



1Q 2006 Results Announcement

27 April, 2006

Scope of Briefing

- ◆ Address by Executive Chairman
- ◆ Group Financial Highlights
- ◆ Business Review & Outlook

Address By Executive Chairman

A Strong Start To 2006

- ◆ Sustained strong earnings momentum
 - ✓ PATMI up 18%
- ◆ Secured record O&M contracts
 - ✓ \$3.2b contracts clinched
- ◆ Strengthened earnings visibility
 - ✓ Orderbook builds further into 2009

1Q'06 Growth Initiatives

- ◆ Increasing fabrication capacity
- ◆ Expanding global footprint
- ◆ Leveraging strong domestic demand for prime office space
- ◆ Harnessing property growth platforms - townships & fund management

On Track To Meet Double-Digit Earnings Growth

Group Financial Highlights

Financial Achievements in 1Q 06

| | |
|----------------|-----------------------|
| PATMI | ↑ 18% to S\$170m |
| EPS | ↑ 17% to 21.6cts |
| Annualised ROE | ↑ from 16.4% to 17.6% |
| EVA | ↑ S\$33m to S\$75m |
| Free cash flow | ↓ 25% to S\$129m |
| Net gearing | ↓ from 0.47x to 0.41x |

Financial Highlights

| S\$m | <u>1Q 2006</u> | <u>1Q 2005</u> | <u>% Change</u> |
|--------------------------|-----------------------|-----------------------|------------------------|
| Revenue | 1,544 | 1,133 | 36.3 |
| EBITDA | 207 | 159 | 30.2 |
| Operating Profit | 176 | 128 | 37.5 |
| Profit Before Tax | 255 | 204 | 25.0 |
| PATMI | 170 | 144 | 18.1 |
| EPS (cents) | 21.6 | 18.4 | 17.4 |

Revenue by Segments

| S\$m | <u>1Q 2006</u> | <u>%</u> | <u>1Q 2005</u> | <u>%</u> | <u>% Change</u> |
|------------------------------|-----------------------|-----------------|-----------------------|-----------------|------------------------|
| Offshore & Marine | 1,216 | 79 | 867 | 77 | 40 |
| Property | 153 | 10 | 126 | 11 | 21 |
| Infrastructure | 151 | 10 | 140 | 12 | 8 |
| Investments | 24 | 1 | - | - | NM |
| Total | 1,544 | 100 | 1,133 | 100 | 36 |

Pretax Profits by Segments

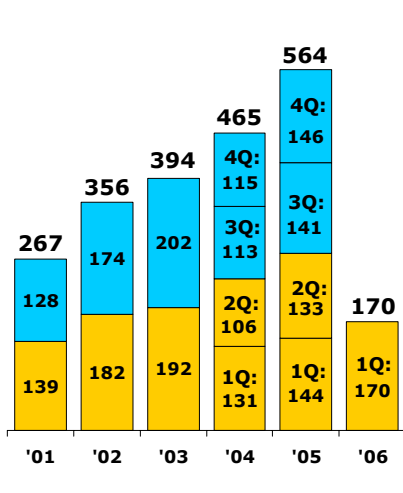
| S\$m | <u>1Q 2006</u> | <u>%</u> | <u>1Q 2005</u> | <u>%</u> | <u>% Change</u> |
|-------------------|----------------|------------|----------------|------------|-----------------|
| Offshore & Marine | 123 | 48 | 97 | 48 | 27 |
| Property | 50 | 20 | 49 | 24 | 2 |
| Infrastructure | - | - | (1) | (1) | 100 |
| Investments | 82 | 32 | 59 | 29 | 39 |
| Total | 255 | 100 | 204 | 100 | 25 |

