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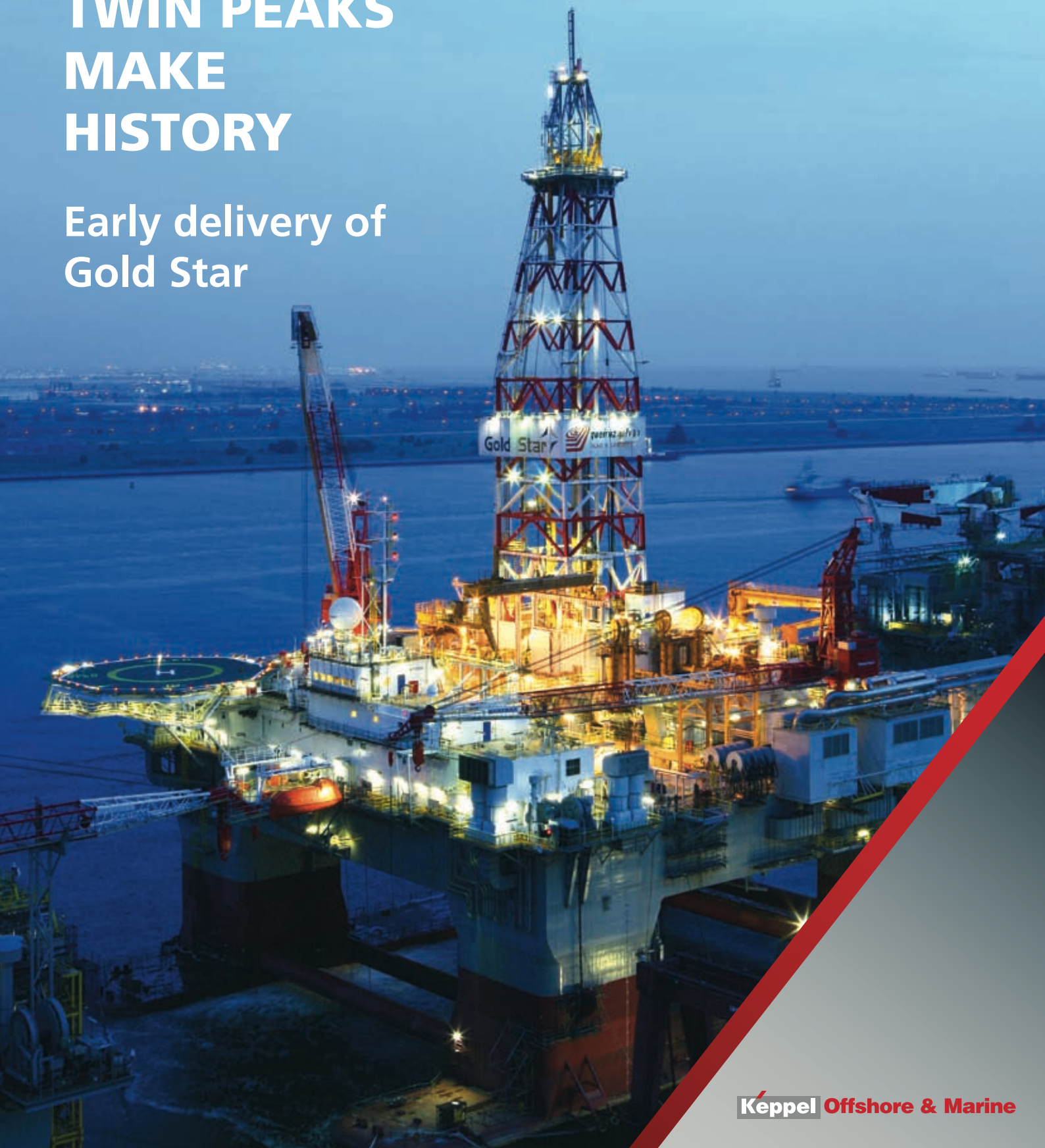
Builder of distinction

September – October 2009

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TWIN PEAKS MAKE HISTORY

Early delivery of
Gold Star



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Special Feature 20

For the first time in rig history, Keppel FELS and PV Drilling named two identical jackup rigs on 9 September 2009. PV Drilling II has since been delivered 1.5 months ahead of schedule, while sister rig, PV Drilling III is also expected for early completion.

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Early delivery of Gold Star



Gold Star is the world's first DSS™ 38 deepwater semi

Keppel FELS has delivered Gold Star, the first of two DSS™ 38 deepwater rigs to Brazilian operator, Queiroz Galvão Óleo e Gás (QGOG) six days ahead of schedule.

Gold Star is the world's first DSS™ 38 rig to enter the market and support Petrobras's exploration and production activities.

Gold Star was named on 29 August 2009 by Lady Sponsor, Fiona Steane, spouse of Christopher Steane, Global Head for Structured Finance of the rig's financiers, ING Bank.

At the ceremony, Guest-of-Honour, Rear Admiral Lui Tuck Yew, Acting Minister for Information, Communications and the Arts, said, "Our homegrown companies have much to offer Brazil, and will help to pave the way in promoting greater rapport and meaningful exchanges between our economies.

"With technology innovation, execution excellence and a capable workforce as its hallmark strengths, as well as its established facilities here and in Brazil, I am confident that Keppel is well-positioned for long-term success in Brazil's fast-growing offshore market."

The DSS™ 38 is jointly developed and owned by Keppel's Deepwater Technology Group and Marine Structure Consultants.

Continues on page 4...



Commemorating the achievement are Keppel and QGOG management, with Lady Sponsor of Gold Star Fiona Steane (centre) and Guest-of-Honour Rear Admiral Lui Tuck Yew (to her right)

This compact and cost-effective deepwater rig is designed to meet operational requirements in the

deepwater "Golden Triangle" region, comprising Brazil, Africa and the Gulf of Mexico.

Antonio Augusto de Queiroz Galvão, General Director of QGOG, said, "I wish to congratulate Keppel FELS for successfully meeting the milestones of our project on time.

"Confirming our company's satisfaction with Keppel's performance, we ordered last year, a sister unit to be named the Alpha Star, which will be delivered by Keppel FELS in 2011.

"We strongly believe that the success of our second project will strengthen the partnership between Keppel and QGOG towards future projects."



Celebrating the Brazilian way



Thumbs up for a job well done

CH Tong, CEO of Keppel O&M, said "Keppel has been doing business with Brazil for more than 30 years, during which we have forged many rewarding partnerships. Together with our Brazilian customers, we have pushed boundaries to meet the unique challenges of Brazil's offshore operating environment.

"We are pleased that QGOG has chosen Keppel FELS to support its newbuild programme. This not only reaffirms the growing acceptance of our DSS™ Series, but also Keppel's status as the Builder of Distinction in Brazil's offshore sector."

In the league of some of the world's most advanced semisubmersibles, DSS™ Series rigs are designed to maximise uptime with reduced emissions and discharges.

DSS™ 38, the latest model in this Series, is rated to drill depths of 30,000 ft below mud line in over 9,000 ft water depth. It has an operational displacement of over 38,000 tonnes and can accommodate 130 men. It also features both vertical and horizontal riser storage and is configured with eight 3000kW azimuth thrusters to keep the rig in position.

Insights to QGOG

QGOG is one of Brazil's largest private groups in the oil and gas sector, supported by a 30,000-strong workforce. Antonio Augusto de Queiroz Galvão, General Director of QGOG, shares insights on QGOG's strategy in the growing Brazilian oil and gas industry.

Where does the potential of Brazil's energy market lie?

Brazil has discovered a tremendous amount of oil in deepwater. In the last few years, activities in the deepwater arena have been growing dramatically. We feel that the future of Brazil is in deepwater.

Why Keppel FELS?

There is no doubt that Keppel FELS is one of the most capable shipyards in the world to build drilling rigs, not just semis but also jackups. Keppel FELS has the best experience with semis, having built some very large production units for Petrobras to work in Brazil.

We did our study, considered the price and timing, and most of all the quality assurance. We feel that we have made the right choice in choosing Keppel FELS.



Mr Antonio Augusto de Queiroz Galvão

Why the DSS™ 38 design?

The foremost reason is the rig's capacity. Gold Star can drill in 9,000 ft of water, so it covers 95% of the exploration regions in Brazil and almost 100% of the fields that have been discovered in Brazil up till now. There are designs that are larger than the DSS™ 38, but the sea in Brazil is not so rough, so this design is excellent for Brazilian conditions.

Furthermore, Gold Star can also drill in many other parts of the world. It is an international class rig; she fits Brazilian conditions but can drill overseas as well. We foresee a very long future for this rig.

Delivering Caspian's first FSO

Keppel Singmarine has successfully delivered an ice-class Floating Storage and Offloading vessel (FSO) to repeat customer, LUKOIL-Nizhnevolzhskneft (Lukoil).

