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Offshore Contract from Mexican owner Marine Eighth FPSO for SBM

Official opening of Keppel Nantong

P-52 sets sail for new home

Keppel wins Offshore & Marine Engineering Award

Havin' a Clipper good time!

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Family Day 2007 – Let the show begin with the Keppel Song!

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Keppel secures contract from Greatship

eppel Singmarine has secured a repeat contract from Greatship Global Offshore Services Pte Ltd (Greatship) to build two platform supply vessels (PSVs).

Deliveries for these two PSVs will be between end-2009 and the first quarter of 2010.

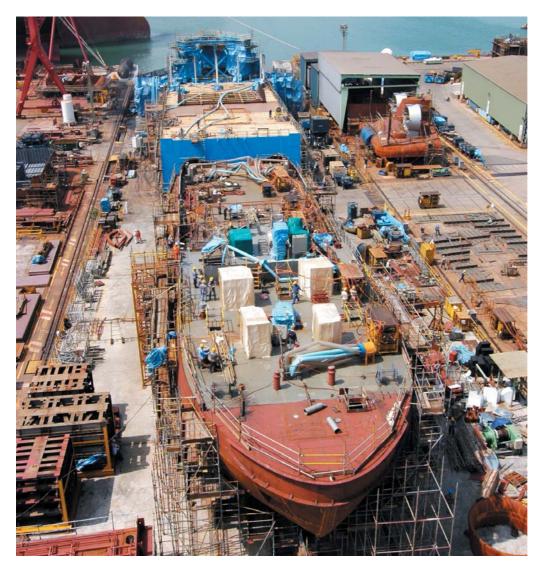
The vessels are similar to the two recent PSVs ordered by Greatship, a Singapore-registered company headquartered in India.

Measuring 94 metres in length, each vessel is

to be equipped with an electric propulsion system powered by 8160kw (total) generators, a dynamically positioned system (II) provided by 2 x 2600kw steerable thrusters and 2 x 1050kw tunnel thrusters.

Each vessel will have accommodation for 64 persons, a design speed of 14.5 knots and cargo capacity of 4600dwt.

Greatship Global Offshore Services is whollyowned by Greatship India Limited (GIL). GIL is a wholly-owned subsidiary of GE Shipping.



An icebreaker is shown here under construction at Keppel Singmarine's Benoi yard

Keppel receives top honours in offshore and marine engineering



Senior management of the Keppel O&M group receives the inaugural Offshore & Marine Engineering Award 2007

or its contribution towards the development of Singapore into an International Maritime Centre (IMC), Keppel O&M was lauded at the Singapore International Maritime Awards 2007.

Keppel O&M was conferred the 'Offshore & Marine Engineering Award 2007' for its distinguished contributions in innovation, safety and environmental protection, and as well as operational success and efficiency.

This is introduced for the first time together with the 'Maritime Service Provider Award' in acknowledgement of the growing importance of these two sectors to Singapore.

On receiving the award, CB Choo shared, "We are pleased that our contributions to the industry are recognised. We seek to play our part in developing Singapore into a truly international maritime centre."

He added, "Keppel O&M aims to be a preferred solutions provider in its selected segments such as the design and construction of rigs, shiprepair

and conversion, specialised shipbuilding and oil field development.

"We will continue to offer our customers reliable services by executing our projects on time, within budget and without incident."

Attended by more than 800 business and industry leaders, the Singapore International Maritime Awards dinner held on 25 September 2007 was graced by Mr Raymond Lim, Minister for Transport and Second Minister for Foreign Affairs.

In his address, Minister Lim said, "Singapore is now home to more than 5,000 maritime establishments, employing about 100,000 people, and contributing some 7% to our GDP.

"Our offshore and marine engineering sector continues to lead the world in rigbuilding, ship conversion and other important niches."

Meeting the talent crunch was one of the key issues raised by the Minister. He said, "Meeting manpower needs requires sustained effort. It is

a marathon efforts that cannot be completed in just a few years, and the government will be running alongside you to the finish line."

In this regard, Chee Jin Kiong, Executive Director (Human Resources) of Keppel O&M said, "We need a new generation of talents and skilled workforce to succeed the current corps of industry stalwarts. I am glad our efforts in training and nurturing people both during the bad times and the good times have paid off for Keppel O&M.

"In 2006, Keppel O&M investment in training and development was \$\$17 million. In Singapore alone, it invested a total of \$\$11 million to equip its people for better work performance, as compared with \$\$3.6 million in 2005."

More than that, the company is also inculcating in its people a strong sense of commitment. Chee said, "The industry is a demanding one. We need people who are grounded in a common set of values based on teamwork, integrity and the Can Do! attitude that is unique to Keppel.

"Looking ahead, we will remain committed to the areas of talent attraction and management as well as training and development."

The annual Singapore International Maritime Awards comprising seven award categories, is organised by the Maritime and Port Authority of Singapore (MPA).



Providing reliable and affordable solutions for customers is our technology strategy



Keppel is recognised for its breakthrough in innovation, safety and environmental protection, as well as operational success and efficiency

Singapore International Maritime Award – Award Recipients

- International Maritime Centre (IMC) Corporate Award –
 PSA International Pte Ltd
 - International Maritime Centre (IMC) Individual Award Teo Siong Seng, MD of Pacific International Lines
- 2. Bunker Award BP Singapore Pte Ltd
- 3. Excellence in Training Development Award Neptune Shipmanagement Services (Pte) Ltd
- 4. Outstanding Maritime R&D and Technology Award Prosafe Production Ptd Ltd
- 5. Singapore Registry of Ships' Owner of the Year Award AP Moller Singapore Pte Ltd
- 6. Offshore & Marine Engineering Award Keppel Offshore & Marine Ltd
- 7. Maritime Service Provider Award DnB Nor Bank ASA Singapore Branch







- Safety is top priority.
 Lady Sponsor Mrs Cristina
 Blanchelande, with
 Francis Blanchelande,
 President of SBM Production
 Contractors, finds out more
- Together with Lady Sponsor are Angolan dignitaries and senior management of Keppel Shipyard, SBM, ExxonMobil and Sonangol at the naming of FPSO Mondo
- 3. Partnership is key to enhancing safety at the workplace. From left: Ken Larsen, Project Manager of ExxonMobil, Chris Davison, Project Manager of SBM and Abu Bakar, GM (Operations) of Keppel Shipyard
- 4. FPSO Mondo is the eighth FPSO/FSO conversion project Keppel Shipyard has undertaken for SBM since 2000

Strong partnership reaps

eppel Shipyard completed more than five million manhours without lost time incidents (LTI) for the conversion of the Floating Production Storage and Offloading vessel (FPSO) *Mondo* for Single Buoy Moorings Inc (SBM).

This impressive achievement is the result of a longstanding commitment towards safety shared keenly by Keppel Shipyard and its partners. Since 2002, ExxonMobil Corporation (ExxonMobil) and SBM have been actively collaborating with Keppel Shipyard on its safety enhancement programme.

They are also members of Keppel Shipyard's Safety Steering Committee,

formed in 2002 and chaired by Keppel Shipyard's ED Nelson Yeo. At the naming ceremony of FPSO Mondo on 11 August 2007, Terry McPhail, GM of Esso Exploration Angola (Block 15) Limited, said, "We are pleased to work with SBM and Keppel Shipyard to complete the FPSO Mondo safely and in a timely manner.

"The success of any ExxonMobil project starts with a culture of 'Nobody Gets Hurt' and we commend the shippard management and staff on the achievement of both an excellent safety performance and delivery of a superior product in the FPSO Mondo," he added.

Christened by Lady Sponsor, Mrs Cristina



5,000,000 safe hours

Blanchelande, wife of Mr Francis Blanchelande, President of SBM Production Contractors, *FPSO Mondo* has an oil storage capacity of 1.6 million barrels and is capable of processing 100,000 barrels of oil per day.

When completed, it will be deployed in the Mondo Field, Block 15 offshore Angola, for the Kizomba C Development.

Keppel Shipyard has previously converted seven vessels for SBM since 2000 – FPSO Espadarte, Yetagun FSO, FPSO Falcon, FPSO Brasil, FPSO Serpentina, FPSO Marlim Sul, and FPSO Capixaba successfully. FPSO Falcon and FPSO Serpentina are currently operating for ExxonMobil in West Africa.

In Keppel Shipyard currently is the ninth project for SBM, FPSO Saxi Batuque. The 310,000 dwt VLCC Litiopa will be leased to ExxonMobil for the Kizomba C Development, offshore Angola in West Africa upon completion in early 2008.

