



**MTQ CORPORATION LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration Number 196900057Z)

**Unaudited Full Year Financial Statements And Dividend Announcement For The Year Ended 31 March 2011**

**1(a) STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2011**

**GROUP**

	<b>31.03.11</b>	<b>31.03.10</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
<b>Revenue</b>	91,714	81,966	12%
Cost of sales (Note A)	(54,194)	(48,269)	12%
<b>Gross Profit</b>	<b>37,520</b>	<b>33,697</b>	<b>11%</b>
Other income (Note B)	1,530	3,008	-49%
Staff costs	(14,494)	(12,158)	19%
Other operating expenses (Note C)	(10,980)	(10,070)	9%
<b>Profit from operating activities</b>	<b>13,576</b>	<b>14,477</b>	<b>-6%</b>
Finance costs (Note D)	(258)	(160)	61%
<b>Profit from operations before taxation</b>	<b>13,318</b>	<b>14,317</b>	<b>-7%</b>
Taxation expense (Note E)	(2,575)	(2,290)	12%
<b>Profit for the financial year, net of tax</b>	<b>10,743</b>	<b>12,027</b>	<b>-11%</b>
<b>Other comprehensive income:</b>			
Exchange difference on translation of overseas subsidiary companies	(825)	3,784	n/m
Net (loss)/gain on fair value of available-for-sale financial assets	(2,762)	5,164	n/m
Disposal of available-for-sale financial assets transferred to profit and loss	-	(1,847)	n/m
<b>Other comprehensive income for the financial year, net of tax (Note F)</b>	<b>(3,587)</b>	<b>7,101</b>	<b>n/m</b>
<b>Total comprehensive income for the financial year</b>	<b>7,156</b>	<b>19,128</b>	<b>-63%</b>
<b>Profit attributable to:</b>			
Owners of the parent	10,631	12,034	-12%
Non-controlling interests	112	(7)	n/m
	<b>10,743</b>	<b>12,027</b>	<b>-11%</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the parent	7,044	19,135	-63%
Non-controlling interests	112	(7)	n/m
	<b>7,156</b>	<b>19,128</b>	<b>-63%</b>

n/m : not meaningful

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	Group		Change %
	31.03.11 S\$'000	31.03.10 S\$'000	
Depreciation of property, plant and equipment	3,046	2,573	18%

**Note B - Other income comprise :-**

	Group		Change %
	31.03.11 S\$'000	31.03.10 S\$'000	
Dividends	194	338	-43%
Interest income			
- bank deposits	174	161	8%
- staff loans	17	22	-23%
Realised gain on disposal of available-for-sale financial assets	-	1,863	n/m
Gain on disposal of subsidiary	-	140	n/m
Gain on sale of property, plant and equipment, net	739	-	n/m
Job credits	19	257	-93%
Other income	387	227	70%
	<u>1,530</u>	<u>3,008</u>	<u>-49%</u>

**Note C - Other operating expenses include :-**

	Group		Change %
	31.03.11 S\$'000	31.03.10 S\$'000	
Depreciation of property, plant and equipment	950	908	5%
Loss on exchange, net	876	38	2205%
Allowance/(write back) for doubtful receivables and bad debts written (back)/off, net	(1,071)	854	n/m
Allowance/(write back) for inventory obsolescence, net	508	(141)	n/m
Loss on settlement of claim	-	644	n/m

**Note D - Finance costs comprise :-**

	Group		Change %
	31.03.11 S\$'000	31.03.10 S\$'000	
Interest on:			
- bank loans and overdrafts	190	124	53%
- finance lease payables	58	16	263%
- others	10	20	-50%
	<u>258</u>	<u>160</u>	<u>61%</u>

**Note E - Taxation expense :-**

## a) Under/(over) provision in respect of prior years:-

	Group		Change %
	31.03.11 S\$'000	31.03.10 S\$'000	
- current taxation	(307)	(493)	-38%
- withholding taxation	-	161	n/m
- deferred taxation	5	31	-84%
	<u>(302)</u>	<u>(301)</u>	<u>0%</u>

b) Despite lower pre-tax profits, higher profits from the Engine Systems Division and non-deductible losses from start-ups have led to a higher effective tax rate.

**Note F - Disclosure of tax effect relating to other comprehensive income :-**

There was no tax expense/benefit incurred/derived from any component of other comprehensive income.



