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FOR IMMEDIATE RELEASE

BH Global Marine reports net earnings of S$3.0 million in 1QFY2012

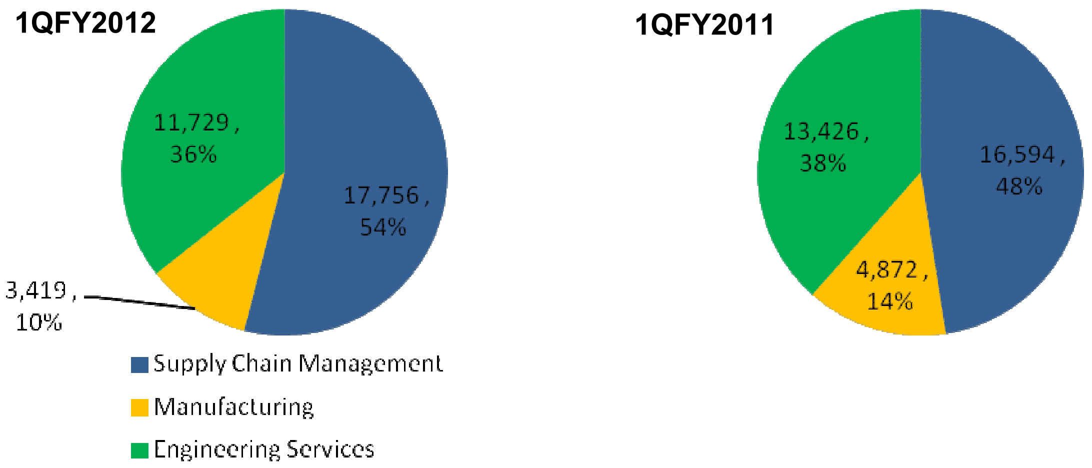
- Revenue decreased marginally by 6% y-o-y to S$32.9 million
- Earnings declined 21% y-o-y mainly due to expansion costs and depreciation of Indonesian Rupiah
- FY2012 will be a year of consolidation for the Group as it integrates newly acquired businesses

Singapore, 24 April 2012 – **BH Global Marine Limited** ("**BH Global**", "明辉环球海事" or the "Group"), an integrated group providing premium electrical products and EIT (Electrical, Instrumentation and Telecommunication) solutions to the Marine & Offshore and Oil & Gas industries, posted net profit attributable to shareholders of S$3.0 million for the three months ended 31 March 2012 ("1QFY2012"), 21% year-on-year ("y-o-y") lower as compared to 1QFY2011.

Financial Results

Financial Highlights (S$'000)	**1Q2012**	**1Q2011**	**Change (%)**
Revenue	32,904	34,892	(6)
Gross Profit	8,902	10,179	(13)
Gross Profit Margin	**27.1%**	**29.2%**	**-**
Profit Before Tax	2,755	4,762	(42)
Net Profit Attributable to Shareholders	2,983	3,757	(21)
Net Margin	**9.1%**	**10.8%**	**-**
Basic Earnings per Share (cents)	0.62	0.78	(21)

Revenue breakdown by business segments (S$'000)



The period under review

The Group's revenue declined marginally 6% y-o-y to S$32.9 million in 1Q FY2012 with Supply Chain Management, the Group's core business, contributing about 54% or S$17.8 million. Increase in revenue contribution from Supply Chain Management was primarily due to more orders secured from the offshore sector during 1QFY2012. Revenue contribution from the Engineering Services segment slide 13% y-o-y to S$11.7 million in 1QFY2012 because a major fabrication project was completed during the quarter under review. Most resources under the galvanised steel wire division were deployed towards the construction of the new manufacturing plant in Oman. Hence, revenue contribution from the Manufacturing segment declined from 14% (S$4.9 million) in 1QFY2011 to 10% (S$3.4 million).

Gross profit was 13% y-o-y lower at S$8.9 million in 1QFY2012 and gross profit margin decreased marginally from 29.2% in 1QFY2011 to 27.1% in 1QFY2012. The Indonesian Rupiah has depreciated sharply against the Singapore Dollars during the period under review and thus impacted the financials of the fabrication facility in Batam, which contributed to the S$1.7 million translation loss captured under the statement of comprehensive income. Also, the Group incurred expansion costs ahead of revenue for the new manufacturing plant in Oman. These resulted in lower net profit attributable to shareholders of S$3.0 million in 1QFY2012 as compared to S$3.8 million in the previous corresponding period. Consequently, basic earnings per share decreased to 0.62 Singapore cents in 1QFY2012.

The Group maintained a higher inventory level of S$57.5 million as at 31 March 2012 due to increased business activity in the Supply Chain Management and Engineering Services business segments. The Group had a net gearing ratio of 12.8% as at 31 March 2012 duly supported by a healthy cash balance of S$10.6 million.

Outlook

"Offshore oil & gas sector continues to witness strong growth but the general marine environment remains weak. We have, therefore, embarked on an expansion program last year to create new revenue streams by extending upwards in the value chain. To create sustainable value for the stakeholders, we moved into fabrication and engineering solution packages under our new Engineering Services business segment. We have also marked our debut in Oman with a new manufacturing plant and partnered an established player in the LED lighting business.

Moving forward, we will align our focus to consolidate and integrate these newly acquired businesses into its existing infrastructure. Operations and procedures will be enhanced to maximise productivity and efficiency. We will emerge stronger after the business integration and will be well-poised to ride on the recovery trend in the near future."

Vincent Lim, Chief Executive Officer, BH Global

Operationally, the construction of the manufacturing plant in Oman is underway and construction is expected to be completed by 1QFY2013. The initial production capacity is expected to hit 60,000 tonnes per annum with a potential to reach 200,000 tonnes per year. The Group has also acquired another 30 hectares of land in Batam. Construction of the expanded yard will be conducted in phases over the next 3-5 years. Elaborating on the working capital needs, ***Mr Lim*** added: ***"We have a healthy cash level of S$10.6 million and current receivables of about S$66.0 million as at 31 March 2012. Our net gearing ratio is maintained comfortably at 12.8% as at 31 March 2012 and we do have a strong working relationship with the banks. Hence, we believe that these expenditure can be comfortably funded through our internal resources and borrowings, if needed."***

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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

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Issued for and on behalf of BH Global Marine Limited
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