel's R&D arm, Offshore Technology Development, the KFELS N Class jackup rig will provide customers the flexibility of having a unit

that can undertake drilling and production activities concurrently.

Capable of operating in water depths of up to 430 feet and drilling depths of down to 35,000 feet, the rig will have features to readily accept process modules for production activities. The design is in full compliance with the demanding and technically challenging requirements of rigs operating in the Norwegian sector of the North Sea.

Second ice-class AHTS for LUKOIL delivered early

Keppel Singmarine delivered VZMORYE to customer LUKOIL Kaliningradmorneft (LUKOIL) nine days early on 21 June 2007.

This achievement for the second 60-tonne bollard pull, ice-class Anchor Handling Tug/Supply (AHTS) vessel is another commendable effort by Keppel Singmarine. The first vessel,

M.V. Svetlyy, was also delivered 11 days ahead of schedule on 20 December 2006.

VZMORYE was named by Lady Sponsor, Tamara Unguryan, Deputy General Director for Legal Matters of LUKOIL at a ceremony held under the evening sky in Keppel Singmarine's yard.

Hoe Eng Hock, Executive Director of Keppel Singmarine said, "The early deliveries are an affirmation to our customers that Keppel is the provider of choice in helping them to strengthen their fleet.

"It also reflects the success of the co-operation with our customers as well as our experience and expertise in the design and construction of sophisticated and customised vessels for the offshore services industry."

Jointly designed and developed by Robert Allan Ltd of Canada and Keppel's design arm, Marine Technology Development, VZMORYE will be deployed in the Northern Caspian Sea region to service LUKOIL's offshore projects. She will be able to operate in cold weather conditions of -20°C in ice thickness of up to 70 cm.



On behalf of LUKOIL, Victor Velikov, Deputy General Director of Lukoil (first from left) received a gift from Charles Foo, Chairman of Keppel Singmarine (second from right) while Unguryan and Hoe Eng Hock look on

Making steady progress

Keppel Nantong Shipyard launched its first Azimuth Stern Drive tugboat successfully on 1 July 2007. Its sister tugboat followed swiftly two days later.

It was a moment of jubilation as all employees present looked forward to the first touch of water for the pair.

As Lee Tai Kwee, President of Keppel Nantong Shipyard, had aptly noted in his letter to all employees, “The heavens are with us, as the tug was launched, the heavens showered us with blessings, which allowed the sea level to rise, and our first ‘child’ rose with the tide. Let us pray for the heavens to grant it fair winds and following seas.

“The successful launchings of these two tugs are not without all of our sweat and toil. I thank all of you, and let us jointly wish Keppel Nantong Shipyard a bright and prosperous future.”

Meanwhile, sister yard Keppel Singmarine also achieved milestones on its projects. The first Floating Storage and Offloading vessel for LUKOIL–NIZHNEVOLZHSKNEFT (NVN) laid its keel in late June, witnessed by Yuri Isupov, the authorized representative of LUKOIL – NVN.

The 130-tonne AHTS vessel for Gulfmark Offshore was launched on 16 June 2007. Keppel Singmarine is currently building four such vessels for Gulfmark Offshore, while two others are being built in Keppel Nantong Shipyard.



Keppel Singmarine also recently launched a 130-tonne AHTS vessel, being built for Gulfmark Offshore



A first for Keppel Nantong, two tugs were launched on 1 and 3 July respectively



Keppel Shipyard has the expertise and capability to carry out a large spectrum of shiprepair and conversion projects

Keppel strengthens foothold in drillship market

Keppel Shipyard secured a contract to install equipment packages on a new drillship.

The new hull is currently being built in China and is due to arrive at Keppel Shipyard in the third quarter of 2008. Keppel Shipyard is expected to complete its part of the work by the fourth quarter of 2009.

Nelson Yeo, Executive Director of Keppel Shipyard, said, "We are always on the

lookout for new business opportunities to support our clients in line with emerging market trends.

"This new contract brings to fore the Group's project management expertise and capabilities in converting and integrating offshore exploration and production vessels.

Owners can choose to outsource the construction of bare hull elsewhere. This can be beneficial to us because our

valuable fabrication capacity can be made available to carry out other value-added work."

Its workscope includes installation, integration and completion of the owner supplied power generation, thrusters and drilling equipment packages on a new hull.

The new drillship is designed to operate in deepwater depths of 12,000 feet and is fitted with DP 2 capabilities.

Chevron awards FloaTEC a contract to study *Big Foot* field

FloaTEC, LLC, (FloaTEC), the JV between Keppel FELS and J. Ray McDermott (J. Ray), has clinched a contract from Chevron to conduct a concept evaluation study of the *Big Foot* field.

The *Big Foot* field is located in the Gulf of Mexico's Walker Ridge Block 29 in water depths of about 5,000 feet. *Big Foot* is expected to come on stream after 2012.

The US major has tasked FloaTEC with evaluating a full range of options, including spar, TLP, semi, FPSO and subsea concepts. Both wet and dry tree options will be considered.

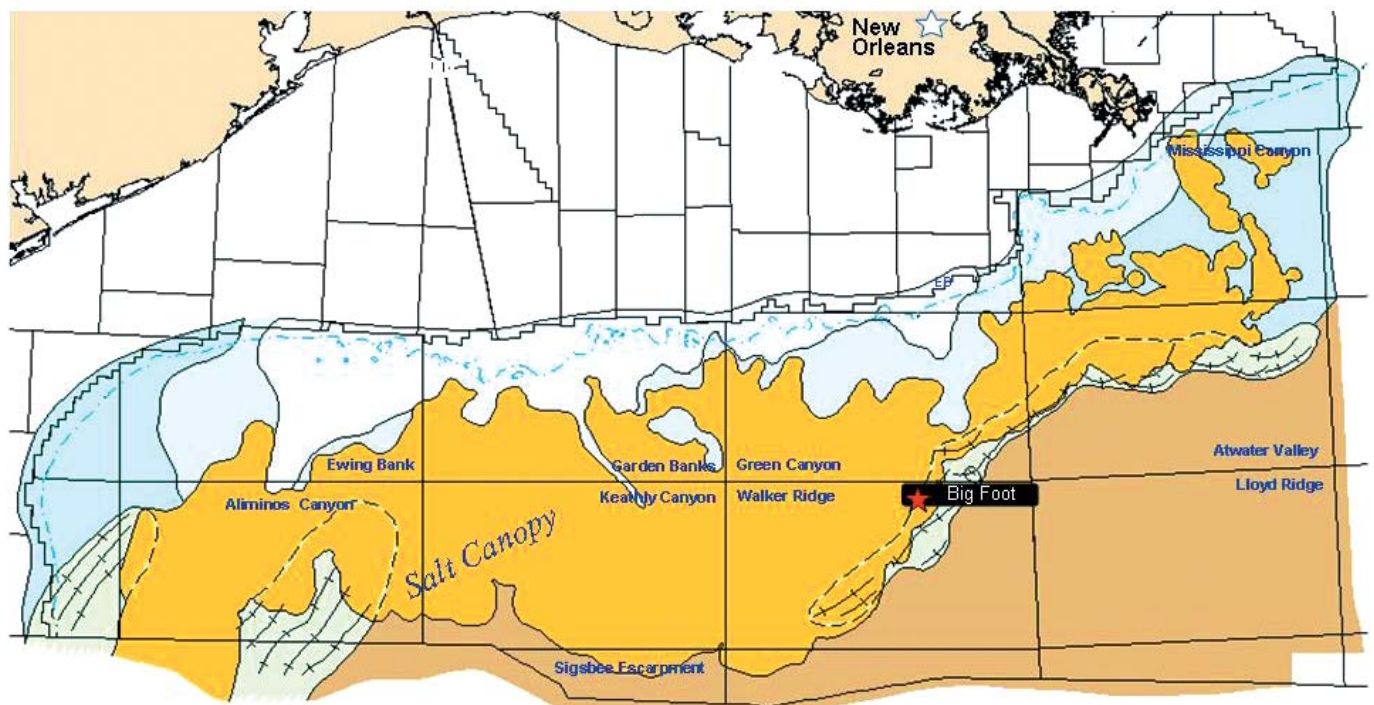
Eric Namtvedt, FloaTEC's President said, "The contract validates FloaTEC's ability to offer unbiased production solutions to the deepwater market."

The concept screening study is expected to utilise around 6,000 manhours. FloaTEC will leverage the strengths and resources of its sister companies in the screening process.

Mentor Subsea will examine the field's subsea architecture. J. Ray's Engineering will formulate the topsides parameters for each screened solution. Meanwhile, FloaTEC will be overall project manager and is responsible for looking at the various hull forms, as well as the mooring and riser systems.

FloaTEC is also in the process of wrapping up a similar concept screening study for the *Knotty Head* deepwater discovery in Green Canyon Block 512, for Chevron and its partner, Nexen.

Chevron Big Foot



The conceptual studies by FloaTEC will evaluate the feasibility of a range of development options from floating systems to subsea solutions



Keppel Singmarine's strong track record in specialised shipbuilding, such as the Ice-Class M.V. VZMORYE (above) for LUKOIL, has won the confidence of our customers

Keppel clinches specialised ship contracts

Keppel Singmarine has secured four contracts to build six offshore support vessels (OSV) and a derrick pipelay vessel.

Delivery dates for these vessels are expected between the second half of 2009 and the first half of 2010.

This is the first time that Keppel Singmarine is building a derrick pipelay vessel, and for a new customer, Global Offshore International Ltd (Global Offshore).

Hoe Eng Hock, Executive Director of Keppel Singmarine, said, "Derrick pipelay vessels are highly specialised ships that have to be tailor-made to owners' requirements.

"We are glad that Global Offshore recognises Keppel Singmarine's versatility and expertise in building all types of

vessels in accordance with owners' specifications."

The 163-metre derrick pipelay vessel is a multi-purpose construction vessel to be equipped with two units of 4500 KW electric propulsion thrusters, six units of positioning thrusters, a 1200-tonne crane and pipelay equipment capable of operating in water depths of 3,000m and handling pipes of 60 inches in diameter. These equipment will be supplied by the owner.

Global Offshore International Ltd is a wholly-owned subsidiary of Global Industries Ltd, a company listed in the US. It is a leading provider of offshore construction, engineering and support services for the oil and gas industry with its premium fleet of vessels.

The second contract secured is for another first time customer, Greatship Global

Offshore Services Pte Ltd (Greatship), for the construction of two 94-metre, 4,600 dwt, platform supply vessels (PSVs). The PSVs will be equipped with diesel electric propulsion and dynamic positioning systems (DP-2).

Greatship Global Offshore Services Pte Ltd is wholly-owned by Greatship India Limited (GIL). GIL is a wholly-owned subsidiary of GE Shipping.

The third contract was signed with repeat customer, Hadi H. Al-Hamman Establishment (Hadi), to build two 60-tonne bollard-pull Anchor Handling Tug/Supply (AHTS) vessels with dynamic positioning system (DP-2) for the Middle East. Hadi has placed a total of 16 vessels with Keppel Singmarine since 2001.

