

Annual General Meeting

Presentation by CFO
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23 April 2019

Transforming for Growth

Keppel



Solutions



- /// Cleaner energy & renewables
- /// Smart cities & quality real estate
- /// Senior living

Opportunities

- /// Floating infrastructure & data centre parks
- /// M1 transformation

Key highlights

S\$944m

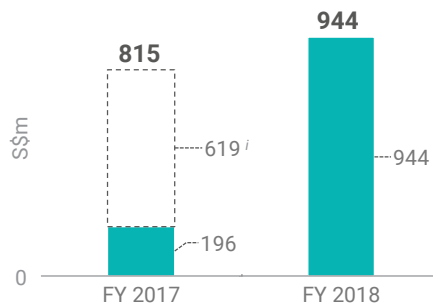
FY 2018 net profit up 382% from S\$196m for FY 2017

15.0 cts/share

Proposed final cash dividend will bring total FY 2018 dividends to 30.0 cts/share

Financial Performance

Net profit



S\$m	FY 2017	FY 2018
Offshore & Marine	(826)	(109)
Property	650	938
Infrastructure	134	169
Investments	238	(54)
Total	196	944

- ROE was 8.3%
- Free cash inflow of S\$515m in FY 2018 vs S\$1,802m in FY 2017
- Net gearing was 0.48x at end-2018 vs 0.46x at end-2017

ⁱ One-off global resolution & related costs

Offshore & Marine

LNG vessels at Keppel
Shipyards, Singapore



Offshore & Marine

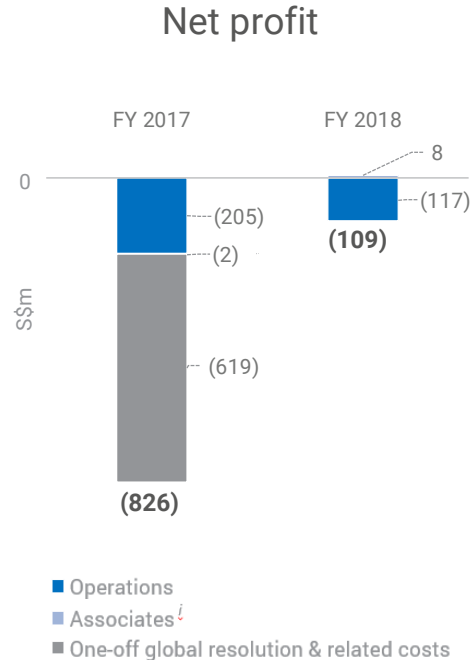
Key highlights

S\$39m

4Q 2018 net profit excluding RIDs

S\$6m

FY 2018 net profit excluding RIDs



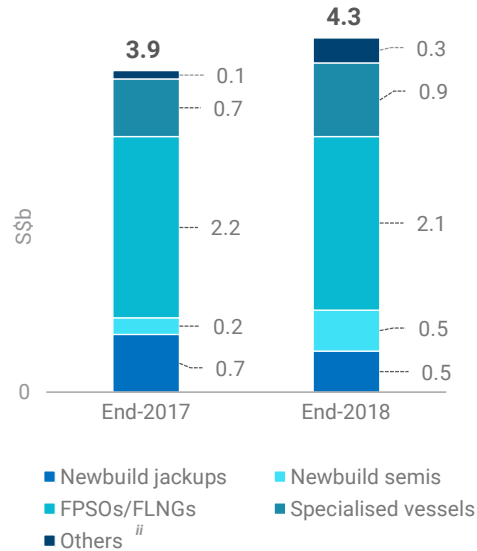
ⁱ Includes contributions from Floatel, Seafox, Dyna-Mac, etc.