Safety track record

Safety first! has long been a cornerstone of Keppel's culture and has borne fruit over the years with continued reinforcement. In 2006, Keppel Shipyard achieved an Accident Frequency Rate (AFR) of 1.34, a decline from 2.19 in 2005. In the first half of 2007, Keppel Shipyard's AFR figure further improved to 0.24. The AFR measures the total

number of reportable accidents per million manhours worked.

CH Tong, MD & COO of Keppel O&M and MD of Keppel Shipyard, said, "While our AFR has declined steadily over the years, we continue to strive towards zero incidents and zero loss. Such an achievement must encompass the efforts of all stakeholders.

"At Keppel, we want every one to return home safely everyday. We work closely with our partners to develop and put in place safety inculcation and training programmes to imbue a strong safety culture in our workplace."

On the Offshore Energy Center Hall of Fame

eppel O&M has been elected to the Offshore Energy Center's (OEC) Hall of Fame as a Technology Pioneer in the 'Construction: Rig Building Shipyards' category.

The Hall of Fame recognises individuals and companies for their contributions to the offshore oil and gas industry through the development of technologies.

"Keppel's contributions to the offshore industry have been outstanding, and we will be recognising and recording these accomplishments and how they positively affected our industry," Hugh Elkins, Chairman for OEC's Hall of Fame Committee in a letter to Chow Yew Yuan (YY Chow), President of Keppel O&M USA.

"Offshore rigs are vessels unlike any the world has ever known. To be able to build these behemoths and make them seaworthy requires unusual vision, determination and ingenuity. A few shipyards rose to the challenge." YY Chow received the honours on behalf of the group at the *Ocean Star Gala* on 15 September 2007 at the Westin Galleria in Houston, Texas.

Rigbuilding projects are highly complex and involve many parties. To execute a project well, the yard must have the technological know-how, good people, experience, relevant facilities and a good understanding of the customer, product and market.

Shared YY Chow, "Going forward, shipyards will face even greater technical challenges as exploration and production activities move into deeper waters and harsher environments. Keppel will continue to adapt to the changing landscape through the same can-do spirit and courage that saw us transform from a minor repair yard to where we are today."

A non-profit organisation, OEC's mission is to expand awareness of the vast energy resources available beneath the



(From left) Michael Holcomb, President/Director of Keppel Marine Agencies and YY Chow, President of Keppel O&M USA at the gala dinner where Keppel O&M received top honours

world's oceans through public educational programmes. It also operates the *Ocean Star*, an offshore drilling rig and museum in Galveston, Texas, which chronicles the unique heritage and technological accomplishments of the offshore industry.



Keppel O&M is 'Technology Pioneer' at the Offshore Energy Center's Hall of Fame



Knowing what it takes

Rigbuilding requires excellent project management.

ith new yards entering the arena to build rigs amidst the offshore boom, Keppel O&M Chairman & CEO CB Choo issued a strong word of caution - that many were underestimating the difficulty of building rigs.

He shared the complexities of building rigs at the Pareto Securities's 14th Annual Oil & Offshore Conference in Oslo, Norway, in August 2007.

CB Choo explained that rigs were akin to specialised factories.

To build them successfully, one has to manage the supply chain well as it involves the sourcing and integrating of several complex components from different vendors around the world.

He added that many Chinese yards underestimated the risks in building rigs. The Japanese yards were not in the rigbuilding business as they recognised that managing the supply chain was a huge challenge.

Not only does the design and construction of rigs call for strong engineering and production experience, it also demands yards to have a robust procurement system, so as to fulfill on-time deliveries. Above all, yards need to have strong project management teams to execute in a timely and cost-effective manner.

The two-day conference from 29 to 30 August attracted a multitude of offshore oil and gas companies from all over the world and was attended by over 1,400 people. They included Prosafe, Seadrill, Pride International, Skeie Drilling &

Production, Gulfmark Offshore, BP and Scorpion Offshore, among others.

On the outlook of the offshore business, CB Choo said that market fundamentals were strong for the foreseeable future, although the concern of a spike in the already volatile oil price continued to lurk. A good level for the rigbuilding business, would be a long term and stable oil price of US\$45 per barrel.

CB Choo's remarks at the conference, where the air was filled with optimism, came amidst the high volume of jobs currently being executed by Keppel's yards.

To date, a total of seven jackup newbuildings has been delivered by Keppel this year, all either on or ahead of schedule.

Setting sail for a new home

n 8 September 2007, the Floating Production Unit (FPU) P-52 set sail towards its new home. The unit, which stands at a height equivalent to 34 storeys and has the breadth of 10 Olympic swimming pools, first headed towards Angra Bay, where it is scheduled to undergo final testing and adjustments, and subsequently make its way to the Roncador field, in the Campos Basin, offshore Brazil.

depth and interlinked to 30 wells, of which 20 will be producing oil and 10 will be water injectors. The P-52 unit is a component of Phase 2 of the Roncador field Module 1 development programme. Oil and natural gas production flow will take place through subsea pipelines.

The unit is expected to go on line in October and reach top production in the second half of

The P-52 will be anchored in 5.905 feet of water

The P-52 leaves Keppel's BrasFELS yard for Angra Bay for final testing and adjustments before heading to the Roncador field



2008. It will have the capacity to produce 180,000 bopd with medium API gravity of 28 and compression capacity of 9.3 million m³/day of gas.

With the delivery of the P-52, Keppel O&M's projects for Petrobras would have contributed at production capacity, 990,000 barrels of oil per day (bopd). This represents over 50% of Brazil's present production rate of 1.8 million

Daniel Chang, Deputy President/Deputy CEO of Keppel FELS Brasil, commented, "We are very proud of what we have achieved in building the *P-52*. Not only have we overcome cultural and geographical boundaries, we have also reached new heights in our engineering expertise."

One of the highlights of the *P-52*'s construction was the marine deck mating procedure, which consisted of joining the platform's topside to its hull. It was the first time that such an operation had been performed in Brazil.

Carried out only a few times anywhere else in the world due to its extreme complexity, the operation was safely and successfully completed within 24 hours, confirming the great engineering, project management and teamwork between the Keppel FELS/Technip consortium and Petrobras, Brazil's national oil company.

Gilberto Israel, President of BrasFELS, reminisced, "It took great teamwork and commitment for a young shipyard like ours to complete a major project such as the *P-52*. What is more, we accomplished the great task safely. It is a praiseworthy achievement by everyone involved in the project!"

The P-52 project also won accolades from Petrobras for excellence in project management and execution in the PRODEP award for two consecutive years in 2005 and 2006.

An august beginning for world's first concrete single lift vessel

he date 22 August marks a significant milestone in the construction of the world's first concrete heavy lifter.

At Keppel Verolme, in Rotterdam, the keel for the unit was laid, representing Keppel's breakthrough into the decommissioning market. Decommissioning is required when an operational fixed offshore structure reaches the end of its productive life or when a reservoir is depleted.

The MPU (Multi-Purpose Unit) heavy lifter is a unique vehicle for the installation and decommissioning of offshore oil and gas platforms and represents the most advanced lifting technology available. It will enable entire topsides or jackets to be lifted and transported to shore in one piece, thus minimising the work done offshore during installation or removal of such platforms, hence reducing the risk to a bare minimum to people and environment.

One of the distinguishing characteristics of the MPU heavy lifter from other removal vessel designs is its use of concrete technology that gives the heavy lifter greater robustness and less motion in the sea. The material used for this particular hull's construction represents an innovative step, as it is a specially designed concrete with a unit weight of only two-thirds that of normal concrete.

Harold Linssen, President of Keppel Verolme, said, "We are sitting 13 metres below sea-level on the dock-floor where the unit is now being built. Keppel Verolme is proud to be part of this innovative project with the civil contractors JV Kombinatie Heavy Lifter (KHL)."

Kolbjørn Høyland, CEO of MPU Offshore Lift ASA, added, "It is because of the confidence of our stakeholders in our company and this project, that we stand here today next to our friends from Keppel Verolme, KHL and their dedicated contractors and vendors. This is indeed a

memorable day for MPU and our partners."

The construction of the heavy lifter, which commenced in July 2007, is well on schedule and will be ready for operation in the summer of 2009.