Hadi H. Al Hamman Establishment is one of the leading general contracting, trading and marine service providers to the Oil

& Gas and Petrochemical Industries in the Middle East with its headquarters in Saudi Arabia.

The fourth contract is for another repeat customer, LUKOIL-Kaliningradmorneft (LUKOIL), which has commissioned Keppel Singmarine with the building of two Ice-Class multi-purpose standby and rescue vessels for the Caspian Sea. These are the sixth and seventh vessels to be built for LUKOIL.

LUKOIL-Kaliningradmorneft is a subsidiary to LUKOIL Oil Company, a leading Russian oil company with main activities in oil and gas exploration and production, and refining and sale of petroleum products.

Eng Hock added, "These contracts reflect the success of our strategy of focusing on offering our experience and expertise

in the design and construction of sophisticated and customised vessels for the offshore logistic industry, an area where we can add the most value to our customers."

Keppel Singmarine has secured contracts for over 50 OSVs since targeting its business on designing and building specialised vessels in 2002.

On course for success

Despite the high volume of work at the Keppel yards, the project teams are making sure that they keep to their promise of on-time on-budget deliveries.

SINGAPORE

Keppel FELS cut its first piece of steel signifying the start of the construction for the jackup rig, *Deep Driller 8*, on 30 April 2007.

Built to the KFELS Super B Class design, *Deep Driller 8* is due for completion in the first quarter of 2009 for customer Sinvest, a wholly-owned subsidiary of Aban Offshore.

Keppel Singmarine laid the keels of two 62 metre-long Anchor Handling Tug/Supply (AHTS) vessels for Whitesea Shipping and Supply (LLC) on 13 April 2007. These vessels are in a series of five that Keppel Singmarine is constructing for Whitesea.

The vessels will be constructed in Keppel Nantong Shipyard, bringing the total number of vessels being built by the Chinese yard to 13 units. Deliveries for these vessels are scheduled between 2008 and early 2009 for operation in the Middle East.

Meanwhile, AHTS *H310* took to the waters at Keppel Singmarine on 10 May 2007. Designed by Keppel's Marine Technology Development, this is the first of six vessels that Keppel Singmarine it is building for Gulf Offshore. *H310* is due for completion in the fourth quarter of 2007.

THE PHILIPPINES

Subic Shipyard and Engineering (Subic Shipyard) struck steel for the semisubmersible (semi) rig, *Gold Star*, on 2 April 2007. The rig is owned by Brazilian drilling contractor, Queiroz Galvão Perfurações (QGP).

Built to the MSC-DTG DSS 38 rig design,

this is the third offshore construction project undertaken by Subic Shipyard since the yard expanded its service portfolio to include offshore work in 2006.

Keppel Batangas and Subic Shipyard have concluded the construction of the mid-pontoon structure for GlobalSantaFe's (GSF) semi *Development Driller III*. The semi was completed on time and with zero accident after nine months of fabrication.

Lauding their achievement, GSF presented both yards with a plaque of appreciation for the exemplary safety record. The structures will be towed to Singapore to be joined with other sections of the semi.



Senior representatives of QGP, Keppel FELS and Subic Shipyard strike for a golden success

Deep Driller 5 makes three

Keppel FELS has delivered another KFELS Super B Class jackup drilling rig to repeat customer, Sinvest AS (Sinvest), a subsidiary of Aban Singapore Pte Ltd (Aban) on time and within budget.

The jackup drilling rig is the third of five KFELS Super B Class rigs that Keppel FELS is constructing for Sinvest. The first rig, *Deep Driller 2*, was delivered in April 2006 while the second rig, *Deep Driller 3*, was delivered six months later.

Reji Abraham, MD of Aban, shared at the naming ceremony held on 16 June 2007 at Keppel FELS that, "Aban was glad to be the proud owner of five superb ultra premium jackup rigs. The KFELS Super B Class jack-up rigs are unique in their capability and flexibility to drill some of the most challenging wells that exist today!

"*Deep Driller 5*, much like *Deep Driller 2 & 3* would be the most preferred rig for this segment. Keppel FELS has once again demonstrated their ability to deliver this high quality product, right on-time."

Commenting on their excellent relationship, Michael Chia, Executive Director, Keppel FELS, said, "*Deep Driller 5* is the third KFELS Super B

Class we've delivered in 14 months to Sinvest. I am proud to say that she will be yet another on-time and on-budget delivery.

"All five Deep Driller rigs are built to the proprietary KFELS Super B Class design, a higher derivative of our successful B Class designs, of which we have delivered 15 to date. This speaks volumes about the market acceptance of our rig designs.

"Through this series of Super B Class rigs, we are happy and privileged to be part of Aban's plans to develop a world class fleet of drilling rigs."

The KFELS Super B is a proven design, with *Deep Driller 2* now working on its fourth well with zero down time and no loss time incidents in offshore Brunei Darussalam. *Deep Driller 3* is also successfully operating in offshore Malaysia.

Bill Rose, President & CEO of Premium Drilling, the drilling contractors operating the rig, said, "Because of the way the rigs are designed, both the *Deep Driller 2* and *Deep Driller 3* have added value to Premium Drilling's capabilities in two ways. First, we are now able to deliver wells more quickly and safely, and second, we are able to drill with a much accelerated drilling process."

Rigs built to the KFELS Super B Class design are equipped with cantilever skid-off capabilities and high capacity hook load of two million pounds for operations in high temperature and high pressure wells.

Hailed as one of the world's deepest drilling rigs, the KFELS Super B Class rigs are capable of operating in water depths of up to 350 feet and high pressure high temperature deep drilling of down to 35,000 feet.

This design has been developed to meet the requirements of drillers for more powerful jackups as the search for hydrocarbons moves into harsher environments and deeper underground. It is an enhanced version of the KFELS B Class design.

Keppel FELS Executive Director Michael Chia with Lady Sponsor Mrs Saley Abraham



Keppel FELS delivers *West Prospero* ahead of schedule



West Prospero is the second KFELS B Class rig that Keppel FELS has delivered to Seadrill

Keppel FELS has delivered a KFELS B Class design jackup drilling rig to Seadrill Management AS (Seadrill), within budget and ahead of time.

At the christening ceremony on 30 June 2007, the rig was named *West Prospero* by Lady Sponsor Jocelyn Pedregosa Shearer, wife of Ian Shearer, Senior Vice President for Jackup Units of Seadrill.

Liam Mallon, Chairman and Lead Country Manager of ExxonMobil Malaysia, graced the ceremony as Guest-of-Honour. *West Prospero* has already won a one-year charter agreement with ExxonMobil in West Malaysia.

West Prospero is the second KFELS B Class rig that Keppel FELS has delivered to Seadrill. The first rig, *West Ceres* (ex-*Seadrill 3*), was delivered to Seadrill in April 2006.

Keppel FELS is building two more KFELS B Class jackup rigs for Seadrill. Construction of these two rigs is progressing according to schedule. They are due for delivery later this year and mid-2008 respectively.

CB Choo said, "*West Prospero* will be the 16th KFELS B Class rig to operate in the market. She is a modern premium drilling rig installed with state-of-the-art equipment.

"Rigs built to the KFELS B Class design are highly efficient drilling platforms with the best safety features for drilling. With its proven track record of global operations, this design continues to be the driller's choice for modern-day jackups."

Besides jackup rigs, the Keppel O&M group has also built and delivered five proprietary design semisubmersible drilling tender rigs to Seadrill. The yard has just been contracted to design and build the sixth for Seadrill.

Alf Thorkildsen, COO and Executive Vice President of Seadrill, said, "With *West Prospero*, Seadrill has spent a total of some US\$900 million with Keppel FELS. Our investments over the years have been significant and our repeat orders at Keppel FELS are a testimony to the predictable delivery of rigs by Keppel, both in quality and schedule."

Commenting on the partnership between Keppel and Seadrill, CB Choo added, "Keppel is privileged to be able to work with a great team of experienced and professional members from Seadrill. I believe that this relationship will continue to get better as both companies intend to be major players in this industry for years to come."

Growing beyond today

To be close to its markets and customers.

Keppel O&M strategy of “Near Market, Near Customer” service has worked well for the group in the different oil and gas regions where its business units are located.

Today, the group has a strategic network of 20 shipyards, serving customers in the Asia Pacific, Gulf of Mexico, Brazil, Caspian Sea, Middle East and the North Sea regions.

As the group celebrates the 5th anniversary of the integration of its yards under Keppel O&M, the company is poised to grow further through partnership with stakeholders, technology innovations, strong project execution and business excellence.

This year also marks Keppel FELS, Keppel Singmarine and Keppel Verolme’s 40th, 120th and 50th milestone years respectively. Keppel Shipyard, with its illustrious history that dates back to 1859, will celebrate its 40th anniversary in 2008.

To commemorate the anniversary, the Keppel Group Corporate Communications Division has developed anniversary logos for each of the SBUs to reinforce Keppel O&M as the provider of choice and partner in solutions to the offshore and marine industry.

OffshoreMarine showcases these logos.

5 YEARS 2002-2007
OF GROWTH

Keppel Offshore & Marine – “5 years of Growth”

The Group has and will continue to grow from strength to strength by tapping the accumulative expertise and experiences of all its SBUs.

40 YEARS 1967-2007
OF EXCELLENCE

Keppel FELS – “40 years of Excellence”

We have excelled in our business to become the world leader in rigs.

40 YEARS 1968-2008
OF RELIABILITY

Keppel Shipyard – “40 years of Reliability”

Delivering quality products has been and will continue to be our promise to our customers.

120 YEARS 1887-2007
OF QUALITY

Keppel Singmarine – “120 years of Quality”

We have gained rich experiences and expertise over the years since the Singapore Slipway days to provide quality products and services to our customers.

50 YEARS 1957-2007
OF VERSATILITY

Keppel Verolme – “50 years of Versatility”

A key quality that customers look out for is our flexibility and versatility in meeting their needs.

Keppel Verolme celebrates 50 years of versatility

“We want to grow Keppel Verolme as the premier yard for the offshore and marine industry in Europe, particularly offering services to the North Sea and West African markets,” CH Tong shared this vision when the group acquired the Dutch yard in August 2002.

Five years on and Keppel Verolme is on track towards achieving that vision.

More than 1,000 Keppelites, families and subcontractors gathered at the shipyard to celebrate the company's 50th anniversary on 9 June 2007.

Food, drinks and conversations flowed freely as everyone joined in the fun. The yard was transformed into a playground for the young as they enjoyed activities such as rock-climbing and inflatable slides, while the adults were entertained by famous Dutch singer, Trijntje Oosterhuis.

Harold Linssen, MD of Keppel Verolme, shared, “The year 2007 marks the 50th year of Keppel Verolme's founding by the late Cornelis Verolme, one of the greatest shipbuilders of The Netherlands.

“I am proud that 50 years later, we have maintained the reputation as a versatile company that is ready to meet the needs of our clients and owners in today's changing environment. Let us strive towards celebrating our next 50 years and more.”



