Retail Shareholders' Day

Hosted by Securities Investors Association (Singapore)

16 August 2017

Keppel Corporation

Disclaimer

This presentation may contain forward-looking statements which are subject to risks and uncertainties that could cause actual results to differ materially from such statements. Such risks and uncertainties include industry and economic conditions, competition, and legal, governmental and regulatory changes. The forward-looking statements reflect the current views of Management on future trends and developments.

Address by CEO

Providing Solutions for Sustainable Urbanisation

Our vision is to be a global company at the forefront of our chosen industries, shaping the future for the benefit of all our stakeholders.

Keppel meets the world's sustainable urbanisation needs through key businesses in Offshore & Marine, Property, Infrastructure and Investments.

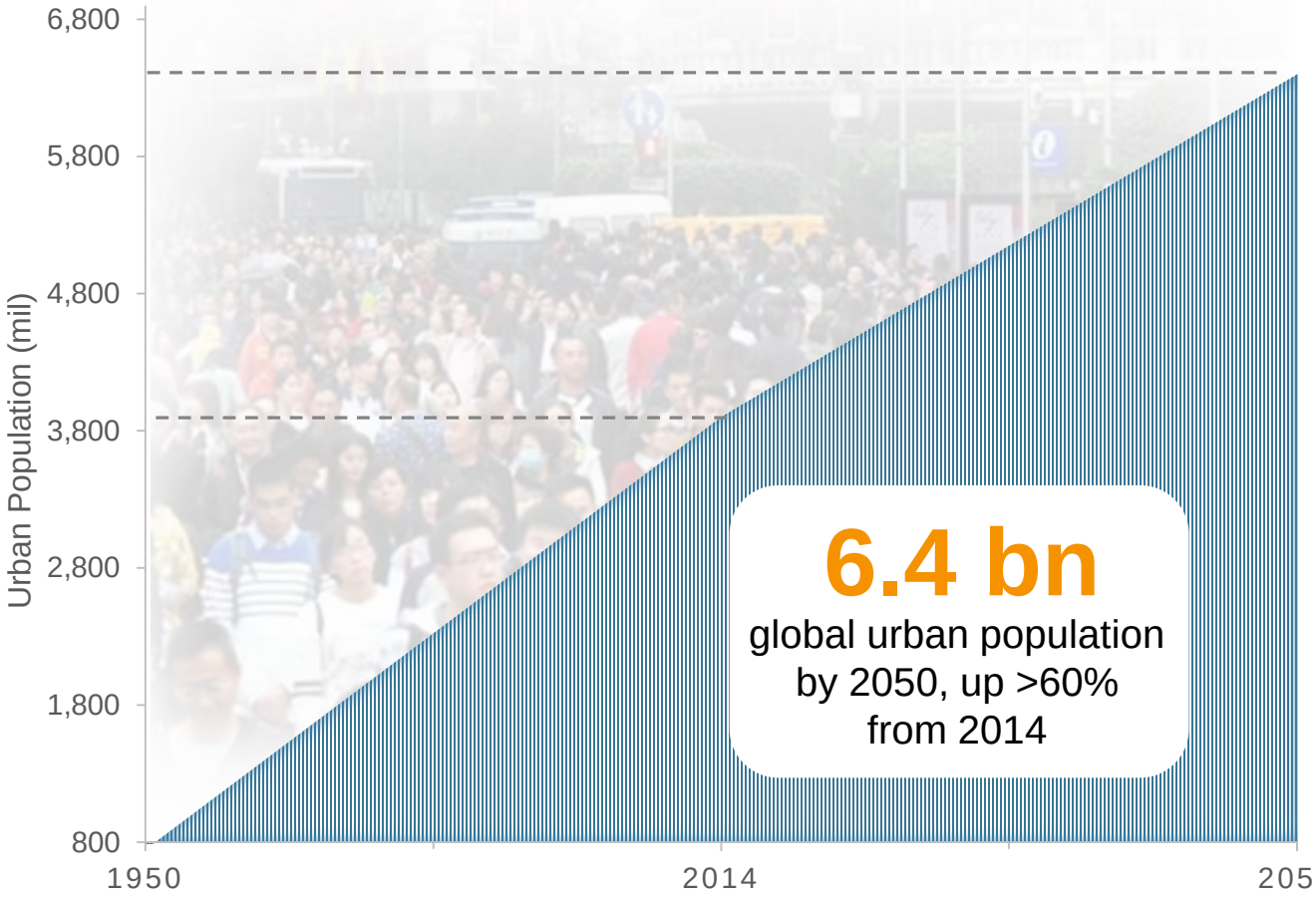


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Tapping Growth in Sustainable Urbanisation

Sustainable urbanisation will provide decades of secular growth for the Keppel Group.