On even keel – (from left) Rene Postulert, Kombinatie Heavy Lifter, Harold Linssen and Kolbjørn Høyland, CEO of MPU





The starboard floater, part of the MPU heavy lifter's lower hull, under construction in Keppel Verolme





Left: Witnessing the keel laying ceremony at the slipway of Keppel Singmarine are V. K. Nagpaul, Project Head of Virtue Drilling and A. C. Lim, Senior Project Manager of Keppel FELS
Right: Ocean Scepter has been launched at Keppel FELS

Milestones in motion

several milestones were in motion in August as Keppel's yards continue its commitment to delivering on time, on target.

Striking steel

Teams from Keppel FELS and Maersk gathered on 1 August to commemorate the strike steel ceremony of Maersk jackup no. 4, marking the start of its physical construction.

Awarded in 2005, Maersk jackup no.4 is the last of the four jackups for Maersk to strike steel. All four rigs are of the CJ 50 design and can operate in water depths of up to 350 ft, and drill high pressure wells down to 30,000 ft.

(From left) Keppel FELS Assistant Project Manager Bryan Toh, SeaDrill Project Manager Paul MacCallum and Keppel FELS Senior Project Manager Jay Singam

Keel laying

Virtue I, a KFELS B Class jackup rig which Keppel FELS is constructing for Indian customer, Virtue Drilling, is progressing well and celebrated its keel laying ceremony on 15 August. It was a double celebration as Virtue I laid keel on India's Independence Day. The rig is being built at Keppel Singmarine yard.

Launching

4 August marked a significant milestone for Keppel AmFELS in Brownsville, Texas when the yard launched the completed hull of *Ocean Scepter*. The rig is being built to Keppel's proprietary Super B Class jackup rig design.

Projects	Manhours without LTI	Customers
Maersk semi no. 1	5,000,000	Maersk
West Atlas	2,500,000	Seadrill
Wilboss	2,000,000	Awilco
Maersk jackup no. 2	2,000,000	Maersk
Maersk semi no. 2	1,000,000	Maersk
West Ariel	1,000,000	Seadrill
Maersk jackup no. 3	500,000	Maersk



Ocean's 15

eppel AmFELS has delivered yet another project, the semisubmersible (semi) drilling unit, Ocean Saratoga, for Diamond Offshore. Completed on time and within budget, the vessel left for the Gulf of Mexico to commence work for LLOG Exploration.

Ocean Saratoga, which arrived in the yard in August last year, underwent major renewal and repair works on its external structure and internal systems, including ballast and fire pump well renewal. Renewals were also done to the lower hull structural steel.

Keppel AmFELS's strong partnership and proven ability has seen the yard complete 15 previous projects for Diamond Offshore. These projects included Ocean Lexington, Ocean Spur, Ocean Concord, Ocean America, Ocean Titan, Ocean King, Ocean Tower, Ocean Spartan, Ocean

Spur and Ocean Valiant, which are newbuild, rig renewal, repair, conversion and major refurbishment works.

Currently the semi Ocean Yorktown, a sister vessel to the Ocean Saratoga, is also in the yard for similar life extension repairs and modifications. Another semi, Ocean Worker, is in the shipyard for classification survey and repairs.

Also in Keppel AmFELS yard for repairs is the Pride Texas, a mat-supported cantilever jackup rig. Its owner, Keppel AmFELS' long-time customer, Pride International, has previously awarded the company with the fast-track repair and renewal jobs on 10 of their rigs coming out of the Gulf of Mexico.

When completed in November this year, Pride Texas will be back working for PEMEX, the Mexican National oil company.



Ocean Saratoga is one of the 15 gems entrusted to Keppel AmFELS by Diamond Offshore since 1990

Splashing start at Nantong



Keppel Nantong launches Smit Lumut for Hadi Offshore

eppel Nantong Shipyard launched the first of four Anchor Handling Tug/Supply vessel (AHTS) that it is building for Hadi Offshore (HADI) on 4 September 2007.

The 60-tonne bollard pull vessel is also the first AHTS to be set in water by the newly opened shipyard following the launching of two tugboats in June.

Wong Phuay Cheng, Vice-President (Operations) of Keppel Nantong Shipyard, said, "It was raining, but we went ahead with the launch because we were confident that with our specially-designed transfer and launching mechanism, we could easily complete the maneuver. With the mechanism, we moved the vessel sideways from the building berth to the launchway and then on to the launching platform. This was completed within a short span of time."

Employees of Keppel Nantong and owner HADI witnessed the launch in the rain. Everyone was proud of the new milestone set by the yard.

The other three HADI AHTS will be launched later in the year.

Learning from experience



earning from past lessons is crucial in order not to repeat the same mistakes.

At the Lloyd's Register Educational Trust (LRET) Lecture held on 5 September, Prof Peter Marshall addressed the subject of learning from lessons with his personal live accounts and examples of oil spills, blowouts and fires, collisions, hurricane survivals, structural failures, and technological blunders. Prof Marshall is the Inaugural LRET Chair for Offshore Engineering appointed by the Trust and

Department of Civil Engineering of the NUS.

Opening the Lecture, Charles Foo, Managing Director (Special Projects) of Keppel Offshore & Marine, said, "Offshore Technology: Lessons learned the Hard Way' is a topic not everyone can relate with passion and authority. Experience and knowledge would be the pre-requisite for delivering such a lecture, and Prof Marshall has them both and more.

"Over the past forty years the offshore and

Charles Foo (fourth from right) with Prof Peter Marshall (on his right) and the organising committee members at the LRET Lecture

marine industry has made great progress in terms of operational safety, structural integrity and environmental protection in meeting the challenges which the exploitation of oil and gas poses."

Mr Foo had also earlier shared his perspectives on the topic of "Assessing the security of global natural resources" at the Energy Risk Asia 2007 in June, where he discussed issues on renewable energy and alternatives to the present energy supply.

He noted that energy supply security is a major concern and is particularly important given that more countries and businesses have come to accept global warming as a reality.

Growing with ASEAN

eadquartered in Singapore with global operations, the Keppel O&M group appreciates the importance of continuous efforts to promote awareness and understanding

promote awareness and understanding

about ASEAN's cultural integration and economic progress.

Keppel O&M recently sponsored the ASEAN Think Tank Forum, co-organised by the Singapore Institute of International Affairs and the Institute of Policy Studies.

Held for the first time, the forum was organised from 6 – 7 August in commemoration of ASEAN's 40th anniversary. It attracted experts from ASEAN governments, academic institutions and industry professionals who shared their knowledge and

CB Choo, with Minister for Community Development, Youth & Sports, Dr Vivian Balakrishnan (left) who graced the 'ASEAN Turns 40' celebration dinner reflections on ASEAN's achievements, current challenges and future prospects.

CB Choo, Chairman & CEO of Keppel O&M shared, "The ASEAN region is dynamic and growing at a tremendous pace. It faces challenges in the areas of security, environment and sustainable development."

He underscored Keppel's commitment to provide support in overcoming these challenges. He said, "We want to grow together with ASEAN."

Apart from economic and security-related issues, topics discussed at the forum focused on the environment, energy and climate change. All topics were aimed at making ASEAN a more united and effective community.

Technology talks

ffshore oil and gas exploration and production (E&P) activities are moving into deeper waters with the focus on semisubmersibles (semis).

Exploring the issues surrounding its construction, maintenance, availability and personnel led to the inaugural Semi Subs/Floaters Asia Conference 2007.

Jointly sponsored by Keppel FELS, Keppel Deepwater Technology Group (Keppel DTG) and ENSCO International, the conference saw industry experts coming together to share their experience and knowledge.

Anis Hussain, Assistant General Manager of Keppel DTG together with Gerrit Schepman, Project Manager of GustoMSC, presented a paper which

discussed the design, engineering and construction of the DSS series of semi.

Since its introduction, the DSS series of semi co-designed by Keppel and Marine Structure Consultants of the Netherlands have gained market endorsement by drilling contractors.

Organised by Petromin, an industry publication, the Semi Subs/Floaters Asia Conference 2007 was held at Orchard Hotel in Singapore on 11 and 12 September.

In the same vein, Keppel FELS and Keppel Offshore Technology Development (Keppel OTD) presented a technical paper at the 11th Jackup Conference organised by the City University of London and Noble Denton.



Sharing insights at the semi conference are (from left) Aziz Merchant, GM of the Keppel DTG, Jens Madsen from Maersk Contractors and CH Tong, MD/COO of Keppel O&M

Lee Yi Jiat, Engineer of Keppel OTD presented on the 'Challenges of Jackup Design for North Sea Operation' with Henning Carlsen, Principal Engineer of Classification Society DNV

The presentation provided an overview of the particular requirements and the challenges in fulfilling them for jackup rigs designed for operating in such harsh environments.

