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For Immediate Release

Baker Tech's half-year net profit surges 233% to S\$11.5 million

S\$ million	6 Months Ended 30 June		Change
	2009	2008	
Revenue	34.9	16.6	+110%
Cost of goods sold	(17.3)	(10.4)	+66%
Gross Profit	17.6	6.2	+184%
Profit before tax	14.2	4.2	+236%
Net Profit	11.5	3.4	+233%
Basic EPS* (cents)	1.82	0.55	
Diluted EPS* (cents)	1.76	0.53	

- *1H09 Revenue increased by S\$18.3 million or up 110% to S\$34.9 million due to full six months recognition of Sea Deep's performance compared to just two months in 1H08.*
- *Gross Profit increased by S\$11.4 million or up 184% to S\$17.6 million*
- *Net Profit rose by S\$8.1 million or 233% to S\$11.5 million.*
- *Positive Operating Cash Flow of S\$35.2 million; available cash and cash equivalents of S\$63 million as at 30 June 2009*
- *Annualised Return on Equity was 33.4%*

5 August 2009 – Baker Technology Limited ('Baker Tech' or 'the Group') 巴克科技有限公司, a SGX-ST mainboard listed manufacturer and provider of specialised marine offshore equipment and services for the oil and gas industry, reported its financial results for the six months ended 30 June 2009.

“I am pleased to see how Baker Tech has successfully transformed itself into a niche oil and gas company; we delivered a sterling performance in the second quarter with net earnings of S\$5.4 million, up from S\$3.4 million last year. This more than tripled our half-year net earnings to S\$11.5 million. The healthy set of results has also further strengthened our financial position as we ended the period with available cash and cash equivalents of S\$63.0 m.” - Chairman, Mr. Lim Ho Seng

1H2009 Group revenue rose 110% to S\$34.9 million reflecting the recognition of a full six months' contributions from its core operating subsidiary Sea Deep, compared to just two months in 1H2008 (the acquisition of Sea Deep was completed on 30 April 2008). The Group achieved a gross profit in 1H2009 of S\$17.6 million on the back of higher margin contributions from certain projects that were near completion in the second quarter.

Half-year share of losses from its 49%-owned associate ('York') was S\$543,000, compared to a share of profit of S\$604,000 a year ago. York, which manufactures and distributes trailer axles continues to be adversely affected by the global economic slowdown which has dampened demand in the industrial automotive sector.

The group incurred a foreign exchange loss of S\$3.3 million due to the weakening of the US\$ against the S\$ during the three months ended 30 June 2009. Notwithstanding, 1H2009 pretax profit rose 236% to S\$14.2 million while net profit increased by S\$8.1 million to S\$11.5 million, up 233%. Annualised Return on Equity for 1H2009 was a robust 33.4%.

The Group's overall cash position was further enhanced by improved collections of trade receivables which decreased by S\$23.9 million. Net operating cash flow generated was a very healthy S\$35.2 million in 1H2009 whilst available cash and cash equivalents stood at S\$63.0 million as at 30 June 2009, almost double the S\$31.1 million as at 31 December 2008.

Outlook

Falling oil prices and more restrictive credit markets had effectively stalled new investments in exploration and production activities in the first half of 2009. However there are signs of a recovery and stabilization in oil prices on the back of an improving global economy and the weak US\$. In addition, the long term fundamentals for rig demand remain positive for Baker Tech, a niche supplier of critical components for offshore drilling rigs. These include the lack of a viable alternative energy source, an ageing world rig fleet and new discoveries in deeper waters.

The Group's order book was US\$38 million as at 30 June 2009 to be completed over the next 12 to 18 months, down from US\$47 million as at 31 March 2009.

“It has been a tough half year for new orders but we will continue to persevere. Our strategy during this period of slow orders is to uphold the distinctive quality of our products, stay cost efficient, focus on developing new markets and maintain a strong balance sheet. And when demand recovers, we are ready.” - Chairman Mr. Lim Ho Seng

The Group expects to be profitable in 2HFY2009.

About Baker Technology Limited

Listed on SGX-ST mainboard, Baker Technology Limited (Baker Tech) is a leading manufacturer and provider of specialised equipment and services for the oil & gas industry. Its core business is in the design and construction of a wide range of equipment and components for use in the offshore environment. These include offshore pedestal cranes, anchor winches, skidding systems, jacking systems and raw water tower structures. It also provides services such as project management, engineering services, quality assurance, and construction supervision. These products and services are highly specialised and cater to all facets of the oil & gas industry.

Baker Tech has a 49% interest in York Transport Equipment (Asia) Pte Ltd, a manufacturer and distributor of trailer axles and related components. It also holds a 15% stake in PPL Shipyard which designs and constructs offshore rigs. PPL's Pacific Class 375 jack-up rigs are well accepted in the market as rigs of choice.

Baker Tech has market presence in China, the Middle East, Asia and USA.. Please visit us at www.bakertech.com.sg

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