Rising demand for:

- Energy
- Infrastructure
- Clean Environments
- Homes, Offices & Retail Properties
- Connectivity

Source: World Urbanization Prospects 2014, United Nations

Shaping Keppel's Future

Recent milestones

Building strong business verticals (2013 - 2015)

- Integrated energy and environmental businesses under Keppel Infrastructure
- Privatised Keppel Land

Driving growth and synergy through asset management (2016)

- Integrated the Group's asset managers under Keppel Capital
- Launched Asia's first-of-its-kind Data Centre fund



Shaping Keppel's Future

Recent milestones

Bolstering core competencies (2016 - 2017)

- Acquired LETOURNEAU™ offshore rig business
- Expanded into e-commerce fulfilment with Courex stake
- Re-organised Keppel O&M's operations into *New Builds* and *Conversions & Repairs*



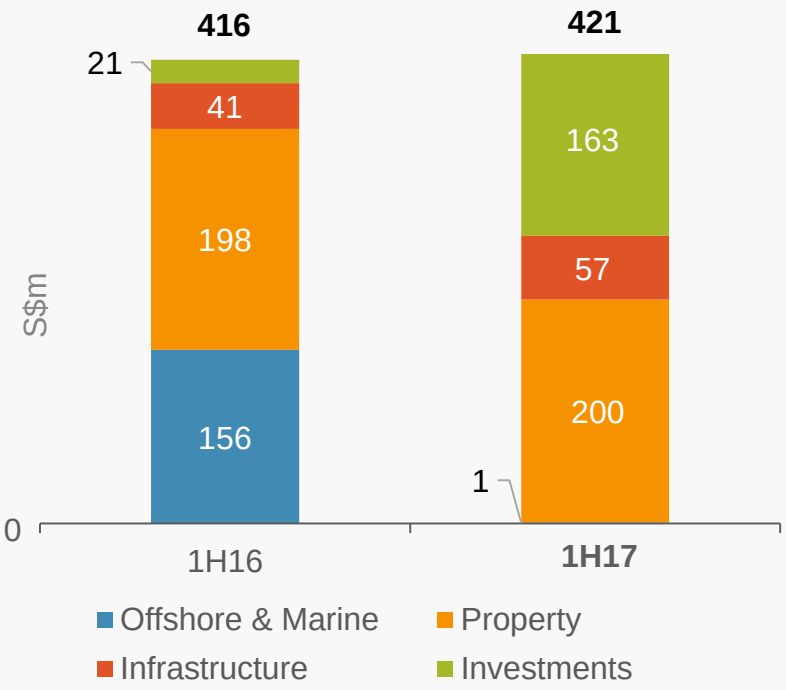
Expanding into new markets (2017 & beyond)

- Growing gas strategy
  - Delivering first-of-its-kind FLNG vessel conversion
  - Supplying LNG bunker in Singapore with Shell
- Embarked on Singapore's 4th desalination plant
- Exploring plans to develop gasification facility in Singapore