Man with a mission



an Geok Seng (GS Tan), 50 yearsold, has been appointed President/CEO of Keppel AmFELS with effect from 1 September 2007.

He takes over from Ho Cheok Yuen (CY Ho) who will be returning to Singapore.

A marine engineering graduate with a first class honours from the University of Newcastle-upon-Tyne, United Kingdom, GS joined Keppel FELS as a graduate engineer in 1981.

His tenure in Keppel FELS saw him being developed and groomed in different roles in engineering, project management, production, commercial and management. In 1994, he was promoted to the position of yard manager of Keppel FELS (Pioneer Yard).

In 1997, GS was seconded to Keppel AmFELS in USA as its Executive Vice-President. His family moved with him to the States. Having being immersed in the culture and business environment there, he is excited to build upon the good work of his predecessor, CY Ho.

"We have started on our work improvement process, and will continue to press on while enhancing our training and retention programme for our young talents," GS said.

On future plans, he said, "Looking ahead, our vision is to enhance our leadership position in the US, and to be the preferred solutions partner for our customers. Our immediate task is to focus on developing customer relationships.

"The Keppel AmFELS team is excited to engage our customers by exploring with them how we can meet their needs more effectively while maximising shareholder's value. We want to take advantage of our competitive position in the US to further expand our product range."

GS is married to a lovely wife and they have three beautiful girls.

Denise Blanchard, Deputy Chief of Staff for Congressman Solomon Ortiz, honours CY Ho with the Congressional Record



Senator Eddie Lucio Jr. (extreme left), witnesses the handing over of the "key" from CY (third from right) to the new President/CEO, GS Tan (centre)

Top honours for CY

A fter a fulfilling six years at the helm of Keppel AmFELS, CY Ho has passed the baton of President/CEO on to GS Tan.

CY, together with his strong senior management team and the professional workforce of Keppel AmFELS, has contributed to the growth of the comapny.

His leadership, as well as the relationship he cultivated with the locals, was recognised when he was presented the Congressional Record on 28 August, honouring him as "a businessman, a leader and a great corporate citizen in the South Texas Community." The Congressional Record was initiated by Congressman Solomon Ortiz, and moved through the US Congress at its 110th Congress.

CY was also presented with the country's national flag which was flown over the Capitol building in Washington as a tribute to him.

Just a day later, Texas State Senator Eddie Lucio Jr also conferred CY with the Senate Proclamation, which recognised him "for his service and leadership in the Brownsville Community", and commended him for his contributions to the Brownsville community. The proclamation was adopted by the Senate of the State of Texas.

Bravo, Bakar, Sir!

hether at work or in uniform, Abu Bakar, General Manager of Operations of Keppel Shipyard (Tuas), leads by example. His spirit of excellence has earned him the promotion by the Ministry of Defence (MINDEF) to the position of a Lieutenant-Colonel in the Singapore Armed Forces (SAF).

He officially received his promotion from the Chief of Defence Force, Major-General Desmond Kuek, on 28 June 2007.

LTC (NS) Bakar is now second in command of an infantry brigade. His credentials with MINDEF include, amongst others, being the honorary Aidede-Camp to President SR Nathan and the late President Ong Teng Cheong.

A people-oriented leader who promotes teamwork, Bakar seeks to bring out the best in his men and officers. He revealed, "We can only do that if there is a common goal." As such, he seeks to motivate his men, build consensus and instill commitment by his own example.

A trusted lieutenant to Nelson Yeo, Executive Director of Keppel Shipyard, Bakar rallies the officers and workers to take safety seriously. As Chairman of the Tuas safety committee and Chairman of the Safety Champion Team, Bakar devotes much of his time and effort in the promotion of a safety culture at the yard.

"Bakar is a responsible and capable leader who ensures that safety measures are implemented at the yard. More importantly, he is a team player. He is a valuable and trusted officer and an asset to the Keppel O&M management," Nelson said.

His commitment to safety has also been extended to the wider offshore and marine



LTC Abu Bakar receives the Awards from Associate Prof Ho Peng Kee, Senior Minister of State for Home Affairs

fraternity. He serves as chair of the Safety Committee in the Association of Singapore Marine Industries, and is a member of the Workplace Safety and Health, Shipbuilding and Shiprepair Advisory Sub-committee in the Ministry of Manpower.

A father of two daughters, the tireless gentleman and officer also reaches out to his SAF colleagues volunteering as a Member of the SAFRA Management Committee and the Chairman for SAFRA Tampines and SAFRA Town Club. Such is his passion for life and desire to serve and to excel everywhere he is placed.

Home team, defence partner

Whether it is in home security or national defence, Keppel Shipyard lends its full support to the Singapore Government. Its contributions were recognized in the

run up to the country's national day celebration.

It received the Home Team NS Awards for Employers from Associate Professor Ho Peng Kee, Senior Minister of State for Home Affairs, and the Meritorious Defence Partner Award from Defence Minister, Teo Chee Hean, at the Total Defence Award Dinner on 25 July 2007.

Abu Bakar represented Keppel Shipyard on both occasions to receive the awards. He said, "We strongly believe in playing our part towards nation-building and strengthening our people. Just as a successful organization needs a strong culture and workforce, a nation must have the support and involvement of its people in order to be strong."

This is Keppel Shipyardís 16th consecutive year of receiving the Defence Partner Award.

Full steam ahead

ver 300 guests were impressed by the transformation of the once dormant yard into Keppel Nantong Shipyard (Keppel Nantong), a 16-ha modern facility for specialised shipbuilding.

Enhanced with new and upgraded facilities, Keppel Nantong was officially opened by Luo Yi Min, Party Secretary of Communist Party of China (CPC) Nantong Committee and Lim Chee Onn, Executive Chairman of Keppel Corporation on 2 August 2007.

Ding Da Wei, Mayor of Nantong Municipal Government, CB Choo, Chairman & CEO of Keppel O&M and Charles Foo, Chairman of Keppel Nantong were also present.

During the ceremony, Lee Tai Kwee, President of Keppel Nantong, proudly reported on the progress of the yard, "We have successfully completed first phase of yard development and recruitment. Operational, quality and management systems have also been put in place."

The opening of the yard was commemorated by the unveiling of a bronze sculpture, designed by renowned Nantong artist Bo Ji Ping. The sculpture was created from four ship propellers welded into interlocking wind blades to depict Keppel's cultural diversity and collective strength. The wind blades are anchored on a wave-like base to represent the Group's Can Do! spirit driving Keppelites in their quest to grow beyond Nantong's strategic location at the cross junction of the great Chang Jiang and the China Yellow Sea.

Keppel's vision for the Nantong yard is in line with the Municipal's aspiration. Mayor Ding shared, "Our ultimate goal is to position Nantong as a world-class marine cluster, which includes shiprepair, shipbuilding and supporting industries.

We will continue to offer the best services to attract further investments in Nantong."

The ceremony was also marked by the sale of two 45-tonne Azimuth Stern Drive tugboats, which will be delivered later this year.

The inauguration ceremony also celebrated the keel laying of two Anchor Handling Tug/Supply (AHTS) vessels for UAE-based Whitesea Shipping & Supply and a harbour tugboat for Singapore-based Keppel Smit Towage. These vessels are among 18 offshore support vessels (OSVs) and tugboats that Keppel Nantong is currently building for a broad spectrum of clientele worldwide. Their deliveries are lined up to 2010.

CB Choo said, "The addition of this Nantong facility has increased Keppel's newbuilding capacity in meeting the growing demand for specialised vessels to serve the offshore field development market and growth in Liquefied Natural Gas terminals and maritime ports.

"We intend to increase our investment in Nantong and optimise Keppel Nantong Shipyard's facilities to take on more and higher value projects." Acquired by Keppel O&M in 2005, the principal activities of Keppel Nantong are in the engineering and construction of specialised vessels such as AHTS vessels and tugboats. Situated along the flourishing Chang Jiang River one hour north-west of Shanghai, Keppel Nantong is in a sweet spot sustained by a booming marine cluster and an efficient transportation system.

Milestones

May '05 Keppel entered into an agreement to acquire the shipyard.

Nov '05 Keppel Nantong was formed following the completion in the transfer of assets. Yard development began.

Mar '06 The yard cut the steel for its first vessel, a tugboat, while yard development continued.

