

**SPEECH BY MR CHOO CHIAU BENG,
CHAIRMAN OF KEPPEL HITACHI ZOSEN,
AT THE NAMING CEREMONY OF M/T WHITE SEA AT KEPPEL
SHIPYARD ON 22 OCTOBER 2001 AT 2.00PM**

Good afternoon

Your Honorable Mr Alain Cocauthrey, Minister for Industry and Private Sector of Cote d'Ivoire in Western Africa.

Our Gracious Lady Sponsor Mrs Agnes Monnet, wife of the Minister of Mines & Energy from Cote d'Ivoire,

Your Excellency Mr Thomas Hauff, Ambassador of Norway

Mrs Marianne Hauff

Mr Arne Austreid, President of Prosafe ASA

Mr Hans Hvide, President of Prosafe Production

Mr Martin Cole, Developments Director of CNR

Distinguished Guests, Colleagues, Ladies and Gentlemen

It gives me great pleasure to be here today on this special occasion of the naming of *White Sea*, the latest FPSO to be converted by the Keppel Shipyard, a division of Keppel Hitachi Zosen Limited.

On behalf of the Company, I warmly welcome all our guests to this auspicious ceremony, and especially to those who have flown in from overseas.

Today is yet another significant milestone in Keppel's track record in the conversion of FPSOs and FSOs. The delivery of *White Sea* to its owner marks the completion the 35th FPSO and FSO conversion completed by Keppel Shipyard since 1981. I am also pleased to note that this is the fourth conversion job for the same valued customer Prosafe Production,

formerly known as Nortrans Offshore, a subsidiary of the Prosafe ASA Group. The three previous vessels were Endeavour, Petroleo Nautipa and Ruby Princess.

I am proud to be told that through the experiences of these three previous conversions, the Prosafe Production project team, now under Prosafe ASA Group, has come a long way to trust the Keppel Shipyard team. There is mutual respect and confidence in each other's expertise that goes far beyond contractual obligations. This has allowed them to work very closely together, achieving tangible benefits in the form of a more cost-effective job done.

Professionalism, versatility and commitment to our customers are the strengths and qualities of the Keppel Group. For this reason and to take us into a higher level of growth, we have set in motion a restructuring of Keppel Hitachi Zosen to serve our customers better.

I announced earlier in the month that Keppel Hitachi Zosen will be restructured with Keppel FELS Limited, our offshore mobile rigs and production units specialists. Keppel Shipyard of Keppel Hitachi Zosen is a leader in its own rights in the field of FPSO and FSO conversions, having completed the largest number of such jobs undertaken by a single yard.

The reason is obvious. We want to further strengthen these two winners. We want to maximize the utilization of their resources, cross-pollinate their technical expertise, in particular the transfer of Keppel FELS' design development and engineering capabilities to Keppel Hitachi Zosen and forge closer co-operation in various business and marketing areas.

With the two companies' combined business and operational network of 12 shipyards in strategic offshore markets and hubs of major sea routes

around the world, customers stand to benefit from a faster turnaround time nearer home to where you are operating. This means higher revenue and profits for our customers in the volatile business environment.

We have proven that this strategy is workable and profitable to all parties. Last August, Keppel FELS successfully delivered Gurtulush, the first Western-specification jack-up rig to be completed in the Caspian Sea through a joint construction arrangement between CSC our joint venture yard in Baku and Keppel FELS yard in Singapore. The vessel was delivered two months ahead of schedule and won the projects team a tidy safety bonus. Keppel FELS is also currently engaged with CSC on a joint construction of the DSS20 semi-submersible drilling rig for AP Moller Group. We are intent at replicating this successful strategy in all our 12 yards spanning the globe.

Apart from technical capabilities, good project management is key to this strategy. I am pleased that Keppel Hitachi Zosen has proven itself in this area. Indeed the successful conversion of *White Sea* on schedule reflects the good project management skills of Keppel's project team, led by Richard Leong and Prosafe's team led by Mr Art Heikamp. The close co-operation of the oil company, the owner, the shipyard and our subcontractors, suppliers, and classification authorities also played a big part in the successful completion of this vessel.

The conversion of this 150 000dwt vessel you see in front of you included the construction and installation of an internal turret as well as the installation and integration of the complete topside equipment package.

I am confident that it would be an asset to CNR and Prosafe when it is deployed for operations in the Espoir Field Development, located off Cote d'Ivoire, in West Africa.

As we deliver this vessel, I would like to thank the Prosafe Group for their continued confidence in Keppel and I look forward to more future projects.

Once again, I extend my congratulations to all who have been involved in this excellent project. It is a reflection of your expertise, dedication and hard work.

To our distinguished guests, thank you very much for joining us in our celebrations today. Your presence has made this event a more memorable one. Thank you.