Anchored on a Multi-Business Strategy

1H17 net profit

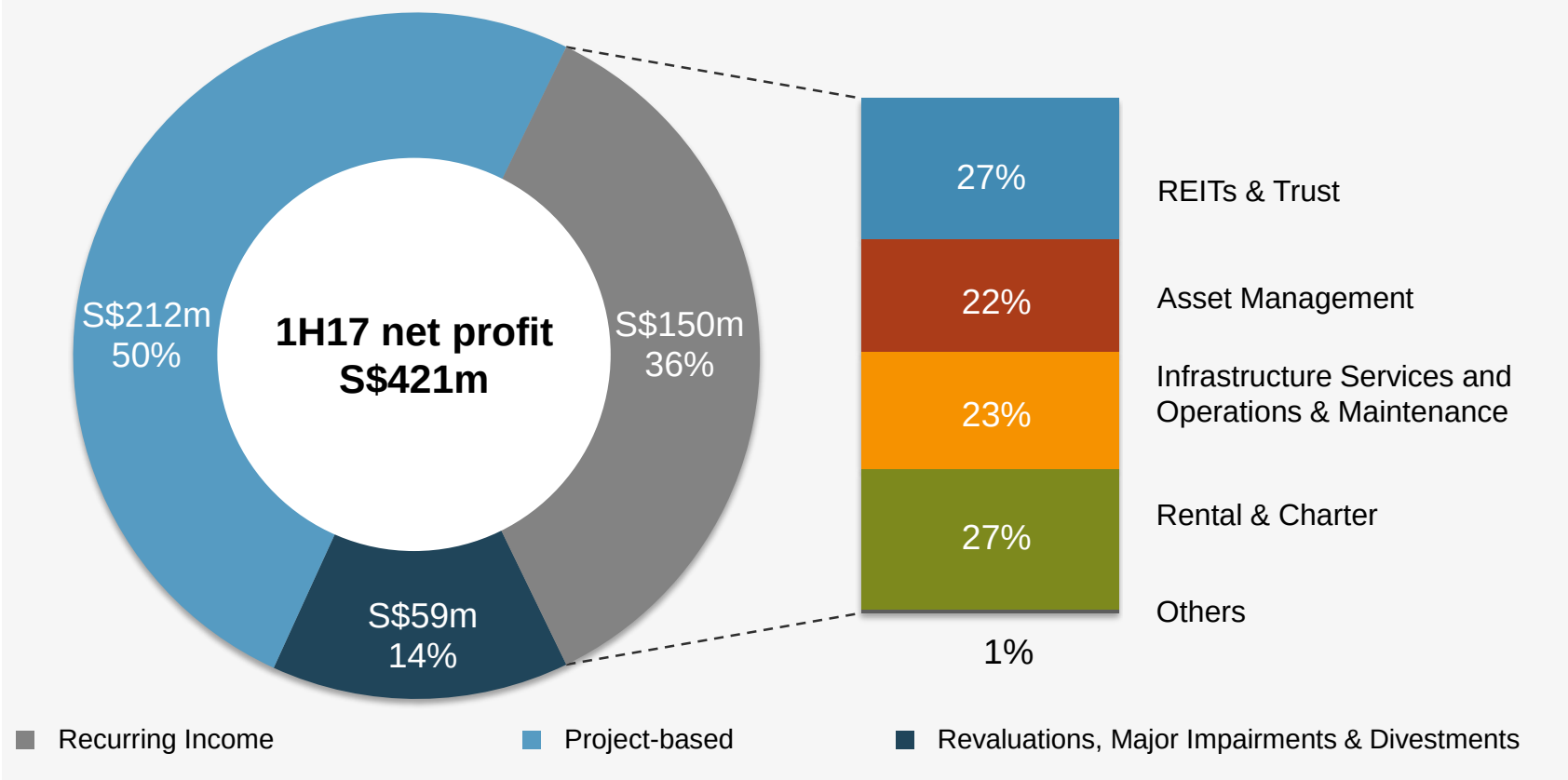
S$421m, up 1% yoy



- Resilient operations backed by diverse businesses serving sustainable urbanisation needs
- Further growing contributions from Property, Infrastructure and Investments divisions
- Focused on expanding stable recurring income to fund capital spending and dividends for the long term

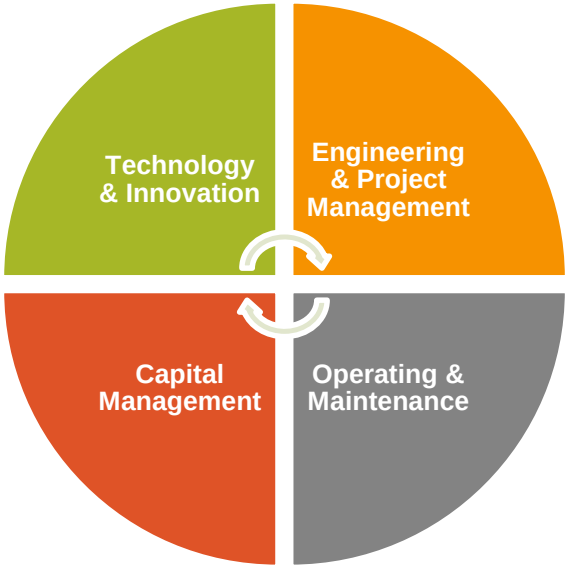
Multiple Earnings Streams

- Recurring income constituted 36% of 1H17 net profit



Harnessing Strengths, Multiplying Synergies

Core Strengths:



Building Strong Verticals + Collaboration:

SYNERGY

Offshore & Marine | Property | Infrastructure | Investments



Townships



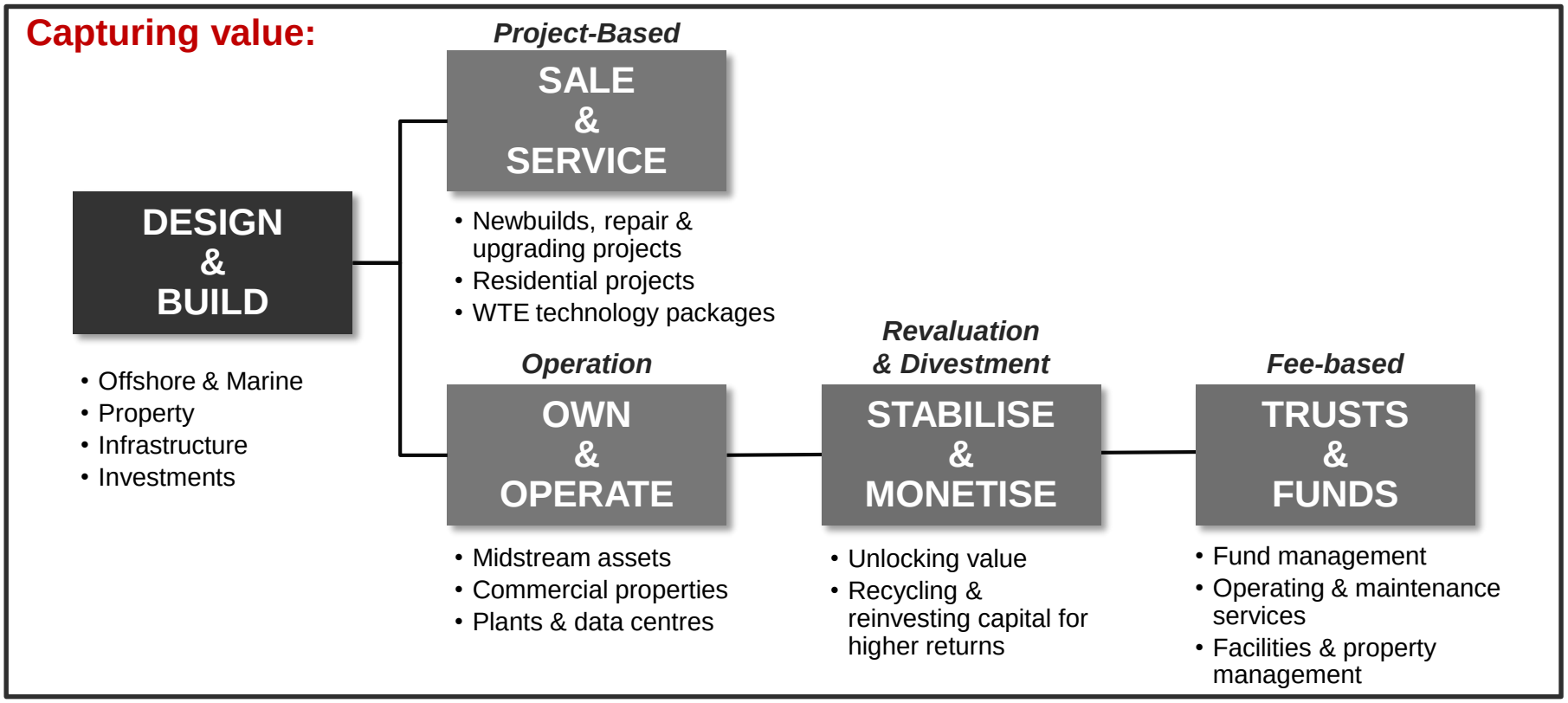
Data Centres



Gas Value Chain

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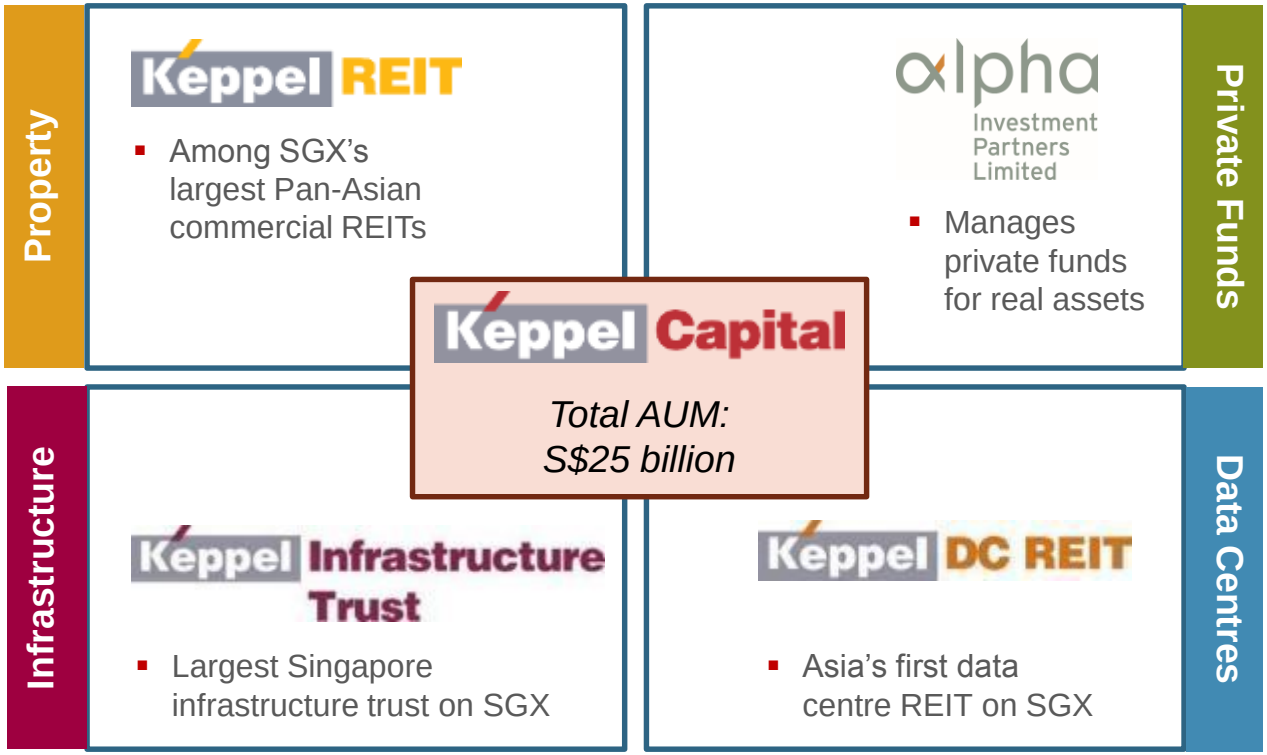
Creating & Capturing Sustainable Value



Earnings streams:			
Development profit	Operating income Operations fee Property mgt fee Facility mgt fee Repair/service fee	Capital gains	Asset mgt fee Operations fee Property mgt fee Facility mgt fee

Fueling Growth through Asset Management

Aim to double Keppel Capital's AUM over next the five years.



