



BAKER TECHNOLOGY LIMITED
Company Registration No.: 198100637D

Media Release

***Baker Tech's FY2012 Revenue at record high of S\$98.2 million,
reports ten-fold increase in FY2012 net earnings to S\$83.4 million,
Declares record dividends of 10 cents per share
as cash holdings rise to S\$174 million***

Y/E Dec (S\$ million)	4Q 2012	4Q 2011	Chg %	2012	2011	Chg %
Revenue	16.4	32.7	(50)	98.2	81.1	21
Cost of goods sold	(11.4)	(24.7)	(54)	(73.2)	(57.6)	27
Gross Profit	5.0	8.0	(38)	25.1	23.5	7
Admin Expenses	(1.5)	(3.3)	(55)	(7.9)	(11.9)	(33)
Other Operating Expenses, net	(0.3)	(0.3)	9	69.0	(0.7)	n.m.
Share of Results of Associates	(0.0)	(0.7)	(98)	0.6	(0.2)	n.m.
Profit before tax	3.2	3.8	(16)	86.6	10.6	715
Net Profit	2.8	2.8	(3)	83.4	7.6	993
Basic EPS* (cents)	0.38	0.41		11.79	1.10	
Diluted EPS* (cents)	0.27	0.29		8.45	0.78	
				31.12.12	31.12.11	
NAV per share^(cents)				36.6	24.5	

* based on a weighted average number of 707,031,802 ordinary shares for the financial year ended 31 December 2012 (FY 2011 — 694,098,861 shares)

+ based on the number of ordinary shares in issue during the financial year ended 31 December 2012 adjusted for dilutive effect of 280,040,952 warrants (FY 2011 — 282,662,881 warrants).

^based on 736,806,714 shares in issue as at 31 Dec 2012 (31 Dec 2011: 700,168,881 shares)

22 February 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, has reported a 21% rise in revenue to a record S\$98.2 million for the 12 months ended 31 December 2012 (FY2012). Net profit for the period climbed 993% to S\$83.4 million on the back of the recognition of gains in the disposal of PPL Holdings Pte Ltd ("PPLH") and its remaining 49% stake in York Transport Equipment (Asia) Pte Ltd ("York").

"It has been an eventful year for the Group. The judgement of the long drawn legal suit was declared in our favour, and we also achieved record revenues with a strong cash position of S\$174 million at the end of the year. To reward the shareholders for their support and patience, the Group has declared a dividend of 10 cents per share in total, comprising a first and final tax exempt dividend of 1.5 cents and a special tax exempt dividend of 8.5 cents per share. "

- Chairman, Mr. Lim Ho Seng (林穆升)

FY 2012 Performance

Group revenue increased 21% to a record high of S\$98.2 million, on progressive recognition of orders secured in late 2011 and early 2012. Gross profit increased by a lower 7% to S\$25.1 million on lower margins as a result of a different product mix and competition. Pretax profit increased more than 8-fold, boosted by the recognition of a S\$58.2 million deferred gain on the sale of PPLH and a S\$10.9 million gain from the disposal of its 49% stake in York, and lower administrative expenses. Administrative expenses decreased by S\$4 million due to lower legal fees incurred during the year. Taxation for the year was significantly lower than the statutory corporate rate as the gains on the disposal of PPLH and York were capital in nature and not subject to tax.

Consequently, shareholders' funds surged from S\$171.8 million to S\$269.9 million on the back of the higher earnings, and a S\$7.5 million net gain on fair value changes on its 20% investment in Oslo-quoted Discovery Offshore SA.

The Group's financial position remains robust, with a cash position of S\$173.9 million or 23.6 cents per share as at 31 December 2012 and minimal gearing.

4Q 2012 Performance

For the three months ended 31 December 2012 (4Q 2012), Group revenue decreased 50% to S\$16.4 million due to a longer completion period for certain orders and the slowdown in order intake in the second half of 2012. Gross profit decreased by a slower 38% to S\$5.0 million. During the quarter, the Group re-designated its 20% investment in Discovery Offshore as an associated company and recorded a share of loss of S\$11,000 for the quarter. This compares with the S\$0.7 million loss attributed to its 49% stake in York in 4Q 2011, mainly due to exchange losses resulting from the weakening Indian Rupee against the US Dollar. Pretax profit declined by 16% to S\$3.2 million as the Group incurred significantly lower legal fees during the quarter, resulting in a 55% fall in administrative expenses from S\$3.3 million to S\$1.5 million. Net profit eased 3% to S\$2.8 million.

Outlook

The Group's net order book for its specialised equipment business as at 31 December 2012 was US\$49 million, down from US\$80 million a year ago as order intake eased in 2012. These orders are expected to be completed within the next 12 to 18 months. The global economic environment remains challenging and uncertain for the next 12 months. Although the outlook of the industry is also weighed down by the tight credit markets, the Group is confident of the positive long term fundamentals of the oil and gas industry. The Group's 20%-owned associated company, Discovery Offshore, is on track to take delivery of the Discovery Triumph, the first of its two ultra-high specification jack-up drilling rigs, in June 2013.

“Even with the payment of the record dividends, the Group believes that it would still have significant cash reserves and a strong balance sheet to support its expansion plans. We will continue to seek out opportunities to grow our presence in the marine offshore sector.”

- Chairman, Mr. Lim Ho Seng (林穆升)

Adjustments of exercise price of outstanding warrants

The Board is of the view that it is appropriate to adjust the exercise price of the 2012 warrants of S\$0.27 per share to a lower exercise price of S\$0.185 per share so as to reflect the lower intrinsic value of the shares of the Company after the proposed special dividend.

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

Media/IR Contacts:

Juliet Ang, NRA Capital

Tel: 6236 6895/9839 9016

Email: juliet.ang@nracapital.com

Evan Ong, NRA Capital

Tel: 6236 6894 / 9756 8789

Email: evan.ong@nracapital.com