- FY 2018 net loss including RIDs down 47%ⁱⁱ yoy
- Made S\$167m additional provision for losses on semis for Sete and S\$32m impairments on other assets in 4Q
- Wrote back S\$96m of provisions for claims in 4Q

ⁱⁱ Comparison excludes one-off global resolution & related costs in 2017

Offshore & Marine

Net orderbookⁱ



ⁱ Excludes semis for Sete

ⁱⁱ Includes modification, upgrading, fabrication and rig repairs



Secured new contracts of
~S\$1.7b in 2018

- Net orderbook of S\$4.3b as at end-2018



LNG and scrubber projects
worth over S\$600m secured in
2018

- Received LNTPⁱⁱⁱ to commence early conversion works for Gimi FLNG
- Won 65 scrubber retrofitting jobs

ⁱⁱⁱ Limited Notice to Proceed

Property

Estella Place, Ho Chi Minh
City, Vietnam





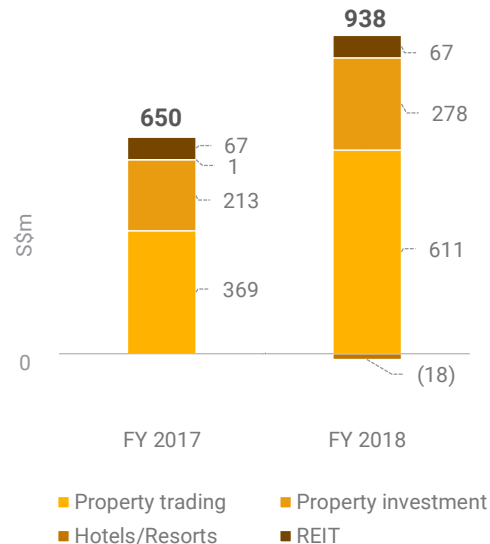
FY 2018 net profit up 44% yoy

Supported by en bloc sales and divestment gain from Beijing project



Property

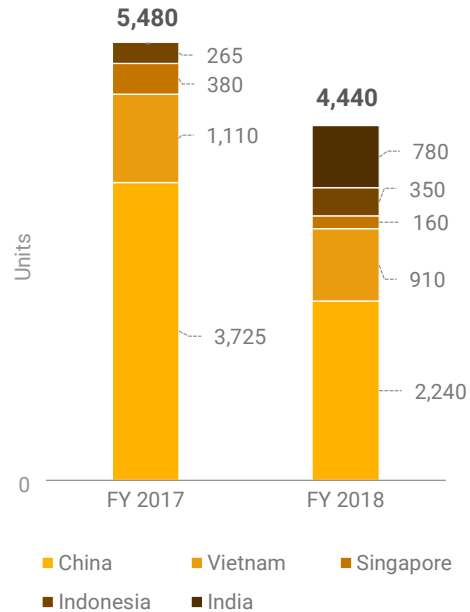
Net profit



- Completed 7 acquisitions totalling ~S\$0.8b in 2018
 - Including residential sites in China & Indonesia, and increased stakes in Saigon Sports City and a Singapore retail mall
- Completed 10 divestments/en bloc sales totalling ~S\$1.7b in 2018
 - Including residential projects and a commercial project in China, and a stake in a Vietnam company

Property

Home sales



Residential landbank of about 50,000 units

- Sold 4,440 units in 2018, with total sales value of ~S\$1.8b
- Sold 5 development projects equivalent to ~11,500 units sold en bloc in 2018
- Sale of 8,410 overseas units worth ~S\$2.7b recognisable from 2019-21
- ~19,000 units launch-ready from 2019-21



