

OFFSHOREMARINE

Builder of distinction

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FIRST DRILLING TENDER RIG FOR VIETNAM

Delivering FPSOs for Brazil

World's largest sheerleg floating crane
under construction

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Centrespread 24

Symbolising the friendship between Keppel and Vietnam, Mr Truong Tan Sang, President of Socialist Republic of Vietnam (second from left), presented Mr Choo Chiau Beng, CEO of Keppel Corporation (second from right), with a painting, during his visit to Keppel FELS on 27 September 2011. Looking on are Mr Pham Tien Dung, CEO of PV Drilling (extreme left); Singapore National Development Minister Khaw Boon Wan (third from left); Mr Tong Chong Heong, CEO of Keppel Offshore & Marine (centre); Mr Do Van Hau, President and CEO of PetroVietnam (third from right); and Mr Wong Kok Seng, MD of Keppel FELS (extreme right).

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Choice partner for conversions



Keppel Shipyard has been entrusted with all of Bumi Armada's conversion projects to date, and its latest FPSO contract is the seventh major collaboration between the two companies

Keppel Shipyard has secured three contracts to convert a Liquefied Natural Gas (LNG) Carrier to a Floating Storage Unit (FSU), a VLCC tanker to a Floating Storage and Offloading (FSO) unit as well as a tanker to a Floating Production Storage and Offloading (FPSO) unit.

Mr Nelson Yeo, MD of Keppel Shipyard, said, "We are glad to have the trust and confidence of the global industry for a range of conversion projects. Working closely with our customers, we will continue to enhance and extend our capabilities, and ensure safe and high quality deliveries."

The first contract is for the fast-track conversion of the LNG carrier Tenaga Empat into a FSU for Malaysian customer MISC Berhad.

When completed in 2Q 2012, the FSU will have storage capacity of 130,000m³ and operate in the newly-developed Melaka LNG Import Terminal.

The second contract is from Dixstone Holdings Ltd, an affiliate of the Perenco Group (Perenco), which is in turn a partner of the Cameroon National Hydrocarbons Corporation (SNH), for the modification and upgrading of FSO Massongo.

Work on FSO Massongo is expected to commence at the end of this year. When completed in 3Q 2012, the vessel will be deployed in the Rio Del Rey Basin, offshore Cameroon.

Keppel Shipyard's third contract is for the conversion of the

tanker Umbe into a FPSO unit for Bumi Armada Berhad (Bumi Armada). Keppel Shipyard has been entrusted with all of Bumi Armada's conversion projects to date; this latest FPSO contract is the seventh major collaboration between the two companies.

Slated for completion in 4Q 2012, the FPSO will have a production capacity of 50,000 barrels of oil per day, and storage capacity of 580,000 barrels of oil. The FPSO has been chartered by Oil and Natural Gas Corporation Limited (ONGC) for deployment in the D-1 field, which is located 200 kilometres west of Mumbai, India.

A class apart

The KFELS B Class rig was reaffirmed as the jack-up of choice in the industry when customers ordered another two from Keppel FELS. This brings the total KFELS B Class rigs an order of 20.



Keppel FELS has secured a third KFELS Super B Class Bigfoot contract from Transocean. This design is an enhancement of the KFELS Super B Class jack-up (shown here)

SAFIN'S FIRST KFELS B CLASS JACK-UP

Keppel FELS has secured a contract for a KFELS B Class rig from Safin Gulf FZCO (Safin).

Scheduled to be delivered to Safin in 3Q 2012, the rig will be a refurbishment and upgrade of a KFELS B Class jack-up rig that Keppel FELS purchased earlier this year.

The high specification KFELS B Class rig will be installed with offline stand building features. It will also have a full 15,000 psi BOP system, 70-foot cantilever outreach, with upgraded mud pit storage capacity of 4,000 barrels (bbls) and be able to accommodate up to 150 personnel.

Mr Raimonds Namikis, Executive VP of Safin said, "The high specification KFELS B Class is a proven design and with the tight jack-up market, we are delighted to be able to receive it much earlier than if we were to place a new order. In working with Keppel, we are assured of the effectiveness of their proprietary designs and the reliability of their project management. This will enable Safin to meet the needs of our customers and kick start the programme of our premium rig fleet."

Mr Wong Kok Seng, MD of Keppel FELS said, "With the refurbishment and upgrade of this jack-up, we are able to provide a high specification rig on a fast-tracked schedule.

Such jack-ups are in high demand, especially for those scheduled for delivery in 2012.

"We are pleased to embark on a new partnership with Safin and look forward to supporting them as they expand their offshore fleet and presence in the Middle East. Our keen understanding of our customers' businesses enables us to anticipate their needs and tailor the appropriate products and services for them."

ANOTHER BIGFOOT SECURED

Keppel FELS has secured a repeat order from Transocean Offshore Deepwater Holdings Ltd, a subsidiary of Transocean Ltd. (Transocean).

Following its order of two jack-up rigs from Keppel FELS on 17 February 2011, Transocean is exercising its option to build another high specification jack-up rig based on the KFELS Super B Class Bigfoot design for delivery in 3Q 2013.

Mr Wong Kok Seng, MD of Keppel FELS, said, "We are pleased that Transocean has chosen to exercise their option in building another jack-up rig to our proprietary design. We have developed a winning collaboration with Transocean over the years through numerous projects. In working with forward-thinking customers, we are able to customise innovative products well-suited to meet the needs of the market."

Tailored to suit Transocean's requirements, the KFELS Super B Class Bigfoot is designed with larger spud cans, expanding its operational coverage to more places, especially areas where soft soil is predominant. Having larger spud cans enables the unit to operate efficiently while minimising potential leg penetration problems in soft soil conditions.

With a 1.5-million pound drilling system and a maximum combined cantilever load of 3,200 kips, the KFELS Super B Class Bigfoot features immense horsepower during drilling operations.

In addition, the rig will be installed with offline stand building features in its drilling system package which allows drilling and the preparation of drill pipes to take place at the same time. The rig is capable of drilling at a 75-foot outreach, allowing for coverage of a larger well pattern.

Keppel FELS and Transocean have shared a long-standing partnership spanning several significant projects. In 2009, Keppel delivered Transocean's Development Driller III, an ultra-deepwater drilling semisubmersible rig built to Keppel's proprietary DSS™ 51 semisubmersible design. Other projects include upgrades and conversions of the Sedco 700-series semis to enable dynamic positioning, and the repair of various Transocean rigs.

Building the world's largest sheerleg floating crane

Keppel Offshore & Marine (Keppel O&M), through its wholly-owned subsidiary, Keppel Nantong Shipyard (Keppel Nantong) in China has secured a contract to build a heavy lift sheerleg crane vessel for Asian Lift.

Scheduled to be completed in 3Q 2013, the 5,000-tonne floating crane will be the largest and most versatile heavy lift sheerleg crane vessel of its kind in the world. To be named Asian Hercules III, the self-propelled vessel will have enough power to lift a weight equal to over 5,000 saloon cars.

Mr Lee Tai Kwee, President of Keppel Nantong said, "Keppel and Asian Lift have a winning partnership that has been instrumental to the success of both companies. We are proud to continue this mutual growth with the construction of the world's largest sheerleg crane. Such cranes are essential equipment for the efficient operation of our shipbuilding and offshore construction work.

"Keppel Nantong has established a track record in specialised shipbuilding, some of which are harbour tugs and anchor handling supply vessels for Smit. The construction of Asian Hercules III adds another dimension to the versatility and capabilities of the yard, and we look forward to delivering it on time, within budget and in a safe manner."



Asian Hercules III will add to Asian Lift's formidable fleet of floating cranes

Upon delivery, Asian Hercules III's first assignment will be in Singapore. The crane will serve the offshore oil and gas as well as marine markets in South East Asia. The vessel will measure 106m long and 52m wide with a hook height of at least 172m.

Mr John Chua, General Manager of Asian Lift added, "We believe that Asian Hercules III will play an important role in serving the industry where heavy lift activities are essential. South East Asia is an important market, especially with the high volume of offshore and marine projects being contracted here. With the weight of modules and other components increasing, Asian Hercules III will be well placed to meet the needs of the market for greater lifting capacity.

"Having worked with Keppel for many years, we are confident of Keppel Nantong's ability to successfully deliver this crane and add to our highly-capable fleet."

Asian Lift's fleet of floating cranes includes the 400-tonne Asian Helping Hand III, the 1,600-tonne Asian Hercules and the 3,200-tonne Asian Hercules II.

Keppel Nantong is currently undertaking the construction of six 45-tonne bollard pull twin-screw Azimuth Stern Drive (ASD) tugboats for Keppel Smit Towage. These tugboats are being built to Keppel O&M's proprietary design, which was developed by its technology unit, Marine Technology Development.

Triple joy in Nantong

It was a red letter day for Keppel Nantong Shipyard (Keppel Nantong) as it celebrated three major milestones on 8 October 2011, including the official launch of Keppel Nantong Heavy Industry (KNHI).

With China's attractiveness as a cost efficient and competitive shipbuilding centre, Keppel Nantong is looking to expand its current production capacity to build bigger offshore support vessels and structures. KNHI will purchase three plots of land adjacent to Keppel Nantong to meet this growing need.

Another significant occasion was the keel-laying of Asian Hercules III, the 5,000-tonne floating crane for Asian Lift.

Keppel Nantong has also set up a workshop to support Keppel Integrated Engineering's manufacturing of incineration furnace grates to enhance their competitive edge in China.

Mr Lee Tai Kwee, President of Keppel Nantong, shared at the ceremony, "The relationship between Keppel and Nantong is akin to that of old friends. Thanks to the strong support from the

Nantong government since 2005 when we started our shipyard, we have grown over the years and created around 1,000 jobs for the people."

The event was witnessed by Mr Ding Da Wei, Party Secretary of Communist Party of China Nantong Committee; Mr Zhang Guo Hua, Mayor of Nantong Municipal Government; Mr Chi Chiew Sum, Deputy of Consulate General from Shanghai; and Mr Choo Chiau Beng, CEO of Keppel Corporation, Chairman of Keppel Offshore & Marine and Chairman of Asian Lift.



Asian Lift celebrates the keel-laying of the 5,000-tonne floating crane Asian Hercules III

Second FPSO for Brazil's OSX

Keppel Shipyard has secured a contract to convert a Floating Production Storage and Offloading (FPSO) unit for Single Buoy Moorings Inc (SBM) for offshore Brazil.

Working closely with its customer, SBM, Keppel Shipyard will convert the Very Large Crude Carrier (VLCC) M/T Concorde Spirit into a FPSO facility. The unit will be named FPSO OSX-2.

SBM had been engaged by OSX Brasil S.A. (OSX) to supply the FPSO, which is expected to be completed in the second quarter of 2013 and will be deployed in the OGX Petroleo e Gas Participacoes S.A. (OGX) field in Campos Basin, offshore Brazil.

Keppel Shipyard's work scope on FPSO OSX-2 comprises refurbishment and life extension works, accommodation block extensions for 80 personnel, a new flare tower, a new internal turret mooring system and topside module supports, as well as the installation and integration of topside modules.

Mr Tony Mace, CEO of SBM Offshore, said "Since 2001, Keppel has been our preferred partner and we are pleased to award

another FPSO conversion to them. I look forward to continue this partnership as we build up our FPSO fleet."

