

Annual General Meeting

Presentation by CFO Mr Chan Hon Chew

20 April 2018



Keppel Corporation

Resilience through Multi-business Strategy



Large-scale Mixed-use Urban Developments



Gas Strategy



Environmental Infrastructure



Asset Management Platform

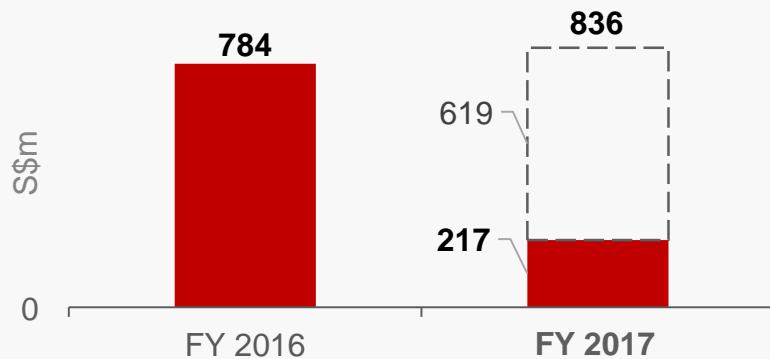


Omnichannel Logistics & Channel Management Solutions

Financial Performance

FY 2017 net profit

S\$217m, down 72% yoy



S\$m	FY 2016	FY 2017
Offshore & Marine	29	(835)
Property	620	685
Infrastructure	99	132
Investments	36	235
Total	784	217

ⁱ Dividend per share

- Net profit of S\$217m
 - Excluding one-off global resolution and related costs of S\$619m, net profit would have been S\$836m
 - Year-on-year, all Divisions other than O&M registered strong growth
- Free cash inflow of S\$1,802m in FY 2017, vs S\$540m in FY 2016
- Net gearing was 0.46x at end-2017, vs 0.56x at end-2016
- Proposed final DPSⁱ of 14 cts (ring-fenced one-off global resolution and related costs)
- Total DPS of 22 cts for FY 2017
- On track with growth plans



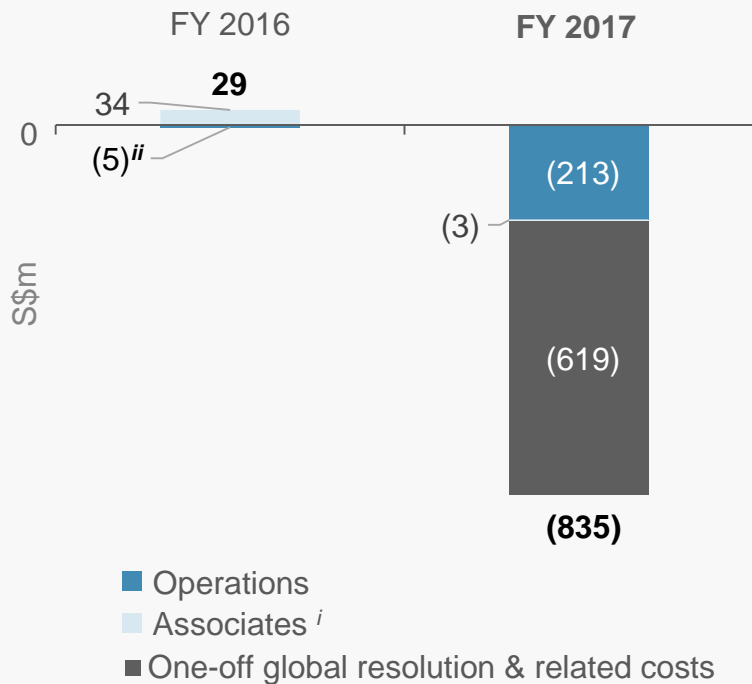
Golar Hilli Episeyo – the world's first converted FLNG vessel

Offshore & Marine

Offshore & Marine

FY 2017 net loss

S\$835m



- One-off impact from global resolution and related costs of S\$619m
- Made S\$81m additional provision for losses on Sete's semis and S\$54m impairment on other assets
- New orders amidst tough conditions
 - Secured ~S\$1.2b non-drilling projects in 2017
 - More than double the ~S\$500 million of new orders in 2016