A place for everyone at Keppel Verolme

Humming in excellence

Following the successful 2006 outfitting of the Floating Production Storage and Offloading (FPSO) facility, *Sevan Piranema*, Keppel Verolme is progressing well with the second Sevan FPSO project, *Sevan Hummingbird*.

Two months after the facility's China-built steel hull arrived at the yard in April, the topside and central shaft installation within the drydock was completed. The unit is currently undergoing equipment installation and commissioning works along the quayside.

The FPSO is scheduled to be operational at end 2007 at the Chestnut field in the central North Sea for a fixed contract period of two and a half years.



Keppel Verolme is well on track for its projects. At the foreground, FPSO SSP *Hummingbird* and jackup rig *Port Rigmar*

Keppel Verolme is also undertaking the upgrading of an accommodation jackup rig, *Port Rigmar* for Awilco AS, and a semisubmersible rig, *Noble Ton van Langeveld*, for Noble Drilling (Nederland) BV.

Works onboard *Port Rigmar* comprise mainly the strengthening of one of the unit's legs. Particularly challenging is the use of high yield strength steel (Dilimax 690) and the height of installation, which is at approximately 100 metres above the dock floor. Simultaneously, the rig will undergo her regulatory class special

survey, bottom plate renewals and the installation of new and additional marine equipment.

Noble Ton van Langeveld was sent to Keppel Verolme in May 2007 for upgrading works, regulatory inspections, general maintenance works and the installation of two new cranes. Several ballast tanks were re-coated while tank and hull anodes were also renewed.

For the safe and early completion of the project, Keppel Verolme was awarded a US\$100,000 bonus by the satisfied owner.

Charles banks on LNG



Charles Foo delivers speech at Energy Risk Asia

Energy markets and risk management came together at the Energy Risk Asia 2007 held at the Meritus Mandarin on 21 -22 June.

Charles Foo, Keppel O&M's Managing Director (Special Projects), was a panel speaker on the topic of "Assessing the security of global natural resources." Charles discussed issues relating to renewable energy and alternative energy sources.

According to him, countries and businesses are recognising the reality of global warming as a result of burning fossil fuel. There is a need for a viable energy solution that can also sustain the environment. To date, renewable energy can

only meet a tiny fraction of the world's needs while nuclear energy on the other hand carries significant risk in the event of the fallout.

Therefore, Charles believed that the world would continue to rely on fossil fuels for many years to come. The cleanest form of fossil energy is liquefied natural gas (LNG). Stranded gas in various forms such as gas-to-liquid and compressed-natural-gas as well as coal-to-liquid and coal bed methane can be farmed as alternative energy supply.

The two-day Energy Risk Asia seminar attracted delegates from all walks of life to bring themselves up to speed with the latest market developments.

Nor-shipping 2007 adds to Keppel's global stature

Keppel O&M showcased its products and technology at the recent Nor-Shipping 2007 exhibition. Held from 12-15 June in Oslo, Norway, Keppel FELS, Keppel Shipyard, Keppel Singmarine and Keppel Verolme were involved in the exhibition under the umbrella of the Singapore Pavilion.

The exhibition proved to be a valuable opportunity for Keppel O&M to get together with its partners and suppliers. Lim Hwee Hua, Minister of State for Finance and Transport, reiterated while officiating at the opening of Singapore Nite that, "This reception is an excellent platform for us to strengthen the close relationship that Singapore has forged with Norway over the years. Singapore is

today the Asian home to over 60 Norwegian shipping-related companies. Norwegian owners are among the largest customers of Singapore shipyards. "

His Majesty King Harald V, of Norway graced the Singapore Pavilion and was given a tour by Nelson Yeo, Executive director of Keppel Shipyard.

More than 825 companies from 43 countries participated in the event. Keppel O&M was able to contribute meaningfully in the event as it featured dignitaries and leading experts discussing Arctic-related issues, something the company is very familiar with having built, rigs and vessels for the North Sea.



Under one roof: Keppel Shipyard Director, Nelson Yeo (left) welcoming Lim Hwee Hua, Minister of State for Finance and Transport to the Singapore pavilion as Teo Siong Seng (right), Chairman, Singapore Maritime Foundation looks on

Alpine rolls out core values

With operations in 14 different countries spanning across the globe, the Keppel O&M group overcame language hurdles by implementing signs or icons to communicate its core values more effectively.

Launched on 6 November 2006 at Keppel O&M headquarters in Singapore, the icons were subsequently rolled out in the group's other business units, namely Subic Shipyard in the Philippines as well as its three engineering offices in China, India and Bulgaria.

On the morning of 23 May 2007, the core values icons made its way to its wholly-owned subsidiary, Alpine Engineering Services (Alpine). Employees of Alpine,

who are already familiar with the Keppel O&M core values, were introduced to the core values icons.

Announcing his support for the rollout, Albert Kee, General Manager of Alpine said, "Alpine has been part of the Keppel family for 14 years. We are thus familiar with the core values that have guided our strong results over the years. The introduction of the core values icons, will lend to the sense of camaraderie among Alpine employees.

"We must move forward with our core values deeply embedded in us to achieve stronger results for the company."

Alpine provides marine engineering services such as welding, lifting and



Can Do! for stronger results. An Alpine supervisor gives the 'thumbs up' to the workers while explaining what each symbol signifies

scaffold construction. The company has been incorporated under the Keppel group since 1993.

New Keppel Chair Professor

Keppel O&M and the National University of Singapore (NUS) have appointed Prof Andrew Palmer as the Keppel Chair Professor in the Department of Civil Engineering.

Prof Palmer, 69, takes over from Norwegian marine structures expert, Prof Torgeir Moan, who held the first Keppel Chair between 2002 and 2006.

Prof Palmer's tenure as the second Keppel Professor will be for a two-year period.

To mark his new appointment, Prof Palmer delivered the 5th Keppel Offshore & Marine Lecture on "Arctic Offshore Structures, Ice Engineering and Ice Mechanics", at the NUS on 6 June 2007 to a packed house of more than 350. An adjoining hall was also filled to capacity.

The lecture provided an overview of the vast opportunities for petroleum

development in the Arctic seas. Engineers working on petroleum development beneath the Arctic seas have found ice to be a formidable influence on design and construction.

The Arctic seas are covered by ice for much of the year and ice moving against a structure can induce very large forces, at times measuring up to hundreds of thousands of tonnes. This poses design challenges when building facilities for petroleum development.

The 5th Keppel Offshore and Marine Lecture 2007 focused on all these and related issues. It described the mixture of laboratory-scale experiments, field-scale measurements and fracture analysis, which had been applied in this field. The subject was of topical relevance as production was already under way beneath the Arctic seas, which promise vast areas for petroleum development.

OffshoreMarine talked to the Professor after his stimulating lecture on his move to Singapore and the NUS.

"I'm delighted to be in Singapore and part of NUS's vigorous push to develop its activity in offshore engineering, and welcome the generous support it has from Keppel, EDB and A-star.

"The offshore industry is moving in exciting directions, and much is happening in Singapore and the surrounding region. This is a good place to be!" he enthused.

An authority on marine pipelines, Prof Palmer also has extensive knowledge on engineering, mechanics and construction on ice.

Prof Shih Choon Fong, President of NUS, said, "Prof Andrew Palmer brings with him a wealth of research and teaching



The 5th Keppel Offshore & Marine Lecture was delivered to a packed house

expertise as well as vast industry experience in the field of pipeline and offshore engineering. His appointment as Keppel Professor at NUS promises to break new ground in developing innovative technologies to address today's engineering challenges in the offshore and maritime industry.

"NUS is privileged to continue this synergistic partnership with Keppel as we work together to help enhance Singapore's capability in offshore and marine technology."

NUS will fund Prof Palmer's stint in Singapore on a full-time basis. He will also receive funds from the Keppel Professorship to continue his research in offshore pipelines, offshore engineering, geotechnics and ice.

CB Choo said, "With his sterling credentials, I am confident that Prof Palmer will continue the good work carried out by Prof Moan in stimulating intellectual discussions and broadening the knowledge base of our local engineers.

"We are certain, as well, that by being based in Singapore, Prof Palmer will be able to expand and enhance the scope of the Keppel Professorship in encouraging local initiatives and integrating global research knowledge with entrepreneurship and excellence in offshore and marine production technology."

The recent offshore oil and gas boom has spurred growth in the Singapore Marine Engineering sector, which contributed S\$9.8 billion in 2006. This represents a 40% year-on-year growth for the sector. Against this backdrop, the importance of the Keppel Professorship is underscored by its role in promoting greater exchange of leading edge technologies in order to further entrench Singapore's position as a centre of innovation and excellence in the industry.

Getting to know Professor Andrew Palmer



Prof Andrew Palmer

Andrew Clennel Palmer earned his bachelor's degree in engineering from Cambridge University in 1961 and his doctorate in engineering from Brown University in 1965. He devoted his career to both practice as a consulting engineer and university teaching.

Prof Palmer was the project manager for the first Arctic offshore pipeline, built off the coast of Melville Island in Canada. In 1985, he founded Andrew Palmer and Associates, a company of consulting engineers who specialize in marine pipelines and have been engaged in pipeline projects on every continent. He was involved in active consulting until 1996 when he returned to university teaching. He was appointed Jafar Research Professor of Petroleum Engineering at Cambridge University. In 2002-2003, he was a visiting professor in the

Division of Engineering and Applied Sciences at Harvard University. Palmer retired from Cambridge in 2005 and has been appointed visiting professor in the Department of Civil Engineering at the National University of Singapore.

He is a Fellow of the Royal Society, a Fellow of the Royal Academy of Engineering, a Fellow of the Institution of Civil Engineers, and a Chartered Engineer.

He has recently been conferred an honorary doctor of science degree at Clarkson University, USA. The degree was awarded for his exceptional contributions to pipeline and offshore engineering, his years of dedicated guidance of students of engineering, and his notable successes as both an academician and a businessman.

Striking on target

Good progress sums up the status of projects, which have struck steel at Keppel FELS and Keppel Batangas Shipyard (Keppel Batangas) recently.

All systems go as Pete England, Awilco's Project Manager, initiates the strike steel while Jay Singam (left), Keppel FELS Senior Project Manager and Bryan Toh (right), Keppel FELS Asst Project Manager, look on



ENSCO International's (ENSCO) ENSCO 8502 during a ceremony on 24 May.

The ceremony was kicked off by Ron Couet, ENSCO's Project Manager and witnessed by the project teams from ENSCO, Keppel FELS and Keppel Batangas.

"Above and beyond meeting the project requirements, our teams are focused on ensuring that it is done safely, with good quality and achieve an on-time, on-budget delivery", said Kok Boon Heng, President of Keppel Batangas.

AT KEPPEL FELS

Jackup drilling rig, *Deep Driller 8*, struck steel on 1 May 2007, while *Vasumati* and *WilStrike* struck steel on 1 June 2007, to much anticipation.

Deep Driller 8 is the fourth jackup rig Keppel FELS is constructing for Deep Drilling Invest, while *WilStrike* is the third for Awilco Offshore and *Vasumati* is the first for Mercator Offshore (Mercator).

