

## **MEDIA RELEASE**

### **Keppel signs Heads of Agreement with Pavilion Energy and PLN to explore LNG solutions for Indonesia**

**Singapore, 7 September 2017** – Keppel Offshore & Marine Limited (Keppel O&M) has entered into a Heads of Agreement (HOA) with Pavilion Energy and Indonesia state-owned PT Perusahaan Listrik Negara (PLN) to explore opportunities in the development of small-scale Liquefied Natural Gas (LNG) distribution in West Indonesia. The signing of the agreement took place at the Singapore-Indonesia Leaders' Retreat in Singapore.

The HOA follows the discussion between the Indonesia and Singapore governments regarding bilateral energy cooperation during the Singapore-Indonesia Leaders' Retreat held in Semarang last year. A joint feasibility study was subsequently carried out, which demonstrated the cost savings and mutual benefits that can arise from collaboration in the small-scale LNG value chain.

The HOA intends to leverage on the combined expertise of the companies in the small-scale LNG value chain to distribute LNG in an economic manner to remote areas in West Indonesia. LNG can be delivered to floating and onshore LNG terminals using small LNG carriers, where it is regasified and used to generate electricity at PLN's power plants.

Mr Chris Ong, CEO of Keppel O&M, said, "Keppel has almost 30 years of experience in the LNG space. With a comprehensive suite of solutions for every stage of the gas value chain, including the world's first Floating Liquefaction Vessel (FLNGV) conversion and the world's first Floating Storage and Regasification Unit (FSRU) conversion, we are able to provide cost effective, end-to-end solutions for our customers."

The abovementioned HOA will not have any material impact on the net tangible assets and earnings per share of Keppel Corporation Limited for the financial year ending 31 December 2017.

-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 more than 15 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](http://www.keppelom.com)

## **About Pavilion Energy**

Pavilion Energy invests in key liquefied natural gas (LNG) businesses to support the growth of a sustainable future in the region. Pavilion Gas, a wholly-owned subsidiary of Pavilion Energy, is responsible for the marketing and distribution of natural gas in Singapore and the region, including small-scale LNG and LNG bunkering initiatives; and participates in LNG trading across the globe. In 2016, Pavilion Gas was appointed by the Singapore Energy Market Authority (EMA) as an LNG Importer for Singapore. For more information, please visit [www.pavilionenergy.com.sg](http://www.pavilionenergy.com.sg)

## **About PT Perusahaan Listrik Negara (PLN)**

Established in 1965, PT Perusahaan Listrik Negara (PLN) is an Indonesian state-owned company and the main generator of electricity throughout the country. It delivers solutions throughout the electricity value chain, from generation to supply and distribution and other electricity- and energy-related services.

### **For more information, please contact:**

#### Media

Roy Tan  
Senior Manager  
Group Corporate Communications  
Keppel Corporation Limited  
Tel: (65) 6413 6421  
Email: [roy.tan@kepcorp.com](mailto:roy.tan@kepcorp.com)

#### Investor Relations

Guo Xiaorong  
Senior Executive  
Group Corporate Communications  
Keppel Corporation Limited  
Tel: (65) 6413 6475  
Email: [xiaorong.guo@kepcorp.com](mailto:xiaorong.guo@kepcorp.com)