YURI KORCHAGIN is the first ice-class FSO to be completed and deployed in the Caspian region. It was christened at Keppel Singmarine's sister yard, Caspian Shipyard Company (CSC) in Azerbaijan on 26 August 2009.

Completed on time and without accidents in over 2 million manhours worked, the vessel is currently working in the Yuri Korchagin oil field in the Russian Federation sector of the Caspian Sea.

A new design by Keppel Singmarine's technology arm, Marine Technology Development (MTD), the FSO can withstand ice conditions of minus 20 degrees Celsius and ice thickness of 0.6 metres.

Hoe Eng Hock, ED of Keppel Singmarine, said, "This project marks a significant milestone for us and our partnership with Lukoil. This is the seventh vessel that we have delivered to them and also the most challenging. The experience has enhanced our design and construction capabilities and added to our track record of vessels constructed for difficult weather conditions.



Named by Lady Sponsor, Kazakova, YURI KORCHAGIN is another outstanding example of the winning collaboration between Lukoil and Keppel Singmarine

"This completion demonstrates the synergy between Keppel's yards and the close cooperation we have with our partners. We are able to leverage our 'Near Market, Near Customer' strategy to deliver innovative solutions to our customers."

With oil storage design capacity of approximately 28,000 tonnes, the FSO is meant for uninterrupted services in receiving crude oil from a fixed ice-resistant platform (IFP-1) through single buoy mooring system, storage of oil onboard and finally offloading of oil to shuttle tankers.



YURI KORCHAGIN at work in the Caspian Sea

Rewarding journey in Caspian

After two years and 10 months of working on the YURI KORCHAGIN across two continents, the first ice-class FSO built by Keppel Singmarine sailed away from CSC on 8 September 2009.

During the initial construction phase, Keppel Singmarine was faced with space constraints as the yard was very packed. To overcome the challenge, Keppel Singmarine had to build the two sections of the accommodation block on top of each other.

Furthermore, the two main hull strips were built side by side on the slipway and temporarily joined together for it to be

launched from the slipway. After which they were separated again before they were loaded on a large transport vessel for its journey to CSC in Baku.

Lee Yoong Hoong, project manager of Keppel Singmarine, shared, "It was a tough process transporting sections of the vessel to the Caspian Sea. To prepare the hull strips for the passage through the very narrow Volga-Don canal, our team spent about 14 days on a tugboat in the cold.

"We were quite nervous as we were worried that the hull strips might not pass through the canal and we would be stuck there for days."

Despite the challenges, meticulous planning and excellent project management ensured that things went smoothly and the hull sections and other equipment arrived in CSC in good condition and on schedule.

From late October 2008, Lee and his team mates camped out for 10 months in Baku as they worked with CSC to put together the sections of the vessel.

Lee added, "We received very good support from CSC in the construction of the vessel and we have worked hand in hand to meet the very tight deadlines and to ensure the safe delivery of the vessel."

Ready for work

Keppel FELS has been commended by Seadrill Management (Seadrill) for its safe and quick turnaround services during the repair and upgrading of jackup rig, West Janus.

Anders Leland, Head of Projects from Seadrill expressed his appreciation towards the team led by Thomson Halim from Production.

He commended, "Thanks to the team for your flexibility in adapting to the rig's schedule and the fast response in mobilising personnel when we needed it on short notice. Excellent service."

Philip Jackson, Offshore installation manager (West Janus), Seadrill also commended Jiang Benhua, superintendent of the project for his safety commitment and professionalism.

Keppel FELS delivered West Janus on schedule on 17 August 2009 after completing special survey, repair and upgrading works. The scope included steel renewal, leg repairs, modification of the shale shaker house as well as the upgrade and replacement of the top drive system.

Another jackup rig from Seadrill, West Prospero has also entered Keppel FELS's yard on 21 October 2009 for the replacement of its blowout preventer, which includes modification and upgrade works.

There is also jackup unit, Seafox 6, undergoing repair works at Keppel

FELS at the same time. Work being done on the unit include leg strengthening and extension, closing of the moon pool, legwell steel repair and painting works.

For another customer, China Oilfield Service Limited Company (COSL), Keppel FELS had in August completed the leg bracing

replacements on jackup rig, COSL 941 to the customer's satisfaction.

The rig had suffered a punch-through while operating offshore Zhanjiang, Guangdong. Keppel FELS immediately initiated urgent mobilisation of manpower to inspect the rig's condition and completed the repairs within a few weeks.



Keppel FELS was commended by Seadrill for the repair and upgrading of West Janus

Third FSRU comes calling

Golar Freeze, a Liquefied Natural Gas (LNG) carrier, has arrived at Keppel Shipyard for conversion into a Floating Storage and Re-gasification Unit (FSRU). This will be the third FSRU to be converted by Keppel Shipyard.

When completed, the FSRU will be capable of storing 125,000 cubic meters of LNG. The vessel will also have a maximum gas send-out capacity of 480 million standard cubic feet of re-gasified LNG per day.

Demand for FSRUs is on the rise as such vessels enable many production processes to be performed offshore.



Golar Freeze is the third FSRU to be converted at Keppel Shipyard

Chartered by Dubai Supply Authority, the FSRU will be permanently moored alongside a purpose-built jetty within the existing Jebel Ali port in Dubai.

The world's first two FSRUs were

converted by Keppel Shipyard for Golar LNG. Golar Spirit is currently working offshore in the Guanabara Bay LNG re-gasification terminal in Rio de Janeiro, Brazil, while Golar Winter is deployed in Pecem, Brazil.

Delivering on promises

Keppel Nantong has recently delivered another two Anchor Handling Tug Supply (AHTS) vessels to Whitesea Shipping & Supply LLC (WSS).

With these deliveries, Keppel Nantong has completed the series of five AHTS commissioned by WSS in 2006.

The two vessels, Samed and Saeb, are currently operating in the Middle East. These 65-tonne bollard pull vessels, equipped with azimuth thrusters and Dynamic Positioning Systems, are used for towing and supplying cargoes to offshore structures.

Based in the United Arab Emirates, WSS is also a regular customer of Arab Heavy Industries, an associate of Keppel O&M, which services WSS's fleet of offshore support vessels.



Keppel Nantong has delivered the last vessel, Saeb, to Whitesea Shipping & Supply

Heightened vigilance



A mock terrorist attack at Keppel FELS tests the yard's preparedness



A rig evacuation takes place successfully as part of the emergency exercise

It appeared to be a normal working morning at Keppel FELS Crescent yard on 7 October 2009 when Keppel O&M security team spotted two suspicious-looking males entering the quayside on a tugboat.

One of the suspects threw a bag near the quayside, which caused a loud explosion and huge ball of fire. Keppel O&M security forces swung into action instantly and alerted the Singapore Civil Defence Force (SCDF) and Singapore Police Force (SPF). Within minutes, the SCDF's firefighting team arrived at the scene and wasted little time in dousing the raging fire.

Fearing the consequences, the first suspect returned to the tugboat and fled to Keppel Singmarine's yard at 5 Benoi Road, while the

second escaped onto a rig under construction. Workers onboard were evacuated immediately as the search for the suspect began.

Keppel FELS Safety personnel and SCDF were then informed of an injured worker onboard the rig and a search and rescue operation commenced immediately. The casualty was rescued and conveyed to hospital by ambulance.

At this juncture, Keppel O&M security forces had hunted down the first culprit after rounds of chasing and handed them over to the SPF. Meanwhile the police coast guard had pursued the second intruder who had escaped to Keppel Singmarine. The intruder was caught the moment he landed at quayside, thanks to excellent

inter-yard communication between the security teams.

The eventful morning was part of a joint exercise carried out by Keppel O&M, the SCDF and the SPF according to requirements of the International Ships and Port Facilities Security Code established by the International Maritime Organisation.

Code named "MASIT 09", this two-hour joint exercise took place across Keppel O&M's yards in Singapore. Through simulated and table-top scenarios, the exercise aims to test the efficiency and training of all parties involved, as well as to identify potential threats and their impact on the organisation's operations.



The casualty was rescued and conveyed to hospital by ambulance

Anthony Toh, Keppel O&M's Group Senior Manager for Security, shared, "The issue of safety and security is always top on everybody's mind. Keppel O&M has always taken a proactive stance when it comes to preventing and detecting security threats at our yards.

"Through this exercise, we want to ensure the development of response, continuity and recovery plans. We also need to increase the organisation's resilience to unplanned disruptions in assets and personnel."

Over in the Philippines, Keppel Batangas also put to test its fire

safety preparedness programme with a fire and evacuation drill in the first week of October.

Workers and crew on board MV Woodchuck were led to their respective mustering station in an orderly fashion at the sound of the fire alarm while the fire control team, well equipped with fire protective gears, swung into action to control the fire onboard.

"Fire out" was declared shortly with no reported "casualty". A post-mortem meeting was then held by the HSE team to review areas for improvement.



