



BAKER TECHNOLOGY LIMITED
Company Registration No.: 198100637D

Media Release

Baker Tech's 3Q 2012 net profit up 33% to S\$5.7 million 9M 2012 earnings at record high of S\$80.6 million

S\$ million Y/E Dec	3Q 2012	3Q 2011	Chg %	9M2012	9M2011	Chg %
Revenue	21.7	18.5	17	81.8	48.4	69
Cost of goods sold	(13.6)	(12.9)	5	61.7	(32.9)	88
Gross Profit	8.1	5.6	46	20.1	15.5	30
Admin Expenses	(1.8)	(3.1)	(43)	(6.4)	(8.5)	(25)
Other Operating Income / (Expenses), net	0.6	3.0	(79)	69.2	(0.5)	NM
Share of Results of Associates	-	(0.2)	NM	0.6	0.4	37
Profit before tax	6.9	5.3	31	83.4	6.9	1,113
Net Profit	5.7	4.3	33	80.6	4.8	1,580
Basic EPS* (cents)	0.81	0.62		11.51	0.69	
Diluted EPS ⁺ (cents)	0.48	0.44		6.41	0.49	

* based on a weighted average number of 700,385,317 ordinary shares for the financial period ended 30 September 2012 (30 September 2011—692,045,766)

+ based on the number of ordinary shares in issue during the financial period ended 30 September 2012 adjusted for dilutive effect of 557,073,833 warrants (30 September 2011 —282,662,881 warrants)

6 November 2012– Baker Technology Limited ('Baker Tech' or 'the Group') 巴克科技有限公司, a leading manufacturer and provider of specialised marine offshore equipment and services for the oil and gas industry has achieved a 33% rise in net earnings of S\$5.7 million for the three months ended 30 September 2012 (3Q 2012). For the nine months ended 30 September 2012 (9M 2012), the Group reported a record net profit of S\$80.6 million.

3Q 2012 Performance

Group revenue increased 17% from 3Q2011 to S\$21.7 million, due to higher progressive recognition of orders secured in 2011 and early 2012. Overall profitability in the quarter was boosted by higher gross margins achieved and lower administrative expenses. Gross profit rose 46% to S\$8.1 million on higher margins for existing projects while administrative expenses decreased 43% to S\$1.8 million due mainly to lower professional and legal fees. There was a foreign exchange loss of S\$0.3 million compared to a gain of S\$3.0 million previously.

9M 2012 Performance

Group revenue improved by 69% to S\$81.8 million while gross profit rose by a slower 30% to S\$20.1 million due to the different product mix and competitive pricing.

Group pre-tax profit was boosted by the recognition of a S\$58.2 million deferred gain on the sale of PPL Holdings Pte Ltd (“PPLH”) and a S\$10.9 million gain from the disposal of its 49% stake in York Transport Equipment (Asia) Pte Ltd (“York”) as well as lower administrative expenses. Administrative expenses declined by 25% to S\$6.4 million on the back of lower professional and legal fees. Foreign exchange loss was S\$1.1 million compared to S\$0.6 million previously as the US Dollar and Euro Dollar weakened against the Singapore Dollar during the period.

As a result of the growth in profits, shareholders’ funds increased to S\$255.6 million from S\$171.8 million as at end December 2011, boosting net assets value per share to 36.2 cents (FY2011: 24.5 cents).

The Group’s financial position is strong; and its net available cash and cash equivalents stood at a healthy S\$154.3 million (or 21.9 cents per share) as at 30 September 2012.

Outlook

The Group’s net order book as at 30 September 2012 was US\$60 million, compared to US\$64 million last quarter; these orders expected to be completed within the next 12 to 18 months.

“Despite the difficult economic and financing environment, we are pleased to be able to maintain our level of order book with new orders secured in the last quarter. We believe that we have been able to do so through our track record of executing well on both product reliability and delivery.

Even as the global economic outlook remains fraught with uncertainties in the next twelve months, we are still confident of the long term prospects and potential of the oil and gas industry; oil prices are expected to remain high to drive continued investments in exploration and production. As part of the Group’s growth strategy to build a portfolio of quality oil and gas assets, we have increased our interest in Discovery Offshore to 20% from 19%, in the last quarter.”

- Chairman, Mr. Lim Ho Seng (林穆升)

About Baker Technology Limited (Bloomberg: BTL SP, Reuters: BATE.SI)

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. Baker Tech has market presence in China, the Middle East, Asia and USA. It also owns a 20% stake in Oslo-listed Discovery Offshore SA, a specialised drilling company with two ultra-high specification jack-up rigs scheduled for delivery in 2013.

Baker Tech continually seeks to raise its standards of corporate governance and shareholder communications. In the recent Singapore Corporate Awards 2012, Baker Tech won its second consecutive Silver award for Best Annual Report, for companies under S\$300 million in market capitalization. In the previous three consecutive years, the Group had won awards in the “Best Managed Board” category. Please visit us at www.bakertech.com.sg

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