



9 Months 2006 Results Announcement

26 October, 2006

Scope of Briefing

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

Address By Executive Chairman

An Eventful 3Q

- ◆ Achieved 3Q'06 PATMI of \$201m, up 43%
- ◆ 9M'06 exceeded 2005's full year earnings
- ◆ On track for continued growth

Won one of the largest international environmental engineering projects

Robust Growth Platforms In Place

Infrastructure

- Secured \$1.7b landmark contract in Qatar, pursuing more projects

Offshore & Marine

- Strong net orderbook of >\$10b, earnings visibility into 2010

Oil & Gas

- Growing upstream contribution







Property

- Unlocking value from residential pipeline & prime office portfolio

Growing Beyond - Building A Stronger & More Diverse Workforce

Group Financial Highlights

9M Financial Achievements

PATMI		36% to S\$567m
EPS		35% to 72.1cts
Annualised ROE		from 16.4% to 18.8%
EVA		S\$165m to S\$312m
Free cash flow		98% to S\$1,161m
Net gearing		from 0.47x to 0.28x

Financial Highlights

S\$m	<u>9M 2006</u>	<u>9M 2005</u>	<u>% Change</u>
Revenue	5,159	3,932	31
EBITDA	673	459	47
Operating Profit	579	375	54
Profit Before Tax	864	605	43
PATMI	567	418	36
EPS (cents)	72.1	53.4	35

Revenue by Segments

S\$m

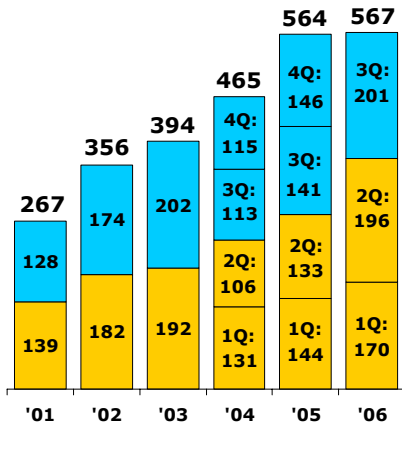
	<u>9M 2006</u>	<u>%</u>	<u>9M 2005</u>	<u>%</u>	<u>% Change</u>
Offshore & Marine	3,871	75	2,850	72	36
Property	759	15	581	15	31
Infrastructure	420	8	466	12	(10)
Investments	109	2	35	1	211
Total	5,159	100	3,932	100	31

PATMI by Segments

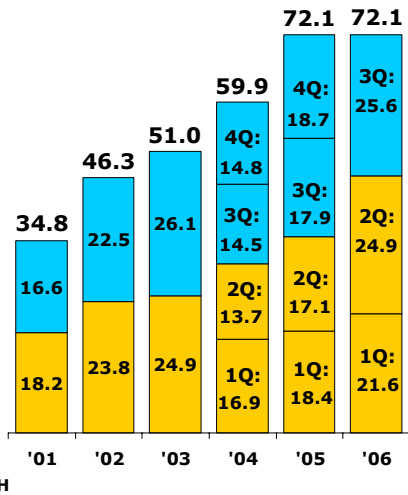
S\$m	<u>9M 2006</u>	<u>%</u>	<u>9M 2005</u>	<u>%</u>	<u>% Change</u>
Offshore & Marine	282	50	171	41	65
Property	78	14	77	18	1
Infrastructure	(40)	(7)	5	1	NM
Investments	247	43	165	40	50
Total	567	100	418	100	36