PATMI by Segments

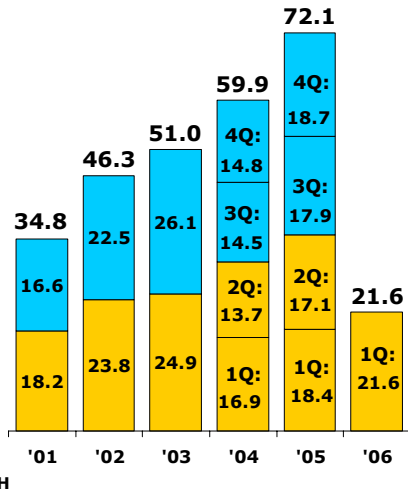
| S\$m | <u>1Q 2006</u> | <u>%</u> | <u>1Q 2005</u> | <u>%</u> | <u>% Change</u> |
|------------------------------|-----------------------|-----------------|-----------------------|-----------------|------------------------|
| Offshore & Marine | 79 | 47 | 71 | 49 | 11 |
| Property | 22 | 13 | 22 | 15 | - |
| Infrastructure | (3) | (2) | 2 | 2 | NM |
| Investments | 72 | 42 | 49 | 34 | 47 |
| Total | 170 | 100 | 144 | 100 | 18 |

Consistent Earnings Growth

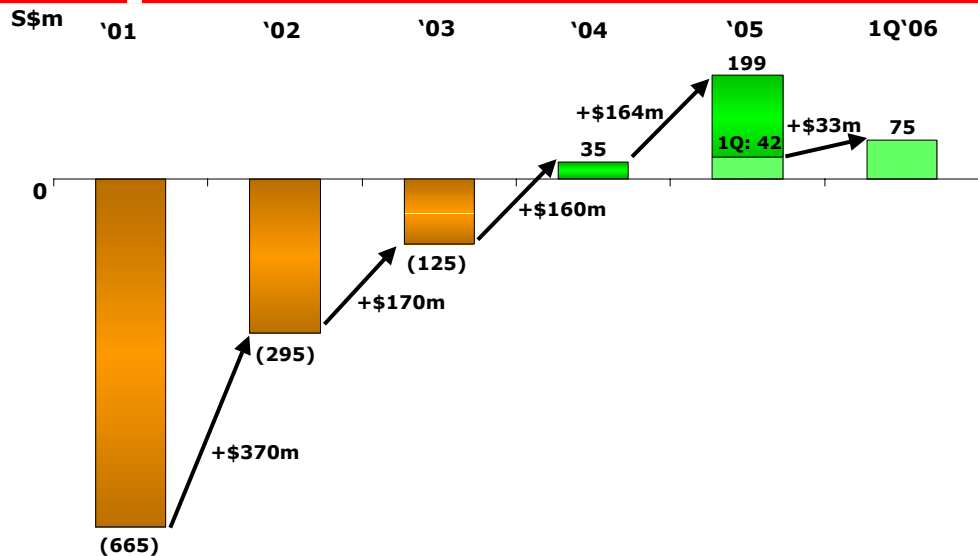
PATMI (S\$m)



EPS (Cents)



Continued EVA Growth



Healthy Free Cash Flow

| | <u>1Q 2006</u> |
|--|----------------|
| | S\$m |
| Operating profit | 176 |
| Depreciation & other non-cash items | 27 |
| | <hr/> |
| | 203 |
| Working capital changes | 87 |
| Interest & tax paid | (10) |
| | <hr/> |
| Net cash from operating activities | 280 |
| Investments & capex | (188) |
| Divestments & dividend income | 37 |
| | <hr/> |
| Net cash used in investing activities | (151) |
| | <hr/> |
| Free Cash Flow | 129 |
| | <hr/> <hr/> |