Harnessing synergies to:

- increase recurring fee income
- improve returns through asset turns
- seize opportunities through private funds
- create pull-through projects for business verticals
- maintain institutional quality balance sheet

Seizing Opportunities in Sustainable Urbanisation

Offshore & Marine

Gas value chain
- Liquefaction & regasification
- Transportation & bunkering

Specialised vessels

Re-purposing offshore technology
- Floating infrastructure assets



Property

Rising home-ownership aspirations in Asia
- Residential pipeline of >62,000 homes

Prime commercial portfolio
- ~1.5 million sm of commercial GFA, 2/3 of which is under development



Infrastructure

Energy & environmental infrastructure
- Power and gas
- WTE, desalination & wastewater treatment
- District cooling and energy efficiency management

Connectivity
- Data centre development and management
- Urban logistics, e-commerce fulfilment



Investments

Integrated asset management
- Asset management solutions for real assets across Property, Infrastructure, and even O&M sectors

Master developer of large-scale urban developments
- Sino-Singapore Tianjin Eco-City
- Jinan Smart City

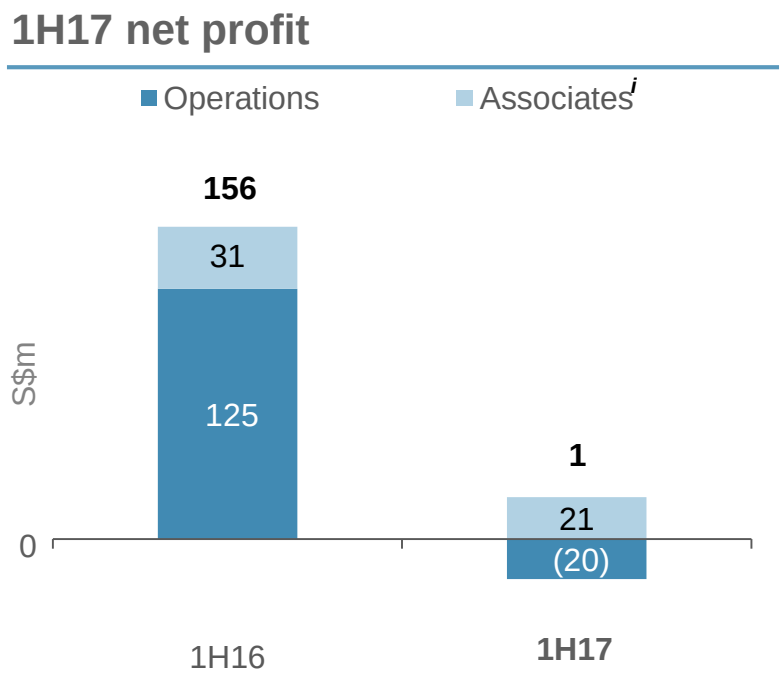


Address by CFO

1H 2017 Financial Performance

S$m	1H17	1H16	% Change
Revenue	**2,802**	3,368	(17)
EBITDA	**439**	626	(30)
Operating Profit	**326**	512	(36)
Profit Before Tax	**564**	563	-
Net Profit	**421**	416	1
EPS (cents)	**23.2**	22.9	1

Offshore & Marine



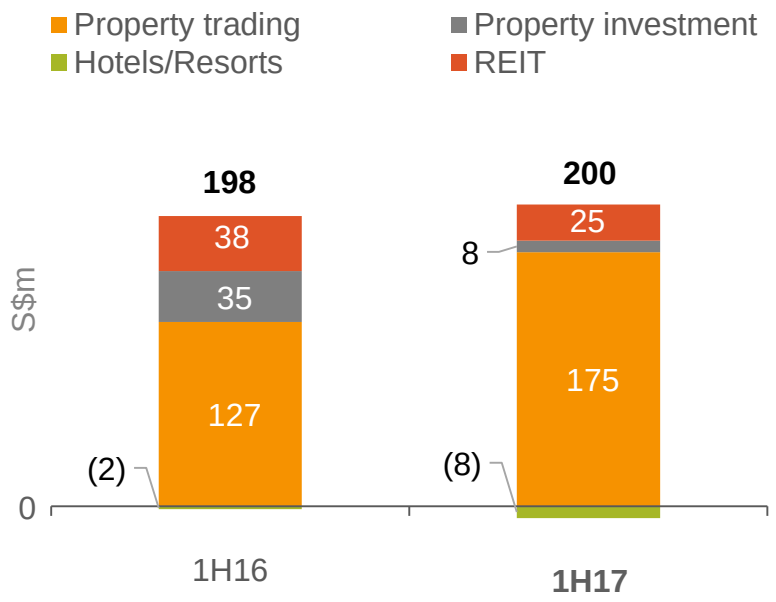
S$m	1H16	1H17	% Change
Revenue	1,538	**932**	(39)
Operating profit	203	**36**	(82)
Net profit	156	**1**	(99)

- Rightsizing efforts and associates' contributions helped Keppel O&M to break even
- YTD new contracts of ~S$300m, comprising non-drilling solutions
- Net orderbook[ii] of S$3.4b as at end-Jun 2017

[i] Includes contributions from Floatel, Seafox and Dyna-Mac, etc.
[ii] Excludes semis for Sete Brasil