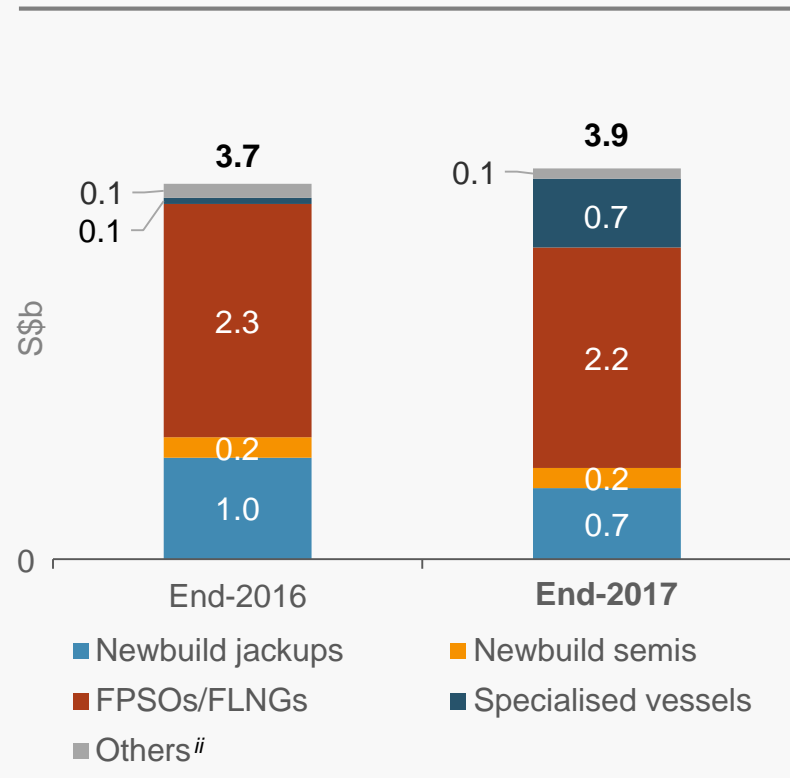
ⁱ Includes contributions from Floatel, Seafox and Dyna-Mac, etc.

ⁱⁱ Includes impairment of S\$277m for fixed assets, stocks & WIP and investments

Offshore & Marine

Net orderbookⁱ

S\$3.9b as at end-2017



- 10 major projects delivered in 2017, including the world's first FLNG conversion
- Novated 5 jackup rig contracts to Borr Drilling, the first of which was delivered in Jan 2018

ⁱ Excludes semis for Sete

ⁱⁱ Includes modification, upgrading, fabrication and rig repairs



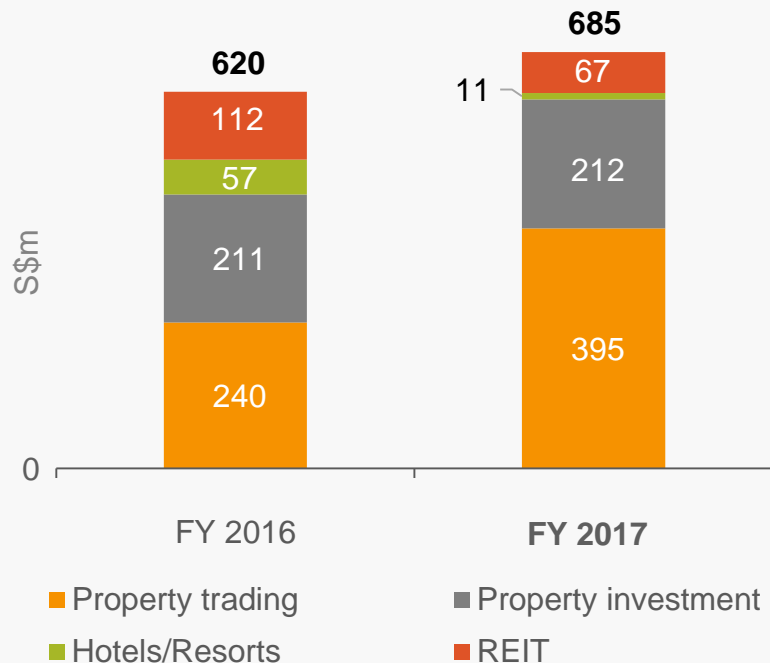
Launch of Tilia Residences in Ho Chi Minh City