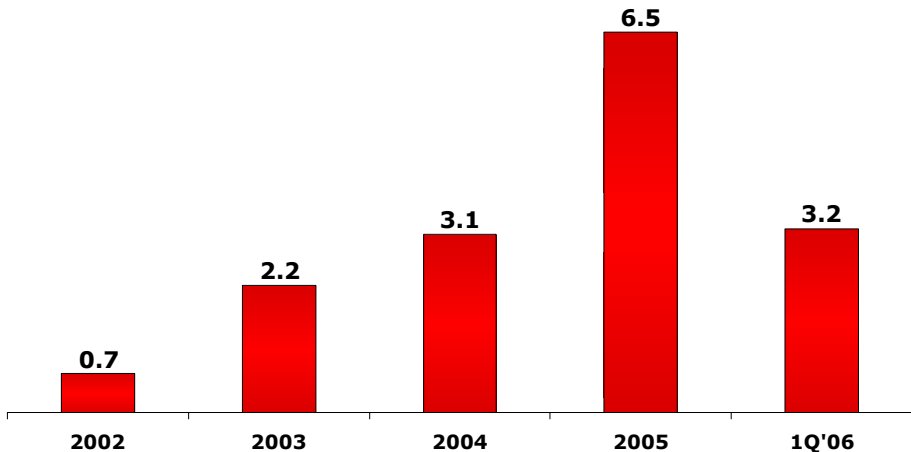
Business Review & Outlook

Offshore & Marine

A Record Quarter

S\$b

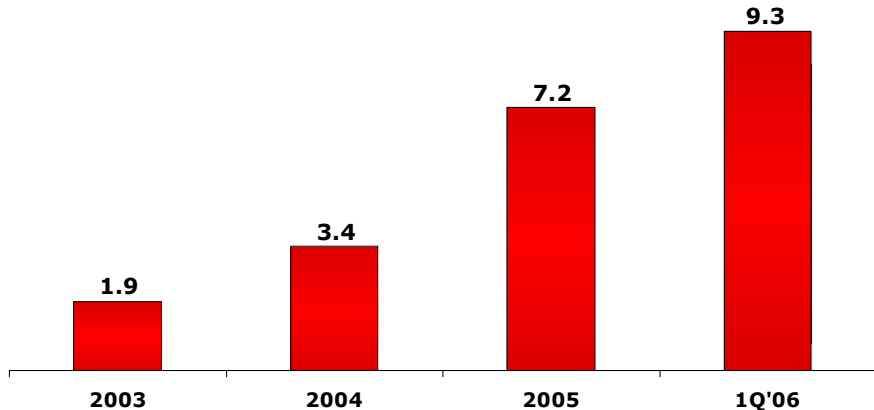
Contracts Secured



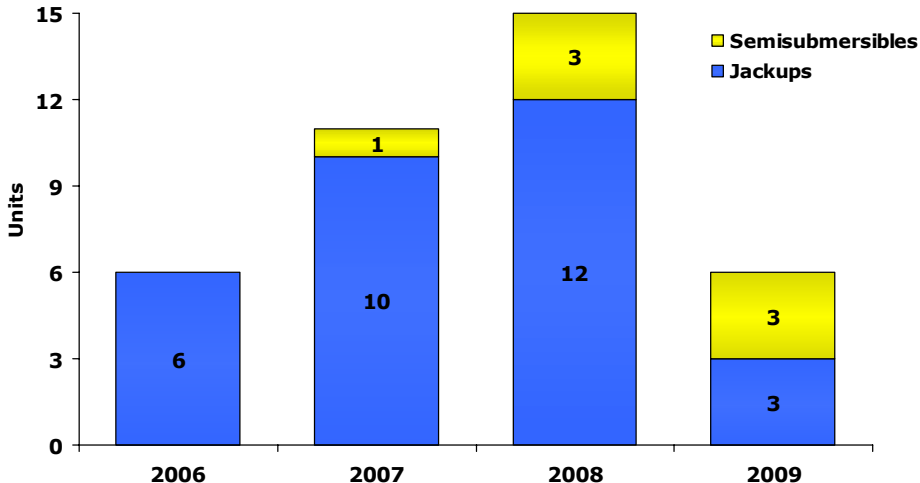
Earnings Visibility Strengthens Further

S\$b

Net Orderbook



Deliveries Into 2009



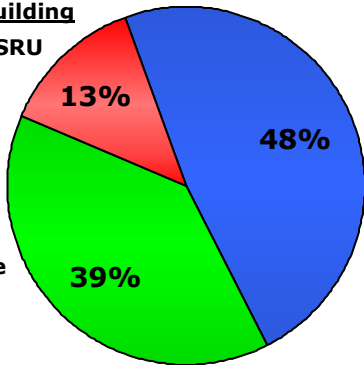
Notable Wins This Quarter

Conversions & Shipbuilding

- World's first LNG FSRU
- 5 AHTS & 1 Tug
- FPSOs

Semisubmersibles

- Repeat customers
 - GlobalSantaFe
 - ENSCO



Jackups

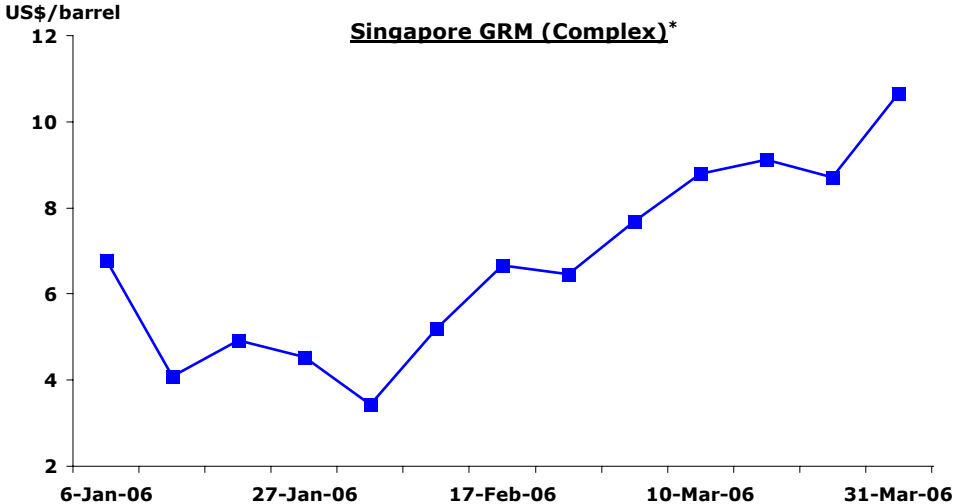
- First newbuilds (2) for Jindal of India