All three rigs are being built to the KFELS B Class jackup rig design. Keppel FELS has delivered 16 such jackup rigs to the market which are gainfully deployed worldwide. The yard will be delivering 14 more over the next three years.

Ranjen Agrawaal, CEO of Mercator Oil & Gas, said, "The emotion of reaching this strike steel ceremony is similar to what one feels at the start of a soccer match. All preparations and strategies have been sorted out and now the action starts.

"It is also the realisation that physical work has started and so have the pressure, excitement and thrill. It is time to walk the talk and deliver."

AT KEPPEL BATANGAS

Projects at Keppel Batangas too, are well underway.

The yard struck steel for the lower hull of

Keppel Batangas secured the sub-contract job from Singapore's Keppel FELS to fabricate the pontoon and lower column structures of the ultra-deepwater semisubmersible.

This is the Philippine shipyard's fourth offshore project since its entry into the offshore oil rig fabrication market in 2006. Two of the four projects, *ENSCO 8500* and *GlobalSantaFe's Development Driller III*, have already been delivered to Keppel FELS.

The *ENSCO 8502* project of Keppel Batangas is slated for completion by June 2008.



The project teams during the *ENSCO 8502* strike steel ceremony at Keppel Batangas

Keppel Cebu inks tugboat deal



Hull 15 will be ready to serve Keppel Smit Towage in August this year

A new 45-tonne bollard pull Azimuth Stern Drive (ASD) tugboat will soon join Keppel Smit Towage's (KST) fleet of vessels when Keppel Cebu Shipyard delivers it in third quarter of 2007.

This agreement was sealed on 8 May 2007.

Fok Swee Yin, President of Keppel Cebu, shared at the signing ceremony, "Keppel Cebu is the first ISO-certified shipyard in the Philippines. We seek to constantly upgrade our facilities to

service the growing market for new offshore support vessels, such as tugboats."

The new tug, known as *Hull 15*, is driven by two Nigata 6L25HX marine engines. She will have a twin Niigata ZP-21 propulsion systems as well as two Cummins CSMX TA8.3 generator sets that provide auxiliary power.

Keppel Cebu is also constructing two 50-tonnes bollard pull tugboats, *Hull 16* and *Hull 17*, for Singapore's Maju Maritime Pte Ltd.

Executing on an even keel

It was a proud day for the project teams working on *Discovery I* and *Deep Driller 6*, a KFELS B Class and a KFELS Super B Class jackup rigs Keppel FELS is building for Discovery Drilling and Deep Drilling Invest respectively.

Keel laying ceremonies for both projects took place on 9 July 2007, which saw the first block of a rig being placed on keel blocks, marking the start of the rig's next phase of construction.

Leading the *Discovery I* project, Keppel FELS' Senior Project Manager, Mr A. C. Lim, said, "Attaining this project

milestone is highly satisfying, knowing that both the Keppel FELS and Discovery Drilling teams have worked closely together to successfully deliver what we had set out to do. The next milestone is a few months away but we are certainly looking forward to getting there."

Sharing the same sentiments is V. K. Nagpaul, Project Head of Discovery Drilling. He said, "Through open discussions and excellent teamwork between the two project teams, Keppel FELS has again fulfilled its commitment by delivering this milestone on time, on budget and safely. We anticipate achieving

the same results for the next milestone and to the final delivery of a high-quality rig."

Deep Driller 6 is the fourth of five Super Bs jackup rigs Keppel FELS is building for DDI. Sister rig, *Deep Driller 5*, was delivered on 12 July 2007, on time and on budget.

Meanwhile in the Philippines, Keppel's Subic Shipyard laid the keel for *Gold Star*, a semisubmersible drilling rig for the Brazilian drilling contractor, Queiroz Galvao Perfuracões (QGP).

Giving the thumbs up for the project are (From left) A. C. Lim, Senior Project Manager, Keppel FELS, Adam W. Moilanen, Regional Vice President, American Bureau of Shipping and V. K. Nagpaul, Project Head, Jindal



Sharing a firm partnership are (From left) Wong Khei Lun, Project Manager, Keppel FELS, Tom Mikkelsen, Project Manager, DDI, John Campbell, Site Manager, DDI and Lam Kee Hoe, Project Manager, Keppel FELS



Largest skidding operation in Brazil

Keppel FELS Brasil is on track for the marine mating of floating production unit (FPU) *P-51*.

On 10 June 2007, its BrasFELS yard completed the first and largest skidding operation ever seen in Brazil.

The 48-hour process saw the approximately 13,000-tonne *P-51* deckbox skid 120 metres from Slipway No. 3 into position above the barge, *FS-1*.

For the *P-51* deckbox to move that distance, months of strategic planning and meticulous preparations were needed.

FSTP's Project Director for *P-51* José Pedro Mota shared, "Six months before the skidding, the engineering team met every week to discuss the construction methodology and prepare the relevant documents and materials needed to ensure a smooth operation.

"We also had regular dialogue sessions with the BrasFELS's operations team to ensure the skidding progressed as planned."

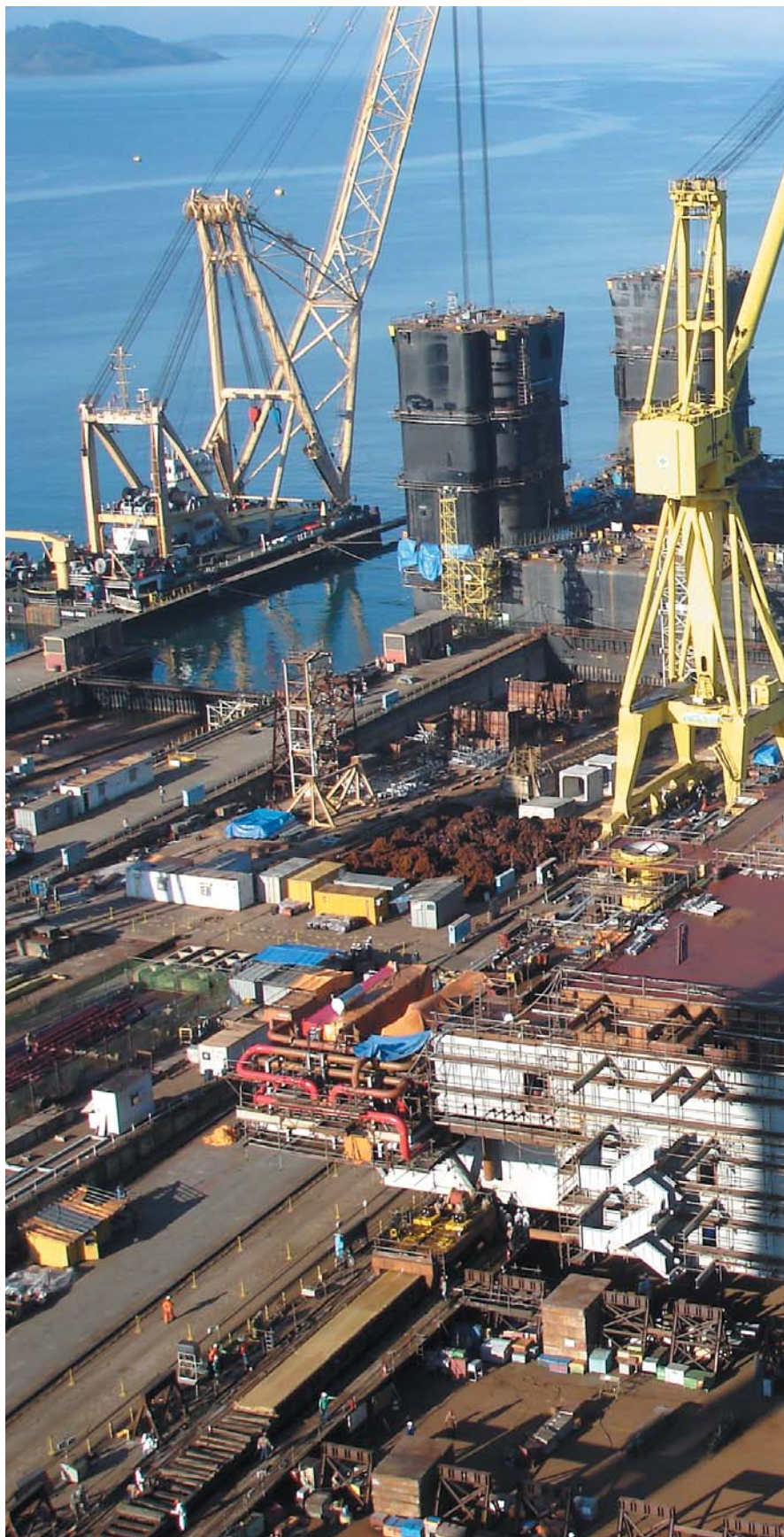
Measuring 120m x 47m x 9m, the barge was also used as the foundation on which the *P-52* deckbox was built (Read the *Celebrating the P-52* supplement accompanying this issue).

Michael Chia, Executive Director of Keppel FELS and one of the brains behind the ingenious barge idea said, "The purpose-built barge allowed us to construct the deckboxes of *P-52* and *P-51* concurrently, thus saving cost and time to the entire project."

With the successful skidding, the *FS-1* barge with the *P-51* deckbox, will be floated and moored alongside the quay. The topside process modules, power generation and compression modules will be lifted on top of the deckbox.

When the topsides are assembled, the entire deckbox will be towed to the 55m deep hole, six km from BrasFELS for marine mating with the lower hull.

With another milestone accomplished, the race to complete the *P-51* continues.





The 13,000-tonne deckbox inches into position above the barge FS-1 (top picture), as P-51 prepares for the marine mating of its topside (bottom picture, front) and lower hull (bottom picture, behind)

Michael at the helm of ASMI

Michael Chia, Executive Director of Keppel FELS, has been re-elected President of the Association of Singapore Marine Industries (ASMI) for the term of June 2007 to May 2009.

This is his second term as the President of ASMI. ASMI is the main representative body for the promotion and advancement of the Singapore ship repair, ship building and rig building sectors.



Michael Chia, Executive Director of Keppel FELS, also helms ASMI

With over 30 years of experience in the offshore and marine industry, Michael is focused on enhancing the image of the Singapore maritime industry and attracting new talent to join the marine workforce.

In 2006, the local marine and offshore industry achieved a total output of S\$9.8 billion, up 32% from S\$7.43 billion in 2005.

A new ASMI Council was also elected for the term commencing June 2007 to May 2009.

Other Keppelites serving on this Council include Keppel Singmarine's Executive Director Hoe Eng Hock, who is ASMI's Vice President, and Keppel Offshore & Marine's Executive Director (Human Resource) Chee Jin Kiong and Keppel Shipyard's General Manager (Operations) Abu Bakar Mohd Nor, who are nominated ASMI Council Members.

Abu Bakar, General Manager (Operations), Keppel Shipyard, has been elected as Chairman of the ASMI safety committee, a position held by a Keppelite for many consecutive years.