Property

Property

FY 2017 net profit

S\$685m, up 10% yoy

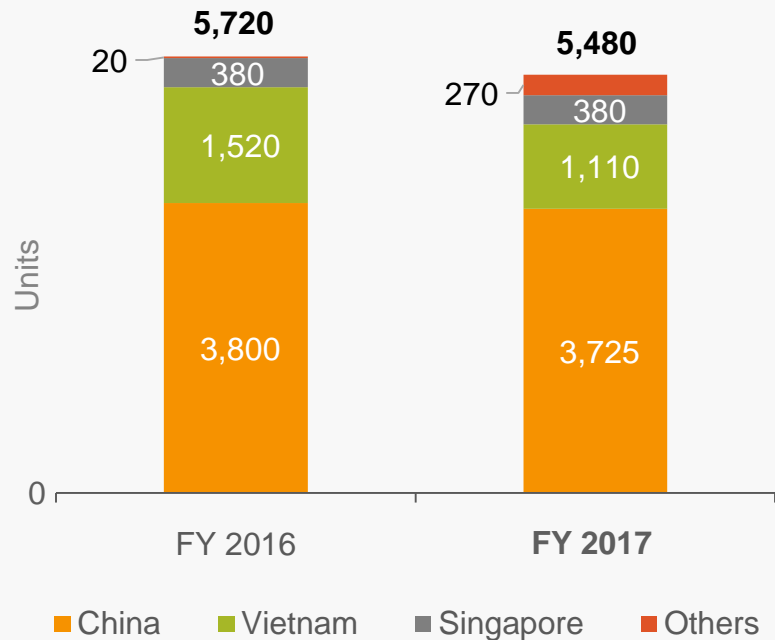


- Building a multi-dimensional property company with a strong focus on returns
 - Announced 5 divestments totaling ~S\$1.0b
 - Recognised total divestment gains of S\$212mⁱ in 2017
 - Announced 9 acquisitions totaling ~S\$1.6b in 2017 in China, Vietnam, Singapore and Thailand

ⁱ Divestment gains mainly from Waterfront Residences in Nantong, Central Park City in Wuxi, Botanica in Chengdu, Sedona Hotel Mandalay, PT Sentral Tunjungan Perkasa in Surabaya and the West Bali site.

Property

Home sales

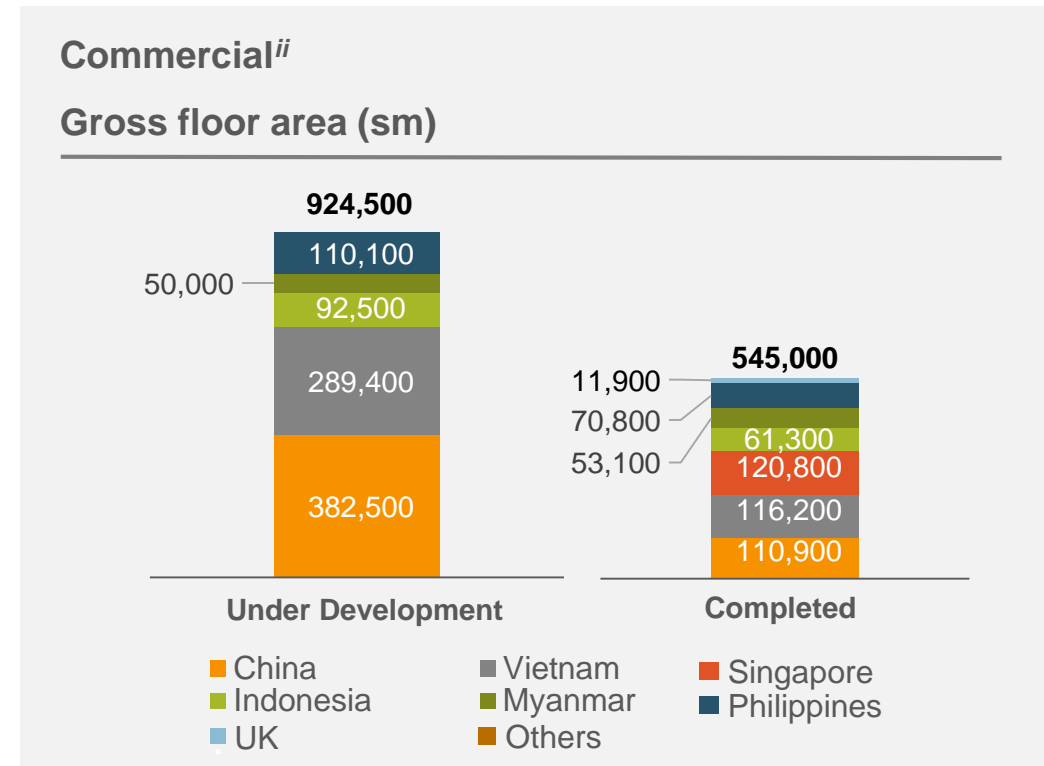
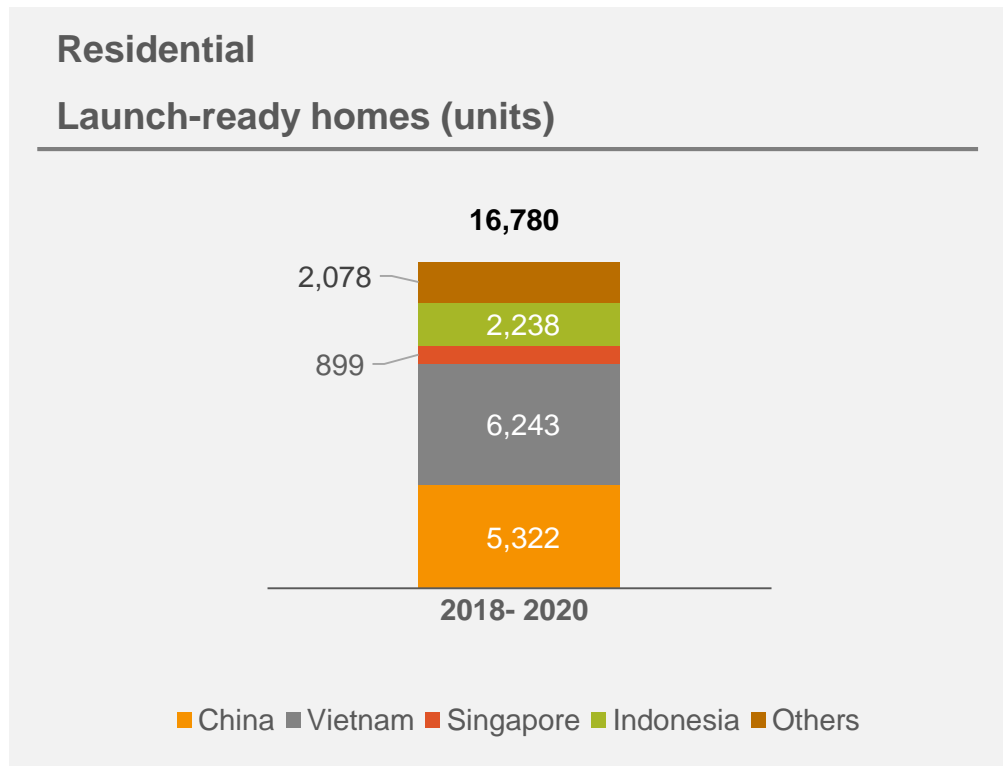