Consistent Earnings Growth

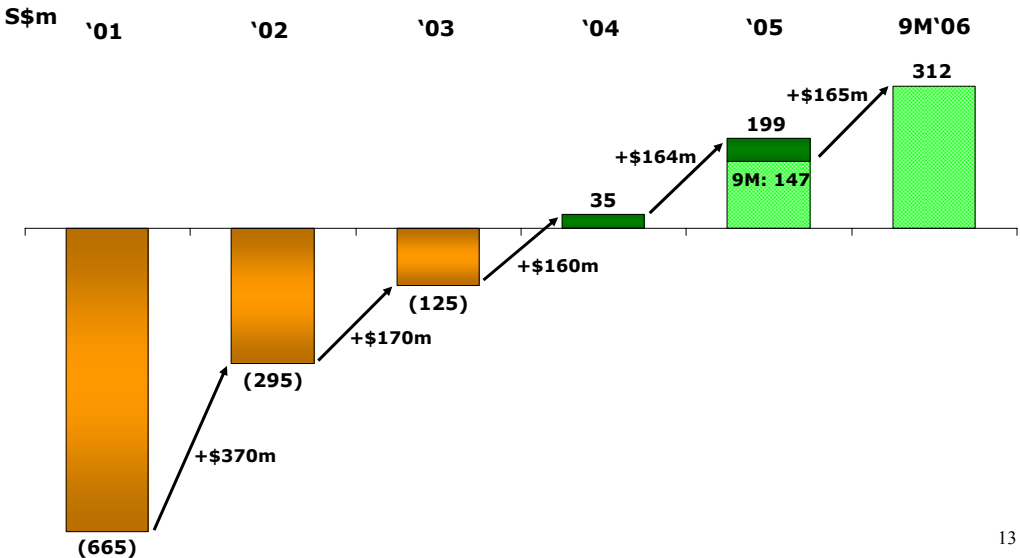
PATMI (S\$m)



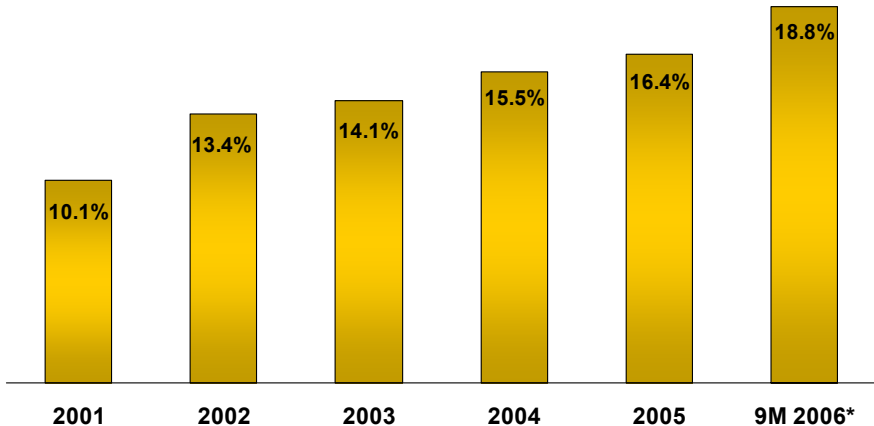
EPS (Cents)



Continued EVA Growth



Increasing ROE



* Annualised ROE

Healthy Free Cash Flow

	<u>9M 2006</u>
	S\$m
Operating profit	579
Depreciation & other non-cash items	94
	<hr/> 673
Working capital changes	918
Interest & tax paid	(59)
Net cash from operating activities	<hr/> 1,532 <hr/>
Investments & capex	(608)
Divestments & dividend income	237
Net cash used in investing activities	<hr/> (371) <hr/>
Free Cash Flow	<hr/> 1,161 <hr/>
Dividends paid	<hr/> (384) <hr/>

