ADDRESS BY MR LOH CHIN HUA, CEO OF KEPPEL CORPORATION

FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2017

1. Good evening and welcome to the conference and webcast on Keppel Corporation's results and performance for the fourth quarter and full year of 2017.

A New Chapter

2017 was an eventful year.

2. The global resolution reached by Keppel Offshore & Marine (Keppel O&M) over past misdeeds in Brazil brings an end to what has been a painful chapter for Keppel - one that we have recognised and dealt firmly with. This is not Keppel. We care not just about results, but also how they are obtained.

3. The Board and Management have thoroughly investigated the allegations and dealt with the issues that were uncovered. We have put in place enhanced compliance controls, including comprehensive training and certification, to prevent any repeat of such misdeeds.

4. Our core value of integrity prohibits Keppel from engaging in any unethical practices or behaviour. This is absolutely clear to me as CEO. We will not tolerate any behaviour or action from Keppelites that deviates from this fundamental principle. The Board and management are determined to regain the trust that has been lost. We will win business legally and ethically, based on our collective strengths of superior customer-centric solutions and good track record of execution.

5. With this chapter now behind us, we look forward to continuing on our growth trajectory and building a more disciplined and sustainable business - a Keppel that will remain trusted and admired by all our stakeholders.

Resilience through Multi-business Strategy

6. In the past year, amidst a challenging environment, Keppel delivered on projects, entered new markets, seized new opportunities, and established vehicles and engines for growth. These include the delivery of the world's first converted Floating LNG vessel, commencement of construction of the iconic Keppel Marina East Desalination Plant, winning the bid for Hong Kong's first integrated Waste Management Facility, and the successful listing of the new Keppel-KBS US REIT on the Singapore Exchange, to name a few examples.

Financial Performance

7. For FY 2017, the Group achieved a net profit of S$217 million, after taking into account the one-off financial penalty of S$570 million, and S$49 million of related legal, accounting and forensics costs. Excluding these one-off items, the Group would have achieved a net profit of S$836 million, an increase of 7% over FY 2016, underpinned by earnings growth in the Property, Infrastructure and Investments Divisions.

8. The Group's Economic Value Added for the year was negative S$834 million, while our Return on Equity (ROE) was 1.9%. Excluding the one-off financial penalty and related costs, our ROE would have been 7%.

9. Free cash inflow for 2017 was S$1.8 billion, more than three times the S$540 million for 2016.

10. Net gearing was 0.46x at the end of 2017, lower than the 0.56x at the end of 2016, or 0.50x at the end of September 2017.

11. As we had announced earlier, the Company will ring-fence the one-off financial penalty and related costs when considering the dividend pay-out for the year. Taking into account the Group's improved performance, excluding Keppel O&M's one-off financial penalty and related costs, our stronger cash flow position and the lower gearing, the Board of Directors will be proposing a final dividend of 14 cents per share, compared to the final dividend of 12 cents declared for 2016. We think this is a fiscally prudent proposal. Together with the interim cash dividend of 8.0 cents per share distributed last August, we will be paying out a total cash dividend of 22 cents per share to shareholders for FY 2017 compared to 20 cents per share for the whole of 2016.

Multiple Income Streams

12. During the year, recurring income continued to be a stable contributor to the Group. Recurring income amounted to S$319 million, down S$20 million from S$339 million in 2016. This was mainly due to lower contributions from property investment and hospitality businesses, partly offset by higher contributions from our infrastructure and asset management businesses.

13. I shall now take you through the developments in our business divisions.

Offshore & Marine

14. There is growing optimism in the O&M industry, following the recovery of oil prices on the back of extended supply cuts by OPEC and other oil producers. The increase in offshore rig transactions has also helped to improve the outlook. However, the rig market continues to be plagued by a supply overhang, and both utilisation and day rates remain low. Whilst FIDs have doubled in 2017 compared to 2016, and are expected to gather momentum as oil companies restart their oil exploration and exploitation programmes, it may be some time yet before they translate to orders for new drilling units. However, we continue to see opportunities in the demand for production assets, LNG solutions and specialised vessels.

15. Notwithstanding the current challenges, we remain confident about the long-term potential of the O&M business. Energy demand remains strong, driven by global economic growth. The increasing efficiency by operators has also lowered the cost of E&P, while continued rig attrition will contribute to the eventual restoration of supply and demand equilibrium for the rig market.