The marine industry has done well in safety amid a higher volume of activities in the last few years. In 2006, the industry achieved a record low in Accident Frequency Rate (AFR) of 2.2 accidents per million man-hours worked. This AFR is a reduction of 21.4% as compared to the 2.8 accidents per million man-hours worked recorded in 2005.

A total of 638 work place injuries were reported in 2006, 40% higher compared to 2005. Although there was an increase in the number of accidents, the Accident Frequency Rate (AFR) in 2006 was lower, due to the higher volume of activities carried out in the shipyards.

A non-profit trade association, ASMI represents the interests of the offshore and marine industry in Singapore.

Yan Naing Myint is President of Caspian Shipyard

Keppel O&M announced the appointment of Yan Naing Myint (Yan) as the President of Caspian Shipyard Company Ltd (CSC).

Yan, 35, will oversee the business operations and strategic developments of CSC, which builds and repairs rigs and ships.

Yan's appointment follows the retirement of Bill Kee, who continues to serve as Advisor to CSC.

Shared CH Tong, "As Keppel O&M strengthens its footprint in Central Asia, I am confident that Yan, with his rich experience and zealous attitude will contribute to our continued growth.

"On behalf of the management of Keppel O&M, I would like to express my heartfelt gratitude to Bill for his contribution to CSC. Bill has demonstrated tremendous leadership to bring out the best in the people."

An engineer by training, Yan joined Keppel FELS as a Management Trainee in 1995.

Prior to his new appointment, Yan was Senior Project Manager and has led the team in numerous newbuild, conversion and repair projects. Some of the notable projects include the major conversion and upgrading of a series of semisubmersibles for *Ocean Endeavor*, *Ocean Rover* and *Ocean Baroness*; and the construction of *Safe Concordia*, a 400-man semisubmersible accommodation platform for deepwater environments.

He has worked in the Production, Engineering, Marketing and Commercial departments at Keppel FELS between 1995 and 2000. He assumed the position of Project Manager in 2000.

Yan holds a Bachelor of Mechanical Engineering from the University of Newcastle-Upon-Tyne, UK.



At the helm of Caspian Shipyard is Mr Yan Naing Myint (right) with Keppel O&M MD & COO Mr Tong Chong Heong (middle) and Mr Bill Kee, Advisor to CSC

International impressions

Keppel makes a strong impression on visitors to its yards in Singapore.

Arab and Asian dialogue

Keppel Group sponsored a networking lunch for more than 150 government, business, academic and civil society leaders attending the inaugural Young Arab Leaders Global Action Forum: Arab and Asian Dialogue at the Ritz Carlton Hotel on 27 April 2007.

Organised under the patronage of King Abdullah II Bin Al Hussein of Jordan and Singapore's Senior Minister Goh Chok Tong, the Forum aimed to promote understanding and co-operation between

the Arab world and Asia. Participants were also addressed by Prince Feisal Bin Al Hussein of Jordan, Senior Minister Goh and Minister Mentor Lee Kuan Yew.

After the close of the Forum on 28 April 2007, a group of delegates visited Keppel FELS where they were taken on a tour of the yard and briefed on the businesses of Keppel O&M, its global presence and R&D efforts.

The delegates also learned about Keppel's operations in the United Arab Emirates through Arab Heavy Industries and the construction of the KFELS B Class jackup rig, *Al-Zubarah*, for Qatar's Gulf Drilling at Keppel FELS.

Eng. Jaber Hareb M. Al Khaili, CEO of Higher Corporation for Specialised Economic Zones, were given a comprehensive presentation on Keppel O&M's activities and capabilities followed by a drive-around tour of the Keppel FELS's Pioneer Yard.

CB Choo shared his views on the prospects of mid-to-long-term oil and gas markets and the sustainability of demand for energy. He expressed his opinion that the fundamentals remain strong for these industries.

The visitors were visibly impressed by the level of activities and complexity of the projects and processes involved, which reinforced Keppel O&M's reputation as a leading offshore builder.



Visitors from the Emirates

CB Choo and Sit Peng Sang, Chief Financial Officer of Keppel O&M, gave guests from the United Arab Emirates a warm welcome in May.

H. E. Hussain J. Al Nowais, Chairman & MD of Emirates Holdings, together with

Brazilians' port of call

Another group of visitors, a Brazilian Port Sector Mission, was led by Fernando Antonio Brito Fialho, Director-General of the National Agency of Maritime Transportation of Brazil (ANTAQ).



The visitors comprised ANTAQ members as well as representatives of companies from the private sector, here on a research and co-operation mission. Accompanying the mission was Brazil Ambassador to Singapore, H.E. Paulo Alberto da Silveira Soares.

Sharing his views after the visit to Keppel FELS, Fernando Fialho said, "We are really appreciative of the visit. It has helped us to better understand Keppel and why it is a success.

"President Lula has a programme in place to accelerate Brazil's growth and this requires effort from both the public and private sectors. With the country's abundant natural resources, this growth is definitely sustainable but requires partnerships such as those with Keppel to further this growth."

Dutch oilmen

Keppel O&M played host to a delegation from the Association of Dutch Suppliers in the Oil and Gas Industry (IRO) on 18 June 2007.

The eleven delegates represented eight companies with business interests in the oil and gas industry. The purpose of the visit was to reinforce friendly ties and

explore opportunities for collaboration with Keppel O&M.

The delegates were given a presentation about the businesses of Keppel O&M, followed by a question and answer session and a tour of Keppel FELS and Keppel Shipyard.

A daughter returns

The daughter of Lim Tian Teng, one of the original founders of Keppel Philippines Marine, paid a visit to Keppel Cebu on 12 June 2007. Mr Lim was a founder of Hoa Hin Co. which was renamed Cebu Shipyard after World War II.

Martina Go Ching Hai was accompanied by her husband, Go Ching Hai. The visit was a side trip for the family. Martina Go has strong feelings towards Keppel Philippines.

In the prologue to the Keppel Philippines Marine book, she states "I felt both painful nostalgia and happiness that Keppel knew about my father, Lim Tian Teng, and his role, together with Don Ramon Aboitz, in the strengthening of Hoa Hin, later on Cebu Shipyard."

Martina and Ching Hai had earlier

attended a ceremony unveiling a street maker named after Lim Tian Teng. Lim Tian Teng was thus honoured in recognition for his threefold contribution to Cebu. Lim Tian Teng played an integral part in Cebu's shipping community, in the guerrilla forces who fought against occupation during World War II and in the Cebuano community.

Commenting on Martina's visit, Jennifer Macairan, Corporate Affairs Manager of Keppel Cebu said, "Keppel Cebu was happy to see that the successors of the founders of the company have strong memories of its achievements, a reflection that in over one hundred years of its existence, the company has continued to grow and be strong in its field of business, bringing employment and the transfer of technology to the generations to come."

1. TT Low, Keppel FELS' Deputy Shipyard Manager, explaining the finer points of rig construction to delegates from the Young Arab Leaders Global Action Forum
2. CB Choo (centre) shares a candid moment with the Middle Eastern visitors
3. (From L-R): CH Tong presents the Can Do! book to Fernand Fialho, witnessed by H.E. Paulo Alberto da Silveira Soares
4. Members of the IRO hope to forge closer ties with Keppel O&M through this visit
5. A trip down memory lane



Keppel Nantong boosts safety standards

On 19 June 2007, Keppel Nantong was the meeting point for organisations committed to safety.

The Gangzha District of Nantong, China, organised a safety promotion meeting for safety and branch officers of the various zones, villages and development areas, as well as representatives of the shipbuilding and shiprepair businesses in the District. The agenda behind the meeting was to share best practices in safety between the various groups.

Some 80 persons attended the session which was hosted by Shi Yao Lin, Bureau Director of Gangzha's Administration of Work Safety Superintendent. Prior to the meeting, participants toured the Keppel Nantong yard to gain an understanding of the yard's Health, Safety and Environment (HSE) practices and policies.

Xuan Jing Gang, Head of the Administration of Work Safety, also discussed in detail, case studies of recent safety incidents in the region emphasising on the importance of safety.

A fruitful discussion between the participants and Keppel Nantong on the promotion and enhancement of safety strategies and initiatives at the workplace took place.



Participants of the District Safety Promotion Meeting gained good insights of Keppel Nantong's safety practices

Safety first



Nelson Yeo, Executive Director of Keppel Shipyard, talks about the yard's safety practices with Lee Tzu Yang (centre) and Anthony Terence Moran, Team Leader Ship Quality Assurance of Shell

In line with the industry's on-going promotion of safety at the workplace, Keppel Shipyard played host to many industry partners on 6 July 2007.

The visit served to share Keppel Shipyard's best practices and programmes, which includes initiatives such as the Safety Leadership Programme, Safety Steering Committee, Contractor Stewardship Programme and Contractors' Health Safety Environment Watch Group!

A fruitful discussion between the various stakeholders took place following a tour around Keppel Shipyard (Tuas) and Single Buoy Mooring's (SBM) project for Shell, *FPSO Espirito Santo*.

Lee Tzu Yang, Country Manager of Shell Singapore and senior representatives of SBM led the tour of the vessel. Members of the offshore and marine industry such as Prof Poo Aun Neow, Chairman of the Workplace Safety and Health (WSH) committee, Goh Chye Guan, Secretariat of the Workplace Safety and Health Advisory Committee (WSHAC), Michael Chia, representing the Association of Singapore Marine Industries (ASMI) and Winnie Low, Executive Director of ASMI, were present.

Keppel and Maersk share
a common safety culture



Committed to safety

Keppel FELS launched its annual HSE Promotion Campaign as part of its ongoing efforts to promote safety awareness amongst employees.

At the opening of the campaign on 23 April 2007, C B Choo shared, "Our business activities have increased substantially but it is important for us to ensure that our core value of commitment towards HSE remains firm.

"Instilling a safety culture is an ongoing process that requires effort from every employee. Let us remain vigilant and strive for zero accidents."