Mr Nelson Yeo, MD of Keppel Shipyard, said, "We are glad for another opportunity to collaborate with our long-time customer SBM and to support OSX. Committed to safe and value-added services, we will work closely with all stakeholders of FPSO OSX-2 towards a successful conversion project."



Keppel Shipyard has been awarded the contract to convert FPSO OSX-2. The yard recently completed the modification and upgrading of FPSO OSX-1 (in image)

First FPSO for OSX



Celebrating the steady progress of the FPSO OSX-1 project are the managements and employees of Keppel, OSX, OGX, BW Offshore and Joao Ziccardi Navajas, Minister Counsellor at the Embassy of Brazil in Singapore

Close collaboration between Keppel Shipyard and OSX on the FPSO OSX-1 project paved the way for firm relations between the two companies. At Keppel Shipyard for modification and upgrading works, the FPSO is the first vessel in OSX's fleet.

Chartered to OGX, FPSO OSX-1 will be deployed in the Waimea field, in Campos Basin, offshore Brazil.

Lady Sponsor Cristina Pinto named the vessel on 13 August 2011 in the presence of Mr Joao Ziccardi Navajas, Minister Counsellor at the Embassy of Brazil in Singapore, and Mr Reinaldo Belotti, Production Director of OGX.

Mr Carlos Bellot, Director of Engineering, Leasing and Operations of OSX, said, "FPSO OSX-1 is our first unit, and was developed to meet OGX's demand. With a strong track record in FPSO projects, Keppel Shipyard is the choice yard for the modification and upgrading of FPSO OSX-1. The unit was accorded dedicated and professional services, and I am confident that it will be an asset to OGX and Brazil's oil and gas industry."

Keppel Shipyard's work scope on FPSO OSX-1 includes fabricating, modifying and upgrading the topside process modules. The yard had partnered sister company DPS (Bristol) Ltd to undertake detailed engineering and procurement work for the topside modules.

"With a strong track record in FPSO projects, Keppel Shipyard is the choice yard for the modification and upgrading of FPSO OSX-1. The unit was accorded dedicated and professional services, and I am confident that it will be an asset to OGX and the Brazil's oil and gas industry."

*Mr Carlos Bellot,
Director of Engineering,
Leasing and Operations, OSX*

OSX had engaged BW Offshore Ltd (BW Offshore) for project management, engineering services and technical guidance services for this project.

Mr Nelson Yeo, MD of Keppel Shipyard, said, "We are honoured to have been selected to work on OSX's first FPSO unit. Through our close collaboration with OSX and BW Offshore, we have made steady progress on this project and ensured no lost-time incidents. We will continue in our efforts towards a safe and successful delivery."

Previously named Nexus-1, the FPSO OSX-1 left the yard in the third quarter of 2011.

Delivering on partnership

Keeping up with safe and reliable services, Keppel Shipyard has successfully completed its second delivery to Bumi Armada this year.



Celebrating the naming of FSO Sepat were Datuk Abdullah Karim, President of PETRONAS Carigali Sdn Bhd; Lady Sponsor Datin Aspalela Mohd Yusop; Mr Hassan Basma, ED and CEO of Bumi Armada; Mr Murugan Pitchai, Senior VP, Petrofac E&C Malaysia; and Mr Nelson Yeo, MD of Keppel Shipyard

The FSO Sepat project is another link in the chain of successful collaborations between Keppel Shipyard and its customer Bumi Armada Berhad (Bumi Armada). The floating storage and offloading (FSO) unit had undergone fast-track conversion at Keppel Shipyard.

With a storage capacity of 500,000 barrels of oil, FSO Sepat will be deployed in offshore Malaysia for the development of the Sepat field for PETRONAS Carigali Sdn Bhd.

Lady Sponsor Datin Aspalela Mohd Yusop, the spouse of Datuk Abdullah Karim, President of PETRONAS Carigali Sdn Bhd, named the vessel on 23 July 2011.

Mr Hassan Basma, ED and CEO of Bumi Armada, said, "An important part of being able to deliver on our promises is the relationship we have with our value chain; our business partners such as Keppel, equipment suppliers and banks. Thank you all for your timely support and cooperation."

Mr Nelson Yeo, MD of Keppel Shipyard, said, "We are pleased to have been entrusted with all of Bumi Armada's FPSO and FSO conversion projects to date. FSO Sepat is another conversion unit that Keppel is delivering to Bumi Armada this year. It follows shortly after our delivery of FPSO Armada TGT 1 in June. We are also grateful and honoured to be able to contribute to Petrofac and

PETRONAS Carigali's oil and gas activities in Malaysia.

"The fast-track conversion of FSO Sepat was enabled by Keppel, Bumi Armada, Petrofac and Petronas' strong teamwork and shared commitment. I am pleased to inform that there has been no reportable lost-time incident on this project."

Converted from the tanker AMORE, FSO Sepat left the yard in the third quarter of 2011. Keppel Shipyard's work scope on the FSO includes refurbishment and life extension works, fabrication and installation of the cargo offloading balcony and helideck, installation and integration of a 12-point spread mooring system, and the upgrading of accommodation facilities.

Safe completion for Saipem

Keppel FELS has delivered Scarabeo 9, a 6th generation ultra-deepwater semisubmersible drilling rig, to Saipem S.p.A (Saipem) on time and with no lost-time incidents.

A significant part of Keppel FELS' workscope on Scarabeo 9 involved the completion and commissioning of marine and drilling systems onboard.

The rig was named on 31 July 2011 by Lady Sponsor, Mrs Anna Tatka, spouse of Mr Pietro Franco Tali, CEO of Saipem.

Speaking at the ceremony, Mr Tali said, "With Keppel's proven track record, we were confident of receiving a rig of the highest quality delivered on time and in a safe manner. This sixth generation rig will be an important addition to our fleet as we expand our foothold to be one of the best balanced turnkey operators in the offshore and marine industry."

The Frigstad D90 semisubmersible rig is equipped with a Dynamic Positioning 3 system and will be capable of operating in water depths of up to 3,600 metres.

Mr Tong Chong Heong, CEO of Keppel Offshore & Marine, added, "In completing this complex rig, we leveraged our in-house engineering expertise, proven project management and execution capabilities to ensure quick turnaround times in providing value-added solutions.



The safe and on time completion of Scarabeo 9 for Saipem was a result of Keppel FELS' in-house engineering expertise, proven project management and execution capabilities



(From left) Lady Sponsor Mrs Anna Tatka; Mr Pietro Franco Tali, CEO of Saipem; Mr Giuseppe Caselli, Business Unit Drilling COO of Saipem; and Mr Tong Chong Heong, CEO of Keppel O&M; in the drilling control room

"We thank Saipem for their trust in us and are glad to be able to demonstrate our capabilities with this safe and on time delivery. This extends to all our projects for Saipem, including the completion of Castorone at Keppel Shipyard. We look forward to supporting Saipem as they grow their fleet of high specification products for different parts of the world."

Keppel's current projects for Saipem include the completion of a newbuild pipelaying vessel,

Castorone, which is being jointly undertaken by Keppel Shipyard and Keppel Singmarine.

Saipem has also previously sent the Saipem 7000, a semisubmersible crane and pipelaying vessel, for drydocking at the Keppel Verolme shipyard in The Netherlands in 2007. More recently, Keppel Verolme completed the repair and modification of the semisubmersible pipelay vessel, Castoro Sei.

Third Seaways delivery on track



The managements of Keppel Singmarine and Seaways International celebrate the naming of Seaways 20, an anchor handling tug supply vessel

Keppel Singmarine has demonstrated its commitment to meet the needs of customers with the safe delivery of Seaways 20, an anchor handling tug supply vessel to Seaways International.

Seaways 20 is the third vessel delivered to Seaways on schedule and without compromises on safety and quality. Good safety records had also been achieved on the first two.

Mr Hoe Eng Hock, ED of Keppel Singmarine, said, "Seaways 20 has demonstrated good performance by exceeding its contractual bollard

pull and speed during its sea trial performance.

"This successful vessel delivery reinforces Keppel Singmarine's ability to maintain high standards of safety and quality in our products and services.

"With a proven track record and expertise in the design and construction of specialised ships, we are well-poised to support Seaways in growing its modern fleet of sophisticated vessels."

Seaways 20 was named at Keppel Singmarine on 14 October

2011 by Lady Sponsor Mrs Roma Nijhawan, spouse of Captain Ashish Nijhawan, Chairman of Seaways International.

The 100-tonne bollard pull vessel is equipped with dynamic positioning system, thrusters and control pitch propulsion system to enhance its position keeping and manoeuvrability. She performs terminal handling, anchor handling, escort and fire-fighting duties.

Norwegian completion

Keppel Norway has delivered COSL Pioneer, the first semisubmersible drilling rig for COSL Drilling Europe AS (CDE), a subsidiary of China Oilfield Services Limited (COSL).

Chartered to Statoil, the rig will embark on its maiden drilling programme in the Norwegian North Sea.

The vessel was towed from a Chinese shipyard in April 2011 to Keppel Norway in Sandnes, for electrical and mechanical completion and commissioning. During this period, the vessel also required a high degree of infrastructure and logistical support.

In addition, new drilling vessels

intended for work in Norwegian waters are required to undergo extensive assessment by Norway's Petroleum Safety Authority (PSA) within a Norwegian shipyard facility, before commencing operations.

This is to ensure compliance of the relevant requirements stipulated by the stringent Norwegian rules and regulations governing the Norwegian Continental Shelf.

To meet these requirements for certification, COSL Pioneer further underwent thorough regulatory inspections and verification works at the shipyard.

Keppel Norway is ideally suited for such work, being located on the

banks of the main fjord running into the Stavanger area at the face of the North Sea.

Immediate proximity to Norway's oil capital facilitates its quick and easy access for personnel from the authorities, suppliers as well as owners, and allows for a high degree of attention leading to the Acknowledgement of Compliance (AOC) certification from the Petroleum Safety Authority of Norway.

Leveraging the experience of Keppel Offshore & Marine, Keppel Norway is well placed to serve customers in this region, and demonstrates the Group's *Near Market, Near Customer* philosophy.



Keppel Norway successfully completes its work on the drilling rig COSL Pioneer

Fourth to the fore

Keppel has delivered its fourth EXL jack-up rig to Rowan.



Keppel AmFELS delivered its fourth Rowan rig four months ahead of schedule and with zero lost-time incidents

Keppel AmFELS has completed the delivery of its fourth EXL jack-up rig to a subsidiary of Rowan Companies, Inc. (Rowan) with a perfect safety record, four months ahead of schedule and within budget.

The jack-up rig was christened Rowan EXL-IV on 10 September 2011 by Ms Mary J. Dunaway

and Ms Audra M. Williamson, daughters of Mr Johnnie Huckabay, one of Rowan's senior rig managers. Delivered on September 1, 2011, the rig departed Keppel AmFELS' yard in Brownsville, Texas in October 2011.

Mr Matt Ralls, President and CEO of Rowan, said, "This latest EXL jack-up rig is a key addition to our fleet of high specification rigs and will enable us to further grow our offshore drilling business. We are seeing improved demand for our rigs, especially for high-spec jack-ups, which are playing an increasingly important role in the offshore drilling market. Keppel AmFELS has once again delivered another quality rig to us on time and within budget."