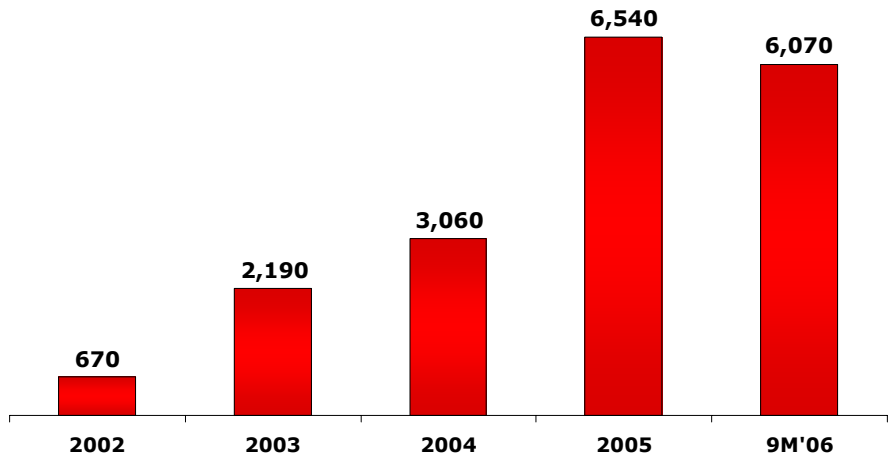
Business Review & Outlook

Offshore & Marine

Another Strong Quarter

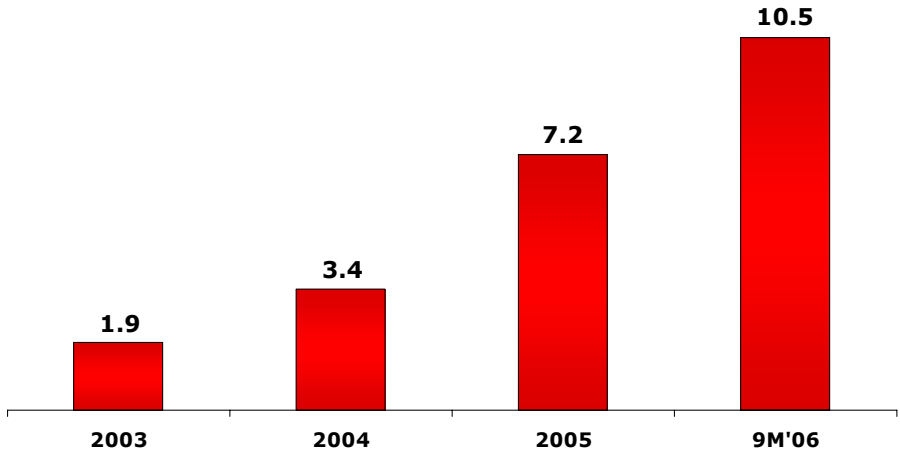
S\$m

Contracts Secured

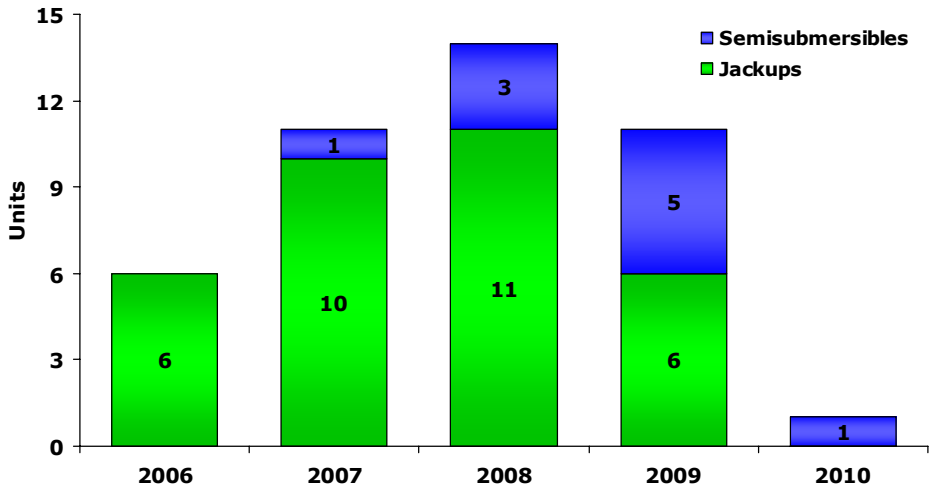


Net Orderbook Surpasses S\$10b

S\$b



Stacking Up Deliveries In 2009



Constantly Pushing New Frontiers

DEEP & ULTRA-DEEPWATER RIGS



- ◆ Secured 5 semi newbuilds to-date (2005: 3 semis)
- ◆ Technology know-how; proprietary DSS™ & KFELS 8000 designs