Apr '06 Struck steel for the yard's first AHTS.

July '06 Keel for first vessel was laid.

Mar '07 The yard received the Industrial Excellence Award from the Nantong Municipal People's Government.

Aug '07 Official opening of the yard.











- Keppel Nantong can build up to 25 OSVs and tugboats on its 16-ha site
- 2. Officiating at Keppel Nantong's inauguration ceremony are Keppel and Nantong Municipal Government reps
- Lee Tai Kwee (third from right) shares the yard's core expertise in specialised shipbuilding with Luo Yi Min (second from left), Lim Chee Onn (left), CB Choo (second from right) and Ding Da Wei (right)
- 4. Luo Yi Min and Lim Chee Onn (right) unveils the Keppel Nantong sculpture
- 5. Keppel Nantong is in a sweet spot sustained by a booming marine cluster and an efficient transportation system

Beyond the years



The Keppel philosophy of lifelong learning embodied by the Keppel Team

s the Keppel Group grows in numbers and strength, it is bolstered by Keppelites of all ages – from undergraduates to industry veterans and re-employed retirees. Beyond the years that mark their differences, they continue to find personal and professional satisfaction in their careers at Keppel.

Deserving investments

Investing in and developing a pool of talents is key to a well-groomed workforce. As part of the Keppel O&M group's Scholarship Programme, Keppel Cebu has awarded two scholars, Jay M. Bayagusa and Dennis N. Pesidas, with the Certificate of Scholarship Grant.

They are respectively undertaking their Bachelor of Science in Mechanical Engineering at the University of Cebu and Cebu Institute of Technology. Under the programme, the scholars' tuition fees and other education expenses will be sponsored by Keppel Cebu for a three-year duration.

During term vacations, Jay and Dennis will work in the company to gain exposure to the shipyard environment. They will then join Keppel Cebu as management trainees upon graduation. The Keppel Cebu Scholarship Programme has been in place since 1991.

Pursuing dreams

Growing up in the eastern Chinese town of Wenzhou, Cai Wendong would rather fish than study. Little did he imagine, ten years on, he would be studying for his diploma in Offshore and Marine technology at Ngee Ann Polytechnic in Singapore.

Wendong embarked on a career with Keppel Shipyard back in 1998 when he left home for Singapore shortly after he aced an interview in Shanghai and was hired on the spot. He started out as a pipe-fitter, learning the ropes from his superiors and colleagues. He adapted quickly and his diligence and potential resulted in his promotion as Foreman (Piping), this, despite the economic downturn of the late '90s.



Cai Wendong (Centre), with his wife (left), daughter, and Mum (right) settling into their Singapore Dream

On Wendong's performance, Ng Siong Seng, Assistant Section Manager at Keppel Shipyard, commented, "Wendong is forthcoming with ideas to solve a problem. He is always ready to take the lead and his colleagues and supervisors are very impressed with his determination and hard work.

"That is why we are more than willing to support him in furthering his studies, from taking English courses to the National Institute of Technical Education Certificate course and now the three-year Diploma course in Ngee Ann Polytechnic."

Today, Wendong is a Singapore permanent resident, an officer in a shipyard and the proud owner of a four-room HDB flat and a newborn daughter. He is now living the Singapore dream.

Nurturing generations

Managers from Keppel Shipyard underwent a programme at the Singapore Management University (SMU) on how "trust" is handled between bosses and subordinates at their workplace. The shipyard's managers, through training and open communications, ensure an indepth understanding of the company's strengths and limitations.

Assistant Human Resource Manager, Christina Tan, noted, "Our people can be trusted to keep going. In fact, we handpick talents to go on further studies so that we may entrust them with greater responsibilities in due course."

"We trust our people to have the constant urge to upgrade their skills and knowledge. Be it collaboration of research with the academia, continuous improvement programmes at the departments, or multilingual safety



30 years with Keppel and more – Seng wants to work for as long as he can contribute to the Company



Still going strong – Teow (left) imparts his knowledge to his junior team-mates

briefings," Jeyakani Kaliraj, HSE Manager, added.

"At the end of the day, safety takes precedence over all else. Safety is everyone's foremost responsibility. We trust everyone to be vigilant," says Jeya.

Trust comes naturally to the Keppel Shipyard's modus operandi, safety consciousness and competition not withstanding.

Re-engaging times

Never stop learning, never say die. That best describes 67-year old Seow Tiang Keng's (T.K.) character and attitude towards life. TK, Senior Manager (Electrical & Instrumentation) of Keppel FELS, joined the company at the age of 29 and has never looked back since.

He is one of the many Keppelites who have been re-engaged in employment by Keppel O&M because of their extensive working experiences, resilience and their strong Can Do! attitude.

Sharing his positive outlook which he hopes to impart to the younger Keppelites, "To stare challenge in its face, we need to constantly upgrade and improve ourselves." TK believes that studying is one such means to self-enhancement. He recounts how one of his workers was retrenched twice before joining Keppel FELS in 2000.

"I encouraged him to consider a part-time diploma. To ease his financial burden, the company even offered him a sponsorship. Today, he is in his second year and has been promoted from an industrial worker to a foreman.

Seng Seow Song is another Keppelite who has been with Keppel since 1977. And he is grateful that he is able to continue doing so.

A storekeeper at Keppel Shipyard before he was re-engaged, Seng has been assigned to work as a Senior Boiler Maker (Machinery Department), overseeing a group of junior teammates.

He derives a great sense of satisfaction from imparting his skills and knowledge to the younger men. He is appreciative that his manager has confidence in his ability. "I am happy that I can maintain a regular source of income and be financially independent. This is better than sitting at home and not doing anything," said Seng.

Agreeing with him is Teow Tay Hock, who shared, "My years with the company have motivated me to stay on. I wish to work for as long as I can so that I can contribute to the best of my ability."

Teow joined Keppel in 1974 as an electrician and work his way up to become a foreman in the Plant and Maintenance department.

In his 32 years with the company, Teow has forged strong friendships, and is happy to be able to impart his skills and knowledge to his juniors.

What keeps TK going – a passion for life and work





Havin' a Clipper good time!

fter a thrilling and smooth-sailing Clipper Round the World (RTW) Yacht Race in 2005/2006, the Clipper 07-08 RTW Race is set to take the world 'by storm' again.

Started from Liverpool on 16 September, the ten 68-foot yachts sailed towards the Bassin des Chalutiers, in the centre of La Rochelle, on Leg 1 of the Race before they headed for Salvador, Brazil on the second leg.

Prior to the launch of the Race, the Clipper fleet was moored in Rotterdam during the Wilberforce Cup Festival on 25 July 2007, in preparation of the short race to Hull in the UK. A delegation from Keppel Verolme, headed by MD Harold Linssen,

was warmly received onboard *Uniquely* Singapore.

The hospitality tour was organised by Keppel Verolme as a gesture of appreciation towards its long-time customers, as part of its 50th anniversary celebrations.

After an introduction and a quick tour around the ship, life vests were distributed to all by Skipper Mark Preedy and without further ado, he revved up the engine and motored the yacht out for a short trip around the Port of Rotterdam.

Under the bright morning sun, the crew regaled their guests on the thrills of ocean-

racing and the strong gale they met the night before when sailing into port.

Keppel's RTW rides the waves

Affably known as 'Big Man Hizam' for his 1.83 m frame, Keppel Ambassador and full-circumnavigator on the Clipper 07-08 RTW Race, Hizam Haiyon set off with the rest of the crew onboard *Uniquely Singapore* on the first leg

Before Race-start, Hizam, 35 shared, "As an Ambassador onboard *Uniquely Singapore*, I am eager to share our country's growth as a leading global business hub and choice destination in

which to live, work and play. With all the crew, I also hope to share our Keppel values of passion, adventure and an inclusive mindset."

Indeed, according to the report by *The Business Times* (BT) on Leg 1 of the Race, Hizam has demonstrated Keppel's Can Do! spirit and flown high the Keppel flag, having shown goodwill, positive energy and personal fortitude.

BT wrote, "He has extended the trademark Singaporean hospitality and openness to all the crew in small but significant ways as well."

One of Hizam's prime concerns will be missing his wife and two young children. Being a Muslim also means he faces the challenge of finding time onboard for daily prayers despite rough weather. As the Race is currently in the midst of the

Personal limits are pushed beyond the horizon for full circumnavigator, Keppel Ambassador Hizam Haiyon

fasting month, he will have to break his fast some of the time and make up for it next year.