Mr Michael Dowdy, Vice President, Engineering, Rowan, added, "Delivering the Rowan EXL-IV in record time is a testament to the efficiency and diligence of the team in Keppel AmFELS. The people on this project have performed so well that you are delivering EXL-IV four months ahead of schedule and with zero lost-time incidents during the entire program – that's quite an accomplishment."

Besides the four EXL rigs completed by Keppel AmFELS, Keppel FELS in Singapore has delivered three North Sea compliant N-Class jack-up rigs to Rowan. The latest of these, Rowan Norway, was delivered in July 2011.

Mr G.S. Tan, President of Keppel AmFELS, said, "We are pleased to be able to deliver on our promises to Rowan. Rowan's confidence in our products and execution capabilities has led them to entrust almost US\$2 billion worth of projects to Keppel to date. This latest delivery is another example of the excellent teamwork we have built with Rowan and a demonstration of Keppel's strong engineering, construction and project management expertise.

"We believe in being *Near Market, Near Customer*, and Keppel AmFELS' strategic location in the Gulf of Mexico has enabled us to develop a close relationship with Rowan and one of its primary operating markets, to better serve its customers."

The ABS-classed EXL jack-up design is an enhancement of the LeTourneau Super 116E model. With a leg length of 477 feet (ft) and hook load capacity of up to 2,000,000 lbs, the Rowan EXL-IV employs state-of-the-art technology to drill high-pressure, high-temperature and extended-reach wells worldwide. The rig is capable of operating in water depths of 350 ft or more, and drilling to a depth of 40,000 ft.

Keppel AmFELS' current projects include the construction of a LeTourneau Super 116E jack-up rig for Perforadora Central, which is scheduled for delivery in 1Q 2013.

Thriving on innovation



Mr Wong Kok Seng, MD of Keppel FELS

Mr Wong Kok Seng, MD of Keppel FELS, shares with *Business Times* on how the company cultivates its strong innovation spirit, which in turn has successfully led to a variety of offshore applications.

DESCRIBE THE SIGNIFICANCE OF INNOVATION TO KEPPEL FELS.

Innovation is one of Keppel's eight core values. We do not innovate for the purpose of creating new solutions; our ideas and solutions must be commercially-viable – they must help our customers meet their business goals.

Our continuous investments of time and resources to develop technologies and talents have helped ensure that the rigs and vessels in our substantial orderbook are delivered safely, on time and within budget.

WHAT ARE SOME EXAMPLES OF YOUR INNOVATIVE PRODUCTS AND SERVICES?

Our proprietary KFELS B Class jackup rig design is a good example. It incorporates Keppel's advanced, high-capacity jacking and self-positioning fixation systems, and is readily upgradeable for higher performance. In 2009, KFELS B Class jackup rig design was bestowed the Prestigious Engineering Achievement Award from Institution of Engineers Singapore for its ability to provide maximum uptime with reduced emissions and discharges.

Keppel FELS' multi-purpose self-elevating platform (MPSEP) is another example. The design stands out for its ability to operate in waters 45 percent deeper than its peers, and withstand harsh offshore environmental conditions all year round.

In addition, Keppel FELS recently introduced the Super A Class design, which is an enhancement of its A Class design. This design meets the industry's demand for new, high-performance assets with good safety mechanisms and high efficiency capabilities.

WHAT ARE SOME INITIATIVES WHICH SUPPORT KEPPEL FELS' CULTURE OF INNOVATION?

In May 2011, we formed a New Production Technology Team to help drive innovation. The team is led by Keppel FELS' ED, Mr Aziz Merchant, and Keppel Offshore &

Marine Technology Centre's Centre Director, Dr Foo Kok Seng.

Our in-house quality experts also conduct innovation-related courses regularly to spread awareness of innovation methodologies, and guide the Innovation Quality Circles (iQC) teams in the implementation of innovation projects. In addition, innovation experts from organisations such as Singapore Productivity Association are frequently invited to introduce new productivity concepts and update our employees on the latest innovation.

WHAT ARE SOME INDUSTRY AND BUSINESS ASSESSMENTS WHICH KEPPEL FELS UNDERGOES TO STRENGTHEN ITS PRACTICES?

We participate in competitions and assessments such as Manufacturing Excellence Award (MAXA), Singapore Quality Class, People Developer and Innovation Class with the aim of improving ourselves.

We have benefited greatly from this independent and in-depth assessment of our processes and capabilities. The takeaways from this water-tight appraisal has helped to further improve Keppel FELS's operations, and through our cross-sharing, those of other business units within the Keppel Offshore & Marine group.

Setting new safety records



Strong safety culture permeates every corner of Keppel, winning the Group 26 safety accolades

With a strong and cohesive safety culture, Keppel Group has clinched a record of 26 Workplace Safety and Health (WSH) Awards from the WSH Council and the Ministry of Manpower.

Keppel's Offshore & Marine division was bestowed 20 awards in all, while its Infrastructure arm received six. This is the sixth straight year that Keppel's efforts towards WSH practices are recognised at the WSH Awards.

Celebrating the best in workplace safety and health on a national level, the annual WSH Awards ceremony took place on 27 July 2011 at Fairmont Singapore. The event was graced by BG (NS) Tan Chuan-Jin, Minister of State for Manpower and National Development.

Mr Chandru Sirumal Rajwani, Chairman of the Inter-Business Unit Safety Committee, said, "We are very encouraged by the Ministry of Manpower's recognition of our sustained efforts. We will continue to look for ways to integrate safety considerations into our processes and improve the workforce's safety consciousness through training and cultivation of safety mindsets.

"At Keppel, we believe that safety is both a collective and individual responsibility, and proactively engage our workforce, contractors and customers to share a similar mindset. We also partner other stakeholders such as industry organisations and government agencies to collaboratively address safety issues."

For its all-round safety performance, Keppel Singmarine

garnered the Silver Award for WSH Performance for five years consecutively. In addition, S. Gopalakrishnan, a technician at Keppel Shipyard, also won the WSH Award for Supervisors.

S. Gopalakrishnan believes that one of his foremost responsibilities as a supervisor is to look out for the safety of his team. The greatest satisfaction he derives from guiding his charges is when the team speaks the same safety lingo and care for one another.

He shared, "To foster a 'safety first' mindset and impart know-how on safety procedures, I conduct daily safety briefings for my team, as well as regular risk assessment exercises and worksite inspections. By taking care of ourselves and others, we can all go home safely every day."

In 2010, Keppel was the first company to launch a corporate initiative in line with the National WSH 2018 strategy. Through this initiative, Keppel aims to significantly reduce incident rates by implementing uniform safeguards, increasing accountability and promoting ownership across all its business units.

During that year, over \$23 million was invested on safety through infrastructure upgrades, improvements in processes, trainings and promotion of safety culture. On average, each worker

will undergo some 20 hours of safety training each year.

Through its sustained and systematic efforts, Keppel maintained a commendable safety record while operating in challenging sectors. The cumulative effect of Keppel's safety efforts is reflected in Accident Frequency Rate, which has improved from 0.49 reportable accidents for every million man-hours worked in 2008 to 0.33 in 2010. Its Accident Severity Rate was reduced to 133 man-days lost per million man-hours worked in 2010 from 143 man-days lost in 2008.



S Gopalakrishnan was conferred the WSH Awards for Supervisors 2011

Keppel's WSH Award Winners 2011

WSH PERFORMANCE AWARDS (SILVER)

Keppel Singmarine
Keppel Seghers NEWater Development
Keppel FMO
Keppel Merlimau Cogen
Keppel DHCS

WSH SHARP AWARDS

Keppel FELS

EnSCO 8504
EnSCO 8505
Rowan Viking
Rowan Stavanger
QGOG Alpha Star

Keppel Shipyard

Maersk Peregrino
Armada TGT 1
FSRU Golar Freeze
DLB NorCE Endeavour
FPSO Okha
Petrobras 58
MV Ghena
FPSO Aseng
Lewek EMAS
Noble Bully II

Keppel Singmarine

Global 1200
Global 1201

WSH SUPERVISORS AWARD

Mr Sivasamy Gopalakrishnan –
Keppel Shipyard

WORKPLACE SAFETY AND HEALTH RISK MANAGEMENT AWARD

Keppel Gas
Prime Steelkit
Pipenet

Thinking out of the box

Keppel management and employees continually find ways to up the Group's safety quotient. At the 14th Convention for Workplace Safety and Health (WSH) Innovations in the Marine Industry on 25 August 2011, Keppel FELS and Keppel Singmarine clinched Silver and Bronze Awards for their Safe Intelligent Trolley and Friendly Puncher projects respectively. The event was organised by the Association of Singapore Marine Industries (ASMI).



Keppel FELS and Keppel Singmarine clinched Silver and Bronze Awards for its Safe Intelligent Trolley and Friendly Puncher projects at the 14th Convention for WSH Innovations in Marine Industry

Team leader of this project, Michael Ng Yong Tong, shared, "The Safe Intelligent Trolley aims to minimise risk and safety incidents in the yard by reducing hand and finger injuries. It also serves to reduce occupational

health hazards particularly so on minimizing back injuries of the workers. Ultimately, we hope that this trolley will help to cultivate a safe working habit when handling and transferring materials."

As for the Friendly Puncher project, it has proven to reduce the risk of finger and body injuries. It is a simple and innovative device which has received positive response from the end-users.

Stepping up on safety



Keppel Shipyard's five-day height safety campaign saw participation from more than ten thousand direct and indirect workers

Through a five-day safety campaign, Keppel Shipyard reiterated the steps for working safely at heights.

Held from 12 to 16 September 2011, the campaign was well-supported by Keppel Shipyard's management as well as its subcontractors, including those providing scaffolding services. As part of the campaign, the workers walked through exhibits on safe and unsafe work procedures and watched safety videos produced by the Workforce Safety and Health Council.

Optimal operations

Keppel Offshore & Marine (Keppel O&M) yards worldwide are in the thick of work, providing a range of repair, construction and engineering services to their global customers. As work progress apace on a range of projects, Keppel O&M celebrates a number of milestone events.

The first two units ordered by AOD are progressing well on track, and this third rig is scheduled for delivery in 3Q 2013.

Also striking steel in September were Japan Drilling Company for their first newbuild jack-up rig with Keppel FELS; Maersk Drilling on

their first of two CJ70 jackup rigs as well as Ensco on their first of three KFELS Super A jackup rigs.

Standard Drilling's fourth rig has also started construction with a strike steel ceremony on

Continues on page 20...

OFFSHORE WIND TURBINE INSTALLER

Work on the world's first KFELS Multi-Purpose Self-Elevating Platform (MPSEP), SEAFX 5, has achieved 2 million man-hours without lost-time incident over the period October 2010 to August 2011. For their excellent safety performance, the project team at Keppel FELS was awarded a bonus of US\$10,000 by SEAFX 5 Limited.

JACKUP DRILLING RIGS

Asia Offshore Drilling (AOD) cut the first steel on its third KFELS B Class jackup rig on 26 August 2011.



