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Media Release

Keppel to perform the world's first-of-its-type FLNG vessel conversion for Golar
Contract worth US$735 million plus options for another two similar units

Singapore, 3 July 2014 – Following the announcement of 25 June 2014, Keppel Shipyard Ltd (Keppel Shipyard), a wholly-owned subsidiary of Keppel Offshore & Marine Ltd (Keppel O&M), wishes to announce that the contract which it has entered into with Golar Hilli Corporation (Golar), a subsidiary of Golar LNG Ltd, to perform the world's first-of-its-type conversion of an existing Moss LNG carrier, the Hilli, into a Floating Liquefaction Vessel (FLNGV), has become effective. The contract is worth approximately US$735 million.

In carrying out the FLNGV conversion, Keppel Shipyard shall be responsible for the provision of the design, detailed engineering and procurement of the marine systems and all of the conversion-related construction services. Keppel Shipyard's scope also includes engaging Black & Veatch to provide design, procurement and commissioning support services for the topsides and liquefaction process. Black & Veatch's PRICO® technology has been selected for the liquefaction process because of its long-established record in the marketplace.

This contract, which includes options for another two similar units, follows the completion of a year-long Front-End Engineering and Design (FEED) study by Keppel Shipyard and Black & Veatch. The FEED study was conducted as part of the terms of a term sheet agreement with Golar to convert up to three LNG carriers into FLNG vessels.

The conversion has been approved in principle by DNV in accordance with their classification rules and international standards. The FLNGV will take about 31 months to convert and is expected to be completed in the first quarter of 2017.

Mr. Michael Chia, Managing Director (Marine & Technology), Keppel O&M, said, "The FEED study for Golar has come into fruition with the award of the world's first FLNG conversion project to Keppel Shipyard. We are excited to collaborate with trend-setting partners such as Golar and Black & Veatch. Keppel Shipyard had successfully delivered to Golar the world's first Floating Storage and Regasification Unit (FSRU) back in 2008, which was followed by two more similar units.

"It is an honour to be entrusted once again by Golar with this definitive FLNG vessel, which reaffirms Keppel's leadership in complex offshore conversion projects. We see this project as another excellent opportunity to offer innovative solutions to help address the growing midstream needs in bringing small and mid-scale LNG to market to meet the rising global demand for energy. Mid-sized FLNG solutions such as this one offer a faster and more cost effective liquefaction solution."

According to the Douglas-Westwood World FLNG Market Forecast, the global FLNG industry is expected to attract more than US$65 billion of investments through to 2020, driven by rising costs of onshore LNG terminals. Asia-Pacific, in particular, is expected to draw a majority of investments in the FLNG sector with its sizeable line-up of regasification and liquefaction projects.

Detailed design and engineering activities will commence shortly, and the Hilli will be delivered to Keppel Shipyard within 2014 to initiate renewal of key marine systems onboard the vessel while the manufacturing of topsides commences.

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

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About Keppel Shipyard
Keppel Shipyard is a subsidiary of Keppel Offshore & Marine (Keppel O&M), a wholly-owned company of Keppel Corporation.

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.

As a group, Keppel O&M is also a global leader in offshore rig design, construction and repair, and specialised shipbuilding. Its near market, near customer strategy is bolstered by a global network of 20 yards and offices 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 Golar LNG
Golar LNG is one of the world's largest independent owners and operators of LNG carriers with nearly 40 years of experience. The company developed the world's first Floating Storage and Regasification Unit (FSRU) projects based on the conversion of existing LNG carriers. Golar LNG leads the industry with committed projects and are progressing plans to grow its business further upstream via Floating liquefaction (FLNG). The company's strategic objective is to become an integrated midstream player in the LNG industry. For more information, please visit www.golarlng.com.

About Black & Veatch
Black & Veatch is an employee-owned, global leader in building Critical Human Infrastructure™ in Energy, Water, Telecommunications and Government Services. Since 1915, the company has helped its clients improve the lives of people in over 100 countries through consulting, engineering, construction, operations and program management. Black & Veatch's revenues in 2013 were US$3.6 billion. For more information, please visit www.bv.com.

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