Case closed – the intruder was caught and handed over to the authorities

Meeting of minds

When it comes to sparking off new and innovative ideas, there is no better flint than people of varied backgrounds coming together to share their thoughts and practices. Dedicated to promoting learning and contributing to knowledge building, Keppel O&M plays host to a variety of visitors to its yards where ideas were exchanged.

GLOBAL LESSONS

32 students from the Business Association of University of Hong Kong visited Keppel O&M on 14 October 2009. The students were on a study trip to Singapore to enhance their understanding of the development prospects of Singapore and Hong Kong in various sectors.

The students were given a presentation on how Keppel O&M navigated through today's global challenges. Hosted by Keith Teo, GM of Marketing, Keppel FELS and management from the other business units, the students benefitted from the interactive dialogue session at the end of the visit.

SAFETY JOURNEY

Officials from the Emirate of Ajman in the United Arab Emirates was on a study trip to Keppel Shipyard from 6 to 9 October 2009 to learn about the yard's safety processes.

Organised by Arab Heavy Industries (AHI), a Keppel O&M subsidiary, the delegates learnt about shipboard firefighting techniques and procedures as well as methods to train firefighting personnel. They also observed

the planning and execution of the terrorist simulation exercise held at Keppel FELS's Crescent Yard (read page 10) and learnt about the responsibilities of the Singapore Civil Defence Force.

VISITING STRATEGIES

Students from the Wharton Business School's Executive MBA Programme benefited from a learning visit to Keppel O&M on 18 September 2009.

The 32-strong delegation comprising senior position holders from companies such as Exxon Mobil and American Express discussed issues relating

to Keppel's international business policy and strategy.

The delegation engaged in lively exchanges with Keppel's senior management on diverse issues, such as hedging against risks to business strategies for competing regionally and internationally.

A PEEK FOR SHAREHOLDERS

Eager to better understand Keppel O&M, a group of retail shareholders visited its yards on 11 September 2009.

Sit Peng Sang, CFO of Keppel O&M, who hosted the shareholders, shared his views on the industry



Students from Wharton Business School gaining insights into Keppel O&M as Daniel Chang, GM (Projects), Keppel FELS (centre) elaborates

outlook and addressed queries on Keppel's technology for the Arctic region and provided an overview on the competitive landscape.

Pleased with the informative visit, a retail shareholder, Grace Cheng Mei Ling, commented, "It was a very good experience to gain firsthand knowledge on the construction process and view such sophisticated structures."

LEARNING THE ART

In collaboration with Petrobras, a group of academics from Brazil's University of Fluminense Federal (UFF) visited Keppel Shipyard from 14 to 16 September 2009 on an

information-gathering trip into the technologies the yard currently uses.

Their efforts are part of a research project, "Mapping of the State of the Art of the Technology of Construction and Assembly", which seeks to identify technology used by construction equipment companies in the upstream segment of the oil industry in Singapore.

During the visit, they conducted interviews with specialists from the different departments to learn more about the manufacturing processes, assembly of metallic

structures, piping, organisation of production processes and HSE policies and practices.

ENGINEERING SUCCESS

Having operated in Shekou Chiwan, China since 1998, Keppel FELS Engineering Shenzhen has established itself as a leading engineering centre in the region.

CH Tong, CEO of Keppel O&M visited the office on 12 October 2009 and was briefed on the latest developments by Ho Jong Heng, GM of Keppel FELS Engineering Shenzhen.

Commenting on the visit, CH Tong said, "Set up for over a decade now, Keppel FELS Engineering Shenzhen has built up a strong team of offshore engineering specialists.

"Not only are they well-equipped with the requisite skills, tools and foresight to deliver innovation and solutions to our customers, they are also a capable and dedicated team."



Sit Peng Sang, CFO of Keppel O&M (left), gives shareholders an insight into the intricacies of rigbuilding

Continues on page 14...



CH Tong, CEO of Keppel O&M with the capable team in Keppel FELS Engineering Shenzhen

"I've had a very good relationship with Keppel AmFELS for many years and besides providing good jobs to several thousand people, they are an outstanding example of how a good company can also be a good corporate citizen."

Solomon Ortiz
US Congressman



GS Tan (centre), President & CEO of Keppel AmFELS, welcomes US Representatives, Congressman Solomon Ortiz (left) and James Oberstar to the yard

PEOPLE EXCELLENCE

On 10 September 2009, Keppel O&M hosted the Korean Standards Association, an MOU partner of the Singapore Productivity Association (SPA). The delegation of 20 Korean government officials and university staff members were seeking to expand their knowledge on talent management and succession planning.

They were impressed with Keppel's comprehensive support for its multi-national, multi-lingual workforce and its dedication towards skills-upgrading and leadership grooming.

Summing up the visit, Mavis Ng, a representative of SPA, shared, "The Korean delegates enjoyed the visit and found the sharing very useful. The Association hopes to work with Keppel for more educational visits in the near future."

ROOTING FOR BROWNSVILLE

U.S. Representatives, Congressmen Solomon Ortiz and James Oberstar, Chairman of House Committee on Transportation and Infrastructure, visited Keppel AmFELS on 18 October 2009.

The visit was part of an official tour of Brownsville, Texas, to view

transportation and infrastructure-related projects in South Texas.

GS Tan, President and CEO of Keppel AmFELS, gave the gentlemen a tour of the yard's facilities and shared the ongoing construction work at the yard that has helped create employment opportunities for the locals.

He also shared on the vast potential of the area for continued growth and development, especially to undertake work for even more and bigger offshore construction projects through expansion of existing facilities.

Walking the safety talk

During Keppel's quarterly Board Safety Committee (BSC) meeting on 22 October 2009, board members took the opportunity to tour Keppel Shipyard to better understand their safety processes.

Established in 2006, BSC develops and reviews safety policies guiding its business units.

The committee is chaired by Sven Ullring, Director of Keppel Corporation, and its members include Lee Boon Yang, Chairman of Keppel Corporation and CB Choo, Chairman of Keppel O&M and CEO of Keppel Corporation.



Keppel Board Safety Committee walk the talk at Keppel Shipyard

Pertinent issues discussed at the meeting include the safety code of conduct applicable across all business units, safety training programmes, safety campaigns as well as the upcoming Safety Convention 2009.

Demonstrating their commitment towards safety, various business units had conducted a number of safety drills to test their preparedness.

Energy for tomorrow



Winner of Innovative Thinkers Award, Dr John J. Murray (second from left) with (from left) Eric H Namtvedt, President of FloaTEC, LLC; YY Chow, President of Keppel O&M USA Inc; and Edmund Muehlner, Lead Structural Engineer, FloaTEC, LLC

For his forward thinking and work contributing to the future of the oil and gas industry, Dr John J. Murray of FloaTEC, LLC was conferred the Innovative Thinkers Award by the World Oil magazine.

Dr Murray was the only individual winner, alongside ten companies which also received top honours at the global petroleum event on 16 October 2009 in Houston, Texas.

This year's theme, 'Designing a Brighter Tomorrow', celebrate the works of those who make it possible for the world to enjoy sufficient supplies of energy tomorrow.

Eric H Namtvedt, President of FloaTEC, LLC, said, "Being recognised by World Oil Awards is a great recognition of Dr John J. Murray's distinguished career and his contribution to our industry.

"In particular, his team and co-workers here at FloaTEC, LLC are proud that the work led by John in developing solutions for the ultra-deepwater and harsh environments field has been recognised by the World Oil Awards Committee. It is an honor and privilege to have John Murray as part of our expanding floating production systems team."

On even keel



On-track progress for West Juno's hull at Keppel FELS

Construction of Seadrill's West Juno is progressing on track.

The keel-laying milestone for the

KFELS B Class jackup drilling rig was achieved on 18 September 2009, just six months after it struck steel in March.

The smooth development is testament to Keppel FELS's solid execution capabilities and its strong partnership with Seadrill.

Celebrating the achievement onsite were management personnel and project team members from Keppel and Seadrill.

Keppel FELS is currently also constructing West Vencedor and West Berani III, two KFELS SSDT™ 3600E semisubmersible drilling tender rigs for Seadrill. West Vencedor is expected to be delivered in end-2009.

Raising the bar

Driven by enthusiasm to raise productivity and reduce cost for the company, a team at Keppel FELS has developed and implemented a bar-coding system that can help the company realise cost-savings of more than \$700,000 per annum.

The team, led by the Logistics, Purchasing, Planning & Control, as well as Information Systems departments, strived to address the lack of integration in disparate systems used by different departments. The problem was compounded by laborious nature of manual data capturing which was prone to errors.

The team successfully implemented

an integrated information management platform and the use of a simple-to-use, mobile barcoding handheld device.

The results were impressive – the end-users enjoyed substantial benefits most prominently being the timeliness and accuracy of information.