SPECIALISED VESSELS



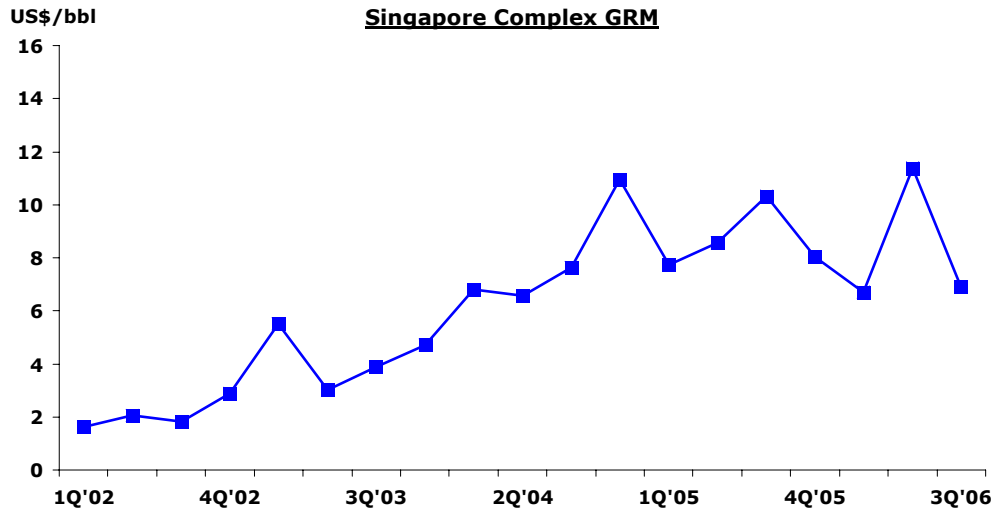
- ◆ Secured turnkey contracts for 2 icebreaking vessels
- ◆ A first for Asian yards; testimony to KOM's growing expertise

Fundamentals Remain Intact

- ◆ Oil majors reaffirm oil price assumptions of US\$20-45/bbl for E&P, still way below current market prices
- ◆ No signs of let-up in E&P capex spending
- ◆ Rig newbuild enquiries remain strong, particularly for deepwater exploration activities
- ◆ Continued demand for shiprepairs and conversions expected

Oil & Gas

Refining Margins Moderated In 3Q



Property

Healthy Progress In Overseas Sales

	Existing Projects	Units Launched (% Sold)
China	The Waterfront The Seasons 8 Park Avenue The Botanica	1,070 (94%) 1,780 (91%) 460 (100%) 1,600 (99%)
India	Elita Promenade	850 (79%)
Vietnam	Villa Riviera	75 (84%)

Existing projects : launching 3,500 units into 2007

New Project Launches

	Project Type	Location	Units Launching
China	Township Villa	Wuxi Shanghai & Tianjin	690 300
India	Condominium	Bangalore & Kolkata	860
Vietnam	Township	Ho Chi Minh City	100
Indonesia	Township	Jakarta	900
Thailand	Villa	Bangkok	120

New projects : launching 3,000 units into 2007

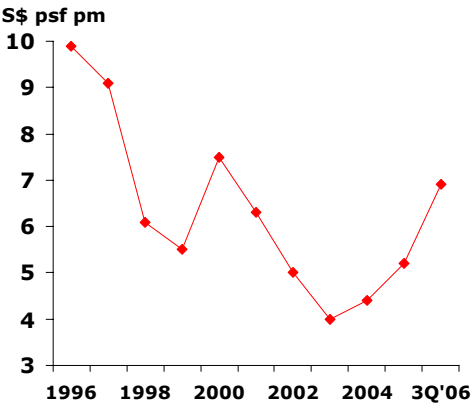
Singapore's Premier Waterfront Developer

- ◆ Keppel Bay development
 - *Caribbean at Keppel Bay* largely sold
 - Phase 2 designed by Daniel Libeskind, launching in 1Q'07
- ◆ Marina Bay development
 - Launching *Marina Bay Residences* by end'06; designed by Kohn Pedersen Fox

More prime residential projects in pipeline to drive earnings

Robust Singapore Office Market

Average Prime Rentals



- ◆ 3Q prime rentals up another 15%, sharpest q-o-q growth since '03
- ◆ Latest rents at One Raffles Quay signed at S\$10psf
- ◆ Average prime rents still 30% below mid-1990s peak
- ◆ Limited new supply into 2010

Substantial Value Embedded In Office Portfolio

◆ One Raffles Quay 100% pre-committed

- Net lettable area – 120,000m²
- Capital value appreciated

◆ Developing Marina Bay Financial Centre

- Gross floor area - 244,000m²
- 8-year option for another 194,000m²
- Rising rents point to higher future capital value



Artist's impression of MBFC

Infrastructure

Milestone Contract

SYNOPSIS

- Qatar government project of Qr3.9b
- "Design, Build & Operate" integrated solid waste management facilities

SCOPE

- Project value split about evenly between 2 contracts:
 - i. 3-yr Engineering, Procurement & Construction (EPC)
 - ii. 20-yr Operations & Maintenance of facilities (O&M)