16. In FY 2017, Keppel O&M incurred a loss of S$835 million compared to a net profit of S$29 million a year ago. This was mainly due to the one-off impact of the financial penalty and related costs, an additional S$81 million provision for losses made on the Sete Brasil projects and S$54 million in impairment on other assets.

17. Keppel O&M secured new contracts worth about S$1.2 billion from new and repeat customers, including two LNG dual-fuel containerships from Pasha Hawaii, FPSO jobs from SBM Offshore, Prosafe and Petrobras, as well as three dredgers from Jan De Nul.

18. As at 31 December 2017, Keppel O&M's orderbook stood at S$3.9 billion, excluding the contracts from Sete Brasil, compared with S$3.7 billion at the end of 2016.

19. Keppel O&M kept its focus on execution and 10 major projects were delivered in 2017. Earlier this month, Keppel FELS also delivered the first jackup of 2018 to Borr Drilling.

20. Meanwhile, we have reached agreement with our customer Golar LNG to extend the notice to proceed for the Gandria and Gimi FLNG vessel conversions to mid- and end-2018 respectively. Golar LNG has announced that FID for Gandria is expected in 2018 and they have provided funds to kick start some early work in the conversion of Gandria.
21. Other key developments in Keppel O&M are as shown on the slide.

22. In the year ahead, our yards will continue to focus on executing both new and existing contracts. About half of the orderbook to be delivered this year are non-drilling projects. We will continue to expand our offerings and capabilities, and explore new markets.

Property

23. 2017 marked another strong year for our Property Division, which has remained the largest contributor to the Group's bottom line.

24. The Division recorded a net profit of S$685 million for FY 2017, up 10% from S$620 million a year ago.

25. We are transforming Keppel Land to be a multi-dimensional real estate player, with a strong focus on returns. For 2017, Keppel Land made a net profit of S$701 million, 25% higher than the net profit of S$559 million in 2016. ROE for Keppel Land was 8.2%, while its gearing was 0.25x as at end-2017. Over the past five years, Keppel Land achieved average ROE of 9.4%.

26. In 2017, Keppel Land announced five divestments totaling more than S$1.0 billion, including the sale of the Zhongshan residential cum marina development in China and the Tanah Lot site in West Bali, Indonesia in the fourth quarter. The divestment of the Zhongshan development is currently pending a decision by the Court of Appeal on a petition submitted by Sunsea Yacht Club (Hong Kong) Company.

27. During the year, we recognised total divestment gains of S$212 million in 2017. Keppel Land also seized opportunities to replenish its property portfolio and invest strategically across the region. We made investments amounting to about S$1.6 billion, including the acquisition of residential sites in Wuxi, Ho Chi Minh City and Bangkok in the fourth quarter.

Home sales

28. Keppel Land continued to achieve strong home sales in 2017, transacting more than 5,480 units at a total sales value of about S$2.8 billion. Of these, some 3,725 homes were sold in China, 1,110 in Vietnam, 380 in Singapore and 270 in Indonesia. Due to tightening measures in China and the timing of our launches in Vietnam, overall sales volume was marginally lower compared to the same period last year.

29. We expect to recognise profits from some 7,740 overseas homes that had been sold for about S$2.4 billion as they come into completion from 2018 through to 2020.

30. In the current environment where land prices in key markets are high, a landbank with an estimated 10-year supply places Keppel Land in an enviable position. We are under no pressure to accumulate land, and can even choose to monetise part of this sizeable landbank in response to good opportunities.

31. In 2017, Keppel Land divested three projects, equivalent to about 4,330 homes sold en bloc, which is significantly higher than the 630 homes divested en bloc in 2016.

Property Portfolio

32. In line with our goal to make Keppel Land a real estate company with one of the highest returns in Asia, we will continue working our assets hard to unleash the full potential of our property portfolio.

33. We are fortunate to have entered some markets early, particularly in China and Vietnam, where we have secured land at low cost. Today, about 70% of Keppel Land's total residential landbank has been with the company for over seven years.

34. In 2017, we replenished our pipeline with another 5,710 homes in our key markets, bringing Keppel Land's total supply of homes to about 63,000 units. We currently have about 1,200 homes in our Singapore landbank. We are also studying the redevelopment of Keppel Towers and Nassim Woods, which can potentially add another 500 homes in prime locations to our Singapore portfolio.

35. On the commercial front, Keppel Land has about one and a half million square metres of gross floor area, either completed or under development. When fully stabilised, this portfolio can generate an annual net operating income of about S$300 million.