Property

1H17 net profit

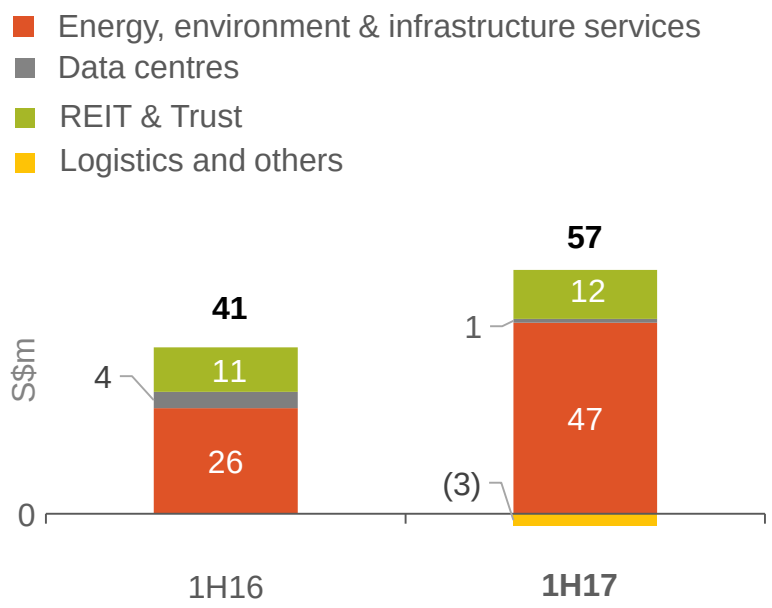


S$m	1H16	1H17	% Change
Revenue	972	**804**	(17)
Operating Profit	210	**171**	(19)
Net Profit	198	**200**	1

- Sold 2,470 homes in 1H17, up 15% yoy
  - Steady sales in China of 1,810 units
  - 390 units sold in Vietnam, up ~4x yoy
  - 220 units sold in Singapore, up ~16% yoy
- ~5,860 overseas homes sold to be recognised upon completion from 3Q17 through 2019

Infrastructure

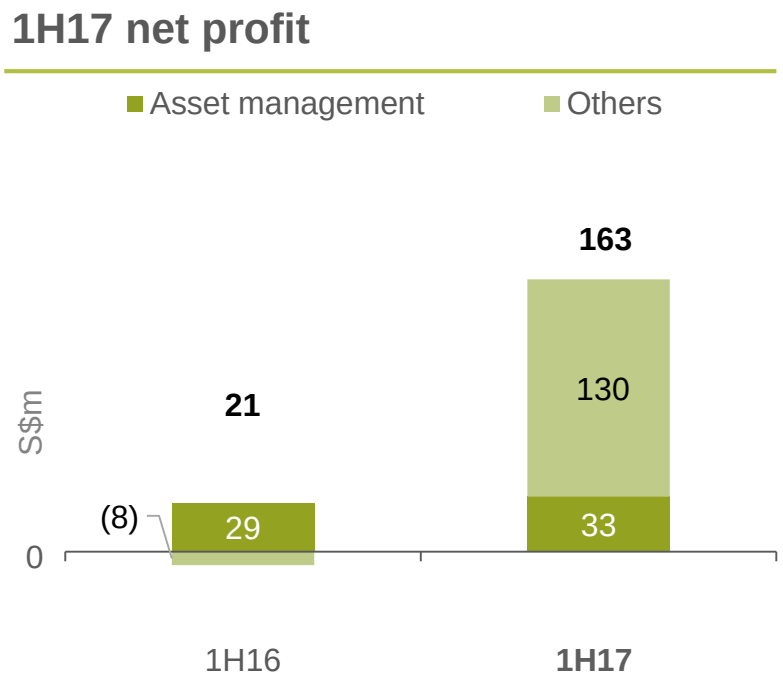
1H17 net profit



S$m	1H16	1H17	% Change
Revenue	794	**988**	24
Operating Profit	39	**49**	26
Net Profit	41	**57**	39

- Higher sales achieved in the power and gas businesses
- Gain on divestment of GE Keppel Energy Services
- Keppel DC Singapore 4 achieved TOP and has been injected into Alpha DC Fund

