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Media Release

Keppel secures conversion and repair projects worth S$85 million

Singapore, 28 June 2017 – Keppel Offshore & Marine Ltd (Keppel O&M) has through its wholly owned subsidiary, Keppel Shipyard Ltd (Keppel Shipyard), won four contracts worth a total of S$85 million for the conversion, repair and modification of vessels.

Mr Chor How Jat, Managing Director (Conversions and Repair), Keppel O&M and Managing Director, Keppel Shipyard, said, "Despite the current challenging market conditions, we continue to receive a regular stream of conversion, repair and modification work from both new and long-standing clients. There remain opportunities in a variety of segments in the offshore and marine market and we are proud to be the industry's preferred shipyard. These four contracts bear testament to our strong expertise in the conversion, upgrading and repair works for FPSO (Floating Production Storage and Offloading) vessels, LNG (Liquefied Natural Gas) tankers, as well as heavy lift vessels."

The first contract is from Dixstone Holdings Ltd, for the conversion of the M/T Tempera into an FPSO. Keppel Shipyard's job scope includes the installation of topside process skids as well as a new accommodation module, amongst others. Work is expected to commence in 3Q 2017 and upon its expected delivery in 3Q 2018, the FPSO will be deployed to the Yombo field operated by Perenco off the Republic of Congo, Africa. It will replace the FPSO Conkouati which has served the field for more than 25 years and was also converted by Keppel Shipyard in 1991.

For the second contract, Keppel Shipyard will carry out repair work for the life extension and conversion of an oil tanker into an FPSO, MTC Ledang, for new customer, MTC Engineering Sdn Bhd. Work by the shipyard includes the fabrication of a flare tower and foundation; the lifting and integration of the crude stabilisation unit, as well as other refurbishment works. Upon its completion in 3Q 2017, the FPSO will be deployed to the Ophir Field, offshore Peninsular Malaysia.

The third contract that Keppel Shipyard secured is from Royal Boskalis Westminster N.V. (Boskalis), for the conversion of a semisubmersible heavy lift vessel, Finesse, to a crane vessel. After the upgrade, Finesse will be equipped with a 3,000 tonne crane, dynamic positioning (DP2) capabilities, as well as accommodation for up to 150 people. The vessel, which is already berthed at Keppel Shipyard, will also be capable of transporting and installing offshore wind turbine foundations upon its completion in 3Q 2017.

For the fourth contract, Keppel Shipyard will carry out major refurbishment for an EXMAR Ship Management (Exmar) managed gas carrier, LNG Lerici. Work on the vessel has commenced and is expected to be completed in 1Q 2018.

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

End

About Keppel Offshore & Marine

Keppel Offshore & Marine (Keppel O&M) is a global leader in offshore rig design, construction and repair, ship repair and conversion, and specialised shipbuilding. Its Near Market, Near Customer strategy is bolstered by a global network of 20 yards in the Asia Pacific, Gulf of Mexico, Brazil, the Caspian Sea, Middle East and the North Sea regions. Integrating the experience and expertise of its yards worldwide, Keppel O&M aims to be the provider of choice and partner for solutions for the offshore and marine industry. For more information, please visit www.keppelom.com

About Keppel Shipyard

Keppel Shipyard is the trusted industry name for the repair, conversion and upgrading of a diverse range of vessels, and a global leader in the conversion of Floating Production Storage and Offloading (FPSO), Floating Storage and Offloading (FSO) and Floating Storage and Re-gasification Units (FSRU), as well as the fabrication and installation of turrets and mooring systems, and topside process modules. Keppel Shipyard is currently undertaking the world's first-of-its-type Floating Liquefaction Facility conversion. More information is available on www.keppelom.com

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