Infrastructure

36. Our Infrastructure Division delivered a net profit of S$132 million for FY 2017, up 33% year-on-year.

37. Keppel Infrastructure continued to perform well, with a net profit of S$109 million and ROE of 14.9%. KI's net profit grew by 45% from 2016.

38. Earnings from energy, environment and infrastructure services increased to S$100 million in 2017 compared to S$66 million in 2016. The strong profit was achieved through better performance from the energy infrastructure business as well as growing contribution from the operations and maintenance (O&M) of infrastructure assets.

39. Several key milestones marked the year for our Infrastructure Division. Keppel Seghers and Zhen Hua secured a S$5.3 billion contract to design, build and operate Hong Kong's first Integrated Waste Management Facility. Our share of the total contract is approximately S$1.95 billion for the EPC and O&M phases.

40. Construction of the Keppel Marina East Desalination Plant is progressing well with over 30% completed. In Qatar, the final handover of the Doha North Sewage Treatment Works was carried out in the fourth quarter.

41. During the year, Keppel Seghers secured two new contracts to provide technology solutions to WTE plants in Beijing and Hunan, further reinforcing its position as a leading provider of WTE solutions in China.

42. Meanwhile, Keppel Data Centres has partnered with the Singapore Internet Exchange in support of Singapore's Smart Nation push. In an MOU signed between the two parties, Singapore Internet Exchange has set up its point of presence within Keppel DC Singapore 1 in Northeast Singapore.

43. Tapping on the growing demand for e-commerce, Keppel Logistics now offers more value to customers with a comprehensive suite of omnichannel logistics and channel management solutions through the newly launched UrbanFox.

44. Keppel T&T contributed S$42 million to the Group’s net profit in 2017, 14% higher than its contribution of S$37 million in 2016.

Operations & Maintenance recurring income

45. Keppel Infrastructure, as a developer, owner and operator of quality infrastructure assets, has contributed steadily to the Group’s bottom line. Over the years, we have built up a comprehensive range of operating expertise in power, WTE, district cooling and heating as well as water and wastewater facilities.

46. In 2017, Keppel Infrastructure earned a total revenue of about S$160 million from the operations and maintenance of infrastructure assets across Singapore and Qatar. When the Keppel Marina East Desalination Plant and Hong Kong’s Integrated Waste Management Facility are completed in 2020 and 2024 respectively, they will augment recurring income from operations and maintenance, extending visibility into 2039.

Investments

47. The Investments Division turned in a net profit of S$235 million for FY 2017, underscored by stronger contributions from Keppel Capital, and our investment in the Sino-Singapore Tianjin Eco-City.

48. The Tianjin Eco-City, which marks its 10th anniversary this year, is on track with its growth plans and will continue to be a long-term contributor to Keppel as it matures. For 2017, our investment in SSTEC, the master developer of the Tianjin Eco-City, contributed S$120 million to the Group’s net profit, a significant increase from the S$34 million in 2016.

49. During the year, the REITs and Trust managed by Keppel Capital continued to deliver positive total returns to unitholders and made several strategic acquisitions that augmented their sustainable income streams. The latest addition to the stable of managed vehicles, Keppel-KBS US REIT, was successfully listed on the Singapore Exchange, raising about US$553 million. Keppel REIT and Keppel DC REIT made three acquisitions totaling about S$670 million.

50. Meanwhile, Alpha Investment Partners (Alpha) registered strong fundraising efforts through its private funds. The Alpha DC Fund closed at US$1 billion, double the initial target size, while the Alpha Asia Macro Trends Fund III raised over US$560 million. Collectively, the private funds under Alpha invested into over US$910 million worth of real estate and data centre assets during the year, and also captured value through the divestment of 11 assets worth over US$880 million.

Asset Management

51. With an integrated asset management platform, Keppel Capital is delivering stronger performance.

52. Total asset management fees of S$134 million earned in 2017 were higher than S$128 million the year before. The REITs and Trust contributed to about 60% of total asset management fees for the current period, while about 40% came from private funds.

53. Keppel Capital recorded a net profit of S$83 million for 2017, helped by performance fees and mark-to-market gains from securities held for sale. This was 30% higher than the S$64 million net profit contributed by Keppel Capital in the previous year.

54. Keppel Capital has been actively pursuing both organic and inorganic growth opportunities to increase recurring asset management income for the Group.

55. On a fully leveraged and invested basis, Keppel Capital's assets under management (AUM) grew to S$29 billion as at end-2017, from S$25 billion in the preceding year. We will continue to grow our AUM to the target of S$50 billion by 2022, boosting the Group's funding capabilities and expanding our funding base.