Wong Kok Seng, ED of Keppel FELS, said, "Over the years, a highly efficient operational framework has helped Keppel FELS to sustain its position as the leading offshore rig designer and builder.

"We will continue to identify improvement opportunities in each process in the project value chain

to further optimise efficiency and raise the overall productivity of our yards. The goal is to do our jobs faster, better and in a more cost-effective way."



Keppel FELS has developed and implemented bar-coding system to save costs

Global conversations



FloaTEC, LLC showcases its deepwater floater designs at Subsea Rio 2009

Keppel O&M showcased its portfolio of products and services as well as growth strategies at two international conferences recently.

POSITIONING FOR UPTURN

At the Pareto Oil & Offshore Conference in Oslo, Norway, on 2 and 3 September 2009, CH Tong, CEO of Keppel O&M reiterated the company's commitment to remain the global partner of choice for offshore and marine solutions.

CH Tong also elaborated on the concrete actions taken by Keppel O&M to maintain its competitiveness. Over the past year, the company has stepped up efforts to improve productivity through better utilisation of human capital as well as achieve

better cost management through optimisation of its supply chain.

The current industry slowdown offers potential and attractive opportunities for Keppel O&M to grow and expand its key businesses. CH Tong also shared that Keppel O&M is looking into new growth areas such as the harvesting of offshore renewable energy.

According to the latest Energy Information Administration forecast, world energy consumption is projected to increase by 44% from 2006 to 2030. All forms of energy, including renewable energy, will be needed to meet this growing energy demand.

SUBSEA INSIGHTS

With Brazil as one of the most vibrant offshore regions in the offshore industry, Subsea Rio 2009, held from 15 to 17 September 2009, drew tremendous industry interest with some 400 participants.

At the event, FloaTEC, LLC, a 50:50 joint venture company between J. Ray McDermott and Keppel FELS showcased its range of offshore services and solutions in deepwater floating production systems (FPS).

FloaTEC, LLC is the only company to offer clients a full complement of FPS – encompassing spar, semisubmersible, and tension leg platform technology solutions.

Innovation rewards

Vital to the furthering of Keppel O&M's long-term growth, the Group's commitment to investing in technology innovation continues to bear fruit and this includes winning national awards.

Keppel FELS launched its sixth annual Innovation Month on 7 September 2009 to promote continual innovation and learning amongst its employees.

The theme for this year, "Think, Solve and Do it", was unveiled by CH Tong, CEO of Keppel O&M.

Organised by the iQC (Innovation & Quality Circles) Committee, the campaign comprises a convention running from 14 September to 1 October 2009 where 48 iQC teams from various departments and sections presented their innovation projects.

At the launch, the Committee also presented "iQC Platinum" awards to deserving departments or sections that have contributed consistently and outstandingly at the past iQC Conventions. These teams must have

achieved at least three Gold and/or Star awards at the iQC Convention in the last five campaigns.

The departments commended were Security Department, Engineering CAD Section, Production Hull Section and Sub-contract Management.

SHIP-SAFE PRACTICES

Keppel Singmarine also saw two of their safety innovations recognised at the 12th Workplace Safety and Health (WSH) Innovations in the Marine Industry Convention on 27 August 2009.

Organised by the Association



CH Tong, CEO of Keppel O&M, completes the iQC puzzle, at the launch of innovation Month 2009



Keppel Singmarine's team with their silver win for this safe ship launcher innovation project

of Singapore Marine Industries (ASMI), Keppel Singmarine clinched the Silver and Bronze Awards for its safe ship launcher and safe ship frame lock projects respectively.

The safe ship launcher holds the vessel in position until all the keel blocks are removed for vessel launching.

Team leader Karri Diwakar, Senior Manager (Mechanical) at Keppel Singmarine, shared, "The aim of the project is to eliminate the risk of premature launching and personnel getting trapped when the vessel moves without warning during the launching."

The safe ship frame lock project ensures a safe, secure and quick way for installation of frame members during sub-block fabrication.

Team leader Johnny Kyaw Nyein, Quality Assurance Assistant Manager, said, "Our safe ship frame lock helps keep our workers safe during the position and welding of frame member fabrication."

GOING ELECTRONIC

Inspiring others to think out of the box for practical solutions that improve efficiency and cut cost was National iQC 2008 Star Award Winner – Prospector,

from Keppel FELS Engineering section.

The team shared on their project, "Electronic VCD Circulation", which helped the company save approximately \$781,000 annually.

Using the Global Engineering Management System, data traditionally transmitted via VCDs are circulated electronically now.

The process significantly shortens the time needed for approvals and enables time sufficiency for equipment manufacturing. Overseas offices will also benefit from the timely sharing of information.

An eye on safety



Worker with proper welding goggles gets HSE stamp of approval

Together with long-time customer ENSCO, Keppel Batangas launched the fourth Keppel-ENSCO Safety Incentive Programme. Focused on eye injury prevention, the programme aims to promote and reward excellent workplace safety practices.

Reiterating the importance of adhering to safety procedures, Kok Boon Heng, President of Keppel Batangas, said, "Safety rules are our best tools to ensure an accident-free workplace."

Geoffrey Leck Marchment, ENSCO Owner Representative, quipped, "I notice that Filipinos like to sing karaoke. So, please ensure that you have proper eye protection all the

times so that you can see the lyrics when you belt it out with your friends."

74 subcontractors and workers were recognised for their exemplary effort in preventing eye injury. During the award ceremony, the Safety department also prepared a comic skit where they demonstrated the Do's and Don'ts on eye safety.

Common causes of eye injuries are flying objects such as bits of metal and glass, tools, particles, chemicals and harmful radiation. Knowing the eye safety dangers in the workplace and using the proper protection is one's best defense against eye injury.

Twin peaks making history

First unit delivered 1.5 months ahead of schedule while latter rig is also on track for early completion.

NAMING CEREMONY OF PV DRILLING II AND PV DRILLING III



The naming of twin rigs, PV Drilling II and PV Drilling III, marks yet another milestone in the deepening relationship between Singapore and Vietnam

“We are excited to mark Keppel and Vietnam’s quarter-century partnership with the historical naming of two jackup rigs for PV Drilling... We are honoured that PV Drilling has chosen Keppel FELS time and again for their milestone projects.”

*CH Tong
CEO of Keppel O&M*

For the first time in rig history, two identical jackup rigs have been named together by Keppel FELS and customer PetroVietnam Drilling & Well Services Corp (PV Drilling).

The naming of the twins, PV Drilling II and PV Drilling III, was witnessed by Senior Minister of State (SMS) for Trade & Industry, Mr S Iswaran at Keppel FELS on 9 September 2009.

Both rigs are built to Keppel’s proprietary KFELS B Class design,

which is a choice rig for discerning drilling operators worldwide. Together, they will add to the current count of 29 KFELS B Class units that have entered the global offshore market since 2000.

PV Drilling II has since been delivered 1.5 months ahead of schedule, while sister rig, PV Drilling III is also expected for early completion.

SMS Iswaran said, “The early completion and delivery of PV Drilling II and III marks yet another



PV Drilling II and III made history being the first pair of jackup rigs named together on the same occasion

milestone in the deepening relationship between our two nations. It will put Singapore's maritime cluster in good stead to support Vietnam's growing oil and gas sector.

"Today's naming of the twin rigs once again underscores the strengths and capabilities of Keppel and Singapore's marine and offshore industry. Our shipyards have long established a strong reputation for quality and timeliness. They have also gained prominence for their ability to offer specialised services and handle sophisticated projects."

It is estimated that there will be some 900 exploration wells in Vietnam over the next 15 years. To meet the tight exploration schedule, PV Drilling intends to make capital investments of around VND27.4 trillion (US\$1.7 billion) from now till 2025 to build and operate an 11-strong fleet of offshore and onshore rigs.

Do Van Khanh, CEO of PV Drilling and Chairman of PVD Invest, said, "We want to position ourselves to capture Vietnam's growing market for oil and gas services with the support of a strong and reliable shipyard that can deliver projects

"We want to position ourselves to capture Vietnam's growing market for oil and gas services with the support of a strong and reliable shipyard that can deliver projects punctually, on budget and without incidents..."

Having worked with Keppel FELS on several important projects, we are convinced that they are the best people to help us build our highly specialised rig fleet."

*Do Van Khanh
CEO of PV Drilling, and
Chairman of PVD Invest*

punctually, on budget and without incidents.

"We are very pleased with the excellent work Keppel FELS has done on PV Drilling II and PV Drilling III. Having worked with them on several important projects, we are convinced that they are the best people to help us build our highly specialised rig fleet."

CH Tong, CEO of Keppel O&M, said, "We are excited to mark Keppel and Vietnam's quarter-

Continues on page 22...

century partnership with the historical naming of two jackup rigs for PV Drilling.

“High levels of engineering and construction efficiency have been achieved on the twin rigs due to our rich experience in building repeat KFELS B Class jackups, and the excellent team work with our customer. We are honoured that PV Drilling has chosen Keppel FELS time and again for their milestone projects.”

