

Analysts' Briefing

9 April 2014

Keppel Corporation

Formidable Alliance



Keppel Offshore & Marine

- World's leading integrated offshore and marine group
- Foremost designer and builder of offshore rigs
- Leading vessel conversion and repair yard
- Designer and builder of specialised ships
- Global network of 20 yards

Titan Petrochemicals Group

- Owns Titan Quanzhou Shipyard, one of China's largest modern shipyards
- Provides logistics, transportation, distribution and marine services for petrochemical products in China and Asia-Pacific
- **Guangdong Zhenrong Energy Co. Ltd**, China's state-owned energy and resources commodity trading conglomerate, is a major shareholder



A 30-year Partnership

Subject to completion of Titan's financial restructuring:

- Keppel will second management team to operate and manage Titan Quanzhou Shipyard [TQS] for 30 years.
- TQS will only build rigs and offshore vessels to Keppel's proprietary designs.
- Keppel will propose suitable, further enhancements to yard facilities.

Why Titan Quanzhou Shipyard

1) Prime geographical location

- Situated in the Douwei deepwater port, near Meizhou Bay, Fujian Province
- Sited along busy shipping and trading routes on China's Southeastern coastline.
- Close to some of Asia's busiest ports – Shanghai, Hongkong, Taipei and Kaohsiung.



Why Titan Quanzhou Shipyard



TQS can accommodate large bulk carriers, VLCCs and the world's largest container ships.

2) Modern sizeable facility designed for massive offshore & marine projects

When fully completed, TQS will feature:

- 110-hectare site with 3,600-metre shoreline and 10 berths.
- Four large dry-docks with combined docking capacity of about 1 million dwt.
- Suitable for:
 - Constructing semis & jackups
 - Converting huge double-hull FPSOs
 - Fabricating topside modules & process platforms
 - Shiprepair

Seizing *Near Market, Near Customer* opportunities

- **Making inroads** into China's closed offshore market, which is exclusive to State-owned Enterprises.
- **Strong partners** with good networks and the ambition to establish leadership position in China.
- **Opportunity to populate** Keppel's proprietary designs in Chinese waters.

Strategic value creation

- **Creating value** and positive spin-offs for the Keppel Group.
- **Expanding global capacity** without significant investments.
- **Meeting the challenges** of Singapore's tightening foreign labour quota.

This release 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.