Harnessing Strengths

56. Last October, we announced the creation of Keppel Urban Solutions (KUS) as a strategic move to harness the Keppel Group's strengths and diverse solutions to pursue sustainable and smart urban development opportunities in the region. Since then, we have incorporated the company and appointed its management team, led by Cindy Lim as Managing Director.

57. The development plans for KUS' pilot project, the Saigon Sports City, located in District 2 of Ho Chi Minh City, are progressing on schedule. A team of international consultants has been assembled to work on the design and development plans for the sports-orientated integrated hub, which offers a variety of lifestyle and recreational activities.

58. The 64-hectare development will comprise a total of 4,300 premium homes designed with emphasis on sustainability, connectivity, community and technology. The first phase will feature some 90,000 sqm GFA of commercial space and about 1,220 homes, of which 620 units are slated for launch in the second half of this year.

59. Apart from Saigon Sports City, KUS is also actively evaluating and pursuing other sustainable, smart urban development prospects in the region.

Shaping the Future

60. The global economy is experiencing a broad based upturn, and we are excited about the many opportunities presented by strong urbanisation trends across the businesses that we are in - whether it is the demand for offshore production assets or LNG solutions to meet growing energy needs, attractive urban environments and reliable infrastructure to support sustainable communities, or efficient data centres and logistics solutions to buttress the digital economy and growing e-commerce. Demand for homes and offices in our key markets remains robust, underpinned by strong growth prospects.

61. Today, Keppel is not just a group of diverse companies who share a common name, but an eco-system of companies working closely together with a common purpose, as *OneKeppel*, to provide compelling solutions for sustainable urbanisation.

62. We recently updated our mission to depict our shared goal - “Guided by our operating principles and core values, we will deliver solutions for sustainable urbanisation profitably, safely and responsibly.”

63. The refreshed Mission reflects more closely the Group’s current focus, and better prepares and positions us to compete internationally as we stride confidently into the future.

64. Thank you. I will now hand the time over to our CFO Hon Chew.

ADDRESS BY MR CHAN HON CHEW, CHIEF FINANCIAL OFFICER, KEPPEL CORPORATION

FINANCIAL YEAR ENDED 31 DECEMBER 2017

4Q 2017 Financial Performance (Slide 24)

1. Thank you, Chin Hua, and a very good evening to all. I shall now take you through the Group's performance.

2. The Group recorded a net loss of $495 million in the fourth quarter, against a net profit of $143 million in the same quarter last year. This is $638 million worse than last year.

3. The results for the fourth quarter and full year 2017 included the one-off financial penalty arising from Keppel Offshore & Marine's global resolution with criminal authorities in the United States, Brazil and Singapore, and related legal, accounting and forensics costs amounting to $619 million.

4. As a result, earnings per share was at negative 27.3 cents, while EVA was at negative $895 million.

5. Given the size of the impact of global resolution and its one-off nature, the analysis of the fourth quarter results in the following slides is normalized to exclude the global resolution penalty and related costs. This is done to allow a more meaningful analysis of the underlying performance of the Group.

4Q 2017 Financial Performance (Slide 25)
(Excluding one-off global resolution & related costs)

6. On this basis, the Group's fourth quarter net profit at $124 million, was $19 million or 13% lower year on year. Earnings per share was 6.8 cents, while EVA was at negative $276 million.

4Q 2017 Financial Highlights (Slide 26)
(Excluding one-off global resolution & related costs)

7. Next, the summary Group profit and loss statement.

8. The Group's revenue for the fourth quarter of 2017 was 20% or $395 million lower than the same quarter in 2016. All divisions except the Infrastructure Division registered lower revenues during the quarter.

9. Operating profit increased 29% or $28 million to $126 million. Higher profits from the Investments, Property and Infrastructure Divisions were partially offset by higher operating loss at the Offshore & Marine Division.

10. However, profit before tax increased by 1%, a lower margin than the improvement in operating profit, due mainly to lower share of profits from associated companies. The share of profits from associated companies in the same quarter last year benefited from higher contribution from the Sino-Singapore Tianjin Eco-City.

11. Despite a higher pre-tax profit, net profit after tax and non-controlling interests at $124 million was 13% or $19 million lower, due mainly to higher effective tax rate this year, as a result of higher proportion of profits from operations in countries with higher tax rate and losses from companies in Keppel Offshore & Marine.