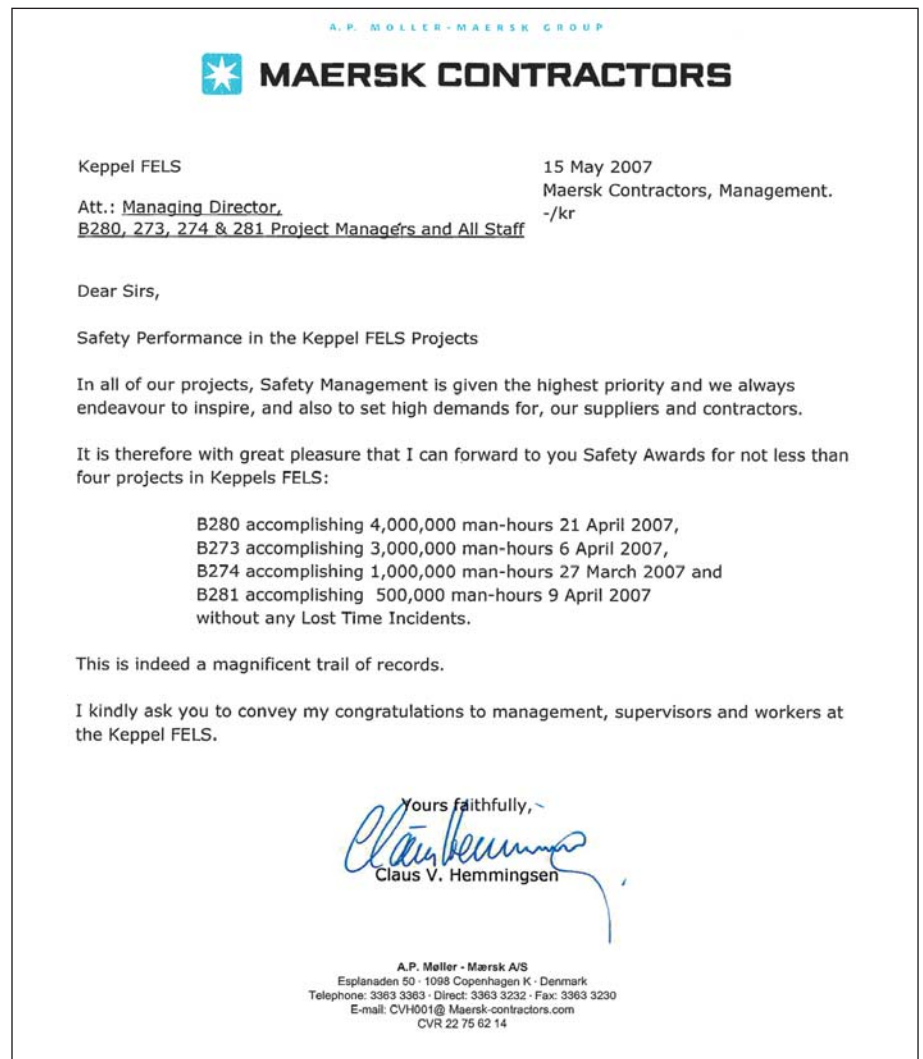
During the month-long campaign, employees took part in activities that familiarised them with the cause and prevention of injuries to hands and fingers, which is the focus for the year.

Kudos for safety

Despite the current heavy workflow, Keppel continues its quest for zero loss time incidents (LTI), earning itself accolades from customers.

Project teams from Keppel FELS and Transocean achieved 3 million manhours with zero downtime for the upgrading of the semisubmersible, *Sedco 702*.

Steven L. Newman, EVP – Chief Operating Officer of Transocean, commended the teams, "Congratulations on this significant milestone achieved.



This is a result of your hard work and it is deserving of high praise indeed. You have clearly set a very high standard for others to shoot for."

Meanwhile, the project team from Keppel FELS received a bonus from Maersk for 8.5 million manhours worked without any LTI during the construction of four jackup rigs.

Lauding the project team for its achievement Claus Hemmingsen, CEO of Maersk Contractors, in a letter said, "It is with great pleasure that I can forward to you Safety Awards for not less than four projects in Keppel FELS. This is indeed a magnificent trail of records."

From good to best

Keppel O&M spares no effort to bring the best out of its good people. In Singapore alone, the Group invested S\$11 million on training and development in 2006. The budget for employee growth is expected to increase in 2007, with funds going to a wide range of skill and leadership development programmes.

One such training module is the inaugural enhanced Leadership Development Programme conducted by Outward Bound Singapore (OBS). 19 Keppelites from across the Group took part in the programme from 7 to 9 June 2007.

For three days, the participants had to overcome the physical and mental rigor of activities specially designed to hone their character, team spirit and leadership

skills. They also put the Keppel core values of *Can Do!* attitude, integrity, innovation and teamwork to the test, and passed with flying colours.

One of them, Deng Wei Deng, was voted by his colleagues as the “Favourite Comrade” for the course. The Project Engineer at Keppel Shipyard revealed, “It was a very fulfilling experience for me. Through the course, I learnt that success comes from determination, commitment and teamwork. These are also attributes of a good leader.”

Another leadership programme is the Keppel O&M-Management Development Programme (MDP) which has completed its fifth and final run on 14 May 2007, after two years of honing the management skills of the employees of Keppel O&M.

The programme was developed in partnership with the Singapore Management University (SMU). Topics included “Business Awareness & Personal Effectiveness”, “Managing Business & People” and “Leading People & Growing Business”.

Participants were selected from different business units across the Group and then assigned to work together in teams. The teams each had a project with challenges that mirrored realistic issues that Keppel O&M faces.

The participants presented their projects to Keppel O&M’s senior management after a month of preparation, analysis and discussion.

A trainee, Tin Cheong Hoe, Assistant Project Manager at Keppel Shipyard (Tuas) said, “This programme widens our perspective and provides us essential knowledge for personal development as we grow with the company.”

A total of 124 personnel have attended the Keppel O&M – MDP since it started.



Teamwork at play for the participants of the inaugural enhanced Leadership Development Programme.





On the row: the KRC Men's team edging ahead of the Okinawa team

Making waves at Singapore River

As drum rolls resounded, two dragon boats pounded the waters at the Singapore River on 20 May 2007. It was a true demonstration of brain and brawn as the crowd cheered on.

The 'DragonTug', as it is now commonly known, is a new sport. Unlike the conventional parallel racing, DragonTug is a unique tug-of-war between two dragon boats. Instead of rowing away from each other; competing teams row alongside each other.

The game involves two dragon boats with their tails tied to a common cable which runs through a pulley at a fixed point. The competition begins with both teams rowing their dragon boats towards the finishing line and when the teams are about two metres away from the finishing line; they will be restricted by the common cable. From there, the teams can only move forward at the expense of the opposing team.

This sport tests not only the teams'

coordination, strength and speed, it also tests their endurance power. The teams would have to carry on rowing forward and at the same time withstand the 'pulling' force from behind by the other team's momentum.

Thomas Pang, manager of the Dragon Boat Team, said "Strategy and physical fitness are key when one takes part in a Dragon Boat race. We have to ensure that everyone rows and thinks like a single unit so teamwork is essential. Once the strategy has been decided by the team collectively, we will row as one. The rowers also have to listen to the captain's orders without questioning so the development of trust between team mates and the captain is very important. As Keppelites, 'People & Teamwork' is one of our Core Values and we continue to build on this in our dragon boat team."

The Keppelite participants would spend three hours every Saturday training on land and water at the Kallang Riverside. As the big day drew nearer, the intensity and duration of the training also

increased. It was easy to see from their determined faces that every member of the team was committed to achieving the best for the good name of Keppel.

The KRC teams took part in the respective categories of the games, namely; Men's Open, Ladies Open and Mixed Open. They were pitted against a total of 40 other teams from other organisations and institutions.

The fighting spirit of the KRC teams carried them through to the semi-finals of the Mixed Open category where they managed to beat two other teams to get into Round 2. However, in that round, the team lost out to the Australian Chamber of Commerce team which was the eventual champion of the United Overseas Bank sponsored race. While they did not emerge tops, the real reward was the training experience and coming together for a common cause with fellow Keppelites.

New CFOs visit HQ



Elshan Kurbanov, CFO,
Caspian Shipyard



Gunnar Larsen, CFO,
Keppel Norway

Keppel O&M, was one of the ports of call for two overseas Keppelites as part of their orientation for their chief financial officer positions.

Gunnar Larsen, the new Chief Financial Officer (CFO) of Keppel Norway, joined the company in October last year.

Elshan Kurbanov, has been promoted to the position of CFO of Caspian Shipyard Company in July, taking over from Lawrence Quah. These two Keppelites were warmly welcomed at the headquarters in Singapore during a specially prepared orientation.

David Lee, Financial Controller of Keppel FELS shared the reasons behind having this select orientation. "We want to let Gunnar and Elshan have the opportunity to meet with key personnel and selected departments within Keppel O&M and Keppel Corporation. Gunnar and Elshan are going to be in close contact with people from these departments in their daily work, so this was an excellent opportunity for them to meet and get to know their colleagues better."

During their week-long orientation, Gunnar and Elshan gained insights into the policies,

procedures and processes of the group companies.

The orientation ensured that the new CFOs would fully appreciate how to align the financial and administrative practices of their respective companies with the parent company.

Both CFOs found the orientation enlightening and useful, for administrative and corporate culture reasons.

Noted Elshan, "In recent years, Keppel has started good initiatives to bring together and develop its overseas managers. Two such initiatives which I have attended previously are the Overseas Finance Managers Conference and the Overseas Young Managers Development Programme. Such programmes are very useful in contributing to this process and should be continued and further developed."

Gunnar, a first time visitor to Singapore was also pleasantly surprised at the similarities between Singapore and Norway. "Having met many different people at Keppel, I found that in spite of the vast geographical distance between Norway and Singapore, we are not that different after all," he enthused.

Sundowners hit the Lanes

For May's Sundowners event, Keppelites at Keppel FELS and their business partners traded their coveralls and safety boots for sports wear and bowling shoes.

Held at the end of every month, Sundowner is an occasion to promote closer fellowship between owners and Keppel FELS project teams.

"In taking the Sundowner to the bowling

alley, we wanted to have a change of environment to add to the camaraderie that we normally have in our usual Sundowners at the office cafeteria. Having a bowling tournament boosted a different atmosphere in not only encouraging owners and Keppelites to know each other better on a personal note; we found that it truly gave rise to some fun-filled competitive spirit amongst them," said S. Jayakumar, General Manager of Keppel FELS Marketing.

The event at Bowling Bonanza drew enthusiastic response from Transocean who made up about nine teams, as well as from Diamond Offshore, Ensco Offshore, Jindal, Deep Drilling Invest, Maersk Contractors and our own Keppelites. All the 30 lanes at the bowling alley were filled. The event could have passed off as a mini international bowling tournament as the participants were made up of an international assortment spanning from Nigeria, France, Denmark, America, India, to Norway.

MD Tong beckons bravehearts to join the offshore industry

As students from Singapore Polytechnic's School of Mechanical & Manufacturing Engineering celebrated their graduation on the 24 of May, they also contemplated their future in the bold new world of work.

They were challenged by CH Tong to join the offshore and marine industry.

Putting things in perspective, CH Tong who delivered the graduation speech said, "I must caution you that the offshore and marine industry is not for the fainthearted.

"It is for those people who want challenges and a highly rewarding career. You have to be innovative, adaptable and be ready to pick up your bags and travel to anywhere in the world."

As the global leader in the offshore and marine industry, Singapore, and in particular Keppel, is an ideal place for young graduates to carve a career for themselves. Polytechnic graduates who do well in the industry could work as



CH Tong congratulating the 47th cohort of Singapore Polytechnic's School of Mechanical & Manufacturing Engineering students on their graduation

Assistant Engineers, Project Supervisors, Designers, Planners, Commercial Officers, Quality Control Inspectors, Assistant Ship Project Managers and Safety Officers.

With yards in 11 countries worldwide, Keppel has sent many employees on overseas assignments for training and development, providing them the chance to broaden their horizons.