- Sold over 5,480 units in 2017, with total sales value of ~S\$2.8b
 - Tightening measures in China and timing of launches in Vietnam led to lower volumes
 - Singapore sales remained steady, with The Glades sold out
 - Indonesia recorded higher sales of 270 units
- Divested 3 projectsⁱ in 2017, equivalent to 4,330 homes sold en bloc, vs 630 homes in 2016

ⁱ The three projects are Waterfront Residences in Nantong, Central Park City in Wuxi, and Palm City land plots in Ho Chi Minh City

Property Portfolio

- Residential landbank of ~63,000 homes as at end-2017, after replenishing pipeline with ~5,710 homes
- Total commercial portfolio can generate annual net operating income of ~S\$300m when stabilisedⁱ



ⁱ Assumes completed developments and those under development achieve >90% occupancy

ⁱⁱ Excludes Keppel REIT's assets



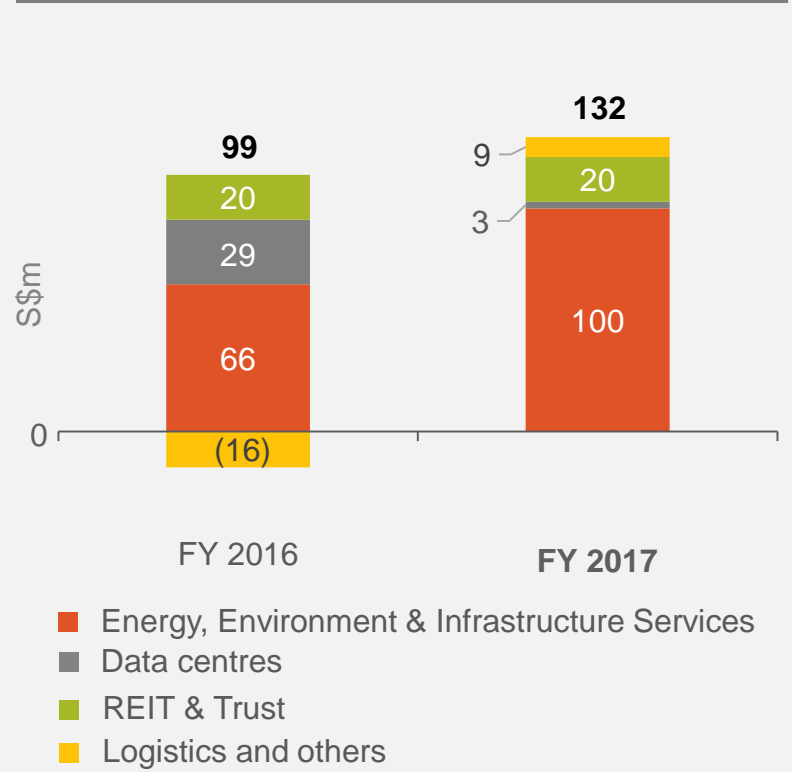
Artist impression of the Hong Kong Integrated Waste Management Facility (IWMF)