4Q 2017 Revenue by Segments (Slide 27)

12. In the next slide, we take a closer look at the Group's revenues by division.

13. In the fourth quarter of 2017, the Group earned total revenues of $1.5 billion, 20% lower than in the same period in 2016. This was driven largely by the 39% decrease in Offshore & Marine's revenue as a result of lower volume of work.

14. Revenues from the Property Division decreased by 26%, primarily due to lower revenues from China trading projects and The Glades, which were partly offset by higher revenues from the Reflections at Keppel Bay.

15. Infrastructure Division's revenue grew 15%, driven by increased sales in the power and gas business and progressive revenue recognition from the Keppel Marina East Desalination Plant project.

16. The Investments Division saw a slight decrease in revenue, due mainly to timing difference in certain performance fees earned by Keppel Capital, which were recognized in 3Q this year compared to 4Q last year.

4Q 2017 Pre-tax Profit by Segments (Slide 28)
(Excluding one-off global resolution & related costs)

17. Moving on to the Group pre-tax profit.

18. Excluding the one-off financial penalty and related costs, the Group recorded a pre-tax profit of $208 million, comparable to the $206 million recorded in the same quarter in 2016.

19. The Offshore & Marine Division's pre-tax loss was $253 million as compared to $142 million loss in the same quarter in 2016. This was due mainly to lower operating results and share of associated companies' losses, partially offset by lower impairment provisions and lower net interest expense.

20. Pre-tax profit for the Property Division increased by 24% to $366 million, lifted mainly by higher fair value gains on investment properties, which were partially offset by the absence of write-back of impairment for hospitality assets compared to write-backs in respect of Sedona Yangon and Mandalay last year.

21. Infrastructure Division reported a 75% increase in pre-tax profit, due mainly to higher profit from the power and gas business and recognition of fair value gains on investment during the quarter.

22. Pre-tax profit from the Investments Division was $22 million higher as a result of the absence of provision for impairment on investments in 2017, partly offset by lower contribution from the Sino-Singapore Tianjin Eco-City.

4Q 2017 Net Profit by Segments (Slide 29)
(Excluding one-off global resolution & related costs)

23. After tax and non-controlling interests, the Group's net profit for the quarter decreased by 13% or $19 million to $124 million.

FY 2017 Financial Performance (Slide 30)

24. Next, I shall take you through the performance for the financial year of 2017.

25. The Group recorded a net profit of $217 million for the financial year 2017, this was 72% lower as compared to the previous year.

26. As noted earlier, the results for 2017 was affected by the impact of the global resolution with criminal authorities in the United States, Brazil and Singapore.

27. The resultant earnings per share decreased by the same extent to 11.9 cents.

28. This translates to a lower ROE of 1.9%, and EVA was also lower at negative $834 million.

29. Similar to the fourth quarter, the analysis for the financial year of 2017 in the following slides is normalised to exclude the one-off financial penalty from the global resolution and related costs to allow a more meaningful analysis of the underlying performance of the Group.

FY 2017 Financial Performance (Slide 31)
(Excluding one-off global resolution & related costs)

30. On this basis, the Group net profit was 7% higher at $836 million as compared to 2016.

31. As a result, earnings per share increased by about the same extent to 46.0 cents.

32. This translates to a higher ROE of 7.0%, while EVA was lower at negative $215 million.

33. Free cash flow for the year was an inflow of $1.8 billion, compared to an inflow of $540 million in the prior year, due mainly to lower working capital requirements from the Offshore & Marine and Property Divisions.

34. Consequently, net gearing decreased from 56% at the end of 2016 to 46% this year.

35. We are pleased to propose a final dividend of 14 cents per share for this year. Together with the interim cash dividend of 8 cents, total cash dividend for 2017 will amount to 22 cents per share.

FY 2017 Financial Highlights (Slide 32)
(Excluding one-off global resolution & related costs)

36. Next, the summary Group profit and loss statement.

37. During the year, the Group earned a total revenue of $6.0 billion, a decrease of 12% or $803 million from 2016. Lower revenues from the Offshore & Marine and Property Divisions were partially offset by higher revenues from the Infrastructure and Investments Divisions.

38. Operating profit at $776 million was 2% or $19 million lower than last year. All divisions reported higher operating profits, except for Offshore & Marine Division, which turned in a full year operating loss.

39. Despite lower operating profits, profit before tax was 8% or $80 million higher than in 2016, due mainly to lower interest expense and higher share of profits from associated companies. The higher profits from associated companies was contributed largely by the Sino-Singapore Tianjin Eco-City from the sale of three land parcels in 2017.