- Repeat customers
 - SeaDrill
 - Awilco
 - Scorpion
 - Sinvest
 - Atwood

Record Contracts: \$3.2b

Growing footprint in offshore Indian market

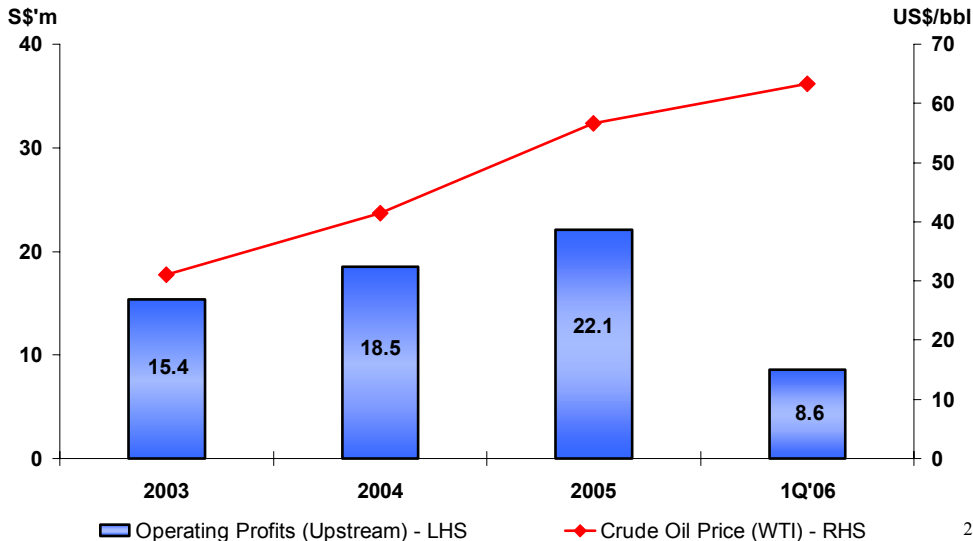
Oil & Gas

Refining Margins Rebound



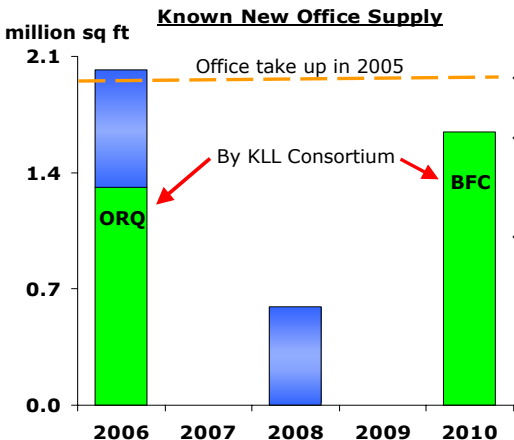
* Source: Merrill Lynch

Growing Upstream Contribution



Property

Singapore Office Market - From Strength To Strength



- ◆ Tight supply into 2010
- ◆ 70% new prime office supply by KLL consortium
- ◆ ORQ 86% pre-committed
 - Rentals now double 2004 levels
 - A major bank increased take up by 3½ floors