However, Hizam believes that the

challenges will make him stronger and more confident and will help him perform better when he returns to work as assistant manager of the CAD/CAM section at Keppel FELS next year.







Clipper Uniquely Singapore gets into real action

Seventh place for *Uniquely Singapore* in Race 1

U niquely Singapore secured seventh place in Race 1 of the Clipper 07-08 Race, arriving in La Rochelle, France on 20 September 2007.

While choppy waters, seasickness and fatigue cost the crew a few places in overall ranking, their spirits were kept up and they even celebrated crew member John Ford's 29th birthday.

Uniquely Singapore was 103.1nm from the finish line when the race was

ended early because of the lack of wind, and less than a mile from *Qingdao* who finished in sixth place. *Qingdao* eventually beat them for sixth place by a bare 200 m.

Uniquely Singapore online

Now, you can log on to www.channelnewsasia.com/keppelclipper to track the progress of *Uniquely Singapore* and hear their stories.

Dancing to a global beat

wo evenings to remember as Keppelites and their guests were treated to an explosion of musical talents from across the globe at the 10th World of Music, Arts and Dance (WOMAD) festival held at the Fort Canning Park on 26 and 27 August.

Keppel O&M's second year of partnership with WOMAD saw them present the Brazilian samba sensation, Clube Do Balanço, in Singapore. A household name in Brazil, the band had the crowd gyrating to their infectious beats.

Keppelites and customers alike enjoyed the great view of the performances provided at Keppel's tent while tasting the delights of Spanish food and drink.

Hallvard Nordbo, Site Manager of *Vincent FPSO* for Woodside Energy, said, "It is good to meet outside of work and enjoy ourselves with our friends from Keppel. The music is good and I am happy to be part of this music festival."

Lopatin Alexander, Principle Surveyor for Russian Maritime register of Shipping found himself basking in the atmosphere. He said, "We really enjoyed ourselves very much tonight. The music was beautiful. We have a very good relationship with Keppel and this gave us a chance to relax and have fun with them."

Apart from the music and dance performed at four different locations of Fort Canning, visitors to the festival were also treated to a slew of workshops and culinary tasting.

At a specially arranged workshop with Keppel, Daara J, a hip-hop trio from Senegal, brought the seated audience to their feet with their repertoire at a special workshop on music and dance. Infusing hip-hop and traditional African rhythms, the group has a poetic, storytelling style of rap which they do in French, Wolof and English.



Keppelites and friends dance to their hearts' content at the 10th WOMAD festival



Celebrating music with Keppel as Hoe Eng Hock, ED of Keppel Singmarine (centre, red shirt) parties into the night with friends and customers



Participants croon to the tunes of Daara J

Continuous learning exhorted



Seen here taking the pledge are (from left) CH Tong, MD & COO of Keppel O&M; Attyah Hassan, Secretary of Keppel FELS Employees Union; Minister Shanmugaratnam and CB Choo

Reputed for efficiency and competitiveness, Singapore consistently ranks number one in many global arenas, from productivity to service standards.

Excelling on excellence is also a Keppel trademark, as the Group strives and strides forward alongside Singapore's fast pace of growth.

Sterling results for the first half of 2007 and commemorating five years of growth since the integration of its businesses in 2002 are great reasons for Keppel O&M to celebrate.

Despite the outstanding report card, Chairman & CEO of Keppel O&M, CB Choo reminded everyone not to rest on their laurels at this year's Keppel FELS' National Day Observance Ceremony on 10 August.

"The real challenge of overcoming rising costs, sustaining growth and maintaining our position as the market leader lies ahead," CB said.

"While we are currently doing well and outlook for the market continues to be buoyant and robust, we will face a new set of challenges such as rising costs and stiffer competition," he added.

Recounting his recent trip to China for the inauguration of Keppel Nantong, he shared, "The development of China is truly fast and impressive. It is a reminder to all of us that to remain ahead of our competitors in the long run, we have to continually improve on operations while staying in the forefront of technology."

Education is critical in order to achieve this. Encouraging everyone to constantly improve themselves through continuous learning to enhance skills and stay relevant in the workplace, CB assured employees that Keppel O&M is committed to train and develop its people to their full potential.

Echoing CB's sentiments was Guest-of-Honour, Tharman Shanmugaratnam, Singapore's Minister for Education and Second Minister for Finance.

Minister Shanmugaratnam said, "The key to a competitive workforce is continuous education. Education cannot stop at schools or tertiary institutions. It must be a lifelong activity for all of us regardless of what job we do, so that we can remain relevant and are employable.

"I am heartened that Keppel has invested S\$11 million in training and development in 2006. Continue to spare no effort in developing your people and in building a culture of learning. It empowers our people to find better ways of doing the job, and to develop new technologies."

During the ceremony, 140 Keppelites received awards for their 35, 30, 20 and 10 years of service.

Thanking the unions, employees and subcontractors for their support, CB also reminded everyone to continue with their vigilance on safety and to continue to build a strong safety culture amidst these busy times.

Always on alert

eppel O&M takes threats to its business very seriously. It strives to be prepared against any contingency so as to ensure that minimum damage or disruption is faced by Keppelites.

Tackling terrorism

It was an ordinary day in the shipyard with people happily going about their work in Subic Shipyard and Engineering, Inc (Subic Shipyard). Suddenly, the telephone operator received an ominous warning from an unknown caller about a bomb located within the shipyard premises. How do shipyard personnel respond?

This was exactly the scenario that personnel at Subic Shipyard faced on 20 July.

On that eventful day, the shipyard conducted a bomb threat drill with the Manila Police District – Bomb Disposal

Unit to familiarise all yard personnel about the threat of and expected responses to a bomb attack.

The Chief of the Explosive and Ordinance Department also held a detailed talk to educate personnel on the various bombs that the terrorists are currently using.

"Bomb threat drills such as this one underscore the importance for all yard personnel to be aware of such threats. They also need to know how to properly react to the threats. Furthermore, the drill shows the need for close co-operation with the police authorities to diffuse the situation in the most safe and orderly manner," said Charles Yap, President of Subic Shipyard.

The general alarm was raised at 11.30am and the shipyard security teams were immediately deployed to evacuate the people and secure the area. Within five minutes, all personnel, contractors, guests and visitors inside the Administration Building were quickly evacuated to the

designated mustering area at the helipad. The Safety Section Fire Engine Team immediately positioned themselves in strategic locations in the shipyard, vigilant and armed against a possible fire outbreak. The Rescue and Medical teams were on high alert for any possible casualty situation.

The Bomb Disposal Team of the Manila Police District with its K-9 units responded by conducting a bomb search within the area. The bomb-sniffing dogs and their handlers searched room to room until they located the "bomb" that was hidden in one of the offices as part of the drill. The "bomb" was then diffused and taken out of the building where it was safely detonated. A second search on the premises was then conducted by the K-9 unit. After making sure that the space was free of any other explosive device, the Bomb Squad declared the area safe and threat free.

By 12.20pm, normalcy had been restored at the shipyard. People again went about their work empowered with the knowledge that they now knew how to react in a terrorist situation.

Beating bird flu

In the wee hours of the morning on 31 August, Keppel Singmarine's readiness in fighting the bird flu was tested at 5 Benoi yard. Conducted between 6 to 7am, the intention of the exercise was to assess the preparedness of staff at the isolation bay.

The screening involved the testing of 75 personnel from Keppel Singmarine and two major sub-contractors, Sino-Marine and Leong Chuan Marine.

Keppel Singmarine's ED Hoe Eng Hock and Assistant GM (Operations), Edmund



A bomb threat drill: the Manila Police District's Bomb Disposal Team conducts a search in Subic Shipyard



Always vigilant: Workers from the 5 Benoi yard being tested for the bird flu virus

Lek, were also involved. Joseph Wong, Keppel O&M's Business Continuity Management facilitator and Group Security Senior Manager, Anthony Toh, were at hand to both render support and give constructive suggestions.

Among the many lessons learned during the exercise were ways that logistics and equipment could be improved.

Commenting on the exercise, Edmund Lek who is also the Task Force Leader, said, "The exercise went reasonably well and we learnt how we can make the whole process smoother and more efficient. Ultimately the best defence against any disease is individuals being responsible for assessing their own health and not being a conduit or catalyst for contagion."

Sporting for good cause

pirits were high and cheers were loud at the SingHealth Foundation's "All for Cure, Cure for All" Corporate Games held on 16 September.