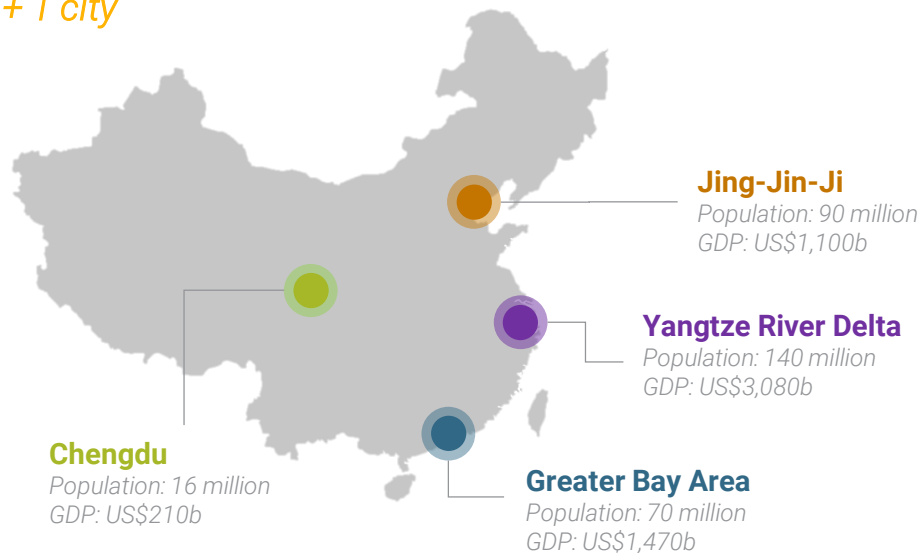
Commercial portfolio with total GFA of 1.5 million sm

- 60% of commercial GFA under development
- Acquired a completed commercial property in Haidian District, Beijing, China's IT hub

Capturing Opportunities in China

Focused on long-term growth

3 regions + 1 city



Acquired sites in markets with robust supply-demand dynamics

Home supply absorption rateⁱ (end-2018)

City	Estimated absorption rate (months)
Nanjing	5.2
Chengdu	5.1
Sino-Singapore Tianjin Eco-City	5.6

ⁱ Based on home supply with pre-sales permit vs average monthly demand over the past 5 years

Sources: China Real Estate Index System, REALLYDT & Kaicheng Real Estate

Infrastructure

Artist's impression of
IndoKeppel Data Centre 1
in Bogor, Indonesia





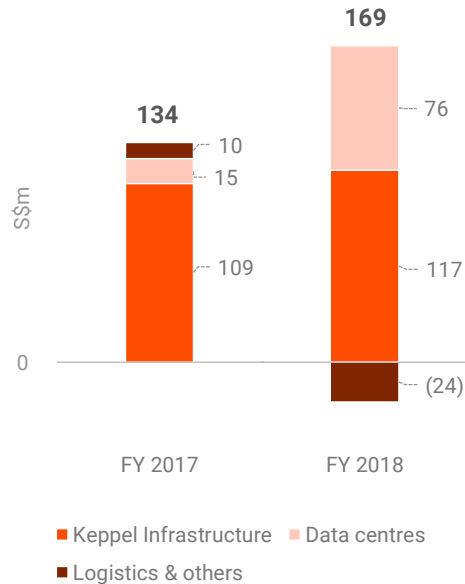
FY 2018 net profit up 26% yoy

Supported by higher contributions from data centre, environmental infrastructure and infrastructure service businesses



Infrastructure

Net Profit



- Secured S\$180m contracts in 2018 for energy & environmental infrastructure
- KMEDPⁱ over 80% completed; HKIWMFⁱⁱ design & engineering on track
- Keppel Electric growing clientele across commercial, industrial & household sectors
- Keppel Logistics expanding omnichannel logistics business

