



BAKER TECHNOLOGY LIMITED
Company Registration No.: 198100637D

Media Release

Baker Tech reports 1Q 2013 net profit of S\$3.2m

Y/E Dec (S\$ million)	1Q 2013	1Q 2012	Chg %
Revenue	25.1	35.1	(29)
Cost of goods sold	(19.0)	(30.2)	(37)
Gross Profit	6.0	4.9	23
Admin Expenses	(1.8)	(2.0)	(12)
Other Operating Income/Expenses, net	0.1	10.8	(99)
Share of Results of Associates	(0.1)	0.6	NM
Profit before tax	4.2	14.2	(70)
Net Profit	3.2	13.6	(76)
Basic EPS* (cents)	0.44	1.94	
Diluted EPS⁺ (cents)	0.32	1.94	

* based on a weighted average number of 741,814,478 ordinary shares for the financial period ended 31 March 2013 (31 March 2012 — 700,168,881)

+ based on the number of ordinary shares in issue during the financial period ended 31 March 2013 adjusted for dilutive effect of 261,392,952 warrants (31 March 2012 — Nil warrants).

25 April 2013 – 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, reported net profit of S\$3.2 million on revenue of S\$25.1 million for the three months ended 31 March 2013 (1Q 2013).

1Q 2013 Performance

Group revenue decreased by 29% from S\$35.1 million a year ago, due to a general slowdown in order intake since the second half of 2012. However, despite the lower revenue, gross profit increased from S\$4.9 million in 1Q 2012 to S\$6.0 million in 1Q 2013. This was mainly due to higher sales margins from projects in 1Q 2013.

Net profit, excluding the gain of S\$10.9 million recognised in 1Q 2012 from the disposal of an associate, York Transport Equipment (Asia) Pte Ltd ("York"), increased 20% from S\$2.7 million to S\$3.2 million in 1Q 2013. The Group also recorded a small share of loss on its associate, Discovery Offshore S.A. ("DO"), amounting to S\$0.1 million for 1Q 2013.

The Group's financial position remains robust with S\$188.4 million in cash and cash equivalents, and zero gearing. Shareholders' funds increased by S\$8.3 million over the quarter to S\$276.4 million due to retained profits, as well as an increase in share capital due to conversion of warrants. After the FY2012 dividend of 10 cents per share has been paid out in May 2013, shareholders' funds would still remain at approximately S\$200 million.

Outlook

Due to the slow order intake, the Group's core business in specialised offshore components saw a decrease in its net order book from US\$49 million as at end 2012 to US\$40 million at end March 2013. The bulk of these orders are expected to be completed within the next 12 to 18 months.

The Group's 20%-owned associate, Discovery Offshore, is on track to take delivery of its two ultra high-specification jack-up drilling rigs in 2Q and 4Q of 2013. These rigs are based on the Keppel FELS "Super A" Class design and can be deployed in harsh deep water environments. DO can be expected to contribute meaningfully to the Group's results once the rigs have secured charter contracts and are deployed.

"We remain positive on the offshore oil and gas industry in general, as we have seen a pick-up in prospective sales enquiries in recent months on the back of rising rates for jack-up rigs. The Group's balance sheet also remains strong and we would still have over S\$100 million in cash even after paying out a bumper dividend of 10 cents per share. This will enable us to pursue future investments and acquisitions."

- Chairman, Mr. Lim Ho Seng (林穆升)

Adjustment of Exercise Price of 2012 Warrants

At the Group's Annual General Meeting (AGM), shareholders approved the payout of a first and final tax exempt dividend of 1.5 cents, and a special tax exempt dividend of 8.5 cents per share, due to recognition of gains on the disposals of York as well as PPL Holdings. In view of the lower intrinsic value of the shares following this dividend payout, the exercise price of the 2012 warrants would be lowered from S\$0.27 to S\$0.185 per share, effective from 13 May 2013.

About Baker Technology Limited (Ticker symbols: 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 capitalisation. 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

Media/IR Contacts:

Koh Bee Ann, NRA Capital

Tel: 6236 6878

Email: beeann.koh@nracapital.com

Evan Ong, NRA Capital

Tel: 6236 6894 / 9756 9798

Email: evan.ong@nracapital.com