The first of Ensco's new series of KFELS Super A jack-up rigs strikes steel



Discovery Offshore celebrated back to back project milestones on their two rigs. One of its rigs had a strike steel ceremony on 1 October 2011, this was followed by the keel-laying of its other rig two days later

Continued from page 19...



On 1 October 2011, a ceremony was held to mark the undocking of Saudi Aramco's jackup rig; the ceremony was witnessed by representatives from Saudi Aramco and Keppel FELS

6 September 2011. In addition, the simultaneous keel-laying of their second and third KFELS B class jackup rigs on 28 September 2011 marked the smooth progress of their projects for delivery in 2013. Standard Drilling currently has seven rigs under construction at Keppel FELS with deliveries ranging from 2012 to 2014.

Meanwhile, Discovery Offshore also celebrated back to back project milestones on their two rigs. One of its rigs had a strike steel ceremony on 1 October 2011 followed by the keel-laying of its other rig two days later. Built to the KFELS Super A Class design, the rigs are scheduled to be delivered in 1H and 2H of 2013 respectively.

On the same day, Saudi Aramco also held a ceremony for the undocking of its jackup rig from

the drydock. Witnessed by the key representatives from Saudi Aramco and Keppel FELS, the milestone was significant as it represented the next phase of work as the rig is floated out to the quay side and well on track for delivery in 2H 2012. The KFELS B Class rig will be Saudi Aramco's first purpose-built, next-generation mobile offshore drilling rig.

Another triple rig celebration was conducted for Transocean's rigs. Of their three KFELS Super B Class Bigfoot rigs, two had their keel-laying on 5 October while the other struck steel two days earlier.

ROCK DUMPING FALL PIPE VESSEL

It was a milestone occasion not to be missed for the employees and customers of Keppel Singmarine. They were gathered at the yard

to celebrate the launch of H362, a 159-metre long rock dumping fall pipe vessel.

Constructed for Dutch dredging and marine contractor, Royal Boskalis Westminster N.V. (Boskalis), H362 is expected to be delivered by 1Q 2012.

When completed, the vessel will have a carrying capacity of 23,000 tonnes of rock. It will be installed with propulsion machinery and special rock handling equipment supplied by Boskalis to carry out precise rock depositing works at water depths of more than 1,000 metres. The vessel is also equipped with Dynamic Positioning (DP-2) capabilities.

Rock dumping fall pipe vessels are capable of depositing large amounts of rocks in deep waters

with great precision to protect and stabilise cables and oil and gas pipelines on the seabed.

PLATFORM SUPPLY VESSEL

On 5 October 2011, Keppel Singmarine Brasil celebrated the keel-laying ceremony for its 4,500 deadweight tonne (dwt) Platform Supply Vessel (PSV) based on its proprietary MTD 9045-DE design for Keppel O&M's Brazilian ship-owning arm, Guanabara Navegacao Ltda (GNL).

This is the first vessel constructed under the business model to build offshore support vessels in anticipation of demand in Brazil, and such vessels will be offered for bare-boat charter or sale upon completion.



Keppel Singmarine celebrated the successful launch of H362, the first rock dumping fall pipe vessel for Boskalis



Keppel Singmarine Brasil celebrated its keel laying ceremony for its 4500dwt PSV for Keppel O&M's Brazilian ship-owning arm, Guanabara Navegacao Ltda. From left: Mr Lai Ching Chuan, GM of Corporate Development & Planning, Keppel Corporation, Ms Wang Look Fung, Director, Group Corporate Affairs, Keppel Corporation, Mr Paulo Cunha, Principal Surveyor, ABS Brazil, Mr Hoe Eng Hock, ED of Keppel Singmarine Brasil, and Mr Andreas Salim, Project Manager of Keppel Singmarine Brasil

Revolutionary drilling operations



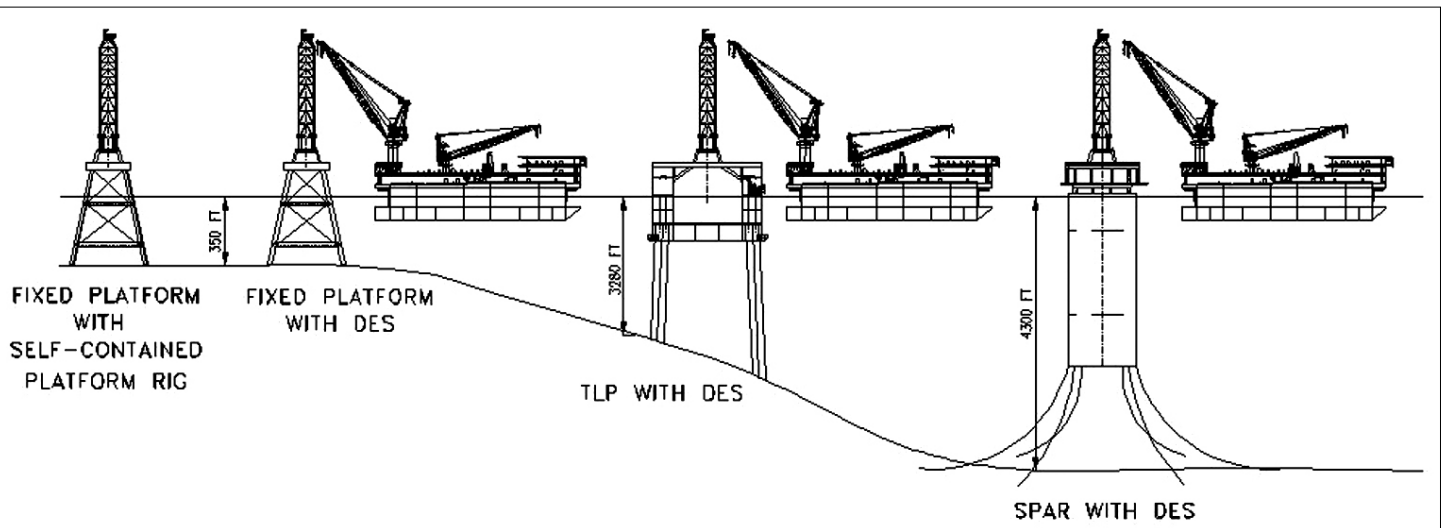
Keppel's technology arm, Deepwater Technology Group (DTG), had developed the Keppel FELS' Semisubmersible Drilling Tender, a versatile and cost-effective solution

Keppel FELS' Semisubmersible Drilling Tender (KFELS SSDT™) design has revolutionised the way drilling tenders operate, allowing them to be deployed next to deepwater floating platforms for the very first time. This groundbreaking SSDT™ design, with its enhanced capabilities, can operate and maintain station keeping in deep waters of up to 5,000 feet (ft) alongside Spars and Tension Leg Platforms.

This design has a proven track record of strong operational performance over the past 17 years, particularly in South East Asia. In recent years, the use of this trendsetting drilling tender has gained momentum in the

international market, and was successfully deployed in the deepwater region of West Africa by Seadrill. Its outstanding performance in West Africa attests to the design's resilience and suitability to operate in a variety of challenging offshore environments across the world including Brazil and the Gulf of Mexico.

Before this design was introduced, it was virtually impossible for two floating units to operate side-by-side in deep sea. This is because the turbulence caused by strong waves made collisions between the two floating units highly probable. The KFELS SSDT™'s unique design allows for the synchronisation of the random motion between



Keppel FELS' Semisubmersible Drilling Tender can operate and maintain station keeping in deep waters of up to 5,000 feet alongside Spars and Tension Leg Platforms

the ocean waves and the floating platform, thereby allowing side-by-side operation of two floating units.

Keppel's design arm, Deepwater Technology Group (DTG), has achieved this remarkable feat using rigorous model testing. This includes work using various simulation methods such as computer fluid dynamics and diffraction analysis, in order to finalise the best method in preventing collisions of the platforms making this a truly award-winning design.

With its successful and consistent operational performance history and impeccable Health, Safety and Environment indices, KFELS SSDD™ has also won the Shell Rig Award in 2004, 2006 and 2010.

The KFELS SSDD™ is a zero discharge vessel. As part of a stringent drilling waste

management system, drilling cuttings which contain hydrocarbon contents are separated by the solid control equipment and stored in containers on the KFELS SSDD™'s large deck.

This system eliminates the dumping of solid waste into the ocean and reduces the need for frequent supply boat trips to offload the waste. More importantly, it minimises the risk of an accidental spillage, which will endanger marine life and the environment.

A number of other "green processes" has also been implemented to bar the dumping of solid waste into the sea. For instance, black water is processed at designated sewage treatment plants onboard the KFELS SSDD™ and oily drain water is filtered through a separator. All processed waste is disposed of in a controlled manner.

For its significant contribution to eco-friendly, safety and well-being of the rig crew, this KFELS SSDD™ design won both the ASEAN Outstanding Engineering Achievement Award and the Institution of Engineers Singapore's prestigious Engineering Achievement Award in 2009.

The KFELS SSDD™ is an outstanding application of engineering and technological advancement; its design considers environmental protection, as well as the safety and well-being of operators involved with offshore drilling. Its ability to greatly reduce the harmful effects of drilling operations on the environment through innovative solutions, makes the KFELS SSDD™ a vessel of choice for discerning operators.

Vietnam's first drilling tender rig

Going back more than 25 years, Keppel's partnership with Vietnam spans multiple milestone projects.



Celebrating the naming of PV Drilling V were Mr S Iswaran (fourth from left), Singapore's Minister in Prime Minister's Office and Second Minister for Home Affairs and Trade & Industry, Mr Le Duong Quang (fifth from left), Vietnam's Vice Minister of Industry and Trade, and Mr Chu Ngoc Anh (sixth from left), Vietnam's Vice Minister of Science and Technology

Keppel FELS has delivered Vietnam's first semisubmersible drilling tender (SSDT) to PetroVietnam Drilling & Well Services Corp (PV Drilling) ahead of schedule, within budget and with a perfect safety record.

Built to Keppel's award-winning KFELS SSDT 3600E design, the rig is customised to meet PetroVietnam's requirements for high specification rigs, and is well-suited for offshore Vietnam's harsh environment. The rig will be deployed on a multi-year charter to PetroVietnam's

Bien Dong Petroleum Operating Company.

In 2009, the design was recognised by the Institution of Engineers Singapore for its eco-friendly features, which have contributed significantly to sustainable operations, as well as the safety and well-being of rig crew.

The rig was named PV Drilling V at Keppel FELS on 1 October 2011 in the presence of Mr S Iswaran, Singapore's Minister in Prime Minister's Office and Second Minister for Home Affairs and

Trade & Industry, together with Mr Le Duong Quang, Vietnam's Vice Minister of Industry and Trade, as well as Mr Chu Ngoc Anh, Vietnam's Vice Minister of Science and Technology, together with more than 500 local and overseas guests.

In his speech, Mr Iswaran noted that Singapore's marine and offshore industry has earned an international reputation for quality and reliability. "We have also differentiated ourselves with the ability to offer customised solutions and handle sophisticated

turnkey projects with complex requirements. The successful delivery of the PV Drilling V exemplifies the strengths and capabilities of Keppel, and Singapore's marine and offshore industry," said Mr Iswaran.