Infrastructure

Infrastructure

FY 2017 net profit

S\$132m, up 33% yoy



- Stronger performance driven by energy infrastructure and infrastructure services
- Key milestones
 - Jointly secured S\$5.3bⁱ DBO contract with Zhen Hua for HK's first IWMMF
 - Keppel Marina East Desalination Plant is over 30% completed
 - Achieved final handover of Doha North Sewage Treatment Works
 - Won contracts to provide waste-to-energy technology in China
 - Launched omnichannel logistics and channel management solutions arm, UrbanFox

ⁱ Keppel Infrastructure's share of the contract value is S\$1.95b



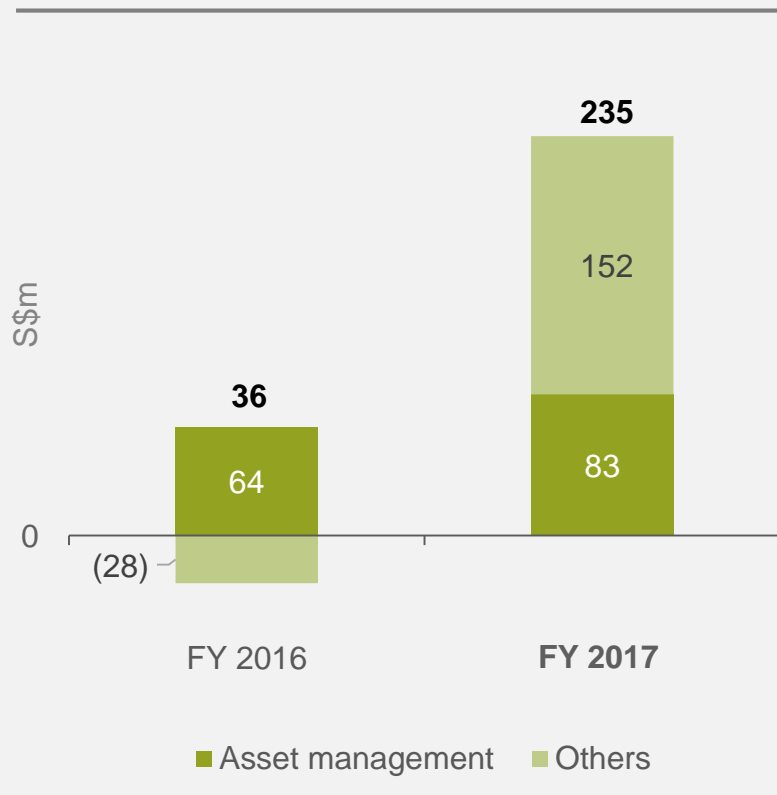
Listing of Keppel-KBS US REIT on the Singapore Exchange

Investments

Investments

FY 2017 net profit

S\$235m, up >500% yoy



- Investments Division becoming a stronger contributor to the Group
 - Sino-Singapore Tianjin Eco-City on track for long-term growth
 - Keppel REIT and Keppel DC REIT made 3 acquisitions totaling S\$670m
 - Listed Keppel-KBS US REIT on SGX-ST
 - Alpha raised US\$1b for Alpha DC fund and US\$560m for Alpha Asia Macro Trends Fund III
 - Target to grow Keppel Capital AUM to S\$50b by 2022
 - Established Keppel Urban Solutions

Strong Track Record in Master Development



Sino-Singapore Tianjin Eco City

- Total land area ~30 sq km, over 45% of which has been developed/sold
- Keppel's 45% stake in the master developer yielded S\$120m net profit in FY2017

Shaping the Future



Our mission:

*Guided by our operating principles and core values,
we will deliver solutions for sustainable urbanisation
profitably, safely and responsibly.*

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