40. After tax and non-controlling interests, net profit was 7% higher at $836 million, translating to earnings per share of 46.0 cents

FY 2017 Revenue by Segments (Slide 33)

41. In the next slide, we take a closer look at the Group's revenues by division.

42. Overall, the Group's revenues of $6.0 billion were 12% lower as compared to 2016. This was driven largely by the 37% decrease in Offshore & Marine revenues as a result of lower volume of work and deferment of some projects.

43. Property revenues dropped by 12%, due mainly to lower revenues from China trading projects and The Glades.

44. The Infrastructure Division saw a 27% growth in revenue, led by increased sales in the power and gas business and progressive revenue recognition from the Keppel Marina East Desalination Plant project.

45. Revenue from the Investments Division was 29% higher, resulting from sales of equity investments, as well as performance and acquisition fees earned by Keppel Capital.

FY 2017 Pre-tax Profit by Segments (Slide 34)
(Excluding one-off global resolution & related costs)

46. Moving on to the Group pre-tax profit.

47. The Group recorded a pre-tax profit of $1.1 billion for 2017, which was 8% higher than in the preceding year.

48. The Offshore & Marine Division's pre-tax loss was $243 million as compared to a pre-tax profit of $90 million in 2016. As revenues continued to fall by another 37% this year, Offshore & Marine Division incurred a full year operating loss in 2017. In addition, share of associated companies' profits was also lower. These were partially offset by lower impairment provisions and lower net interest expense. Provisions, mainly for impairment of fixed assets, stocks & WIP, investments and an associated company, and restructuring costs, amounted to $135 million in 2017. This is lower than the $277 million impairment provisions recorded in 2016. The division's operating margin for the year, was a negative 3.3%, compared to a positive 14.4% in 2016.

49. Pre-tax profit from the Property Division rose 14%, driven mainly by higher fair value gains on investment properties and gains from en-bloc sales of development projects in China and Indonesia. This was partially offset by lower contribution from associated companies, primarily resulting from the absence of the gains from the divestment of the stakes in Life Hub @ Jinqiao and 77 King Street, as well as the absence of write-back of impairment for hospitality assets in 2016.

50. The Infrastructure Division saw an increase of 36% in pre-tax profit, due to higher operating results, progressive recognition of Keppel Marina East Desalination Plant Project, fair value gains on investment and gains from the divestment of GE Keppel Energy Services Pte Ltd.

51. The Investments Division's pre-tax profit was $260 million higher, led mainly by higher share of profit of associated companies including the Sino-Singapore Tianjin Eco-City and K1 Ventures, write back of provisions for impairment of investments and profit on the sale of equity investments. These were partially offset by fair value loss on KrisEnergy warrants and share of loss in KrisEnergy.

FY 2017 Net Profit by Segments (Slide 35)
(Excluding one-off global resolution & related costs)

52. After tax and non-controlling interests, the Group's earnings increased by 7% or $52 million, with the Property Division being the top contributor at 82%, followed by Investments at 28% and Infrastructure at 16%, while the Offshore & Marine Division contributed negative 26% to the Group's net profit.

Net Profit and EPS (Slide 36)
(Excluding one-off global resolution & related costs)

53. The Group's net profit for the financial year 2017 was $836 million, which translated to earnings per share of 46.0 cents.

ROE & Dividend (Slide 37)
(Excluding one-off global resolution & related costs)

54. ROE increased to 7.0% in 2017 from 6.9% in 2016.

55. Our proposed final dividend to our shareholders for 2017 will be 14 cents per share. Including the interim dividend paid, the total distribution for 2017 will be 22 cents per share.

Free Cash Flow (Slide 38)

56. In 2017, cash flow from operations was $463 million as compared to $1,202 million in 2016.

57. After accounting for working capital changes, interest and tax, net cash inflow from operating activities was $1,377 million, as compared to $294 million in 2016, due mainly to lower working capital requirements in the Offshore & Marine and Property Divisions.

58. Net cash generated from investing activities amounted to $425 million, comprising dividend income from associated companies and divestment proceeds of $655 million, less investments, operational capital expenditure and advances to associated companies of $230 million.

59. As a result, there was an overall cash inflow of $1.8 billion for 2017, $1.3 billion higher than in 2016.

60. With that, we have come to the end of the results presentation segment, and I shall hand the time back to our CEO, Chin Hua, for the Q&A section. Thank you.