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For Immediate Release

Baker Tech reports a 228% net profit growth for 1H08 with significant contribution from the oil & gas business

- Company is positive of its prospects in the robust oil & gas sector

S\$'000	6 months ended 30 June 2008	6 months ended 30 June 2007	Change %
Revenue	16,613	32,071	(48)
Cost of goods sold	10,427	25,177	(59)
Gross Profit	6,186	6,894	(10)
Share of results from associates	604	-	NM
Profit before tax	4,241	1,592	166
Net Profit	3,456	1,054	228
Basic EPS (cts)	0.55	0.17	
Diluted EPS (cts)	0.53	0.16	

Basic EPS for the financial period ended 30 June 2008 was calculated based on the weighted average number of ordinary shares in issue of 631,281,396 (30 June 2007 – 627,354,460)

EPS for the financial period ended 30 June 2008 on a fully diluted basis was calculated based on the number of ordinary shares in issue during the period adjusted for the dilutive effect of 24,171,243 warrants (30 June 2007 – 27,100,069)

5 August 2008 – Positioned as a player in the oil & gas industry, SGX-ST Catalyst listed **Baker Technology Limited** (Baker Tech) 巴克科技有限公司, has reported an increase of 228% in its net profit for the first half of FY2008 to about S\$3.5 million compared to the same period for FY2007.

The financial statements for the first half of FY2008 are the first that incorporate the financial performance of Sea Deep Shipyard Pte Ltd (Sea Deep), its new oil & gas subsidiary. On 30 April 2008, Baker Tech completed its acquisition of Sea Deep and thus has consolidated results of Sea Deep from 30 April 2008. On 5 October 2007, Baker Tech sold 51% of its interest in York Transport (Asia) Equipment Pte Ltd; it now holds the remaining 49% stake and its share of profits is reflected in the share of results from associates. Thus, Baker Tech's revenue of approximately S\$16.6 million for the first half of 2008 consists purely of revenue from the newly acquired Sea Deep. Baker Tech also holds a 15% stake in PPL Shipyard Pte Ltd.

Having acquired the entire issued and paid-up capital of Sea Deep, Baker Tech has morphed into a manufacturer and provider of specialised equipment and services for the oil & gas industry. Turning its focus to the energy sector, Baker Tech's core business is in the design and construction of a wide range of equipment and components for use in the offshore environment.

"Our entry into the oil & gas industry is very timely. This sector is expected to remain robust. The Group will benefit from the rising offshore oil exploration activities," said Mr Lim Ho Seng (林穆升), Chairman, Baker Tech.

In view of the strong demand for offshore equipment and services, Baker Tech's subsidiary Sea Deep is actively exploring new markets and expanding its customer base in China, the Middle East and India. Sea Deep has the in-house capability to manufacture specialised components for drilling rigs, with this unique competitive edge and the surge in demand for drilling rigs, Baker Tech is poised for growth.

As at 30 June 2008, Baker Tech has an order book of approximately US\$67 million (S\$89 million); the bulk of it is expected to be recognised as revenue within the next 12 to 18 months. The Group expects its operating results for FY2008 to be better than that of the year before.

Going forward, Baker Tech will also seek opportunities to grow through acquisitions that bring synergistic value to the Group.

About Baker Technology Limited

With the completion of its acquisition of Sea Deep Shipyard Pte Ltd (Sea Deep) on 30 April 2008, SGX-ST Catalist listed Baker Technology Limited (Baker Tech) has morphed into a manufacturer and provider of specialised equipment and services for the oil & gas industry.

Turning its focus to the energy sector, Baker Tech's 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 and India.

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