



BAKER TECHNOLOGY LIMITED
Company Registration No.: 198100637D

Media Release

Baker Tech posts 3Q 2011 net profit of S\$4.3 million, up from S\$82,000 previously

- ***Outlook underpinned by healthy net order book of US\$102 million***
- ***Group has cash holdings of S\$176.3 million (or 25.2 cents per share)***

S\$ million Y/E Dec	3Q 2011	3Q 2010 (restated)	Chg %	9M2011	9M2010 (restated)	Chg %
Revenue	18.5	13.8	34	48.4	26.8	81
Cost of goods sold	(12.9)	(9.3)	39	(32.9)	(13.4)	146
Gross Profit	5.6	4.5	23	15.5	13.5	15
Admin Expenses	(3.1)	(1.8)	75	(8.5)	(5.6)	54
Other Operating Income / (Expenses), net	3.0	(2.3)	NM	(0.5)	(2.1)	(77)
Share of Results of Associates	(0.2)	0.0	NM	0.4	0.3	66
Share of results from investment in PPL Shipyard	-	-	-	-	15.8	(100)
Profit/(Loss) before tax	5.3	0.5	NM	6.9	21.9	(69)
Net Profit/(Loss)	4.3	0.0	NM	4.8	20.3	(76)
Basic EPS* (cents)	0.62	0.01		0.69	3.03	
Diluted EPS* (cents)	0.44	-		0.49	2.09	

- Restated figures as a result of adoption of FRS31 in 2010.

* based on a weighted average number of 692,045,766 ordinary shares for the financial period ended 30 September 2011 (30 September 2010—670,473,313)

+ based on the number of ordinary shares in issue during the financial period ended 30 September 2011 adjusted for dilutive effect of 282,662,881 warrants (30 September 2010 —300,312,934 warrants).

2 November 2011 – 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 reported net profits of S\$4.3 million for the three months ended 30 September 2011 (3Q 2011), as compared to a marginal profits of S\$82,000 a year ago.

3Q 2011 Performance

For the three months ended 30 September 2011 (3Q 2011), Group revenue rose 34% to S\$18.5 million, due to a higher level of progressive recognition of revenue, especially from new orders secured in late 2010 and early 2011. As a result, gross profit improved 23% to S\$5.6 million.

Net profit increased significantly from S\$82,000 in 3Q 2010 to S\$4.3 million. This was achieved on the back of higher gross profits, a writeback of unutilized warranty provision of S\$1.4 million and a foreign exchange gain of S\$3.0 million.

9M 2011 Performance

Group revenue increased 81% to S\$48.4 million, in line with the higher intake of new orders since late 2010. Gross profit increased at a slower 15% to S\$15.5 million as there were fewer projects completed or in later stages of completion as compared to 9M 2010.

Net profit reduced from S\$20.3 million to S\$4.8 million for 9M 2011. This was mainly attributed to the absence of share of results amounting to S\$15.8 million from its investment in PPL Shipyard, following the disposal of PPL Holdings Pte Ltd in October 2010.

Over the nine-month period, shareholders' funds decreased from S\$187.1 million to S\$170.9 million. This was mainly due to payment of dividends as well as a write-down for its available-for-sale investment to account for fair value changes.

Healthy Financial Position

The Group is debt-free and its net available cash and cash equivalents stood at a healthy S\$176.3 million as at end September 2011, up from S\$72.7 million a year ago.

Outlook

The Group's net order book as at 30 September 2011 increased to US\$102 million, up from US\$57 million as at 30 June 2011. These orders are expected to be completed within the next 12 to 18 months.

“The current outlook has been dampened by the slowdown in the global economy and the volatility in the financial markets. However, going forward, the healthy net order book of S\$102 million will underpin the Group's financial performance for the next 12 months.

We believe that the offshore and marine sector remains attractive in the longer term. The decline in existing production capacity and sustainable high oil prices will continue to boost exploration and production activities worldwide. With its strong cash position and healthy balance sheet, Baker Tech is well-positioned to tap into opportunities within the sector for its future growth and to enhance shareholder value.

- Chairman, Mr. Lim Ho Seng (林穆升)

About Baker Technology Limited (Bloomberg: BTL SP, Reuters: BATE.SI) www.bakertech.com.sg

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. Baker Tech also has a 49% interest in York Transport Equipment (Asia) Pte Ltd, a manufacturer and distributor of trailer axles and related components.

Baker Tech continually seeks to raise its standards of corporate governance and shareholder communications. In the recent Singapore Corporate Awards 2011, Baker Tech won a Gold award for Best Managed Board and a Silver award for Best Annual Report awards, for companies under S\$300 million in market capitalization.

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