



BH GLOBAL MARINE LIMITED

明輝環球海事有限公司

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FOR IMMEDIATE RELEASE

BH Global Marine registers 25% Y-o-Y increase in earnings to S\$3.8 million in 1QFY11

- Broad-based growth in all three business segments drove both revenue and gross profit up by 82% and 39% respectively in 1QFY11
- Focus on scaling up the value chain by enhancing the Group's product and service offerings

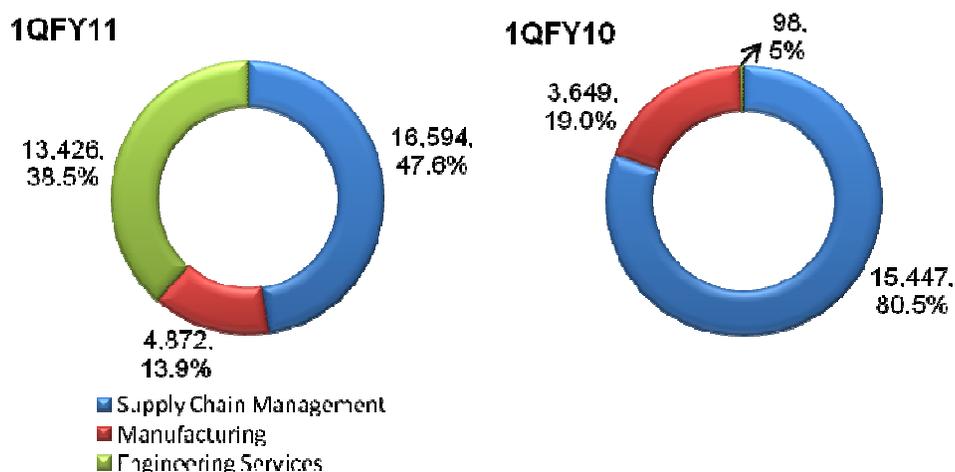
Singapore, 27 April 2011 – BH Global Marine Limited (“BH Global” , “明輝環球海事” or the “Group”), an integrated corporation providing premium electrical products and EIT (Electrical, Instrumentation and Telecommunication) solution to the Marine & Offshore and Oil & Gas industries, has posted a net profit attributable to shareholders of S\$3.8 million for the three months ended 31 March 2011 (“1QFY11”).

Financial Results

Financial Highlights (S\$'000)	1QFY11	1QFY10	Change
Revenue	34,892	19,194	82%
Gross Profit	10,179	7,327	39%
Gross Profit Margin	29.2%	38.2%	-
Profit Before Tax	4,762	3,812	25%
Net Profit Attributable to Shareholders	3,757	3,013	25%
Net Margin	10.8%	15.7%	-
Basic Earnings per Share (cents)*	0.78	0.72	8%

* 1QFY11 Basic EPS based on weighted average number of ordinary shares of 480,000,000 (1QFY10: 420,000,000) adjusted for 60,000,000 new shares in the capital of the Company on the Taiwan Stock Exchange on 20 October 2010.

Revenue breakdown by business segments (S\$'000)



The period under review

The Group witnessed 82% year-on-year (“y-o-y”) increase in revenue to approximately S\$34.9 million in 1QFY11 (1QFY10: S\$19.2 million) and gross profit rose from S\$7.3 million in 1QFY10 to S\$10.2 million in 1QFY11. These were supported by broad-based growth in the Group’s three-prong business model: Supply Chain Management, Manufacturing and Engineering Services. Revenue contribution from Supply Chain Management rose 7% y-o-y to S\$16.6 million in 1QFY11 primarily due to delivery of a few offshore projects secured in 4QFY10 under the marine cable and equipment sub-segment, which increased by 17% y-o-y to S\$12.0 million in 1QFY11. Manufacturing business witnessed more orders placed from Middle East this quarter and hence registered an increase in revenue by 34% y-o-y to S\$4.9 million. Engineering Services was a new business segment initiated last corresponding period and it has marked significant progress in securing contracts and projects during 2010. As such, this segment grew exponentially from approximately S\$0.1 million in 1QFY10 to S\$13.4 million in the current period, contributing approximately 38.5% to the Group’s revenue in 1QFY11.

The strategic change in product mix resulted in a healthy yet lower overall gross margin of 29.2% (1QFY10: 38.2%), due to the increased contribution from Manufacturing and Engineering Services Divisions, which typically yield lower margins.

Operating expenses including selling & distribution expenses and administrative expenses were higher at S\$5.5 million in 1QFY11 (1QFY10: S\$3.7 million) mainly due to the full year consolidation effect of the new Engineering Services business. With better topline performance and a change in product mix, the Group hence recorded a net profit attributable to shareholders and net margin of S\$3.8 million and 10.8% in 1QFY11, representing a basic earnings per share of 0.78 Singapore cents (1QFY10: 0.72 Singapore cents).

Net proceeds raised during the TDR exercise in October 2010 have left the Group with resources available for working capital and investment uses, approximately 49% of the balance proceeds amounting to S\$9.98 million has yet been utilised. The Group's cash position remains strong at S\$24.8 million, and net asset value per share stood at S\$0.22 (31 December 2010: S\$0.22) as at 31 March 2011.

Moving ahead

1Q2011 was an eventful period for the major players in the offshore sector as they witnessed slew of contract wins that includes jack-up rigs, offshore supply vessels and conversion projects. The surge in offshore orders and soaring oil prices may be good indicators that the sector is on recovery track.

In relations to BH Global, Mr Vincent Lim (“林翔宽”), CEO commented,

***“I believe that our strong long-term fundamentals will place us in a good position to benefit from the recovery in the sector. Our new Engineering Services business has performed well in the quarter, securing an aggregate of S\$30 million worth of projects that will be due for completion within 2011. We will continue to work on project execution to ensure smooth and timely delivery.*”**

We recognise the need to scale up in the value chain in the industry and therefore expanded our service offering by initiating the new Engineering Service segment. Going forward, apart from consolidating our traditional foothold in Singapore, we are looking at expanding our regional footprints in Indonesia, Middle East and India, which we believe will yield encouraging results in the near future.”

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About BH Global Marine Limited (Bloomberg Code: BHGM.SP)

BH Global Marine Limited (“BH Global”) is an integrated corporation providing premium electrical products and EIT (Electrical, Instrumentation and Telecommunication) solution to the Marine & Offshore and Oil & Gas industries, which specializes in three major segments:

- Supply Chain Management: Premium lighting, cables and electrical equipment for the marine and oil & gas industries
- Manufacturing: Marine switchboards and galvanised steel wires
- Engineering Services: Engineering and installation services

BH Global has over 800 local and international customers, which include ship owners, operators, management companies, chandlers, repair contractors and shipyards.

For more information, please refer to the website, www.bhglobal.com.sg

Issued for and on behalf of BH Global Marine Limited
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