Even before the game started, excitement was in the air. The adrenaline level was up and the bowlers couldn't wait to start their game. After S. Jayakumar kicked off the friendly match, the night unfolded into even more fun and enjoyment.

At the end of the night, Team Brass Knuckles from Global SanteFe emerged as champions while Team "The Sting" from ENSCO clinched the first-runner-up prize. Team Bravo from Transocean (S702) was second-runner up. There were individual awards as well. VK Nagpaul was chosen as the Most Supportive Bowler and Perry Tipton, the Most Stylish Bowler. Brian Fu and Norashikin Ishak were crowned the king and queen of the lanes respectively.



Striking success on the Lanes: The Champion Team – Brass Knuckles (GSF), First Runner Up – The Sting (ENSCO) and Second Runner-Up – Bravo (Transocean S702), Most Supportive Bowler – VK Nagpaul and Most Stylish Bowler – Perry Tipton, Norashikin Ishak – Queen of the Lanes and Brian Fu – King of the Lanes

Angolan experience

The new graduates together with representatives from Keppel Shipyard, Petromar and ExxonMobil, celebrate their big day



The atmosphere was one of quiet pride and accomplishment at the graduation ceremony at the Raffles Town Club on 12 July 2007. Smiles wreathed the faces of the twelve Angolan trainees and their teachers, colleagues and friends.

These trainees had achieved a tremendous amount in the past ten months, coming to a new country, adapting to a new working environment and learning a new language and skills.

These trainees, who are part of ExxonMobil's Kizomba C Training Initiative, are the second batch to be trained by Keppel Shipyard. ExxonMobil established the training initiative for employees of Angolan companies working on the project. Both batches of trainees are from Petromar, an Angolan company which fabricates Kizomba C topsides modules and subsea components.

The Angolans were trained as safety officers, welders, crane operators and scaffolders. They were also trained in English by the British Council and exposed to Singaporean culture during the weekends.

Charles Pedro Pmemba, who attended both the Human Resources training last year and the logistics training this year, said "I liked being trained at Keppel. It is a very big company and

I like its work ethic and the systems it has put in place. I will implement the systems that I have learnt here when I go back to Angola."

Commenting on the reasons why Keppel Shipyard had undertaken to train the Angolans, Human Resources Manager (Keppel Shipyard), Teo Khai Yang, explained, "Keppel Shipyard conducted the traineeship as part of our value-added services to ExxonMobil. It is also in line with our core values of being customer focussed.

"The training initiative has also fostered a deeper relationship and stronger ties between Keppel Shipyard and Single Buoy Mooring (SBM) and ExxonMobil."

On the trainees, Khai Yang added, "It was a pleasure to train the Angolans as they are very motivated to learn and are fast learners. It was also heartening to hear them emphasising that the knowledge and skills they have learned here would be able to develop their careers and improve the livelihoods of their families."

ExxonMobil has leased several floating production storage and offloading (FPSO) facilities from SBM, a valued customer of Keppel Shipyard. ExxonMobil and SBM are members of the Keppel Shipyard Safety Steering Committee. They have been actively involved with Keppel as the yard raises the benchmark for safety amongst its workers.

Class Act by ASMI scholars

It was a red letter day on Friday, 15 June 2007, for five Ngee Ann Polytechnic students.

These five students, all Association of Singapore Marine Industries (ASMI) scholars, graduated with distinction for their diploma courses in Engineering, specialising in the Marine & Offshore Technology (MOT) division.

The 2007 graduates all did extremely well. Three of them graduated with Diploma with Merit while four were awarded prizes.

Lyander Zane Tan won the SNAMEs Gold Award for Outstanding Performance and the ASMI prize. Other prize winners were Zaw Ye Naing and Luong Kok Chong who both won Keppel Offshore & Marine prizes and Anand Sathees Kumar who won a CCA Gold prize.

Mrs J. Tan, Zane's proud mother enthused "We're grateful to Keppel for what it has done and for giving Zane the opportunity to further his career in the offshore and marine industry."

Chee Jin Kiong, ED of Human Resources at Keppel O&M, said "The ASMI scholarship scheme is one of the many Keppel O&M recruitment initiatives. Through offering scholarships, we are able to reach out to talents with the passion for the marine and offshore industry and support their education and development at early stage."

The scholars will work at Keppel O&M for three years after they graduate. Anand Sathees Kumar, who received a Diploma with Merit, has already started work at Keppel Shipyard as an Assistant Engineer in Machinery.

He shared his experiences of being an ASMI scholar and now a Keppel employee, "I am very happy working at Keppel Shipyard. I worked here while I was on attachment as well, so

everything is familiar to me. The scholarship gave me the opportunity to concentrate on my studies and now embark on a good career in the offshore and marine industry."



Anand and Zane look forward to careers in the offshore & marine industry



Keppel scholar embraces global mindset

Thomas Leong is a Keppel Scholar, pursuing mechanical engineering at the National University of Singapore (NUS). Last year, with Keppel's support, Thomas took part in NUS' Overseas Student Exchange Program (SEP) and travelled to the US and Hungary for 8 months as part of the Work and Travel (WAT) programme. The programme consisted of first working in the US and then studying in Hungary. Thomas reflects upon his experience in this short article.

Hard and laborious yet meaningful is how I would describe my WAT Programme at Cedar Point, Ohio, USA. More than a year ago, I embarked on a once in a lifetime journey to Cedar Point, one of the world's most highly rated roller coaster parks.

Work was initially scarce and hard to come by. It was the norm to report to work in the morning only to be sent back after one or two hours of waiting around with no pay at all. However, the summer holidays soon came along and people started to pour into the park. My working hours grew longer.

During busy periods, I started work at 8am and ended my shift past midnight the next day. This accumulated to more than 80 hours weekly. I was rotated to do all kinds of work in Wagons, the department that operates mobile carts. I was a runner who stocks up supply to the various carts, a kitchen helper, and a server. I also manned different kinds of carts. It was hard work standing under the sun for long hours and hauling all sorts of heavy provisions to and fro.

However, in the face of adversity came strong camaraderie. Friendships were forged with the passage of time. Regardless of nationality and race, all of us worked hand in hand into the wee hours of the morning to get the job done.

At the end of my contract in Cedar Point, I took pride in a job well done. I also appreciated my supervisor's commendation on my work performance. I was now more than ready to start the next part of my WAT programme – the travel part!

The WAT programme had a tremendous impact on my personal development. Stepping out of my comfort zone has made me a tougher person and I learnt that there is no shame in earning an honest day's pay for an honest day's work.

Shortly after WAT, I bid my friends goodbye and went to Europe where I started my Student Exchange Programme (SEP). Before starting my SEP at the University of Budapest in Hungary, I travelled around Europe. Travelling alone in Europe, I made friends along the way and explored places with otherwise total strangers. Several friends I made even invited me to stay in their homes when I visited their country and that was exactly what I did.

A stark contrast to the urban jungle in USA, Europe sparkled with historic splendour and cultural elegance. At the university of Budapest, apart from core engineering modules, I took classes in Hungarian folklore and culture and even enrolled in architectural courses. I even took part in a march that commemorated Hungary's independence day.



Thomas hanging out with his friends at Cedar Point

Looking back on my experiences, a year later, I think that leaving your home country for a while allows you to see both its qualities and faults. One of the most valuable lessons I learnt was that just because something is done differently does not mean that it is wrong. It is just different!

Acceptance and tolerance are two important attributes to bring along when you live overseas and I firmly believe that both Asia and Europe have much to gain in this journey of cultural rapprochement and rediscovery between us.

In short, my time in both in the US and in Hungary gave me time to reflect, the opportunity to live, and most of all, the circumstances to learn to seize the day again.

Lending a helping hand

Promoting self-reliance and independence. That is the mission of the Society for the Physically Disabled (SPD) for more than 2,000 disabled children and adults the centre manages.

To achieve its aims, the SPD organised its first SPD Charity Show, graced by Speaker of Parliament Abdullah Tarmugi, on 15 July 2007. Its goal was two-pronged – to create greater public awareness of the SPD, and raise funds for its new centre, *SPD@Tampines*, which will provide rehabilitation services for over 600 children and adults when it opens in March 2008.

Keppel O&M supported the SPD's cause with a cash contribution of \$50,000.

CH Tong, MD/COO of Keppel O&M, shared, "Corporate social responsibility is core to Keppel. We believe in serving and contributing to the communities where we operate.

"It is our hope that our contribution will help raise awareness of the SPD and their services in helping people with physical disabilities develop their skills and realise their potential."

Chia Yong Yong, Chairman of the Charity Show and SPD Vice President, said in a press statement, "Each dollar donated does not end with that dollar spent. It is a ticket to secure the future and dignity of a fellow human being. [However], it should not follow that a person who is disabled must always rely on charity."



CH Tong (right) receives a token of appreciation from Speaker of Parliament Abdullah Tarmugi for Keppel O&M's contribution towards the Society for the Physically Disabled

To find out more about the SPD and how you can help change the lives of the less privileged, visit www.spd.org.sg.

Funds for life

Every dollar counts. Be it for enabling research for cancer, childhood disorders, eye diseases and neurosciences or stem cell research, each contribution goes a long way to saving lives.

With this cause in mind, volunteer staff from Keppel O&M went out to the streets to raise funds as part of the two-month long SingHealth Foundation's 'Savemoney Savelives Campaign 2007'.



Walking the talk for research

Launched by Minister of State for Health, Heng Chee How, the campaign aims to raise funds for research through corporate and individual donations as well as through the sale of discount voucher booklets costing \$6 each.

"It is a worthy cause for us to help promote awareness of this research program which can potentially save many lives," said Chew Mei Yong, volunteer staff from Keppel O&M.

"We could not have done it without the support of Keppel O&M. It is fantastic to have the volunteers' assistance and their support contributes greatly to this programme. It is the second year running that we have support from the company and we hope to continue this partnership into the future," said Kwa Chong Teck, Director of SingHealth Foundation.

Keppel O&M is participating in this event as a major partner along with a generous donation of \$50,000. SingHealth Foundation is also looking to break last year's record by raising \$300,000. Keppel O&M has participated in this particular event for the past two years.

Keppel Philippines scoring green points

Keppel Batangas Shipyard (Keppel Batangas) and Keppel Cebu Shipyard (Keppel Cebu) made their respective contributions to the Tree for Life Project under the Green Philippines Programme initiated by the Department of Environment and Natural Resources (DENR). The project aims to plant 20 million trees all over the archipelago from July to November this year.

Seeds from Keppel Batangas

Keppel Batangas answered the call for support by donating 1,400 seedlings of various fruit and non-fruit bearing trees. The seedlings were handed over by the shipyard's HSE officers to the DENR representatives at a seedlings nursery in Fernando Air Base, Lipa City. The seedlings collected will be used for the tree-planting project in the province of Batangas.

"The upkeep and enhancement of the environment is a shared responsibility. We

support this worthy endeavour of reforestation, as it will benefit the future generations of the Philippines. We are committed to doing our share for Mother Earth," said Kok Boon Heng, President of Keppel Batangas.