The KFELS B Class rig is able to operate in water depths of 400 ft with a drilling depth of 30,000 ft. Versatility of PV Drilling III has been further enhanced with features like engines that meet more stringent emission standards and lower spud can bearing pressure for operation in areas with soft soil conditions.

Keppel FELS has been involved in the Vietnamese offshore market for 25 years having completed the Hoang Sa, a 1,200-tonne floating crane in 1984 and Vietnam’s first jackup rig, the Tam Dao I in 1988. More recently, in 2007, it delivered Vietnam’s first KFELS B Class jackup, PV Drilling I, ahead of schedule and within budget.

Supporting Vietnam’s growth



Do Van Khanh, CEO of PV Drilling, and Wong Kok Seng, ED of Keppel FELS (right), celebrating the successful collaboration

Speaking at the naming ceremony, PV Drilling’s top executives shared plans to expand the company’s rig fleet.

According to Vietnam Oil and Gas Group’s vice president, Mr Do Van Hau, the company plans to invest US\$1.7 billion until 2025 to build and operate an 11-strong fleet of rigs, including five land rigs and six offshore rigs. The expansion of the rig fleet will support Vietnam’s plans for exploration drilling.

Mr Hau added that some 900 exploration wells will be drilled over the next 15 years, with around 20 to 30 exploration wells to be drilled every year. 15 rigs are now drilling in offshore

Vietnam, including 11 mobile drilling units and four stationary rigs working on Vietsovetro’s offshore structures.

According to PV Drilling’s chief Do Van Khanh, PV Drilling III is expected to conduct mostly exploration drilling in Bach Ho, and has a five-year contract with Vietsovetro.

Mr Khanh also added that sister rig, PV Drilling II is contracted for a one-well campaign. Talks are underway for a two-year charter on the new jack-up.

PV Drilling now owns three jackups. The first unit, PV Drilling I has an ongoing contract until next August and a new charter is being negotiated, Mr Khanh said.

Pledge to best practices

Keppel O&M affirmed its continued commitment to strong governance and business ethics recently by signing South-east Asia's first anti-corruption declaration towards clean business practices.

The company was amongst 17 multinational corporations operating in the region which pledged to make a difference and combat graft.

Inking the pledge on 29 September 2009 at the Governance and Anti-Corruption Conference organised by the Singapore Institute of

International Affairs (SIIA) was CH Tong, CEO of Keppel O&M.

He said, "Integrity is one of the foremost values embraced and embodied by Keppelites in all the countries where we operate. We share in the responsibility to safeguard integrity and shareholder value."

Under the declaration, the companies agree to comply with laws and regulations on corruption and unfair competition. Witnessing the pledge was Singapore's Law Minister K Shanmugam.



CEO of Keppel O&M, CH Tong (left) seals the pledge to strong governance in ink and a firm handshake with SIIA Chairman, Dr Simon Tay

Sharing industry expertise

At the 10th annual FPSO congress in Singapore, MD of Keppel Verolme, Harold Linssen, and Research Engineer (FPSO and Process) of KOMtech, Ronald Chew, shared their insights and expertise on the FPSO market.

The two day conference on 29 and 30 September 2009 saw experts from around the world discussing the technical and strategic aspects of FPSOs.

Harold Linssen presented on "Managing optimised FPSO

assembly in a constrained industry" where he elaborated on the available resources in Europe, traditional project management and unique projects.

Ronald Chew was invited as one of the panelists where he discussed how products coming from research and development help to bridge gaps within the FPSO market.

The offshore and marine industry is one of the fastest growing sectors in Singapore, accounting for 70 percent of the global market in FPSO conversion, rig building and shiprepair.



Ronald Chew (left) shared with the audience on the technological advances of the FPSO market

Green rigs top engineering awards

For its environmentally-friendly offshore rig designs, Keppel FELS received top accolades at the Institution of Engineers Singapore (IES) Prestigious Engineering Achievement Awards on 31 August 2009.

The KFELS Semi Submersible Drilling Tender (SSDT) and

the KFELS B Class jackup were singled out for their unique features, which have contributed significantly to sustainable operations, as well as the safety and well-being of rig crew.

CH Tong, CEO of Keppel O&M, said, "Trend-setting drilling operators worldwide are seeking

more sustainable means of mining oil and gas. With our own rig designs, we have the flexibility to build in unique features to reduce environmental impact, while addressing technological changes in drilling equipment and processes.

"We are very honoured that our

KFELS SSDT

The purpose-built KFELS Semisubmersible Drilling Tender (SSDT) has revolutionised the way in which drilling tenders operate, allowing them to be deployed next to deepwater floating platforms for the first time.

Its outstanding performance in West Africa attests to the design's resilience and suitability for operation in a variety of challenging environments across the world.

The KFELS SSDT is a zero discharge vessel. As part of a stringent drilling waste management system, drilling cuttings which contain hydrocarbon contents are separated by the solid control equipment and stored in containers on the KFELS SSDT's large deck.

This system eliminates the dumping of solid waste into the ocean and reduces the need for frequent supply boat trips to offload the waste. More importantly, it minimises the risk of an accidental spillage.



Keppel FELS's SSDT has established a proven track record for strong operational performance over the past 15 years

Mr Tan Seng Chuan, Chairman of IES Awards Committee, said, "The Keppel FELS SSDT Project has set a new benchmark in the quality of projects submitted for the IES Prestigious Engineering Achievement Awards.

"The breakthrough technologies employed in the project, together with its environment-friendly concepts, makes the SSDT a fine example of how to balance the intricacies of adopting the latest technological advancements to

reduce the effect of harming the environment. This establishes Keppel FELS as the world leader in the design and construction of mobile offshore rigs."

Keppel FELS's SSDT also has a very successful and consistent operational performance history and impeccable Health, Safety and Environment (HSE) indices and has won the Shell Rig Award in 2004 and 2006.



KFELS SSDT and KFELS B Class Jackup project teams with their IES Prestigious Engineering Achievement Awards

proven KFELS SSDT and KFELS B Class rig designs have been reckoned among the greenest engineering projects by IES.

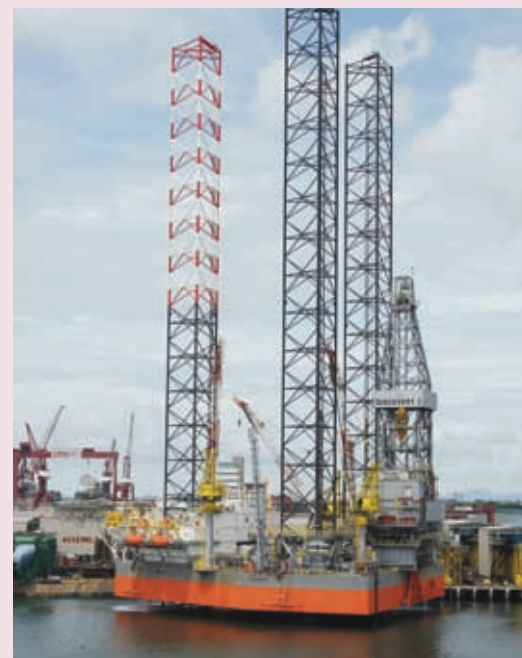
“Looking ahead, we are focused on fostering our technology foresight capabilities to develop products that will address the future needs of drilling companies and operators. We will also continue to improve our current designs to push the envelope for sustainable offshore exploration and production operations.”

KFELS B Class

The KFELS B Class jackup has a proven track record for global operations and is designed for maximum uptime with reduced emissions and discharges.

The main generators at the heart of the rig meet the stringent Engine International Air Pollution Prevention (EIAPP) requirements, and the air-conditioning units also employ non-ozone depleting refrigerants. Quiet and energy efficient AC drives are used for all drilling motors and mooring winches.