ⁱ Keppel Marina East Desalination Plant

ⁱⁱ Hong Kong Integrated Waste Management Facility

Infrastructure

Expanding data centre portfolio

22 data centres

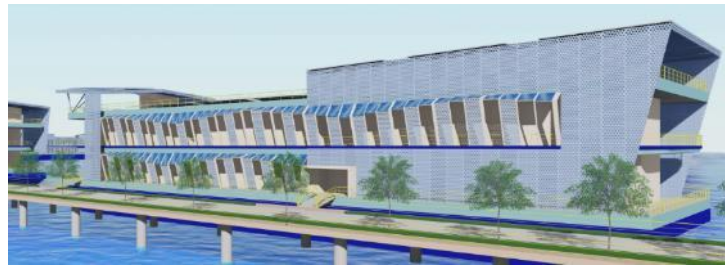
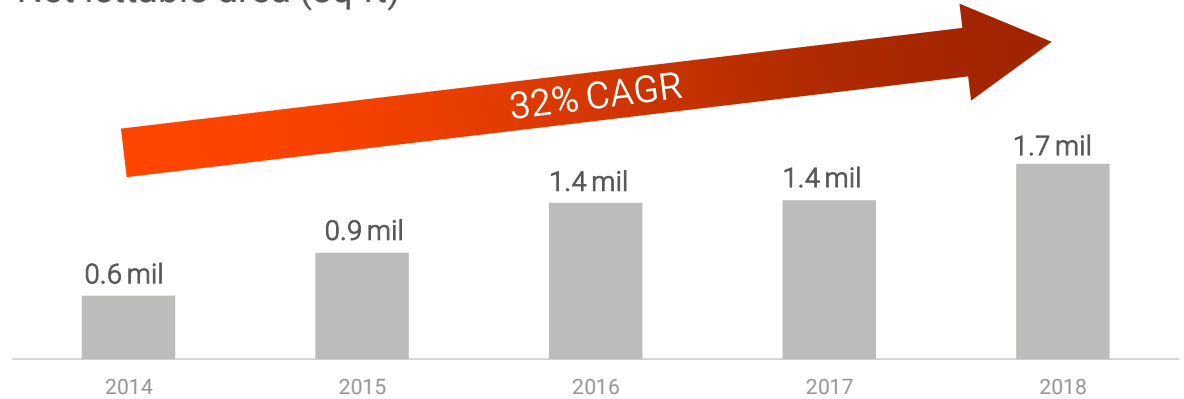
Spanning 14 cities in Asia-Pacific & Europe

~S\$2.7b

Combined portfolio valueⁱ of data centres completed and under development

ⁱ Includes estimated development costs for 3 projects currently under development

Net lettable area (sq ft)



Floating data centre parks



High-rise green data centres

Investments

Maitland Promenade I office property in Orlando, Florida, U.S.

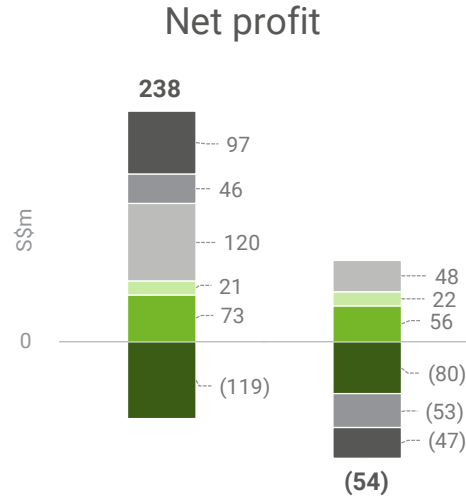




FY 2018 net loss due mainly to share of losses from KrisEnergy and impairment of investment in an associated company



Investments



■ Asset management ■ KrisEnergyⁱ
■ M1ⁱ ■ SSTECⁱ
■ Write-back/(impairment) of an associated company ■ Others

- Keppel Capital announced acquisitions of over S\$2.0b and closed AAMTFⁱⁱ III at US\$1.1b
- Keppel Urban Solutions entered MOU to develop smart IoT city in Wuxi, China
- Tianjin Eco-City master developer sold three land plotsⁱⁱⁱ for RMB3.4b

ⁱ Share of associated companies' results
ⁱⁱ Alpha Asia Macro Trends Fund
ⁱⁱⁱ Profit from land plot sold to Keppel Land will be recognised when units are sold and completed by Keppel Land

Pursuing Growth Opportunities



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.