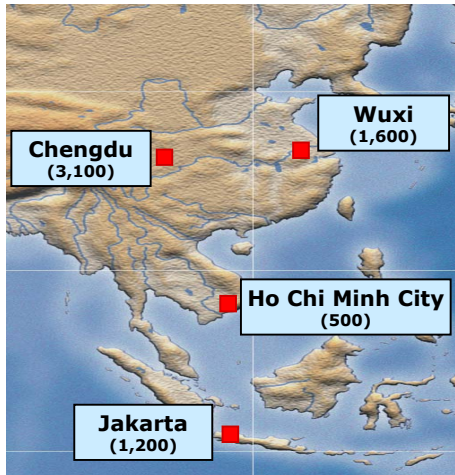
ORQ & BFC well-placed to fill supply shortfall

Singapore Home Market Improving

- ◆ Upturn in prime housing segment expected to lead broader recovery
- ◆ Home prices rose 8 consecutive quarters, biggest quarterly increase since 1Q'00
- ◆ KLL's new launches in 2006 – Ritz Residences, Avenue Park, Keppel Bay & BFC Residential

Townships – A Good Start To 2006

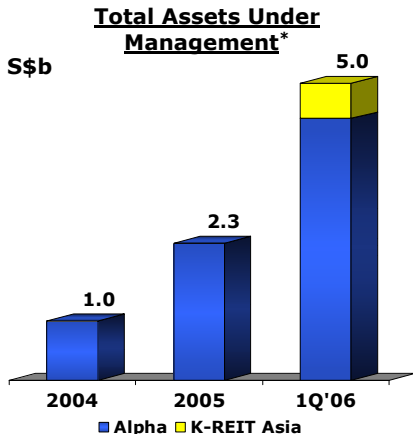
Townships Pipeline 2006-08



- ◆ Launched 324 units of The Botanica (Ph. 2)
 - 95% sold in 2 weeks
- ◆ Launching ~1,450 more units in 2006
 - The Botanica (China)
 - Cakung (Indonesia)

Scaling Up Fund Management

- ◆ Alpha Core Plus Real Estate Fund exceeded expectations, closed at S\$720m
- ◆ Secured US\$150m mandate for Shariah fund, to be expanded to US\$300m end-2007
- ◆ Launched S\$630m K-REIT Asia



Enlarging platform for fee-based income

* On a fully invested & leveraged basis

Infrastructure

Positive Infrastructure Outlook

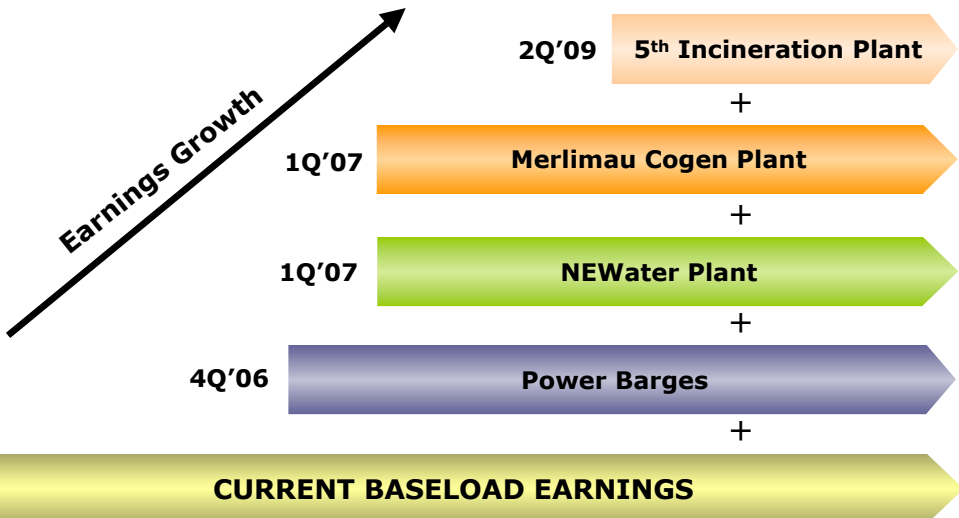
Environmental Engineering

- Focus on successful delivery of NEWater & 5th incineration plants
- Strengthen technological capabilities through R&D & strategic alliances
- Pursuing projects in Middle East, Europe & Asia