Staff at Keppel Offshore & Marine (Keppel O&M) shed their boiler suits for their sports gear as they pitted their wit and skills, all in the name of charity, and emerged champions in the badminton and volleyball games.

The event aimed to promote a healthy lifestyle, boost corporate spirit and raise much needed

resources. Corporations donated funds and participated in different sports, namely football, volleyball, basketball, netball, badminton and tennis.

CB Choo, Chairman & CEO of Keppel O&M, said, "Keppel is happy to be associated with the SingHealth Foundation in its pursuit of innovative medical research to improve the quality of lives.

"We share its spirit of enterprise in seeking the common good of human kind."



Everyone's a winner as Keppel O&M employees strike gold while supporting Singhealth's lifesaving medical research programmes

Gearing up for a World of Friends

t's going to be bigger, better and bolder than before.

18,000 Keppelites across Singapore yards will soon rally for the event of the year, on the sunny beaches of Sentosa.

"Come join us, bring your family members, and feel the pulse and excitement!" chirpped Assistant HR Manager, Doreen Lim, who heads the organising committee. "This Family Day has been dubbed 'World of Friends' because we want our Keppelites, regardless of geographical boundaries, to stay connected and to celebrate our global success together. It's a must-attend event of the year!"

Here is a sneak peek at the excitement leading up to the *World of Friends*, Keppel Offshore & Marine's (Keppel O&M) fifth family day on 21 October 2007.

Behind the scenes

Less than a month to go and adrenaline-levels

at yards seem to skyrocket as the big day closes in.

"World of Friends will be massive; it will be a full day of games, shows, fun and entertainment for the entire family. It's going to be very different from previous years as it is also Keppel O&M's fifth anniversary.

"We have a huge team working together across the seven yards to ensure that everything is in place for the event. All forces have been mobilised!" said Cindy Lim, Senior HR Manager at Keppel O&M.

The theme song

There is always a theme song to every sterling show and for *World of Friends* no less.

Keppel O&M's very own song – We Can Do – was the sum of efforts from its budding musicians and lyricists who contributed their ideas and inspirations to create a tune that would capture the spirit and energy of Keppelites.



Lending a helping hand for charity



Practice makes perfect – Aspiring Keppel Idols gear up for a final pitch at the auditions

"This song celebrates the efforts of our people in rising above challenges with our *Can Do* spirit. It is because of you that we have become one of the best offshore and marine companies in the world," said Mr Choo Chiau Beng, Chairman & CEO of Keppel O&M.

The song was also broadcast on 24 September to a group of 17 overseas Keppelites who were in Singapore for the Global Young Managers' Programme.

Sneak previews

They never expected to see people at the yard dressed in anything other than the usual boiler suits. But to their surprise, they spotted faces donned in Brazilian and cowboy costumes parading the yards, heralding the start of the pre-family day awareness drive.

Eager Keppelites queued for pictures with their favourite roving actors in this cultural spectacle for a small token for charity. Keppel O&M's beneficiaries namely Metta Welfare Association, Association of Persons with Special Needs (APSN), Singapore Association of the Visually Handicapped (SAVH) and Singapore Corporation of Rehabilitative Enterprises (SCORE), also had charity booths onsite to sell their handicrafts and services.

Among the most popular booths was the massage station by SAVH. Anthony Toh, Group Security Senior Manager, said, whilst having his back kneaded, "This is a good way of raising awareness about the association. It is a healthy way of relaxing and a good way of supporting charity!"

"This Charity Drive, which is spearheaded by our very own Keppel employees is testimony of one of our core values, accountability to the community," said Mr Choo.

"To show management's support, we will match dollar-for-dollar for the sum raised. All proceeds raised will go directly to the

Setting a new record

Keppel O&M has made its mark globally as a record-breaking company in the design and construction of offshore rigs. Come 21 October 2007, the Company will be setting a brand new world record at Siloso Beach. The mystery awaits at World of Friends...

charity organisations. We trust that our little gesture will go a long way in helping the less fortunate."

Topping up the flurry of pre-family day activities were massive auditions for actors to perform in Keppel O&M's first musical as well as a talent time, all of which will debut at *World of Friends*.

One of the judges from the stage shows committee, Shirley Tan of Keppel Shipyard Tuas, revealed, "This year's Family Day has great shows, great themes and is a great chance for Keppelites to connect.

"Plus, auditioning acts for the shows is really fun. It's like organising Singapore Idol together with the National Day Parade! My committee members and I get to view, select and give our two cents's worth of comments to make sure the performers give their best."

And yes, the best is what we can expect from *World of Friends*, created by Keppelites for Keppelites. Stay tuned for 21 October 2007 when the real action and excitement unfolds!



Shooting stars – Keppelites get to pose with their favourite roving actors for a small contribution to charity

Union matters

he challenge to excel and remain competitive in today's market was the focus at the 39th Keppel Employees Union (KEU) Annual Delegates Conference held at the National Trades Union Congress Centre on 31 August.

"We face a constant challenge of staying ahead of competitors from China, India and the Middle East. In recent years, they have made tremendous progress in their productivity, efficiency and price competitiveness," said Phang Weng Onn, KEU General Secretary in his welcoming address. "It is therefore imperative that the Union and Management work closely to raise the efficiency of our shipyards and remain competitive in today's market."

Echoing this sentiment was Guest-of-Honour Zulkifli B Mohammed, CEO of the Singapore National Co-Operative Federation and KEU Advisor. He stressed on the importance of staying ahead in today's competitive economy and that the Management and Union have to work even closer to forge a stronger workforce.

Mohamed Yusop B Mansor, President of KEU, Nelson Yeo, ED of Keppel Shipyard and Hoe Eng Hock, ED of Keppel Singmarine engaged the delegates in a discussion during the conference.

On a separate occasion, a collective agreement between Keppel Shipyard, Keppel Singmarine, KEU and the Shipbuilding & Marine Engineering Employees' Union (SMEEU) was signed on 5 September.

Consensus was reached quickly as all parties worked towards a win-win agreement. Notable changes were made to marriage leave and wage adjustments.



Management and union work hand-in-hand towards a common goal of creating a better workplace for all

Core values cross borders

eamwork unites Keppelites across borders and business units. That is why Keppel O&M's Human Resource division organised a customised teambuilding workshop for the fledgling Keppel FELS Mumbai (KFM).

The two one-day workshops, held on 26 and 27 July, aimed to improve staff motivation, loyalty and team spirit by sharing the group's core values with employees.

KFM is undertaking a four-fold increase in projects, and staff strength has increased from the initial 70 engineers to 220 since its incorporation in May 2005.

"With a large workforce, it is a challenge to align everybody's mindset in working towards a common objective," revealed Anant Shukla, GM of KFM.

He added, "Through this workshop, our employees are able to understand the intent of the company's core values, emulate them and see how they are exemplified in their daily course of work, striving towards a united goal."

Applying a series of specially tailored teambuilding activities, the pilot workshop was highly successful and well appreciated by KFM staff.

Vaibhav Mohite, Assistant Engineer (Piping), said, "The workshop is a big success. Not only did I learn about Keppel O&M's core values, I had the opportunity to apply them during the activities."

Teambuilding through common values



Two silver medals for Keppel Dragons

Rowing with pride to rousing drumbeats, the Keppel Dragons brought home the silver medal in the men's team category at this year's Corporate Community Games (CCG) held on 22 July.

In a neck-to-neck close race, they fought fiercely and lost only marginally to the champions by mere 0.47 seconds.

"The well-deserved medal came after regular trainings, well executed strategies and a passion to win. We were very motivated and strived to do our very best. It is reward enough to know that our training had paid off," said Team Manager Thomas Pang from Keppel O&M.

The annual CCG, provides a platform for interaction among like-minded corporations to foster stronger corporate community relations.

In another Dragon Boat competition, the Jurong Island Race (JIR), the Keppel Dragons rose again to the challenge and performed remarkably. Keppel's men team again clinched the silver in the open category, while the women's team clinched the bronze medal.

Together with two other mixed teams, they



The Keppel Dragons capture silver!

formed four teams that represented the Keppel Group

Team Captain Darryl Tai from Keppel FELS, said, "It was passion, dedication and a Can Do! spirit that push the Keppel team to stay committed to training despite our busy schedules. Today, we see the fruits of our labour."

Held at Lower Seletar Reservoir on 4 August this year, the JIR is an annual Dragon Boat race event.



Ferocious 'dragons' slicing through the water at the eighth Jurong Island Race

Around our yards

OffshoreMarine tracks works at various Keppel yards.