Acknowledging that Singapore is as one of the most important investing partners of Vietnam's oil industry, Mr Le Duong Quang, Vietnam's Vice Minister of Industry and Trade, added, "Keppel FELS has built 4 drilling rigs for PV Drilling. After the success of PV Drilling I, II and III, the celebration today once again proves the efficient and equal cooperation between Keppel FELS and PV Drilling as well as the relationship between Vietnam and Singapore in the promising oil market of Vietnam."

Mr Pham Tien Dung, CEO of PV Drilling, said, "Vietnam has some 4.4 billion barrels in proven oil reserves and we produced some 370,000 barrels a day last year. Our vision is for Vietnam to become a major oil and gas exporter in South East Asia, and PV Drilling V is an important step for us in achieving our goal. Keppel FELS has been a reliable partner and we look forward to leverage their expertise and experience in building technologically advanced rigs to support this growth.

"We have also differentiated ourselves with the ability to offer customised solutions and handle sophisticated turnkey projects with complex requirements. The successful delivery of the PV Drilling V exemplifies the strengths and capabilities of Keppel, and Singapore's marine and offshore industry."

*Mr S Iswaran
Singapore's Minister in Prime Minister's Office
Second Minister for Home Affairs
Second Minister for Trade & Industry*



Minister Iswaran officiated the naming of PV Drilling V, another milestone in the deepening relations between Vietnam and Singapore as well as PV Drilling and Keppel

"Most of the drilling contractors are facing the difficulties of finding jobs for the rigs. PV Drilling is not an exception. However, the advantage of PV Drilling is that we are the reputable local drilling contractor in Vietnam who owns such new generation rigs with a magnificent market in the region. With our core competence in

quality and reliability, PV Drilling has its own advantage in getting the long-term contracts for this new tender assist rig."

Reaffirming the partnership, Mr Tong Chong Heong, CEO of Keppel Offshore & Marine, said,

Continues on page 26...

Continued from page 25...



Built to Keppel's award-winning KFELS SSDT 3600E design, PV Drilling V is Vietnam's first SSDT

"We are pleased to deliver another first of its kind rig to Vietnam and PV Drilling. Our award-winning KFELS SSDT design is the ideal choice to meet the requirements for Vietnam's offshore environment.

"Today's achievement is a demonstration of the mutual understanding, teamwork and hard work put in by the teams of Keppel and PV Drilling. Besides ensuring an early delivery, they have also kept the core value of safety close to their hearts. This has resulted in an excellent safety record of about 4.4 million incident-free man-hours on PV Drilling V.

"We look forward to support PV Drilling as it expands its fleet to capture the growth of Vietnam's oil and gas industry. Our track record of providing solutions and consistently delivering quality products on time, within budget and in a safe manner has stood us in good stead in our long term partnership."

PetroVietnam grows drilling arm

At the naming ceremony for PV Drilling V, PetroVietnam's top executives shared their plans to grow the capacity of the company's drilling subsidiary to meet its rig demand.

According to PetroVietnam's President and CEO, Mr Do Van Hao, the company plans to deploy 15 to 17 rigs for offshore drilling in Vietnam each year. Out of these, four rigs will be supplied by its drilling arm, PV Drilling, three by Vietnamese-Russian joint venture, Vietsovetro, and the rest will be from international drilling contractors.

About 10 rigs alone are required to drill around 30 to 40

exploration and appraisal wells in offshore Vietnam. Drilling each well takes around three to four months.

Operating three jackup drilling units and a land rig commencing on a three year contract in Algeria as well as taking delivery of its first semi-submersible drilling tender rig from Keppel FELS, PV Drilling is also in talks with Chevron over a multi-year contract that will underpin the construction of a second tender drilling unit.

President and CEO of PV Drilling, Mr Pham Tien Dung said the contract is likely to be finalised at year-end or early 2012.

Long-lasting ties with Vietnam

Keppel has been growing with Vietnam for more than two decades since Keppel FELS built their first jackup drilling rig, TAM DAO 1, in 1988.

When His Excellency Truong Tan Sang, President of Socialist Republic of Vietnam, made his first state visit to Singapore, senior management of Keppel led by Chairman Dr Lee Boon Yang took the opportunity to call on him on 27 September 2011.

Joining Dr Lee were Mr Choo Chiau Beng, CEO of Keppel Corporation; Mr Teo Soon Hoe, Senior ED & Group Finance Director of Keppel Corporation; Mr Tong Chong Heong, Senior ED of Keppel Corporation & CEO of Keppel Offshore & Marine (Keppel O&M); and Mr Kevin Wong, Group CEO of Keppel Land.

At the meeting, President Sang expressed delight at developments in the friendship and cooperation between Keppel and Vietnam during past years.

President Sang also visited Keppel FELS the same day accompanied by Singapore National Development Minister Mr Khaw Boon Wan. He was briefed on Keppel's offshore and marine businesses and introduced to Vietnam's first semisubmersible drilling tender PV Drilling V, which is designed and constructed by Keppel FELS for PetroVietnam Drilling & Well Services Corp (PV Drilling).



H.E. Truong Tan Sang, President of Socialist Republic of Vietnam (second from left) expresses delight at the development of SSDT PV Drilling V in the presence of Mr Pham Tien Dung, CEO of PV Drilling (extreme left); Mr Khaw Boon Wan, Singapore's Minister for National Development (third from left); Mr Tong Chong Heong, CEO of Keppel O&M (fourth from left); Mr Choo Chiau Beng, CEO of Keppel Corporation (second from right); and Mr Do Van Hau, President & CEO of PetroVietnam (extreme right)

Double accolades



Keppel FELS and Keppel Shipyard were conferred the Safety Award and the Shipyard of the Year Award by Lloyd's List. (From left) Mr Wong Kok Seng, MD of Keppel FELS, Mr Tom Leander (centre), Lloyd's List's Editor-in-Chief, Asia, and Mr Nelson Yeo, MD of Keppel Shipyard

Keppel Offshore & Marine (Keppel O&M) received double accolades at Lloyd's List Awards, Asia 2011, which was held on 26 October 2011 in Hong Kong. Keppel Shipyard and Keppel FELS clinched the Shipyard of the Year Award and Safety Award respectively for the second consecutive year.

Keppel Shipyard had also been the winner of the Best Repair Yard Award for five consecutive years previously.

The Shipyard of the Year Award recognises the shipyard or shipbuilder in Asia that has consistently met the needs of its customers in these times of

tight capability. The shortlisted companies are judge on a number of factors, including their ability of offer cost effective and quality services while keeping a keen eye on safety.

Keppel Shipyard had impressed the judges with its strong track record for delivering complex offshore vessels at high standards and efficiency as well as wide range of safety programmes, which have helped reduced its accident rate from 2009 to 2010.

As for the Safety Award, it is presented to the company with exceptional commitment to improving safety standards

in the shipping industry. More specifically, the winning entry must engage in safety innovation, invest in safety training and make reductions to its accident rates.

Even as it expands its operations, Keppel FELS enhances its safety policies and practices, further protecting its workforce. As a result of these efforts, the company managed to reduce its accidents from 0.02 reportable accidents per million man-hours worked in 2010 from 0.09 in 2009.

Lloyd's List Awards, Asia, is a platform to reward and celebrate excellence in within the region's shipping and maritime industry.

Banding together for strength

Keppel Offshore & Marine held its second strategy meeting for the year on 10 and 11 August, where senior executives from across its global network convened to review and plan ahead.



Senior management from Keppel O&M's global operations held robust discussions on ways to strengthen its competitive edge at the strategy meeting

The mood was decidedly upbeat in July when invitations to attend the strategy meeting were sent to over 50 managers at Keppel Offshore & Marine's (Keppel O&M) Singapore and overseas yards.

With record new orders for the year and a strong net orderbook, Keppel O&M was all set for a busy few years ahead.

However, at the time of the meeting in mid-August, market sentiments turned for the worse following the global meltdown resulting from a slew of negative news from the US and Europe.

It was hence a timely gathering for the management of Keppel O&M to review the past year, reinforce existing strategies and formulate new ones to ride out the current storm.

"With the worsening global outlook, we must continue to improve our processes and raise productivity. We will continue to invest in areas which will yield the maximum productivity for us. At the same time, we need to be aware of the aggressive competition from others, and continue to sharpen our edge," commented Mr Choo Chiau Beng, CEO of Keppel Corporation and Chairman of Keppel O&M, at the start of the two-day meeting.

Mr Tong Chong Heong, CEO of Keppel O&M, added, "Our many years of hard work have built up a credible team at Keppel O&M. We have so far done well but we must not rest on our laurels. We must continue to seek jobs which will help us extract the best value, by also adding value to our

customers. The excellent work we delivered on the Scarabeo 9 is a case in point."

Over two days, the managers held robust discussions on the way forward for Keppel O&M. All agreed to adhere to Keppel's core competencies of execution excellence and innovation focus, and pledged to continue to enhance its *Near Market, Near Customer* strategy.

Most importantly, as both Mr Choo and Mr Tong reiterated, teamwork is essential for Keppel O&M to continue to excel and to succeed.

Looking ahead, the sound industry and business fundamentals will continue to anchor the further growth and development of Keppel O&M.

Steady and ready

Effective communications in the event of a crisis not only protects public safety and the interests of stakeholders, but also the reputation of an organisation. In light of this, Keppel Corporation's Group Corporate Communications and Group Human Resources departments have collaborated to roll out a series of crisis media training for the Group's spokespersons.

The "Media Skills for Disaster Management" workshop, conducted by Ewing Communications, was kicked off for the managements of nine overseas subsidiaries from Keppel Offshore & Marine (Keppel O&M) on 12 August 2011.

The workshop aimed to equip the participants with media-handling skills during a crisis. The managements learnt how to prepare media statements and took part in recorded role-plays, which included an unexpected "ambush" interview. Role-playing was an important part of the workshop as it allowed practical application of each set of skills taught.

Mr Harold Linssen, MD of Keppel Verolme shared, "I have benefitted greatly from the training. It makes us aware of the simple yet critical measures that we have to take in managing the media and other stakeholders in moments of crisis.

"The small group training made learning even more powerful and productive. I believe such crisis media workshop should not be one-off opportunities, as we need to refresh and internalise the simple steps to prepare for potential crisis."

Other participants such as Mr Abu Bakar bin Mohd Nor, CEO of Nakilat-Keppel Offshore & Marine also gave positive feedback on the workshop. He shared, "Handling media amidst crisis is not an easy task and I'm glad that I have gained several useful skill sets in my approach towards crisis media management.

"Representing our business units as spokespersons, it is crucial that we put across the correct messages to the public."

Other managements who attended this full-day workshop include Mr Yan Naing Myint, President of Caspian Shipyard, Mr Poh Leong Kok, Senior VP of Keppel Batangas Shipyard, Mr Tan Geok Seng, President & CEO of Keppel AmFELS, Mr Yick Ping Wong, ED of Keppel Kazakhstan, Mr Lee Tai Kwee, President of Keppel Nantong Shipyard, Mr Mok Kim Whang, President of Keppel Subic Shipyard, and Mr Gilberto Israel, Commercial Director of Keppel FELS Brasil.