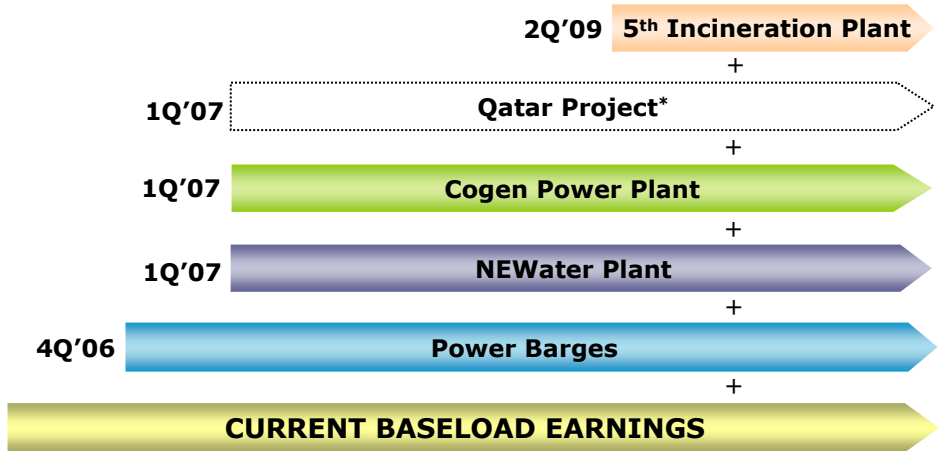
KEY CONTRACT TERMS

- O&M revenue adjustable for inflation & increases in quantity of waste
- Revenue in Qatari Riyal (pegged to US\$)

Scope For More Projects

- ◆ Existing infrastructure projects nearing completion, capex needs tailing off
- ◆ No capital investment required for Qatar project, sufficient resources to fund operational needs
- ◆ Balanced approach to project selection

Increasing Infrastructure Contribution



On track to contribute significantly to Group PATMI

* Commenced construction

Outlook For 2006

Earnings Growth To Be Sustained

Keppel Corporation 9M 2006 Results

**Thank You
Q&A**

Additional Info

Keppel Corporation

Financial Highlights

S\$m	<u>3Q 2006</u>	<u>3Q 2005</u>	<u>% Change</u>
Revenue	1,969	1,637	20
EBITDA	249	147	69
Operating Profit	218	120	82
Profit Before Tax	277	200	39
PATMI	201	141	43

Revenue by Customers

	9M 2006		
	<u>Total</u>	<u>Overseas</u>	<u>Singapore</u>
	S\$m	%	%
Offshore & Marine	3,871	95	5
Property	759	45	55
Infrastructure	420	44	56
Investments	109	55	45
Total	<u><u>5,159</u></u>	84	16

**84% of total revenue
came from overseas customers**

EBITDA by Segments

S\$m	<u>9M 2006</u>	<u>%</u>	<u>9M 2005</u>	<u>%</u>	<u>% Change</u>
Offshore & Marine	397	59	285	62	39
Property	202	30	156	34	29
Infrastructure	(24)	(4)	7	2	NM
Investments	98	15	11	2	791
Total	673	100	459	100	47

Capital/Gearing/ROE

S\$m	<u>30 Sep 2006</u>	<u>31 Dec 2005</u>
Shareholders' Funds	3,913	3,646
Capital Employed	5,312	4,935
Net Debt	1,484	2,320
Net Gearing	0.28x	0.47x
ROE	18.8%*	16.4%

* Annualised ROE

Offshore & Marine

Financial Highlights – Offshore & Marine

S\$m	<u>9M 2006</u>	<u>9M 2005</u>	<u>% Change</u>
Revenue	3,871	2,850	36
EBITDA	397	285	39
Operating Profit	350	242	45
Profit Before Tax	416	250	66
PATMI	282	171	65

Financial Highlights – Offshore & Marine

S\$m	<u>3Q 2006</u>	<u>3Q 2005</u>	<u>% Change</u>
Revenue	1,459	1,197	22
EBITDA	143	83	72
Operating Profit	126	69	83
Profit Before Tax	153	72	113
PATMI	108	51	112