Singapore

Keppel Shipyard Tuas

Name : COLUMBINE MAERSK

Owner : A. P. Møller Country : Denmark

Type : Container Carrier

DWT : 110,000 GRT : 91,921

Date : 22 August – 9 September Scope : General repairs and silicon

hull treatment were carried

out

Keppel Shipyard Benoi

Name : FRONT ARDENNE

Owner : Frontline Country : Norway Type : Tankers DWT : 153,159 GRT : 79,633

Date : 16 - 25 August Scope : General repairs

Philippines

Subic Shipyard & Engineering

Name : JUPITER APPLAUSE
Owner : Orient Marine Co., Ltd.

Country: Singapore
Type: Bulk Carrier
DWT: 69,123
GRT: 35,885

Date : 15 August (one-day job) Scope : Afloat job as well as the

offshore renewal of the portside anchor and three

shackles

Name : **CEMTEX DILIGENCE**Owner : U-Ming Marine Transport

Corporation

Country : Taiwan
Type : Bulk Carrier
DWT : 79,999
GRT : 43,642

Date : 10 - 23 August

Scope : Major works included dry

docking, hull preservation, preservation of cargo holds, overhauling of sea valves, renewal of the engine room pipings, installation of a new cylinder oil tank, testing of life boat/davit load followed by winch overhauling, steel works on one of the cargo holds, clearance of tailshaft/rudder and installation of hull/sea

chest anodes

Name: RTM WAKMATHA

Owner : ASP Ship Management Pty

Ltc

Country: Australia
Type: Bulk Carrier
DWT: 89,981
GRT: 56,000

Date : 20 - 24 August

Scope : Major works included

drydocking, preservation of the hull, painting of the hatch cover and main deck, fabrication and fitting the booby hatch for the engine room skylight cover and the polishing of the propeller

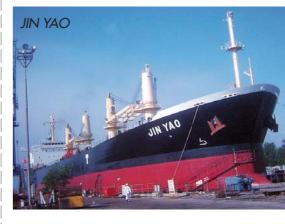
Keppel Batangas Shipyard

Name : **SIBULK INTEGRITY**Owner : Misuga Kaiun Co. Ltd.

Country: Japan
Type: Bulk Carrier
DWT: 55,567
GRT: 30,662
Date: 12 – 18 July







Scope : Major works included docking works, cleaning of

the hull, blasting and painting, renewal of the engine room pipes the overhauling of valves and the renewal of Australian

ladder guard

Name : JIN YAO

Owner : Goldbeam International

Ltd.

Country: Hong Kong Type: Bulk Carrier

DWT : -









GRT : 29,407 Date : 22 – 30 July

Scope : Major works included docking works, hull

cleaning, blasting and painting the installation of pilot ladder the installation of freshwater line and the overhauling of sea valves

Name : *OOCL AMBITION*Owner : Fleet Management Ltd.

Country: Hong Kong
Type: Container Carrier

DWT : 24,321 GRT : 16,705 Date : 5 – 11 August

Scope

: Major works included docking works, cleaning of the hull, blasting and painting, welding of wasted seams, overhauling of turbocharger, overhauling of sea valves, testing of life boat davit, polishing of tailshaft/propeller, overhauling of outboard seam, rechroming of liner

Keppel Cebu Shipyard

Name : CALA PIANA / CALA

PORTESE

Owner : London Ship Managers Ltd

Country: London

Type : Refrigerated Cargo

DWT : 6,703 GRT : 9,008

Date : 20 July - 1 August / 7 - 22

August

Scope : Sister vessels, Cala Piana

and Cala Portese underwent repairs simultaneously.

Major works included the application of silicone based anti-fouling system on external hull, various engine room and deck machineries, motors overhauling and other normal drydocking and repair works

Name : WINNER

Owner : Glory Shipmanagement

Pte Ltd

Country: Singapore
Type: Log Carrier
DWT: 6,478
GRT: 6,189

Date : 19 July - WIP Scope : Renewal of over 100 tons of

steel on various locations such as the side shell, tank

top and internals

Keppel Group Newsbytes

Over 5,000 Keppel homes to rise in Shenyang...

Keppel Land has been awarded an initial 353 mu (about 24 ha) site for the development of a residential township in Shenyang's Shenbei New District, at RMB309 million (S\$62 million).

The township, which can eventually yield up to 5,400 homes, augments the company's existing portfolio of more than 78,000 homes in township developments across Asia, including China's rising second tier cities Tianjin, Wuxi and Chengdu.

... and 15,000 more in Vietnam

Keppel Land announced its development of a residential township on a 509-ha site in the fast-growing Dong Nai Province, located 28 km to the northeast of Ho Chi Minh City.

Leveraging the two-km frontage to the Dong Nai River, the vision for the site is that of a waterfront township comprising about 14,000 homes.

Also in Vietnam, Keppel Land and local partner Tien Phuoc Co (Tien Phuoc) were awarded the investment license for *The Estella* by Vietnam's Ministry of Planning and Investments.

A prime residential project, *The Estella* will be built on a 4.8-ha site and will yield about 1,500 apartments with a potential gross floor area of 280,000 sm. The sales launch of the first phase is slated for 4Q2007.

Upstream debut in China

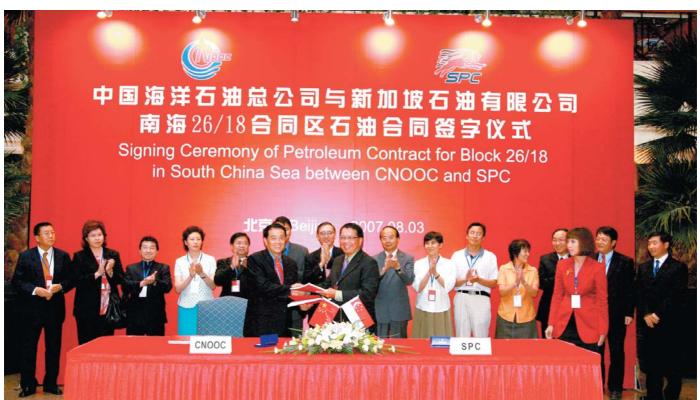
SPC has entered into a Production Sharing Contract (PSC) with China National Offshore Oil Corporation (CNOOC) for Block 26/18 (the Block), subject to final governmental approvals.

SPC will operate the Block with a 100% participating interest.

Fifth water project in Algeria

Keppel Seghers, the environmental technology division of Keppel Integrated Engineering (KIE), has secured a S\$7.2 million contract to design, build and operate a wastewater treatment plant in Laghouat province, Algeria.

When completed in end 2008, the plant will be able to treat 26,700m³/day of wastewater generated by 167,000 people. The effluent will be used for irrigation purposes.



Forging a new partnership: Koh Ban Heng, CEO of SPC (right, holding contract) and Zhou Shouwei, President of CNOOC at the signing ceremony of Block 26/18 in Beijing, China

Global Reach

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Keppel AmFELS is currently busy with several newbuild, repair and refurbishment projects

Foothold in Mexico deepens with second rig for Perforadora

eppel AmFELS has secured a contract from Mexican company Perforadora Central SA de CV to build a jackup rig.

The jackup drilling rig is due for delivery in end-2009, and is expected to be deployed in the Gulf of Mexico.

This is the second rig that Keppel AmFELS is building for Perforadora Central. The first unit was delivered in 2004 and is working for PEMEX, Mexico's national oil company.

Patricio Alvarez Morphy, President of Perforadora Central, said, "We are pleased to work with a reputable company such as Keppel AmFELS again. We look forward to another high-quality rig that is delivered on time and within budget."

CH Tong, MD & COO of Keppel O&M and Chairman of Keppel AmFELS, said, "Mexico is an important market for Keppel O&M. We are

committed to build our track record with Mexican companies such as Perforadora Central by providing them relevant solutions suited for the Gulf of Mexico.

"With our strategic presence in the Gulf of Mexico and our knowledge of the country through the various projects that we have been executing for them, we are poised to be the preferred partner and solution provider."

The new jackup will be built to the LeTourneau Super 116E design. With leg lengths of 511 feet, the rig can drill wells up to 30,000 feet in water depths of 350feet.

Located in Brownsville Texas, Keppel AmFELS is one of the best-equipped offshore yards the Gulf of Mexico.

It is currently constructing six newbuild jackups and a sludge vessel. Other ongoing jobs include various repair and refurbishment projects.