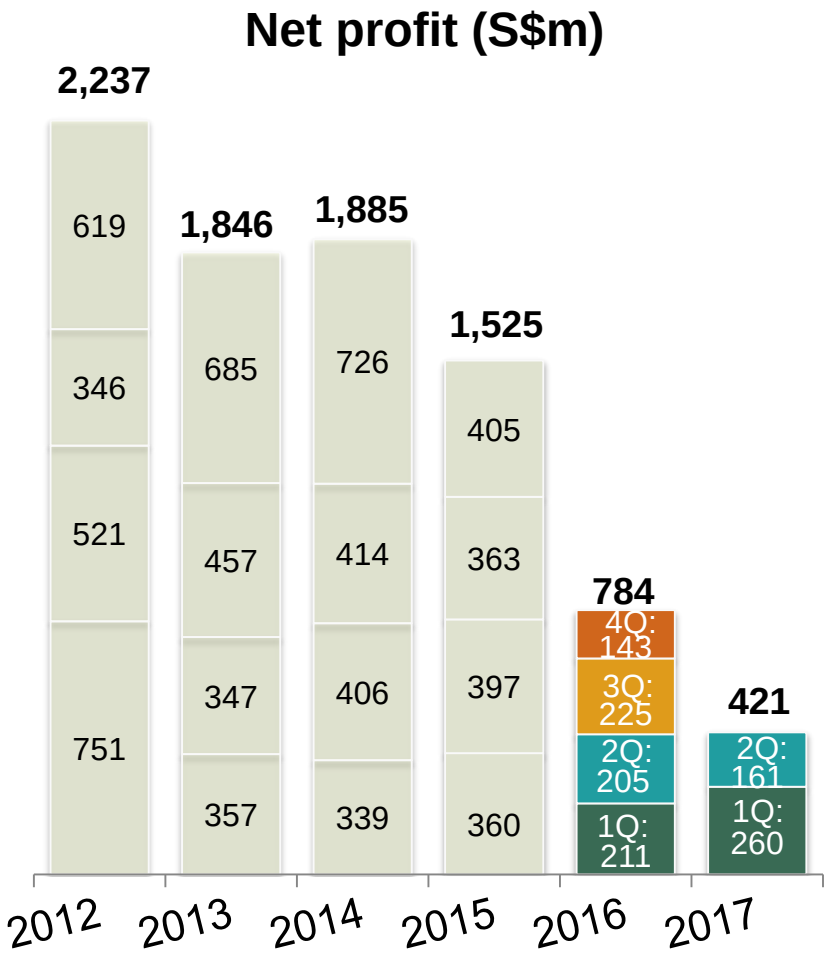
Investments

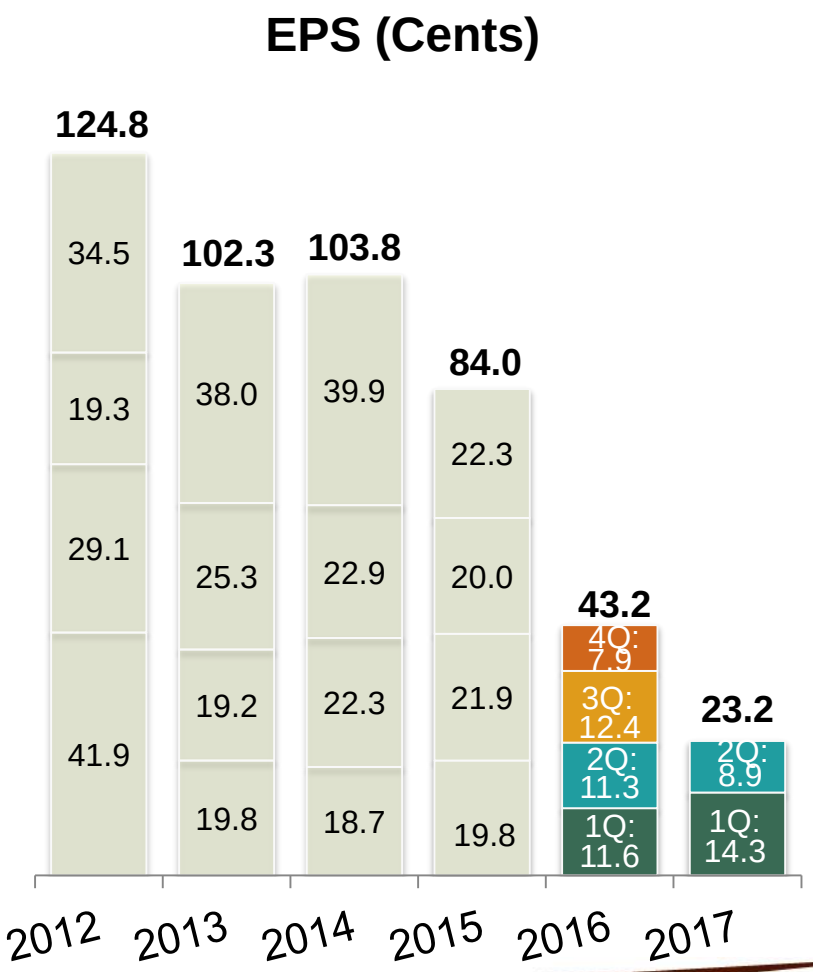


S$m	1H16	1H17	% Change
Revenue	64	**78**	22
Operating Profit	60	**70**	17
Net Profit	21	**163**	>500

- Stable earnings from asset management
  - Alpha DC Fund secured capital commitments of close to US$500m
- Stronger contribution from Sino-Singapore Tianjin Eco-City land sales