Overseas managements from Keppel O&M participated in a crisis response workshop on 12 August 2011

Growing partnerships in Brazil



With an established footprint in Brazil, Keppel management took the opportunity to extend their network with customers, partners, associates and friends at OTC Brasil

As a key partner to Brazil's oil and gas industry for more than 30 years, Keppel Offshore & Marine (Keppel O&M) took the opportunity to connect with long-time customers and partners while making new ones at the inaugural Offshore Technology Conference (OTC) Brasil 2011 which took place from 4 to 6 October 2011.

Keppel O&M showcased its extensive track record and offshore solutions for Brazil through its

sizeable booth which was shared with its partner McDermott and their joint-venture company, FloaTEC. The Keppel-hosted cocktail party was also well attended by over a hundred customers, business associates and friends.

OTC Brasil showcased the latest in technical advancements and addressed challenges and opportunities for the deep and ultra deepwater offshore sector in Brazil and other regions. More

than 400 companies from 23 countries participated with some 10,000 attendees.

With two yards in Brazil and numerous collaborations with Brazilian operators, Keppel continues to be the choice partner for the country's offshore and marine industry. Some 20 projects that have been successfully delivered have since continued to contribute substantially towards the nation's oil production capacity.

Showcasing Keppel in Brunei



Mr Yong Chee Min, GM (Projects), Keppel Offshore & Marine, explains the group's suite of solutions to His Majesty the Sultan of Brunei and the Brunei Minister of Energy Pehin Dato Dr Hj Mohd Yasmin Hj Umar

Even as a country rich in oil resources, Brunei is keenly aware of the need to conserve energy and to protect the environment. For this reason, the inaugural Brunei Energy Expo was organised from 19 to 22 September 2011 to raise awareness on green technology and drive the message of energy efficiency and conservation.

The four-day expo coincided with the 29th ASEAN Ministers of Energy Meeting, which was hosted by the Brunei Ministry of Energy.

The Keppel Group, represented by Keppel FELS, Keppel Shipyard, Keppel Integrated Engineering,

Keppel Energy and Keppel Telecommunications and Transportation, participated in the Expo to demonstrate the Group's capabilities in offering sustainable solutions such as environmentally-friendly rigs, waste-to-energy plants and green data centres.

Mr Yong Chee Min, GM (Projects), Keppel Offshore & Marine, who led the Keppel delegation at the Expo, commented, "We were honoured that His Majesty Sultan Haji Hassanal Bolkiah Mu'izzaddin Waddaulah, the Sultan and Yang Di-Pertuan of Brunei Darussalam, accompanied by Brunei Minister of Energy Pehin

Dato Dr Hj Mohd Yasmin Hj Umar, visited the Keppel booth.

"We took the opportunity to present to His Majesty the various activities that Keppel is involved in. Our participation at the Expo was very much appreciated by the Bruneian government officials, which helped to further strengthen our ties with Brunei."

Upbeat on offshore



With a suite of propriety and proven designs for high specification rigs, Keppel O&M has been able to capture a huge proportion of recent orders

Despite the volatility in global markets and the fragility in the Eurozone, the mood at the Pareto Oil and Offshore Conference in Oslo, Norway was upbeat.

Presentations by key players in the industry pointed to strong market fundamentals and demand for increased oil exploration and production on the back of diminishing spare production capacity.

Spending on exploration and production is also projected to hit US\$818 billion in 2013, an increase by 60% from 2011 levels, with a clear preference for newer equipment. One driver of the surge in newbuild orders since 4Q 2010 is the bifurcation in day rates for newer, higher specification rigs. With a suite of propriety

and proven designs for high specification rigs, Keppel Offshore & Marine (Keppel O&M) has been able to capture a majority of these orders.

Speaking at the conference, Mr Tong Chong Heong, CEO of Keppel O&M, highlighted that Keppel is well placed to ride on these trends and reiterated the company's focus to remain the global industry's choice solutions provider and partner.

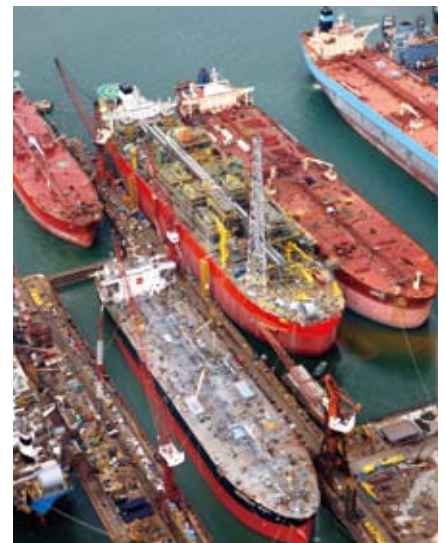
Held over 31 August and 1 September 2011, the annual gathering is Europe's premier platform in the oil and offshore business. At the event, global industry players banter views on the industry's outlook, emerging trends and challenges.

Cultivating green ideas

Keppel Shipyard was one of the main sponsors of Marine Science and Technology Conference (MARSTEC) 2011. The event is co-organised by MISC Bhd and Universiti Teknologi Malaysia (UTM), and supported by the Malaysia Shipowners Association (MASA).

Taking place in Kuala Lumpur, Malaysia, over 12 to 13 September 2011, the conference's theme

was Towards Greener Innovative Technologies. Participants of the conference, which range from maritime professionals to academics and students, were give ample opportunities to learn about current green technologies, activities and developments in maritime-related industries.



Keppel Shipyard was one of the main sponsors of the recent Marine Science and Technology Conference (MARSTEC) 2011, which was held in Kuala Lumpur, Malaysia

Stamp of approval

Keppel Verolme enhanced its credentials when it received added certification for Environmental Management (ISO 14001) and Health and Safety (OHSAS 18001) in June this year.

Harold Linssen, MD of Keppel Verolme, said "Improving our management systems and demonstrating this to our stakeholders are some objectives which Keppel Verolme set out to achieve.

"Our stakeholders have many different expectations and these need to be met continuously.



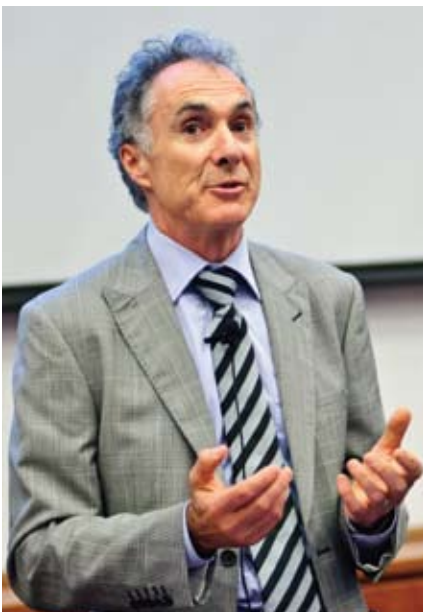
Keppel Verolme received certification for Environmental Management (ISO 14001) and Health and Safety (OHSAS 18001) in June this year

Following these standards helps us in doing that.

"In striving for continuous improvement, we adopt a process-approach that results in optimum services at the most competitive of costs."

Since 1993, Keppel Verolme has been certified by DNV for Quality Management (ISO 9001) and Safety Management (Safety Checklist for Contractors).

In depth discussions



Professor Mark Randolph at the ninth Keppel O&M Lecture

The Keppel Offshore & Marine (Keppel O&M) Lecture seeks to inspire and update the industry with study and research of offshore and marine technologies.

Into its ninth year, the annual lecture on 13 October 2011 attracted about 400 people from the academia, industry and public.

Guest speaker Professor Mark Randolph, a leading expert in deep sea engineering and senior researcher with the Centre for Offshore Foundation Systems, University of Western Australia, shared insights into the many challenges faced by offshore industry as well as how pipelines interacted with the seabed.

Mr Choo Chiau Beng, CEO of Keppel Corporation and Chairman of Keppel O&M, highlighted, "This is a timely topic. The increasing demand for oil has sparked off a growing need to explore into deeper waters to extract untapped oil reserves from the challenging seabed. As such, more pipelines are expected to be deployed into the seabed in the coming years as more exploration and production activities are carried out worldwide."

The Keppel O&M Lecture is co-organised by Keppel and the National University of Singapore under the auspices of the Keppel Professorship in Ocean, Offshore and Marine Technology.

Port of call for enriching relations

Keppel Offshore & Marine (Keppel O&M) is an ardent supporter of industry platforms which enhance industry and business cooperation and connections. With visitors from Latin America to the Middle East, Keppel O&M took the opportunity to network and showcase the company's operations.



Mr Choo Chiau Beng (second from right), CEO of Keppel Corporation, interacting with business leaders and government officials at LAB Forum 2011



Brazil's Minister of Ports, Mr Leônidas Cristino (extreme right), hosted by Mr Choo Chiau Beng (centre), Chairman of Keppel O&M, on his recent visit to Keppel's yards

LATIN ASIA BUSINESS FORUM

Keppel was the platinum sponsor of this year's Latin Asia Business (LAB) Forum which took place on 5 October. The Forum seeks to promote business opportunities between Latin America and Asia.

The eighth LAB Forum installment featured top minds in business and government as they delved into topics pertinent to post-recovery Asia and Latin America – such as achieving sustainable growth, identifying opportunities emerging in these regions and harnessing these new engines of growth.

Mr Choo Chiau Beng, CEO of Keppel Corporation, attended the forum in his capacity as Singapore's Non-Resident Ambassador to Brazil. Close to 300 business and government leaders gathered

to value add to the dealing of challenges and harnessing opportunities.

Keppel O&M and Keppel Integrated Engineering showcased their track record and capabilities at the exhibition. Keppel's management and representatives also hosted forum delegates at the Keppel-sponsored networking lunch.

Inaugurated in 2004, the LAB Forum is widely recognised as the region's premier event for Asia's leaders to network with their Latin American counterparts.

JOURNALISTS VISIT

As part of the 12th Forum for East Asia-Latin America Cooperation Journalist Visit Programme (FEALAC JVP Programme), a group

of seven journalists from the key television and print press in Latin America were in town for the forum and took the opportunity to visit Keppel O&M yards the following day. Hosted by Mr Choo Chiau Beng, the journalists learnt more about the Keppel O&M businesses and the market outlook particularly in Brazil.

HOSTING DELEGATES FROM BRAZIL

Following that, Mr Choo hosted Brazil's Minister of Ports, Mr Leônidas Cristino, along with 10 officials and 35 delegates on 10 October 2011. The visitors toured the yards and had a first-hand experience of Keppel's world-class shipyard facilities and capabilities, followed by a lunch reception.

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Representatives of Saudi Arabia RCJY and Saudi Aramco visited Keppel's yard in Singapore in September this year

SAUDI ARABIAN PARTNERSHIPS

Keppel led a delegation from the Saudi Arabia Royal Commission of Jubail & Yanbu (RCJY) on a visit to Keppel O&M on 26 and 27 September 2011.

Hosted by Keppel's senior management Mr Choo Chiau Beng, CEO of Keppel Corporation, Mr Tong Chong Heong, CEO of Keppel O&M, and Mr Wong Kok Seng, MD of Keppel FELS, the delegation toured the company's yards in Singapore.

Besides seeing the progress on Saudi Aramco's first KFELS B Class jackup, the delegation also learnt about Keppel's operations, with a view on future collaborations.