In addition, the three legs of the KFELS B Class jackup rig are of the ‘reversed – K’ braced steel design, which makes the legs less bulky and obstructive underwater, as opposed to

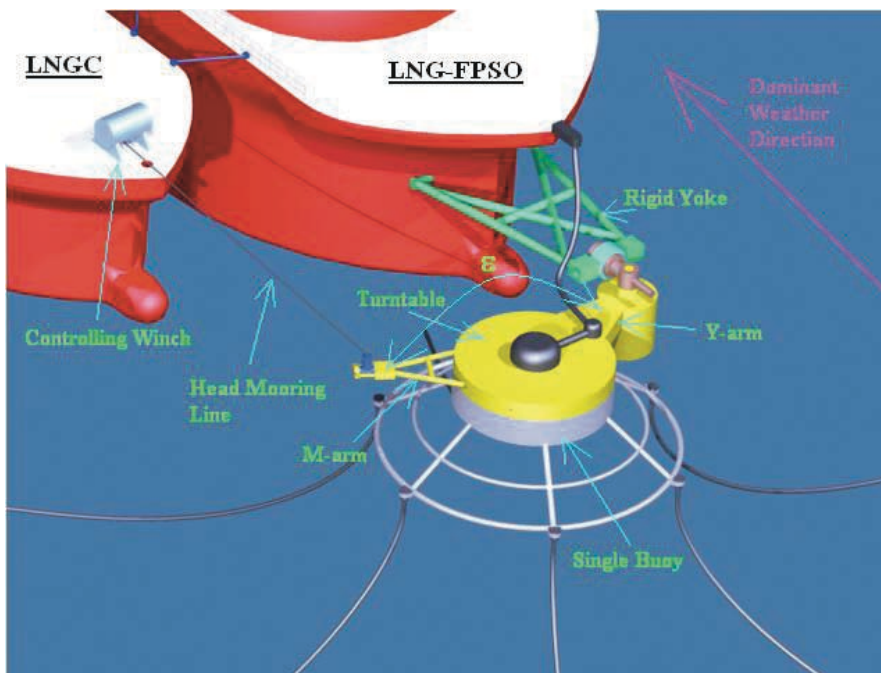


29 KFELS B Class jackup rigs have successfully entered the market to date

conventional jackup rigs in the market. This causes minimal disruption to the eco-system, and allows marine life to co-exist with exploration and drilling activities.

Innovative solutions

Liquefied Natural Gas (LNG) offloading operation needs to be done with great care for safety and security reasons. To address this issue, KOMtech has developed an innovative side-by-side mooring method for LNG offloading operation and cargo transfer. *OffshoreMarine* brings you abstracts on the main features and advantages of these concepts.



Side-by-side Mooring BAY system

When an LNG Carrier (LNGC) is conventionally moored side-by-side to a weathervaning facility, such as a turret moored Floating LNG vessel (FLNG), the previously hydrodynamic symmetry of the FLNG, is disturbed by the presence of the additional vessel alongside it. This asymmetrical configuration causes the vessel to deviate away from the dominant weather direction. The relative motions between the two vessels and forces in the mooring lines and fenders can be reduced if both vessels head in the dominant weather direction.

A new side-by-side Mooring BAY (Balance Arm and Yoke) has been developed by KOMtech. A single mooring buoy is applied in the centre of which risers can swivel. The turntable on the buoy is provided with two arms; namely, M-Arm and Y-Arm – with less than 180° difference between both.

The Y-Arm is connected to a rigid yoke by a ball joint. The other end of the rigid yoke is hinged to the bow of the FLNG. The turntable allows the FLNG to weathervane freely when moored alone. When an LNGC is moored alongside the FLNG, the head mooring line, which is attached to a controlling winch located on the bow of the LNGC, is connected to the free end of the M-Arm. The controlling winch is used to adjust the length of head mooring line to keep both vessels heading in line with the dominant weather direction. Between the two vessels, mooring hawsers and fenders are configured as per conventional.

Tank tests have shown that the new side-by-side Mooring BAY system is able to:

- adjust the heading of the two vessels in line with the dominant weather direction,

- synchronise the pitch motion of the two vessels thereby reducing relative motions, and
- reduce the total mooring forces compared to conventional side-by-side mooring systems.

Patent application has been submitted for this side-by-side Mooring BAY system.

The transfer of cargo between two vessels moored side-by-side is complicated by their relative motions. Use of heave compensation cranes has improved the situation. Even then such transfer operations in an open offshore environment can still be very difficult. To address this issue, KOMtech has developed a system capable of transferring cargo in reasonably large sea states with relative vessel motions of about 2.5m in any direction.

The system consists of rigid arms that are pivoted and connected to both vessels to control cargo motions during transfer. Multiple rotating connections allow the arms to respond to the vessel motions while ensuring the motions of the cargo and vessel remain in phase. Coupling the motion of the cargo to both vessels significantly reduces the relative motions between the cargo and

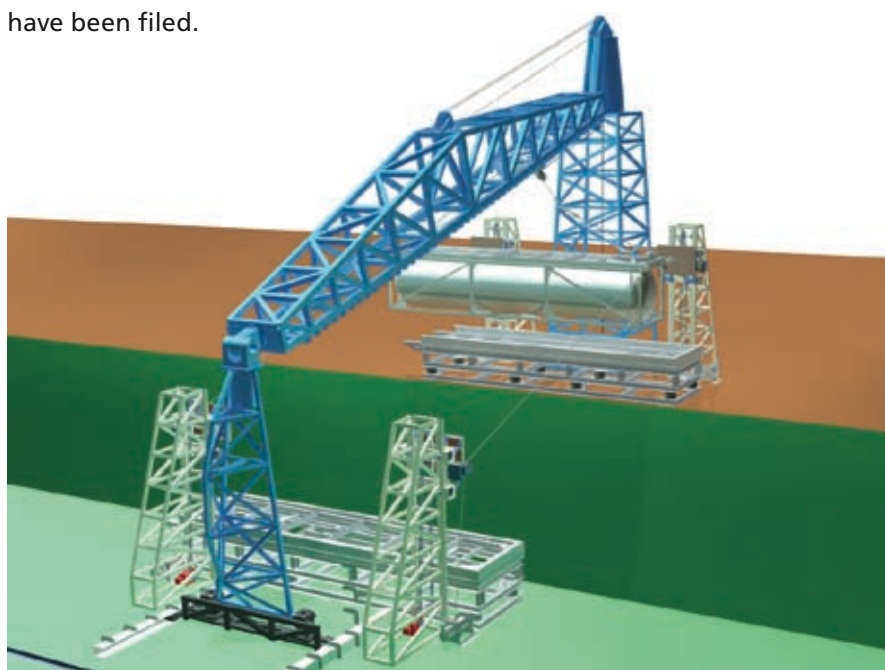
the deck. This in turn reduces the risk of severe impacts while picking up and placing the cargo.

To begin transfer, the cargo is picked up from one deck using a connecting device suspended from a carriage. The carriage then moves along the main member where the cargo is lowered to the second deck. Tag lines and a cargo damping system are used to control the motion of the cargo during transfer and upon arrival at the second vessel. The system is designed to be self deployable and disconnectable in case of an emergency. A provisional patent for this and other similar systems have been filed.

KOMtech is currently soliciting industrial collaboration to further develop these concepts into prototypes. It is envisaged that the cargo transfer system could be generalised for the transport of any bulk commodity between vessels and also along quayside. The side-by-side Mooring Bay system could be utilised for any mooring of vessels alongside each other.

Article contributed by:

Yao Zong, Chong Wen Sin and Michael John Perry of KOMtech, and Rune Henriksen of Keppel Norway



Cargo transfer system

Projected skills



Graduates of Keppel-NUS PMP with facilitators, lecturers and senior management

Thought-provoking, relevant and informative were some of the feedback received from participants on the third run of the annual Keppel-NUS Project Management Programme (PMP).

Jointly developed by Keppel College and NUS Business School, the Keppel-NUS PMP seeks to help young project managers, project superintendents, project engineers and key players refine their work skills in project management.

In particular, PMP focuses on equipping participants to better deal with "front-end" challenges such as procurement, project finance and liability issues.

From 11 to 12 August 2009, 27 participants from Keppel O&M and Keppel Integrated Engineering (KIE) attended lectures and were engaged in rigorous sharing sessions with NUS professors.

Keppel O&M representatives including Daniel Chang, GM of Projects, Keppel FELS, and Louis Chow, GM of Commercial, Keppel Shipyard, were also invited to share their knowledge and experience at these sessions.

CH Tong, CEO of Keppel O&M, shared, "At Keppel, we are dedicated to empowering our people with the right skills to fulfill their current responsibilities as well

as prepare them for greater roles. Programmes such as the PMP are good platforms for Keppelites to learn best management practices from their seniors, external experts as well as from each other so that they can lead more effectively."

One of the PMP participants, Terry Wong, Project Manager of Keppel Shipyard (Tuas), said, "The programme was very comprehensive as it covered many aspects of project management. I have also benefited from the presentations by Daniel and Louis, who discussed Keppel O&M's capabilities in each phase of project management and gave valuable insights on the pitfalls of project management."

Winston Cheng, Senior Project Superintendent of Keppel FELS, said, "The professors from NUS are approachable and their lesson enlightening. The materials and information are also easily applicable to my work."

The programme concluded with a presentation to top management from Keppel O&M, KIE and Keppel Corporation on 21 August 2009 on lessons learnt and applied at the workplace.

Attaining top honours



CB Choo (third from left), Chairman of Keppel O&M, with graduating Keppelites – Choong Kim Whye (extreme left), Gilfred Koh (second from left), Muthuramalingam Ragunathan (fourth from left) and Nair Praveen Narayanan (fifth from left)

With sheer determination and intelligence, three Keppel O&M employees have graduated with first class honours for their Bachelor of Engineering in Marine Engineering/Naval Architecture Programme at Newcastle University.