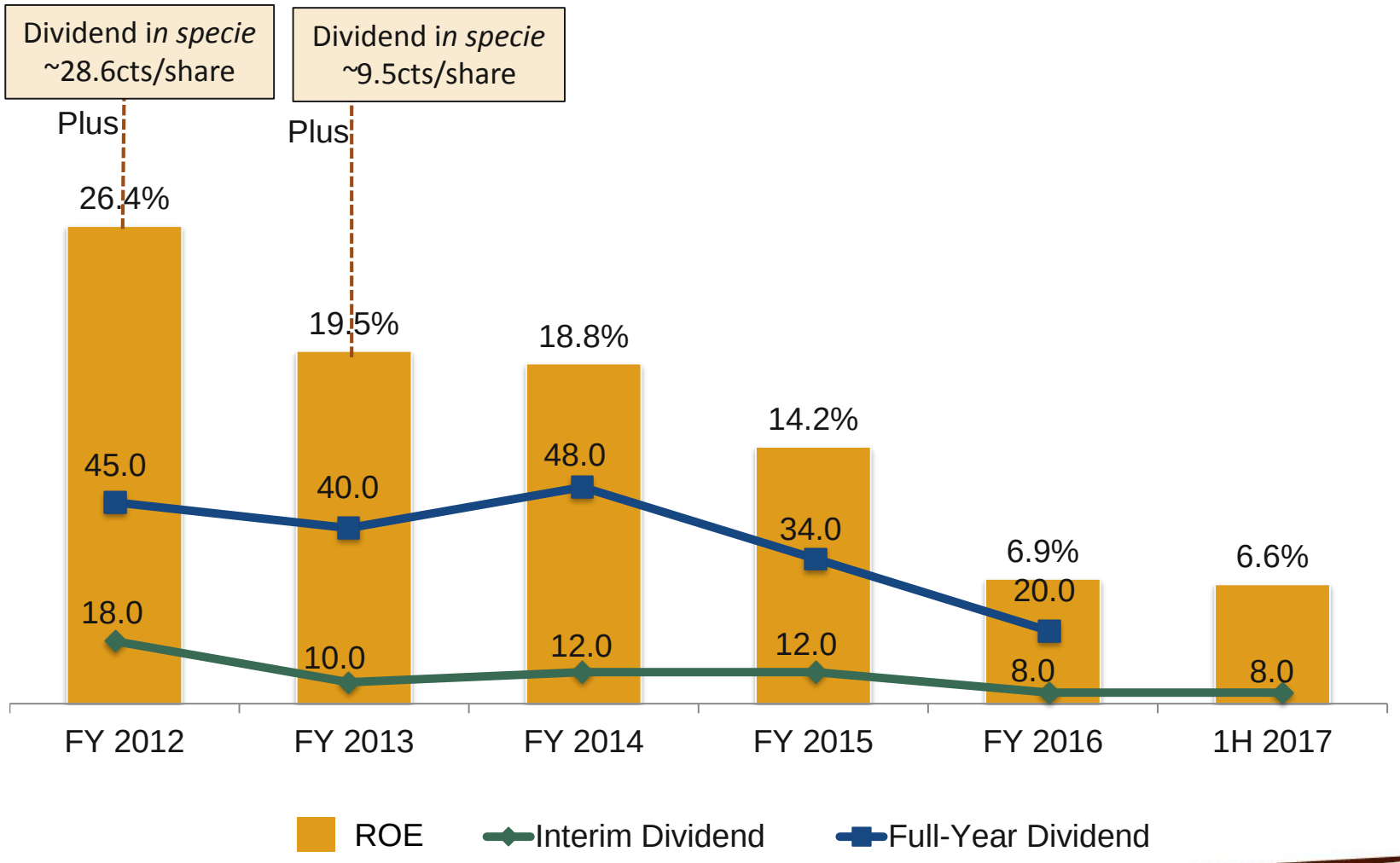
Net Profit & EPS





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ROE & Dividend



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Q&A

Additional Information

Key Financial Highlights

S$m	**FY16**	FY15	*% Chg*	**1H17**	1H16	*% Chg*
Revenue	**6,767**	10,296	*(34)*	**2,802**	3,368	(17)
Operating Profit	**795**	1,514	*(47)*	**326**	512	(36)
Net Profit	**784**	1,525	*(49)*	**421**	416	1
EPS	**43.2cts**	84.0cts	*(49)*	**23.2cts**	22.9cts	1
Free Cash Inflow/(Outflow)	**576**	(694)	*n.m.*	**237**	(262)	*n.m.*
Annualised ROE	**6.9%**	14.2%	*Reduction of 730bps*	**6.6%**	7.4%	*Reduction of 80bps*
Net Gearing	**0.56x**	0.53x	*Increase of 0.03x*	**0.58x**	0.56x	*Increase of 0.02x*
Cash Dividend	**20cts**	34cts	*(41)*	**8.0cts**	8.0cts	-

Revenue by Segment

S$m	**FY16**	*%*	FY15	*%*	**1H17**	**%**	1H16	%
Offshore & Marine	**2,854**	*42*	6,241	*60*	**932**	*33*	1,538	*46*
Property	**2,035**	*30*	1,823	*18*	**804**	*29*	972	*29*
Infrastructure	**1,744**	*26*	2,037	*20*	**988**	*35*	794	*23*
Investments	**134**	*2*	195	*2*	**78**	*3*	64	*2*
Total	**6,767**	*100*	10,296	*100*	**2,802**	*100*	3,368	*100*

Net Profit by Segment

S$m	**FY16**	*%*	FY15	*%*	**1H17**	**%**	1H16	%
Offshore & Marine	**29**	*4*	482	*32*	**1**	-	156	*37*
Property	**620**	*79*	661	*43*	**200**	*47*	198	*48*
Infrastructure	**99**	*13*	197	*13*	**57**	*14*	41	*10*
Investments	**36**	*4*	185	*12*	**163**	*39*	21	*5*
Total	**784**	*100*	1,525	*100*	**421**	*100*	416	*100*

Keppel is in the business of sustainable urbanisation. We drive collaboration across business verticals to create and capture value from all parts of the Group.