Energy

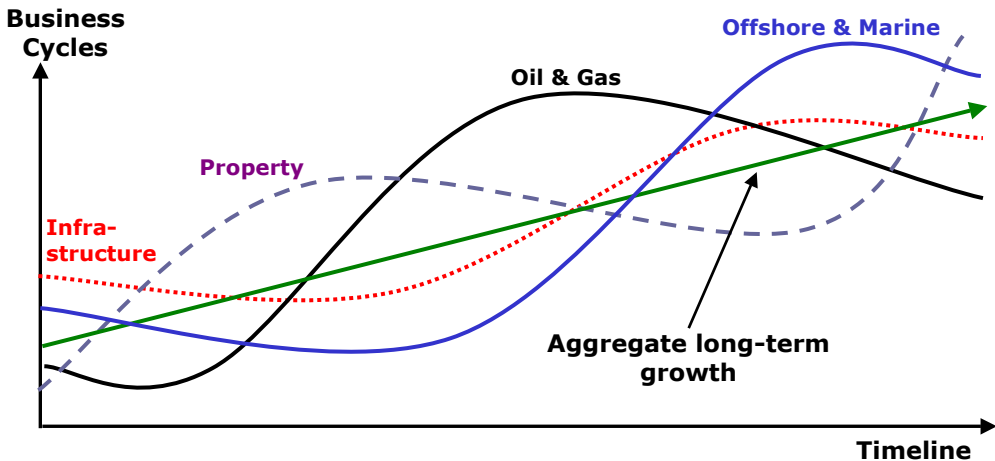
- Power barges redeployment on target for 4Q'06
- Keppel Merlimau Cogen commencing 1Q'07
- Privatisation of S'pore gencos presents possible opportunity

Infrastructure - An Emerging Pillar



**Infrastructure Division To
Contribute ~10-15% to
Group PATMI by 2007**

Keppel's Multi-Business Strategy



EPS CAGR of 20% Last Five Years

Strong Growth Platforms

Offshore & Marine

- Robust orderbook into 2009
- Continue to develop new growth platforms
 - "Near market, near customer"
 - Broaden core competencies

Oil & Gas

- Healthy refining margins sustainable
- Grow upstream assets

Property

- Capitalise on strong domestic market
- Expand presence in key growth markets
- Enlarge platform for fee-based income

Infrastructure

- Singapore projects to provide good baseload
- Seeking projects overseas

Building Sustainable Growth

Keppel Corporation 1Q 2006 Results

**Thank You
Q&A**

Additional Info

Keppel Corporation

Revenue by Customers

1Q 2006

| | <u>Total</u> | <u>Overseas</u> | <u>Singapore</u> |
|-------------------|--------------|-----------------|------------------|
| | S\$m | % | % |
| Offshore & Marine | 1,216 | 96 | 4 |
| Property | 153 | 57 | 43 |
| Infrastructure | 151 | 44 | 56 |
| Investments | 24 | 35 | 65 |
| Total | 1,544 | 87 | 13 |

**87% of total revenue
came from overseas customers**

EBITDA by Segments

| S\$m | <u>1Q 2006</u> | <u>%</u> | <u>1Q 2005</u> | <u>%</u> | <u>% Change</u> |
|------------------------------|-----------------------|-----------------|-----------------------|-----------------|------------------------|
| Offshore & Marine | 120 | 58 | 106 | 67 | 13 |
| Property | 47 | 23 | 50 | 31 | (6) |
| Infrastructure | 4 | 2 | 3 | 2 | 33 |
| Investments | 36 | 17 | - | - | NM |
| Total | 207 | 100 | 159 | 100 | 30 |

Capital/Gearing/ROE

| S\$m | <u>31 Mar 2006</u> | <u>31 Dec 2005</u> |
|----------------------------|---------------------------|---------------------------|
| Shareholders' Funds | 3,898 | 3,646 |
| Capital Employed | 5,274 | 4,935 |
| Net Debt | 2,183 | 2,320 |
| Net Gearing | 0.41x | 0.47x |
| ROE | 17.6%* | 16.4% |