The top performers are Nair Praveen Narayanan, Engineer of Keppel Shipyard (Tuas), Gilfred Koh, Commercial Manager of Keppel Singmarine and Muthuramalingam Ragunathan, Assistant Project Manager of Keppel Shipyard (Benoi).

Nair Praveen Narayanan has also been awarded the 2009 RINA-Keppel Student Naval Architect Award. This award is co-sponsored by Keppel O&M and presented to students who have

achieved excellent results in their course.

Nair Praveen Narayanan shared, "I appreciate the sponsorship opportunity given by Keppel O&M. It has helped to reinforce my design and engineering capabilities as well as boosted my confidence to work on more complex engineering problems."

CB Choo, Chairman of Keppel O&M, was a Guest-of-Honour at their graduating ceremony on 25 September 2009. He said, "I would like to encourage all of you to continue to deepen your knowledge and your expertise in the years to come. At Keppel, and in our industry we need many more specialists who can engage in research and development to further strengthen our competitive edge in the world."

Graduating with fellow Keppelites is Choong Kim Whye, Section Manager, Engineering (Mechanical) of Keppel FELS, who pursued a Master of Science in Marine Technology (International) programme. This course is designed to provide full-time engineers with enhanced technical and managerial techniques that can be applied in the marine industry.

Life onboard a rig

Growing and developing a capable and committed workforce is essential to meet the needs of our operations worldwide. As such, we spare no effort to ensure that our people are given chances to boost their overseas exposure and skills.

Eager to gain overseas exposure, Wayne Siek jumped at the opportunity to serve as Keppel FELS warranty engineer onboard a semisubmersible rig, which was then berthed around Curacao in the southern Caribbean sea.

Wayne was stationed on Maersk Developer, a semisubmersible built to the KFELS DSS™ 21 Design, from 27 June to 2 September 2009. Prior to the stint, he was a Project Superintendent.

His primary duty was to work closely with Maersk, external vendors as well as Keppel FELS in Singapore to ensure Maersk Developer was in tip-top condition

for her maiden drilling assignment in the Gulf of Mexico.

The two-month stint was an enormous challenge for him because it was his first assignment as a warranty engineer. To fulfill his duty, Wayne had to investigate warranty claims, recommend appropriate responses and facilitate follow-up actions.

Reflecting on the insights gained from the assignment, Wayne said, "This was a valuable learning opportunity. It gave me a deeper and more comprehensive understanding of the rigbuilding industry.

"I have also developed a deeper appreciation of Keppel FELS's entire value-chain in rigbuilding – from design to production to warranty service. With the newly acquired knowledge, I am better able to view my projects from a macro perspective."

Wayne shared that this is his first time working abroad and with such a diverse team. He said, "For this assignment, I had to work with Dutch, Americans, British, Spanish, Burmese, Indians and Germans. This experience has exposed me to varied working cultures and styles.

"I feel I am better equipped for global challenges and overseas postings," he said.

Ever ready to tackle new challenges with a Can-Do! attitude, Wayne recently took on a new set of responsibilities in the Keppel FELS Safety Department.



The two-month stint onboard Maersk Developer has greatly boosted Wayne's overseas exposure and skills

Taking the lead



(From left) Wong Kok Seng, Abu Bakar Mohd Nor and Keith Teo

At Keppel FELS, Wong Kok Seng has been appointed as ED with effect from 28 September 2009.

Abu Bakar Mohd Nor, Senior GM (Operations) of Keppel Shipyard and also GM of Health, Safety

and Environment (HSE) of Keppel O&M, will assume the key roles as Secretary to Keppel Corporation's Board Safety Committee (BSC) and Coordinator for Group Safety Responsibility with effect from 6 November 2009.

He takes over from Charles Foo, MD of Special Projects, Keppel O&M, to whom the Committee would like to express its appreciation for nearly four years of dedicated service.

Daniel Chang Boon Kong, GM (Projects) and Sreedharan Nair Jayakumar, GM (Marketing) of Keppel FELS have been seconded to Keppel Integrated Engineering with effect from 1 October 2009.

Taking over the reins as GM of Marketing is Keith Teo, previously Senior Project Manager, with effect from 1 October 2009.

Fun farm trail

It was back to nature at Kranji Countryside on 26 September 2009.

Organised by KOMtech's Wellness Committee, the outing at Bollywood Veggies provided over 20 employees a chance to bond with fellow colleagues and family members while gaining insight into agriculture industries.

Some of the fun-filled activities during the four-hour event included a guided farm tour, treasure hunt and potting session.

Melissa Brual, Administrative Executive, shared, "I had lots of

fun participating in the treasure hunt – Discovery Harvest. We were given 30 minutes to hunt 10 treasures at the farm based on the list that was given to each group. Even though it was scorching hot, I did not mind running over the field finding the treasures. "

Kong De Cheng, Research Engineer (Offshore Structures Group), said, "I come from the Northern part of China and this is the first time I have visited a farm in the tropical region. This trip was a real eye-opener for my father, son and myself. We were taken aback by the many sights, especially the beautiful



KOMtech employees and their family members enjoy a day at Bollywood Veggies

dragonflies and interesting tropical fruits and trees."

Given the enthusiastic response, the Wellness Committee plans to organise more of such educational tours for employees in the near future.

Bonding over sports

Over the years, Keppel Recreation Club (KRC) has played a pivotal role in fostering camaraderie and team spirit amongst employees. *OffshoreMarine* turns the spotlight on two recent sporting activities organised by the club.



Teamwork is at the heart of dragon boat racing



Team Amber takes top spot at the 7th KRC Bowling League

ROARING PERFORMANCE

KRC's Dragon Boat teams, known as the Keppel Dragons, made a roaring splash at two races – National 5-Crew Boat Challenge and SAVA Sprints International V from 10 to 11 October 2009.

At the National 5-Crew Boat Challenge, one of the men's team won a silver medal whereas two other women's teams garnered silver and bronze awards. Meanwhile, the 12-men team for SAVA Sprints powered its way to the grand finals.

Darryl Tai, Captain of the Keppel Dragons, said "Clinching second

place in a very strong field is an incredible experience, but the greater satisfaction comes from seeing how we have grown into a committed and cohesive unit to overcome the odds."

To be part of the Dragon Boat team, contact darryl.tai@keppelfels.com.

CONSISTENT DELIVERIES

The 7th annual KRC Bowling League saw 16 teams locked in friendly competition, in a 22-week long tournament from 26 February to 6 August 2009.

A platform for employees to

enhance work-life balance and foster friendships with fellow Keppelites across the different business units, some 140 participants put their best foot forward and bowled in style.

With a number of strong teams contending neck-to-neck throughout the competition, the Bowling League kept participants and supporters on the edge of their seats.

Eventually, Team Amber emerged overall champion. In second and third place were Team Stormer X-treme and Team Fastrax respectively.

Helping hand



Keppelites lend a helping hand towards the relief efforts in Manila

In response to the call to assist the victims of Typhoon Ondoy, Keppel Philippines Marine, Inc. (KPMI) has donated PhP200,000 (S\$6,000) worth of relief goods.

KPMI volunteers promptly organised the delivery of staples such as rice, noodles and canned food to relief operation centres of ABS-CBN Sagip Kapamilya Foundation, GMA Kapuso Foundation, Philippine National Red Cross – Rizal Chapter and the Ateneo de Manila University. These were then distributed to the families who had been forced to relocate to numerous evacuation centres near the affected areas.

Juven C. Aquino, Corporate Affairs Officer of KPMI, said, "The spirit of volunteerism is truly alive. A youth volunteer asked us if she could ride in our convoy to the GMA warehouse, adding that she does not have anything to donate but she was willing to share her time to pack the relief goods. That was truly heartwarming."

The Keppel Filipino Community in Singapore have also raised PhP90,500.00 (S\$3,000) for the ABS-CBN Sagip Kapamilya Foundation in aid of the typhoon and flood victims.

Promoting healthy living

For the second year running, the SAFRA Keppel O&M Quadthlon has leapt off the blocks with competitors from around the region taking on the 38.5 km long challenge.

Held on 11 October 2009, some 500 foreign and local participants got up at the crack of dawn to swim, skate, cycle and run at East Coast Park.

Lim Ai Kok, Chairman of the Keppel Recreation Club, Sports Committee, said, "The Quadthlon is a unique sporting event which Keppel is proud to sponsor for the

second year running. We believe in promoting a healthy lifestyle and having a good work life balance."

Embodying the Can-Do! spirit, Keppelites taking part in the relay and individual categories displayed tenacity, speed and endurance to complete the race in credible times.

A member of the Keppel Shipyard (Tuas) relay team, Fadley Amin, said, "The Quadthlon is a challenging and arduous sport. Despite our busy work schedule in Keppel, we managed to set aside some time to form a team of four to train and compete



Team Flash from Keppel Shipyard, Tuas, warming up for the big race

together. There is a great sense of accomplishment after completing this in good time. We look forward to improving our timing next year!"