Keppel Batangas has always been an active partner in the environmental efforts of DENR in the province. Last year, it provided financial support to DENR's Green Philippines Highway Project, which bagged the Guinness World Record for the "Most Trees Planted Simultaneously."

Volunteers simultaneously planted 800,000 trees along 4,181 kilometres of Philippine highways from Luzon, Visayas and Mindanao.

Trees for life in Keppel Cebu

In Visayas, Keppel Cebu also expressed support to the Tree for Life Project by planting 100 seedlings inside the shipyard's compound on 7 July. On hand

to plant the seedlings were the management and union officers together with the representatives of local community, DENR, Opon Nursery and the shipyard's accredited contractors.

Fok Swee Yin, President of Keppel Cebu said, "The involvement of the employees of the shipyard, contractors, government offices, and the local community will ensure the success of this greening project. It also underscores our commitment to maintain and promote a healthy environment for all shipyard personnel."

Keppel Cebu and Keppel Batangas have also been active in the environmental front with activities such as the annual coastal clean-up near its shipyards and donations to environment-related projects of the community.

The Keppel Philippine yards will continue to actively participate in projects for the environment and join in the community's rallying call, "No leaf, no life, new leaf, new life!"

Keppel Batangas delivering green message through seedlings



Keppel Cebu personnel planting the trees of life

Remember your heritage

Do you have happy memories of Keppel? Do you have any pictures or mementoes that have a story behind it? If you do, please send a copy to Group Corporate Communications. We are building our picture and story bank and we would love to hear from you. Please send us a photo, together with a short note explaining the significance of the photo to: Gayathri Prakash Nair, Executive, Group Corporate Communications, Keppel Corporation, today!

SOMETHING EXCITING IS COMING YOUR WAY. WATCH OUT FOR THE OFFICIAL UNVEILING OF KEPPEL O&M FAMILY DAY 2007 LOGO.



Keppel **Offshore & Marine** **5 YEARS** 2002-2007
OF GROWTH



GOT VIBES? Be Part of the Keppel O&M World.

Keppel O&M has friends from all around the world and it will be great to have you (Yes, you!) provide the vibes for this year's Keppel O&M Family Day. Simply compose song lyrics along the theme of 'World of Friends' and your song will be heard by the world of Keppel O&M. Also, if you have a flair for acting, join us in the production of our very own musical. Email your song lyrics and/or your contact details to join us for the musical to World_of_Friends@keppelom.com.

Please email to World_of_Friends@keppelom.com for more information.

Around our yards

OffshoreMarine tracks works at various Keppel yards.

Singapore

Keppel Shipyard Tuas

Name : **ENEOS TOKYO**
Owner : Nippon Oil Tanker Corp
Country : Japan
Type : Tanker
DWT : 300,976
GRT : 160,062
Date : 6 – 20 June
Scope : Major works include ballast tank chipping and painting, pipe modification and main engine overhauling

Name : **ASIAN PROGRESS II**
Owner : MOL (Mitsui O.S.K. Lines)
Country : Japan
Type : Bulk carrier
DWT : 314,026
GRT : 160,079
Date : 18 June – 2 July
Scope : Renewal of damaged shell plate, overhaul of main engine, turbo charger, fuel pumps, auxiliary engine, cargo pumps, overhaul of various cargo and ballast valves, hull painting, sea valves survey, anchor chain range up, chain locker inspection, zinc anode renewal, rudder and tail shaft inspection, renewal of spools of pipes in engine room and pump room

Philippines

Subic Shipyard & Engineering

Name : **CRESCENDO**
Owner : Daiwa Kisen Co., Ltd.
Country : Japan
Type : Bulk carrier
DWT : 74,366
GRT : 39,052
ETA : 4 – 14 May
Scope : Drydocking, cargo hold upgrading, tailshaft withdrawal, main engine works, auxiliary boiler survey, boiler mounting renewal, repair of bracket supports for fore peak and aft peak tanks, No. 1 & 2 governor overhauling

Name : **ASIA CEMENT NO. 3**
Owner : U-Ming Marine Transport Corporation
Country : Taiwan
Type : Cement carrier
DWT : 12,332
GRT : 7,608
ETA : 1 – 23 June
Scope : Drydocking, hull preservation, water ballast tank upgrading, chain guide build-up welding, void space tank inner bottom plate partial renewal, engine room pipe renewal, chain conveyor reduction gear box shaft seal renewal, bow thruster and sea valve overhauling, propeller dye checking, propeller sandblast and silicon painting, fuel oil tank transferring and cleaning

ASIAN PROGRESS II



CRESCENDO



DOUBLE FORTUNE





WESTAMA

Name : **DOUBLE FORTUNE**
 Owner : Northstar Ship Management Ltd.
 Country : Hong Kong
 Type : Bulk Carrier
 DWT : 69,118
 GRT : 35,884
 ETA : 18 April – 7 May
 Scope : Drydocking; upgrading of seven cargo holds; external hull preservation; cargo hold work including renewal of hold frames; tailshaft withdrawal; main engine works.

Keppel Cebu Shipyard

Name : **HARRI TEL**
 Owner : London Shipping Agency, Corp
 Country : The Philippines
 Type : Ocean-going cargo vessel
 DWT : 4,896
 GRT : 2,875
 Date : 16 – 26 June
 Scope : Drydocking and repair



COSTA DE MARFIL

Keppel Batangas Shipyard

Name : **WESTAMA**
 Owner : Project Shipping Inc
 Country : Greece
 Type : Tanker
 DWT : 22,598
 GRT : 22,040
 Date : 7 June – 17 July
 Scope : 120 tonnes of steelworks the repair of side shell, bottom plates, bulbous bow and heating coil

Name : **WESTERN TRIUMPH**
 Owner : Western Tug & Barge Co., Ltd.
 Country : Papua New Guinea
 Type : Ore carrier
 DWT : 3,686
 GRT : 2,782
 Date : 24 April – 10 May
 Scope : Hull cleaning and painting, water ballast tank preservation/coating, anchor/cables/chain locker works, servicing of sea valves, partial renewals of hatch cover 17 panels, rudder/propeller/tailshaft works, repair engine room and deck machineries, engine room and deck piping works, electrical repair, motors overhauling and switchboard cleaning



WESTERN TRIUMPH

Name : **COSTA DE MARFIL**
 Owner : Dongwon Industries Co., Ltd.
 Country : Korea
 Type : Fishing vessel
 DWT : unavailable
 GRT : 807,122
 Date : 4 – 31 May
 Scope : Hull cleaning, blasting and painting, engine room pipe renewal, chipping and painting of pipes at tunnel, overhaul of cargo hold blocks, rudder repair

Keppel Group Newsbytes

Keppel Corporation plays its part to encourage the green culture in the Singapore. It partnered the National Trade Union Congress Fair Price Supermarket in sponsoring 10,000 reusable bags for the "Bring your own bag day" campaign. Over 100 Keppelites went out in force to the streets to distribute the bags on 6 June 2007.



Spreading the green message to a FairPrice customer were (from second left to right) Mr Chan Soo Sen, Director (Chairman's Office), Keppel Corporation and MP of Joo Chiat, Mr Seah Kian Peng, Managing Director (Singapore), NTUC FairPrice and MP of Marine Parade GRC and Mr Lee Yuen Hee, CEO of NEA

Keppel Seghers, the environmental technology division of Keppel Corporation, has secured a contract to design, build and operate a waste water treatment plant in Laghourat provide Algeria.

LDAR Propoerties PJSC, Abu Dhabi's leading property developer, and **Keppel Land** have signed a Heads of Agreement to develop two prime waterfront developments in Abu Dhabi. ALDAR and Keppel Land will hold 51/49 equity respectively in the proposed joint ventures. The joint ventures first development of waterfront homes will be the 13.6-ha Al Muneera project located at Al Raha Beach, the first designated Investment Areas in Abu Dhabi. The second development, located at the

southern tip of Yas Island, has a total land area of 60 ha with a 1.5 km long marina frontage.

Keppel Land has entered into a joint venture with Vietnamese developer, Tan Truong Co Ltd, to develop luxury condominiums on an 8.5-ha site fronting the Ca Cam River in Ho Chi Minh City.

In partnership with Dong Nai General Agriculture Service United Cooperative

and Vietcombank Fund Management, **Keppel Land** is also developing a residential township on a 509-ha site in the fast growth Dong Na Province, located just 28 km to the northeast of Ho Chi Minh City.

Over in Hanoi, it has signed Memorandums of Understanding to form joint ventures to develop two residential townships. One of the proposed joint ventures is located at Dai Dong and is a 407-ha site which will build around the theme of healthy lifestyle. The other comprises two parcels of land covering a total of 949 hectares.

Alpha Investment Partners, the wholly owned subsidiary of Keppel Land, raises S\$258 million fund to invest in properties in Japan.



The masterplan for the Al Muneera project provides for a mixed-use waterfront development comprising residential, retail and office components

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A second jackup for PetroVietnam



Do Van Khanh (left), General Director of PV Drilling, presents a token of friendship to CH Tong, MD/COO of Keppel O&M

Keppel FELS has secured a contract from PetroVietnam Drilling Investment Corp (PVD Invest) to build a jackup drilling rig.

The contract was secured following Keppel FELS's successful delivery of *PV Drilling I*, a high quality jackup drilling rig, two months ahead of schedule in March 2007.

Like *PV Drilling I*, the new rig will also be built to the KFELS B Class design. To be named *PV Drilling II*, it is slated for delivery in the fourth quarter of 2009.

Do Dinh Luyen, Chairman of PetroVietnam Drilling which co-owns PVD Invest, said, "Our first new generation rig, *PV Drilling I*, has nearly completed her maiden drilling assignment, and has been lined up for her second operation. We are very pleased with her performance.

"There is requirement for a substantial amount of exploration and development in the Vietnamese waters in the next few years. For us to meet the tight drilling schedule, we need a very reliable shipyard capable of timely delivery within budget.

"Through our experience with Keppel FELS in the design and construction of *PV Drilling I*, I am confident that we have made the right choice once again in selecting Keppel FELS for our second high performance jackup rig."

PV Drilling II will have longer legs compared to its sister rig. It will have the capability of operating in 375 feet of water depth and a drilling depth of 30,000 feet. It will also be able to work in fields with operating requirements for 120 feet air gap.

CH Tong, MD/COO of Keppel O&M, said, "We are committed to support

PV drilling in their rig expansion programme.

"We believe in building long lasting relationships with our customers by working closely with them to meet the needs of their marketplace."

The Keppel Group has been involved in the Vietnamese offshore market for more than 20 years since Keppel FELS first completed the Hoang Sa 1,200 tonnes floating crane in 1984. It also built Vietnam's first rig, the *Tam Dao I* in 1988. In the interim years, Keppel's participation in the growth and development of Vietnam has widened to include the property and infrastructure businesses.

Co-owned by PetroVietnam Drilling, PVD Invest's primary business is investment in oil rigs, equipment and tools which will be provided or leased to the oil companies.