* Annualised ROE

Offshore & Marine

Financial Highlights – Offshore & Marine

| S\$m | <u>1Q 2006</u> | <u>1Q 2005</u> | <u>% Change</u> |
|--------------------------|-----------------------|-----------------------|------------------------|
| Revenue | 1,216 | 867 | 40 |
| EBITDA | 120 | 106 | 13 |
| Operating Profit | 105 | 92 | 14 |
| Profit Before Tax | 123 | 97 | 27 |
| PATMI | 79 | 71 | 11 |

Offshore & Marine Review

◆ S\$3.2b contracts secured in 1Q 2006:

7 JU newbuilds, 2 semi newbuilds, 1 semi upgrade, 2 FPSO conversions, 1 FSRU conversion, 5 AHTS, 1 tug

◆ Major contract completions in 1Q 2006:

1 JU newbuild, 1 JU upgrade, 1 JU repair, 2 FPSO conversions, 1 PSV, 3 AHTS

Offshore & Marine Orderbook

| | <u>Balance Order S\$m</u> | <u>Clients</u> |
|---|-----------------------------------|---|
| <u>For delivery in 2006</u> | | |
| 5 Jack Ups / 4 Jack Up Upgrades/Repairs / 2 Semi Upgrades / 2 Accommodation Platforms / 1 FSO Refurbishment / 3 FPSO Conversions/Modifications / 1 FPSO Outfitting / 1 FPSO Hookup/Comm. / Barges & Pipe Racks / 1 PSV / 6 AHTS / 8 Tugs / 1 Tanker Hull Conversion | 698 | Sinvest / Odfjell / GDI / Awilco / Pride / CNOOC / Diamond / Transocean / Pemex / SBM / Prosafe / Petro Canada / Sevan / Petrobras / Agip KCO / Maersk / Bourbon / Smit / Hadi Hammam / Lukoil / Zamil / Keppel Smit / Arpeni Pratama |
| <u>For delivery in 2007</u> | | |
| 1 Semi / 1 Semi Upgrade / 10 Jack Ups / 1 FPSO Conversion / 1 FPSO Hull Conversion / 1 Sludge Vessel / 5 AHTS / 1 Tug / 1 FSRU Conversion / 1 Pipelayer Conversion | 2,312 | Petrobras / Fred Olsen / Petrovietnam / Sinvest / Odfjell / Maersk / Seatankers / Ensco / Diamond / GDI / Scorpion / Prosafe / City of New York / Hadi Hammam / Gulfmark / Lukoil / Seaways / Golar / Allseas |
| <u>For delivery in 2008</u> | | |
| 3 Semis / 12 Jack Ups / 7 AHTS | 4,258 | Petrobras / Maersk / Ensco / Diamond / Sinvest / Awilco / Scorpion / Jindal / Atwood / SeaDrill / Hadi Hammam / Gulfmark |
| <u>For delivery in 2009</u> | | |
| 3 Semis / 3 Jack Ups | 2,010 | Maersk / Ensco / GSF / Sinvest / Awilco |
| TOTAL as at 31 March 2006 | <u>9,278</u> | |

Property

Financial Highlights - Property

| S\$m | <u>1Q 2006</u> | <u>1Q 2005</u> | <u>% Change</u> |
|--------------------------|-----------------------|-----------------------|------------------------|
| Revenue | 153 | 126 | 21 |
| EBITDA | 47 | 50 | (6) |
| Operating Profit | 43 | 46 | (7) |
| Profit Before Tax | 50 | 49 | 2 |
| PATMI | 22 | 22 | - |

Infrastructure

Financial Highlights – Infrastructure

| S\$m | <u>1Q 2006</u> | <u>1Q 2005</u> | <u>% Change</u> |
|--------------------------|-----------------------|-----------------------|------------------------|
| Revenue | 151 | 140 | 8 |
| EBITDA | 4 | 3 | 33 |
| Operating Profit | (8) | (9) | 11 |
| Profit Before Tax | - | (1) | NM |
| PATMI | (3) | 2 | NM |

Investments

Financial Highlights - Investments

| S\$m | <u>1Q 2006</u> | <u>1Q 2005</u> | <u>% Change</u> |
|--------------------------|-----------------------|-----------------------|------------------------|
| Revenue | 24 | - | NM |
| EBITDA | 36 | - | NM |
| Operating Profit | 36 | (1) | NM |
| Profit Before Tax | 82 | 59 | 39 |
| PATMI | 72 | 49 | 47 |

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.