



SBI Offshore Limited

Press Release

SBI OFFSHORE TO FORM A JOINT VENTURE WITH RAM TO BUILD CRANES FOR OFFSHORE DRILLING RIGS

SINGAPORE, 13 January 2011 – Catalyst-listed SBI Offshore Limited (“**SBI Offshore**” or the “**Company**” together with its subsidiaries, the “**Group**”) is pleased to announce that the Company plans to design, build, sell and service cranes for offshore drilling rigs in the Asia Pacific, Middle East, Europe and Brazil in collaboration with a U.S. based specialist Ram Machine Tooling, Inc. (“**Ram**”).

SBI Offshore’s subsidiary Sea Reef Offshore Pte Ltd (“**Sea Reef**”) has entered into a legally-binding Memorandum of Understanding (the “**MOU**”) with Ram, an experienced U.S. based offshore and marine (“**O&M**”) crane specialist which designs, manufactures, services and repairs a wide range of O&M cranes.

Sea Reef specialises in the design, engineering, manufacture and after-sales services support of deck machinery, load handling systems and offshore cranes. It has design and engineering centres in Houston, Amsterdam and Singapore.

Under the terms of the MOU, Sea Reef will hold seventy per cent. (70%) and Ram will hold thirty per cent. (30%) in a joint venture company to be incorporated in Singapore or the People’s Republic of China to pursue the crane business globally. Ram is API Spec Q1 registered and API Spec 2C authorised-official-monogram-use certified for the design and manufacture of offshore pedestal mounted cranes. As both Sea Reef and Ram recognise each other’s contribution and the business synergies to be achieved, there is no goodwill to be paid for.



Mr Jonathan Hui, Executive Chairman and CEO of SBI Offshore, said, “The MOU marks an important milestone for the Group as we continue to strengthen our position as Asia’s leading provider of O&M equipment. The joint venture demonstrates that the offshore equipment Original Equipment Manufacturers (“OEMs”) in the USA are recognizing SBI Offshore’s strengths in its established network of customers in Asia as well as its growing capabilities in design, manufacture and after-sales services support of offshore equipment.”

This latest development follows the qualification of the Group’s China facility in 2010 by Norwegian drilling equipment packages specialist Aker MH AS.

“SBI Offshore is exploring further joint ventures and mergers with leading offshore equipment OEMs in the US and Europe as it plans to become a leading integrated engineering solutions provider to the offshore energy industry in Asia.” Mr Hui added.

Barring any unforeseen circumstances, the Group expects the joint venture to contribute positively to SBI Offshore’s financial performance in the financial year ending 31 December 2011.

End of Release

Issued on behalf of SBI Offshore Limited by WeR1 Consultants Pte Ltd

About SBI Offshore Limited

Established since 1994, SBI Offshore has been primarily engaged in the marketing and distribution of equipment to owners and builders of jack-up rigs, semi-submersibles, drillships, and mobile offshore production platforms in Asia.



In 2009, SBI Offshore expanded into the design, engineering, manufacture and after sales support of equipment for the offshore energy market.

The Group's customer base includes most of the leading owners and builders of mobile offshore drilling and production units in the world.

The Company was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 11 November 2009. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor").

This press release has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this press release.

This press release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release.

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