Defence champion

Keppel Shipyard was presented the Meritorious Defence Partner Award by the Ministry of Defence on 29 July 2009 in recognition of its support and contribution to National Defence.

This is the 18th straight year that Keppel Shipyard has received this award.

From in-camp trainings to mobilisations, Keppel Shipyard has actively supported and recognised the efforts of Operationally Ready National Servicemen (NSmen) employees to carry out their National Service duties effectively.



Minister of State for Defence, Associate Professor Koo Tsai Kee presents the Meritorious Defence Partner Award to Abu Bakar, Senior GM (Operations) of Keppel Shipyard (left)

Care and share



David Low, Senior HR Manager of Keppel FELS (left) received the platinum award on behalf of Keppel O&M from President S R Nathan

Giving to the less fortunate has become second nature to employees at Keppel O&M.

For their outstanding contributions to the community chest, Keppel O&M received the Social Help and Assistance Raised by Employees (SHARE) awards at ceremonies that took place on 9 September and 8 October 2009.

Keppel FELS and Keppel Singmarine won the Platinum award while Keppel Shipyard received the gold award.

Keppel O&M was also conferred the Community Chest Silver Award for donating \$50,000 to the Heartstrings walk in 2008.

David Low, Senior HR Manager of Keppel FELS received the platinum award on behalf of Keppel FELS from President S. R. Nathan. He said, "Keppel O&M has always been a regular supporter of community work and we are honoured to be recognised for our efforts.

"As a responsible and active member of the community, we have fostered a culture of helping and sharing with the under-privileged. Our employees get a sense of satisfaction knowing that their efforts have made a difference to the lives of others."

Credit to Union



KCU reported another successful year at the 30th AGM

Keppel Credit Union (KCU) held its 30th Annual General Meeting (AGM) on 6 October 2009.

In his opening address, Chairman of KCU, Professor Bernard Tan highlighted the achievements for the year 2008. Amid the backdrop of the global economic slowdown, it has earned a net surplus of \$224,703 and membership has increased 10% to 13,336 members.

Professor Bernard Tan, Chairman of KCU, said, "We remain vigilant and prudent in our business approach to achieve sustainability in the long term. With the full support of our members, KCU will do its best to weather the challenges and emerge stronger for the year ahead."

Spurring on academic excellence, a total of 33 book awards between \$200 to \$1,000 were presented by KCU to the members' children this



33 book awards were presented to the children of KCU members

year to encourage them to perform even better.

Nithianathan Sigamani, 24, a chemical engineering student at Nanyang Technological University was pleased to receive the award. He said, "This is a great

form of encouragement which keeps me motivated to study hard. I plan to use the \$1,000 to buy books and materials related to my studies. In addition, I feel that this is a union who cares for its members."

Giving back to communities

Keppel Batangas Shipyard has always placed emphasis on corporate social responsibility, which includes nurturing the young as well as protecting the marine environment, *OffshoreMarine* reports.

KEEPING THE COAST CLEAR

Armed with rakes, trash bags and Keppel's trademark Can Do! spirit, volunteers from Keppel Batangas Shipyard and their subcontractors as well as the members of the local community, came together on International Coastal Clean-up Day on 19 September 2009 to clean up Batangas Bay.

International Coastal Clean-up Day, which falls annually on the third Saturday of September, is a global environmental movement to promote environmental awareness and a shared responsibility towards protecting the rivers, seas and oceans.

Kok Boon Heng, President of Keppel Batangas Shipyard, said, "This clean-up effort is our way of practicing global environment protection on a local level. Everyone must do their share in disposing their garbage properly to protect the marine environment."

SEEDING THE FUTURE

Keppel Batangas Shipyard signed a Memorandum of Agreement (MOA) on 20 August 2009 with the Pilipinas Shell Foundation to be one of the industry partners to the local oil major's Sanayan sa Kakayahang Industriyal (SKIL)



Kok Boon Heng (left), President of Keppel Batangas Shipyard hands a diploma to a SKIL graduate

programme for out-of-school youth in the Philippines.

Under this program, the shipyard will provide TESDA-accredited (Technical Education & Skills Development Authority) training programmes on structural steel work and welding to over 200 SKIL scholars from the provinces of Batangas, Mindoro and Pandacan.

It also signed a MOA with the Malampaya Foundation to impart welding skills and knowledge to its scholars in its shared endeavor of bridging employment through skills training.

"We are here today because of our shared responsibility to the members of our community, especially the out-of-school youth, in providing them a better chance to become productive members of society," said Kok Boon Heng, during the graduation ceremony at the Lyceum of the Philippines University.



Volunteers from the Safety Department are undeterred by the rocky coastline during the clean-up

Striking friendships

As competitive spirits took to the lanes at the Keppel FELS Sundowner Bowl-a-thon, teams comprising Keppelites and their business counterparts bowled their best to outdo each other.

In the midst of the contest for the winning titles, friendships were forged at the tournament held on 25 September 2009 at Home Team NS Starbowl.

Beyond building enduring business relationships through its quality service and products, these 'Sundowner' events organised by Keppel FELS Marketing provide informal platforms for Keppelites to network with and know their customers better.

The strong turnout at the Sundowner Bowl-a-thon saw teams fielded by Keppel FELS and its customers from Ensco International, Floatel, PetroVietnam Drilling and Jindal.



Bowling to closer friendships

KEPPEL GROUP NEWSBYTES

KEPPEL CORPORATION POSTS SOLID NINE MONTHS RESULTS

Keppel Corporation delivered a strong set of results with a record PATMI of \$922 million for the first nine months of 2009. This represents an increase of 11% over the same period last year. Group revenue of \$9.2 billion was 14% above that of the corresponding period in 2008.

KEPPEL LAND WINS BEST OFFICE DEVELOPER AWARD

Keppel Land was named Best Office Developer in Singapore at the Euromoney Real Estate Awards 2009. The award recognises the best in the global real estate industry.

The awards system is based on results pooled from a survey of senior decision makers in the global real estate industry and major corporate end-users from over 50 countries.

GREEN TRANSPORT IN TIANJIN ECO-CITY

Sino-Singapore Tianjin Eco-City Investment and Development Co., Ltd. is fostering collaborations with leading Singapore transport organisations to lay the foundation for a comprehensive and effective green transport system in the Sino-Singapore Tianjin Eco-City (Tianjin Eco-City).

The green transport system which features public transport system and electric and hybrid electric vehicles for both public and private vehicles will help improve air quality and reduce carbon emissions in the Tianjin Eco-City.



Keppel Land's sterling office portfolio is in good stead to grow with Singapore's reputation as a prestigious business address in Asia

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Cause for celebration

Keppel AmFELS launches first of Rowan's EXL rigs as work resumes on fourth.



Work on Rowan's fourth rig has started with delivery expected in the first quarter of 2012

The first of four jackup rigs that Keppel AmFELS is building for Rowan Companies, Inc. (Rowan) made a mighty splash as she was launched into the water on the morning of 16 October 2009.

The launch of the Rowan EXL No. 1 rig took place amidst roaring applause and cheers by Rowan and Keppel AmFELS management personnel and workers who had a part in the rig. The milestone marks the completion of the rig's main hull and is a significant progress in the construction of the rig.

"This is a very exciting day," said David Russell, Rowan's Executive Vice President of Drilling Operations.

Built to the enhanced LeTourneau Super 116E design, the rig which will employ the latest state-of-the-art technology can drill high-pressure, high-temperature and extended-reach wells of 35,000 ft in water depths of more than 350 ft.

David Russell added, "These are 50-year investments for us. This rig is a little bigger and stronger than most out there, so it's a little more expensive. It will work in deeper waters and can drill to greater depths."

G.S Tan, President & CEO of Keppel AmFELS, said, "We are proud to be building the high specification, premium rigs, which will be powerful additions to

Rowan's fleet. With our robust construction capabilities and commitment to deliver on time and within budget, we look forward to many more milestones to be achieved in the months ahead."

Currently, the first three rigs are on schedule and on budget, with deliveries scheduled for the 2010 and 2011. Orders for the four were placed in late 2007.

ROWAN'S RESUMES FOURTH RIG CONSTRUCTION

Construction on Rowan's fourth EXL jackup rig has also started with delivery expected in the first quarter of 2012.

Matt Ralls, Rowan's President & CEO, said, "In early 2009, we suspended construction of this rig due to liquidity concerns and a weakening jackup drilling market, pending a decision in the third quarter about whether to complete or cancel this rig.

"We have now decided to resume construction based on substantial positive changes in our liquidity outlook through 2010 and our expectation of generating attractive returns from this rig."

"We are confident that there will be an increase in demand for very capable, high-specification jackups for deep, difficult wells going forward," concluded Matt Ralls.