Offshore & Marine Review

- ◆ S\$1.4b contracts secured in 3Q 2006:
2 semi newbuilds, 3 semi upgrades/repairs, 2 JU repairs, 2 ice breakers, 2 tugs, 2 CALM buoys

- ◆ Major contract completions in 3Q 2006:
5 JU repairs, 1 FPSO repair/modification, 1 PSV, 1 AHTS, 4 tugs

Offshore & Marine Orderbook

	<u>Balance Order S\$m</u>	<u>Clients</u>
<u>For delivery in 2006</u>		
3 Jack Ups / 3 Jack Up Upgrades/Repairs / 2 Semi Upgrades / 2 Accommodation Platforms / 1 FSO Upgrade / 1 FPSO Outfitting / 3 AHTS / 3 Tugs	147	Sinvest / GDI / Awilco / Pride / Diamond / Songa Offshore / Pemex / Anzon / Sevan / Hadi Hammam / Lukoil / Zamil / Keppel Smit / Bourbon
<u>For delivery in 2007</u>		
1 Semi / 5 Semi Upgrades/Repairs / 10 Jack Ups / 3 FPSO Conversions / 1 FPSO Hull Conversion / 1 FSO Refurbishment / 1 Sludge Vessel / 5 AHTS / 2 Tugs / 1 FSRU Conversion / Barges & Pipe Racks / 1 Pipelayer Conversion / 2 CALM Buoys	2,167	Petrobras / Fred Olsen / Transocean / Diamond / BZI-Maersk / Petrovietnam / Sinvest / Odfjell / Maersk / Seatankers / Ensco / GDI / Scorpion / Prosafe / SBM / City of New York / Hadi Hammam / Gulfmark / Lukoil / Seaways / Keppel Smit / Golar / Agip KCO / Allseas
<u>For delivery in 2008</u>		
3 Semis / 1 Semi Upgrade / 11 Jack Ups / 1 FPSO Conversion / 7 AHTS / 2 Ice Breakers / 1 Tug	4,063	Petrobras / Maersk / Ensco / Diamond / Sinvest / Awilco / Scorpion / Jindal / Atwood / SeaDrill / Hadi Hammam / Gulfmark / Lukoil / Keppel Smit
<u>For delivery in 2009/2010</u>		
6 Semis / 6 Jack Ups	4,115	Maersk / Ensco / GSF / QGP / Sinvest / Awilco / Mercator / Great Eastern
TOTAL as at 30 Sep 2006	<u>10,492</u>	

Property

Financial Highlights - Property

S\$m	<u>9M 2006</u>	<u>9M 2005</u>	<u>% Change</u>
Revenue	759	581	31
EBITDA	202	156	29
Operating Profit	191	144	33
Profit Before Tax	183	153	20
PATMI	78	77	1

Financial Highlights - Property

S\$m	<u>3Q 2006</u>	<u>3Q 2005</u>	<u>% Change</u>
Revenue	302	254	19
EBITDA	58	54	7
Operating Profit	54	50	8
Profit Before Tax	45	57	(21)
PATMI	23	32	(28)

Infrastructure

Financial Highlights – Infrastructure

S\$m	<u>9M 2006</u>	<u>9M 2005</u>	<u>% Change</u>
Revenue	420	466	(10)
EBITDA	(24)	7	NM
Operating Profit	(60)	(20)	200
Profit Before Tax	(32)	6	NM
PATMI	(40)	5	NM

Financial Highlights – Infrastructure

S\$m	<u>3Q 2006</u>	<u>3Q 2005</u>	<u>% Change</u>
Revenue	140	165	(15)
EBITDA	(13)	5	NM
Operating Profit	(24)	(3)	700
Profit Before Tax	(15)	6	NM
PATMI	(15)	5	NM

Investments

Financial Highlights - Investments

S\$m	<u>9M 2006</u>	<u>9M 2005</u>	<u>% Change</u>
Revenue	109	35	211
EBITDA	98	11	791
Operating Profit	98	9	989
Profit Before Tax	297	196	52
PATMI	247	165	50

Financial Highlights - Investments

S\$m	<u>3Q 2006</u>	<u>3Q 2005</u>	<u>% Change</u>
Revenue	68	21	224
EBITDA	61	5	1,120
Operating Profit	62	4	1,450
Profit Before Tax	94	65	45
PATMI	85	53	60

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.