Saudi Arabia RCJY is an autonomous organisation of the Saudi Government which oversees development in the cities of Jubail and Yanbu. The delegation included Mr Abdulaziz N. Atarji (GM Strategic Planning & Investment, RCJY) and Mr Sami Mukhaizeem (Director, Manufacturing and Clustering Division, Saudi Aramco).

QATARI TIES

Over in Qatar, the team at Nakilat-Keppel Offshore & Marine (N-KOM) received Her Excellency (HE) Sheikha Mayassa, daughter of the Emir of Qatar, and Her Highness Sheikha Mozah, as well as representatives of the Qatari Museum Foundation, to its yard on 3 October 2011. HE Shiekha Mayassa is the Chairperson of the Foundation.

During the yard visit, the group was briefed on N-KOM's operations and updated on the yard's past and ongoing projects.

Connecting with investors

Keppel Offshore & Marine's (Keppel O&M) record order book and good operational management has made it a sound investment choice. Global investors were in town to learn more.

GOING DUTCH

Keppel O&M was a key stopover for 55 international investors from the Dutch Chamber of Commerce (DutchCham) and executives from the ship-owning and the ship-finance global community who were in Singapore to attend the Marine Money Forum.

Sponsored by ING, a Dutch member of the Inter-Alpha Group of Banks, this visit was organised on 29 September 2011 to provide bankers, ship-owners and DutchCham members with an opportunity to network.

The investors engaged Keppel on topics such as the outlook of the offshore and marine industry and company's outlook and expansion plans, as such they gained a better understanding of Keppel O&M's businesses as well as its competitive advantages. During the tour of Keppel's yards, the delegates had an overview of the comprehensive facilities and well-designed layout of Keppel's yards.

Marine Money is the host of over fourteen annual specialised Ship Finance Conferences throughout the world and provides the most educational and networking opportunities for members of the industry.

GOING INTERNATIONAL

A group of international fund

managers and analysts visited Keppel's Singapore yards on 26 August 2011.

Mr Wong Ngiam Jih, CFO of Keppel O&M, welcomed the 12 guests who were participants of the Macquarie ASEAN Conference 2011.

The corporate presentation was followed by a robust discussion about the market outlook and the competitive landscape as well as the industry's focus on Petrobras' tenders. From the exchange, the visitors learnt more about Keppel's competitive advantages and strategy.

The massive rigs at Keppel FELS and the marine vessels docked at Keppel Shipyard's wharves were an impressive sight for many of the visitors who were visiting a yard for the first time. The first-hand experience also enabled the visitors to gain a deeper appreciation of the yards' operations, business model and capabilities.

On the guided tour, the visitors were updated on the various projects progressing at the yards, as well as the yards' systematic workflow and productivity improvements. All these initiatives help drive Keppel O&M's safe, on time and within budget deliveries.



DutchCham representative, Mr Renier van den Bichelaer of SMIT Singapore Pte Ltd (right), presented a token of appreciation to Mr Louis Chow, Senior GM of Keppel Shipyard on behalf of Keppel



Damien Ng (second from left), Marketing Executive from Keppel FELS sharing updates on the various projects in the yards

Making the good times count



Over 90 alumni members and guests attended the inaugural Keppel O&M Alumni get-together

You can take a person out of Keppel but you can't take Keppel out of him/her... So goes a familiar saying in the Group. The adage came to life when retired Keppelites as well as Keppelites who have ventured to other pastures convened at the inaugural Keppel Offshore & Marine (Keppel O&M) Alumni dinner at the Reflections at Keppel Bay show gallery on 26 July 2011.

Sharing with his fellow alumni members, Mr David Chin, Chairman of the Pro-Tem Committee of the Keppel O&M Alumni and former Marketing Manager of Keppel Shipyard, said, "There has been an intention to set up the Keppel O&M Alumni for some time now. Regardless of the number of years passed since I left the Group, I still feel a very strong bond to Keppel.

"Keppel has given me many fantastic years, and I think it is very important that we give back. Tonight, we mark the beginning of our combined efforts to capture and share our experience with a new generation of Keppelites."

Mr Choo Chiau Beng, CEO of Keppel Corporation and Chairman of Keppel O&M, also shared on his career and personal development in Keppel and on how the Group has evolved and grown over the last 40 years.

"Our retirees and former Keppelites are not forgotten, and we intend to preserve our rich tradition and heritage. We hope you will help us impart the Keppel spirit to the new generation of Keppelites through sharing your experiences and mentoring them, and build on our solid foundation.

They have much to learn and gain from your experience," he addressed the Alumni members.

The evening could not be complete without a walk down memory lane. Ms Wang Look Fung, Director of Group Corporate Affairs, Keppel Corporation, and Mr Chung Chee Kit, Vice Chairman of the Pro-Tem Committee of the Alumni and former GM of Kapal Management, presented a slideshow capturing the good old days with lively commentary. This brought on much nostalgia and fond memories amidst Keppelites, present and past, who watched with undivided attention.

The evening reluctantly came to a close only after our Keppelites had tired themselves catching up on all the years in between and planning for the next gathering.

Advancing responsible business practices

Keppel sponsored and supported the third International Singapore Compact CSR Summit which was held in Singapore on 5 and 6 September 2011. Given Keppel's reputation as an employer of choice, the company was invited to share on its human resource strategy at the Summit.

Dr Lee Chay Hoon, GM of Organisational Development, Keppel Offshore & Marine (Keppel O&M), presented on Keppel O&M's engagement and assimilation of its foreign workers. She shared, "Managing our human capital is of paramount importance to Keppel. We galvanise our global employees with a common set of beliefs and core values, whereby the imbibing of a strong value system has helped to create a resilient global team that delivers on the Company's promises. It has also been effective in motivating our international employees and strengthening their identification to the company."

Dr Lee highlighted Keppel's efforts to provide a home away from home for its foreign hires – the company was among the first in Singapore to provide highly-subsidised dormitories for foreign workers, and currently manages five such accommodation facilities.

"Our care and concern for our foreign workers does not end with the recruitment process. We seek to be a responsible host-employer to our foreign workers

as we help to integrate them into our workforce and as part of society. To help our new workers cope well in the new environment, we extend a cash advance to each person upon arrival, and provide free in-house medical consultation, as well as highly-subsidised housing and transportation to and from work," said Dr Lee.

Keppel Corporation and Keppel Land had contributed \$30,000 to Singapore Compact in support of the event.



Dr Lee Chay Hoon, Keppel O&M's GM of Organisational Development, shares on Keppel's Human Resources best practices at the third International Singapore Compact CSR Summit

Enhancing welfare in dormitories

Keppel Housing has introduced new welfare initiatives under the new Management Service Department which aims to improve its residents' mental and emotional health by providing counselling services, training and support.

For a start, it has hired three counsellors – a Bangladeshi, a Chinese and an Indian national – to help workers with new settlement and gambling issues. The department will also organise regular social activities to enhance bonding among residents.

Dr Lee Chay Hoon said, "We constantly seek to improve

the quality of life for our workers. Next month, a 24-hour hotline will be available for workers to call in should they face any problems."

In the coming months, Keppel Housing will be training its unit leaders on mental health issues as well as equipping them with skills to identify signs of distress. The objective is to ensure all residents receive proper and timely counselling support. These trained leaders will be the 'points-of-contact' for the residents in times of need.

Celebrating Brazil's independence

BrasFELS commemorated Brazil's Independence Day on 6 September 2011. Employees and management of BrasFELS along with representatives of Petrobras and the Municipality of Angra dos Reis gathered at the yard for this special occasion.

Addressing the crowd, President and CEO of Keppel FELS Brasil, Mr Kwok Kai Choong, provided encouragement to the BrasFELS employees and spoke about their role in the revitalisation of the shipbuilding and marine industry in Brazil.

Mr Gary Davies, Project Manager of Noble Drilling, had also taken this opportunity to award BrasFELS



BrasFELS employees, (from left) Piragibe de Oliveira, Jose Saturnino and George Marino, were each awarded a certificate of recognition and bicycle for their outstanding safety performances

with a plaque for having worked 1,000,000 man-hours without lost time incident for Noble Leo Segerius (NLS) and 500,000 man-hours without lost time incident for Noble Roger Eason (NRE).

Following the ceremony, all the employees were treated to Feijoada. Comprising stewed belly pork braised with black beans, Feijoada is considered the national dish of Brazil.

Engineers network



Keppel's engineer, Kandiah sharing his work experiences with the NUS students

To grow its global engineering talent pool, Keppel actively seeks opportunities to network with aspiring students and talents to showcase how its engineers are helping to shape its future.

Keppel's engineers Ryan Tan, Assistant Project Engineering Manager from Keppel FELS and Kandiah Raajeevan, Estimation & Proposal Manager from Keppel Seghers, shared about the exciting opportunities and challenges in their work at the National University of Singapore (NUS) Engineering Alumni-Student

Networking session on 2 September 2011.

Attended by 150 students, the session proved fruitful for participants who were interested in the growth prospects and real-life experiences of engineers.

Kandiah, who graduated from NUS in 2003, shared, "I enjoy interacting with juniors who share the same background as me. It is a good platform for the students to get to know our company and industry better, and helps Keppel grow its talent pool."

Giving back



Mr KC Kwok (third from left), President & CEO of Keppel FELS Brasil, presents the cheque to Mrs Maria Perpétua Azevedo, Chairperson of The Pestalozzi Association of Angra dos Reis

The Keppel-sponsored Singapore yacht in the Clipper 11-12 Round the World Yacht Race recently completed the leg from Madeira to Rio de Janeiro, Brazil.

In conjunction with Clipper yacht race stopover in Rio de Janeiro, Keppel FELS Brasil together with its partners donated R\$80,000 to The Pestalozzi Association of Angra dos Reis as part of its continuous commitment to support community projects in Brazil.

Mr KC Kwok, President & CEO of Keppel FELS Brasil, said "Over the years, we have introduced and sponsored initiatives such as our

youth apprenticeship scheme and the Graël Project that reaches out to underprivileged children through sports. Our contribution to the Pestalozzi Association of Angra dos Reis is a result of the close ties we have built up with the community. This sponsorship reaffirms Keppel's long-term commitment to grow with Brazil into the future."

The Pestalozzi Association of Angra dos Reis aims to promote the study, treatment, care, education and social interaction of children, adolescents and adults diagnosed with intellectual disability and developmental delay.

Colours of ASEAN

Through the platform of sports, the 24th ASCOPE Games showcased the colours and character of a strong, united and competitive ASEAN.

Over 400 athletes from seven ASEAN countries participated in this year's 24th ASEAN Council on Petroleum (ASCOPE) Games which was held in Bangkok, Thailand, and hosted by PTT Public Company Limited, from 27 to 31 July.

Mostly represented by national oil companies, ASCOPE was formed in 1975 to boost relations amongst 10 ASEAN countries within the petroleum industry.

The ASCOPE Games is a sporting event that the member countries take turn to host, and serves as a platform for all to reunite on a social basis and foster deeper friendships. This year's Games included badminton, bowling, darts, golf, table tennis and tennis.

Keppel, as Singapore's representative in ASCOPE, sent 41 Keppelites to compete in the Games. The Keppelites from all across the Keppel Group displayed camaraderie and teamwork at the Games.

As they pitted skills and wit against each other in the games, the participants also forged cross-cultural ties and friendships across teams.

Mavin Lim, Assistant Construction Manager at Keppel FELS, was captain of Team Keppel's table tennis team. He shared, "I was heartened to see the strong display of the Keppel spirit from the team.



The ASCOPE Games aims to enhance greater unity and cooperation among ASEAN countries



Mr Chee Jin Kiong, Director (Group Human Resources) of Keppel Corporation, showing his support for Team Keppel at the 24th ASCOPE Games in Bangkok, Thailand

The trials and trainings of the last three months have definitely enhanced our team's cohesiveness.

"It was a commendable feat for the team to compete against the national players in Team Indonesia and Team Vietnam. We are determined to train hard in anticipation of the 25th ASCOPE Games, which will be held in 2013 in Hanoi, Vietnam."

Showcasing great sportsmanship, all participants of the Games congratulated Team Thailand when it emerged as the final champion, bagging three Champion trophies.

With or without trophies, every participant left the five-day event with fond memories of their experience in Bangkok and of their newly-formed friendships.

Passion on the pitch

A team formed of 18 Keppelites from Keppel Offshore & Marine's yards in Brazil, the Netherlands, Qatar and Singapore kicked up a storm in Esbjerg, Copenhagen, Denmark recently in the first Offshore World International Football Tournament (OWIFT).

Keppel's team clinched second place among the eight teams that participated after two days of challenging competition. José André Brito dos Santos, BrasFELS, was awarded the title of most valuable player of the tournament.

Organised by Keppel's long-time customer, SBM Offshore and hosted by Passion on the pitch Blue Water Shipping, the football tournament saw Keppelites and its customers share their passion of the game, regardless of language and background.

Pitting wit and skills against business associates from companies such as Maersk Oil, Vicinay Cadenas and Alfa Lava on field, the team had fun while deepening their relationships with Keppel's customers.

Mr Edmund Lek, GM, Production, Keppel Singmarine shared, "With representatives coming from various parts of the world, the tournament was like a mini world cup! "Even though our players come from different business units across Keppel, all of us have extended the great team spirit at work to the field. In addition, this is a good opportunity to understand our customers better through games outside the realm of work."

Bert van Schijndel, HR Manager, Keppel Verolme applied his people management skills to manage the diversity in skills.

He said, "Our triumph in the competition shows that people of different backgrounds can achieve great results together if they possess the right attitude. It was an exhilarating experience to see our nimble players scoring goal after goal."

Marco Felix, Subcontract Manager from Keppel's BrasFELS yard, who is fluent in Portuguese and English, stepped up to bridge the language gaps. With collective strengths, Keppel's team was able to communicate and work together seamlessly, scoring an impressive 14 goals in 4 matches.

A gala dinner marked the successful conclusion of the first OWIFT. From Brazilians to Americans and Netherlands, the OWIFT event was a melting pot of warm ties.



A common vision and winning attitudes underpin the success of the Keppel team

Swinging for charity

Senior management from across the Keppel Group and its corporate partners teed off for charity at the Keppel Offshore & Marine (Keppel O&M) / Keppel Integrated Engineering (KIE) - Metta Charity Golf tournament on 22 July 2011.

The tournament was organised by Metta Welfare Association (Metta) and graced by Mr Lui Tuck Yew, Minister for Transport and Second Minister for Foreign Affairs. The event, held at Raffles Country Club, saw some 250 golfers take to the green to raise \$220,000 for charity. This is the fourth time that Keppel has supported the event as its title sponsor.

Mr Tong Chong Heong, CEO of Keppel O&M and Chairman of KIE said, "Keppel is committed to make a meaningful impact to the communities in which we operate. We strive to advance worthwhile causes that serve the disadvantaged, and are pleased to once again support Metta in its annual golf fundraiser."

Venerable Shi Fa Zhao, President of Metta, said, "Keppel's commendable efforts in raising funds for the underprivileged keep up with its fine tradition of giving. Keppel has been a fervent supporter of Metta for over a decade, and the Group's generous

contributions go a long way towards helping us achieve our goal of providing quality health care and welfare services for the less fortunate."

The proceeds raised from the Metta Charity Golf tournament will go towards supporting the programmes and activities at Metta's nine centres island-wide for special education, medical care and welfare services for the intellectually disabled, elderly and terminally ill.

Supporting Brazilian arts



Attending the free workshop offered across the Group, Keppelites got a chance to taste Brazilian martial arts

In support of cultural exchange between Brazil and Singapore, Keppel Offshore & Marine has sponsored \$50,000 to the first Women's Capoeira Festival in Singapore.

Capoeira is a Brazilian art form that encompasses elements of martial arts, sports and music. Due to its one-of-a-kind, fight-dance expression, Capoeira is fast becoming more popular with a broader audience. Originally an activity for men, it has been introduced to women as well, to aspire disadvantaged women and children to find their self-expression and to build up their confidence.

The festival brought forth the highest-ranked practitioners from all over the world from 9 to 13 August 2011, and comprised workshops, competitions and a book launch by multi-championship winner, Master Ousado.

Among the 11 Keppelites who signed up for the free Capoeira workshops was Benjamin Xia, an Engineer from Keppel's Deepwater Technology Group. He shared, "Keppel's growing ties with Brazil has given me a chance to explore and experience more of the Brazilian culture. Capoeira is unique as it combines music with dance, making the whole learning experience very enjoyable."

Capoeira first arrived in Singapore in 2002 when the first Association of Capoeira in South East Asia was established by Master Ousado.

Beach break

Nakilat-Keppel Offshore & Marine (N-KOM) organised an effort to clean Fuwayrit Beach, a well-loved recreational area along Al Shamal, in Qatar. Working hand-in-hand, 75 N-KOM employees rolled up their sleeves and cleared the sandy shores of litter and washed-up garbage on 25 July 2011.

Lending his support to this meaningful initiative was Mr Ali Syed Al Rashde, a representative from the Ministry Municipality and Urban Planning for Al Shamal.

CEO of N-KOM, Mr Abu Bakar Mohd Nor, said, "I am heartened by the enthusiasm of N-KOM

employees to do their bit for the community. Our day's work has helped ensure that Fuwayrit Beach stays pristine. The activity also helped to foster team spirit and bonding. I look forward to N-KOM's involvement in more environmental and community outreach initiatives in the future."



N-KOM employees do their bit for the environment through a beach clean-up effort

Sailing with flying colours

On a lake in the northern part of The Netherlands, 23 sail boats battled blustering winds and keen competition in a maritime sailing event, organised by the Dutch Shipbuilding Association, Scheepsbouw Nederland.

Participating in the annual race for the first time, Keppel Verolme's sail boat and her crew of four overcame a difficult start to clinch third place.

Comprising Dutch companies in the maritime sector, the event

was held on 17 June 2011, with races split between morning and afternoon sessions.

Sander Zwanenburg, Business Manager at Keppel Verolme, said, "We did not start so well and reformulated our strategy during the lunch break. After an exciting contest, with many wind shifts and changes on the scoring board, we finally finished in third place overall.

"Sailing requires good teamwork and for us, this achievement is a

big success. Even as we competed, we also built new friendships and adventures with other teams as well."



Steering the boat to 3rd place was the Keppel Verolme crew comprising Martijn Nobel, Project Manager; Sander Meyer, Engineering Manager; Tunk Tasar, Engineer) and Sander Zwanenburg, Business Manager

Care for the community



Some 20 families will soon move into the Keppel-GK Eco Village, a housing project for the underprivileged



Keppel Batangas Shipyard took part in a nation-wide initiative to raise funds for out-of-school youths in the Philippines

Committed to the development of the Philippine community, Keppelites continue to provide ardent support to an array of local social causes.

HOME SWEET HOME

Some 20 families have already been allocated homes in the Keppel-GK Eco Village, a 60-home housing project for the poor jointly undertaken by Keppel, the charity organisation Gawad Kalinga (GK) and the government of the Municipal of Bauan, Batangas in the Philippines.

The Eco Village has been quickly taking shape since its groundbreaking in April this year. Volunteers from Keppel Batangas Shipyard, GK and the local community have been putting their backs into the construction of the estate, extending much

needed helping hands to the less fortunate.

The future Eco Village residents have also been participating actively in the development of their homes, building a sense of ownership and belonging to the community.

Angelita Padayao who will soon move into the village with her family, said, "My family – especially my grandson – is so happy to finally have a place to call home."

Families will move into the estate after contributing 1,000 manhours to the construction of the Eco Village. In the true spirit of giving, the 11 families who have exceeded this target continue to contribute actively to the construction .

FUNDS FOR EDUCATION

Employees of Keppel Batangas Shipyard also took part in Alay Lakad, an annual initiative to raise funds for out-of-school youths in the Philippines.

Municipal Mayor of Bauan, Ryanh M. Dolor, said, "We thank our community partners such as Keppel for providing out-of-school youths with moral, technical and financial support for personal development.

"Such efforts go a long way as we take these kids out of the streets and into the classrooms. This will help them better their lives and become productive members of the society," shared Alan I. Claveria, HR & Administrative Manager of Keppel Batangas Shipyard and participant of this national initiative.

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Third Super A Class jack-up for Ensco

Keppel FELS secured a contract on 7 October 2011 to build an enhanced KFELS Super A Class harsh environment jackup rig from Ensco plc (Ensco). The rig is scheduled for delivery in 3Q 2014.

This contract arose from the exercise of an option which was part of Ensco's order of two KFELS Super A Class rigs on 10 February 2011.

Mr Dan Rabun, Chairman and CEO of Ensco, said, "Ensco's new series of jackup rigs are enhanced versions of the KFELS Super A Class design that will provide increased levels of efficiency for customers. By building these new Super A Class jackups, we will continue Ensco's tradition of delivering leading customer service with one of the largest and youngest premium jackup fleets in the world.

"Standardisation across our 11 KFELS design rigs improves reliability for customers as we benefit from more efficient construction, training, daily operations, inventory management, and repairs and maintenance."

Mr Tong Chong Heong, CEO of Keppel Offshore & Marine (Keppel O&M), added, "We are glad that Ensco has chosen to build another rig to the KFELS Super A Class design. We are confident this new generation rig will meet the requirements for robust drilling solutions in harsh environments.



A viable and cost-effective solution for harsh environments and cold climate areas, this is the third KFELS Super A Class Keppel is building for Ensco

"The KFELS Super A Class has been customised to meet Ensco's needs and demonstrates the win-win partnership we have with Ensco in growing both our companies to the next level. From the development of designs to the execution of projects, we have built up a proven track record with our customers around the world."

A viable and cost-effective solution for harsh environments and cold climate areas, the new KFELS Super A Class boasts the distinctive qualities of Keppel FELS' proven jackup rig designs.

The KFELS Super A Class rig can operate in water depths of

400 feet and drill to depths of 40,000 feet. It features advanced drilling systems with 2.5 million pounds of static hook load, a spacious deck and comprehensive amenities for the comfort of a 150-person crew. It also has an offline stand building capability to handle drill pipes efficiently, boosting overall rig performance and productivity.

The introduction of the KFELS Super A Class is a continuation of the proven KFELS harsh environment class rig which has been operating very successfully in the North Sea since the 1980s.