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**1(b)(i) BALANCE SHEETS**

	Group		Company	
	31.03.11 S\$'000	31.03.10 S\$'000	31.03.11 S\$'000	31.03.10 S\$'000
<b>Non-current assets</b>				
Goodwill	7,592	7,180	-	-
Intangible assets	117	-	-	-
Investment properties	-	-	1,094	921
Property, plant and equipment	41,308	18,511	444	280
Investment in subsidiaries	-	-	26,574	25,740
Investment securities	17,197	7,042	-	-
Receivables	174	257	33,589	120
Prepayments	28	38	17	25
Deferred tax assets	1,379	1,302	-	20
	<u>67,795</u>	<u>34,330</u>	<u>61,718</u>	<u>27,106</u>
<b>Current assets</b>				
Inventories	16,589	16,638	-	-
Trade and other receivables	18,772	21,489	8,855	24,294
Gross amount due from customers for contract work-in-progress	3,097	2,824	-	-
Prepayments	1,115	3,708	48	53
Investment securities	1,260	1,523	-	-
Derivatives	134	636	-	-
Fixed deposits	3,700	14,607	-	1,902
Cash and cash equivalents	20,100	5,707	9,143	1,259
	<u>64,767</u>	<u>67,132</u>	<u>18,046</u>	<u>27,508</u>
<b>Current liabilities</b>				
Trade and other payables	(14,654)	(12,887)	(3,588)	(1,272)
Finance lease payable, current portion	(358)	(149)	-	-
Long term bank borrowings, current portion	(3,252)	(1,714)	-	-
Provisions, current portion	(1,227)	(955)	-	-
Provision for taxation	(7,186)	(6,631)	(633)	(752)
	<u>(26,677)</u>	<u>(22,336)</u>	<u>(4,221)</u>	<u>(2,024)</u>
<b>Net current assets</b>	38,090	44,796	13,825	25,484
<b>Non-current liabilities</b>				
Other payables	-	-	(3,767)	(3,759)
Finance lease payable	(586)	(390)	-	-
Loans from a minority shareholder of a subsidiary company	(1,056)	(1,056)	-	-
Long term bank borrowings	(24,090)	(1,659)	(19,198)	-
Deferred tax liabilities	(1,644)	(1,831)	(18)	-
Provisions	(786)	(874)	(70)	(68)
	<u>(28,162)</u>	<u>(5,810)</u>	<u>(23,053)</u>	<u>(3,827)</u>
<b>Net Assets</b>	77,723	73,316	52,490	48,763
<b>Equity attributable to owners of the parent</b>				
Share capital [see 1(d)(i)]	28,932	28,159	28,932	28,159
Treasury shares [see 1(d)(iv)]	(3,992)	(3,992)	(3,992)	(3,992)
Reserves	53,343	49,821	27,550	24,596
Shareholders' funds	78,283	73,988	52,490	48,763
Non-controlling interests	(560)	(672)	-	-
<b>Total Equity</b>	<u>77,723</u>	<u>73,316</u>	<u>52,490</u>	<u>48,763</u>



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**Unaudited Full Year Financial Statements And Dividend Announcement For The Year Ended 31 March 2011**

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Balance Sheet Review

Higher non-current assets was mainly due to increase in property, plant and equipment, both from acquisitions and new start-ups, increase in goodwill due to a business acquisition in Australia and purchase of investment securities.

The level of current assets decreased mainly due to improved collection of debts in Oilfield Engineering division slightly offset by the increase in gross amount due from customers for contract work in progress.

Increase in current liabilities was mainly due to higher bank loans and finance leases coupled by increase in trade and other payables.

Increase in non-current liabilities was mainly due to new bank loans and finance leases.

**1(b)(ii) GROUP BORROWINGS**

	31.03.11		31.03.10	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less	3,610	-	1,728	135
Amount repayable after one year	24,676	-	2,049	-

The Group's borrowings as at 31 March 2011 increased to S\$28,286,000 from S\$3,912,000 (as at 31 March 2010) as a result of new borrowings taken for investment in Bahrain, finance the acquisition of new businesses and the purchase of motor vehicles. Details of the collateral of bank borrowings are as follow:

- 1) Bank borrowings of S\$19,198,000 of holding company for investment in Bahrain are secured by amongst others:
  - first all-monies registered legal mortgage over a 50-year leasehold land and property at Bahrain International Investment Park, Hidd, Kingdom of Bahrain
  - first registered fixed and floating charge over all the assets of MTQ Oilfield Services W.L.L
  - corporate guarantee from MTQ Oilfield Services W.L.L.
- 2) Bank borrowings of S\$2,156,000 of subsidiary in Singapore are secured by:
  - corporate guarantee from holding company.
- 3) Bank borrowings of S\$5,988,000 of subsidiary in Australia are secured by:
  - fixed and floating charged over all the assets of MTQ Engine Systems Pty Ltd
  - corporate guarantee from holding company.



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**1(c) STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2011**

	<b>Group</b>	
	<b>31.03.11</b>	<b>31.03.10</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash flows from operating activities:</b>		
Profit from operations before taxation	13,318	14,317
Add/(less):		
Depreciation of property, plant and equipment	3,996	3,481
Amortisation of intangible assets	28	-
Gain on sale of property, plant and equipment, net	(739)	(19)
Net fair value loss in investment securities	263	105
Net fair value loss/(gain) in derivatives		
- Equity derivatives	502	(569)
- Forward currency contracts	-	(157)
Interest income	(191)	(183)
Interest expense	258	160
Dividend income	(194)	(338)
Gain on disposal of quoted investments	-	(1,863)
<b>Operating profit before reinvestment in working capital</b>	<b>17,241</b>	<b>14,934</b>
(Increase)/decrease in gross amount due from customers for contract work-in-progress	(273)	40
Decrease in gross amount due to customers for contract work-in-progress	-	(425)
Decrease/(increase) in receivables and prepayments	5,268	(8,553)
Decrease/(increase) in inventories	1,508	(2,388)
Net change in derivatives		
- Increase in equity derivatives	-	(67)
- Decrease in forward currency contracts	-	157
Increase in payables	1,879	539
Currency realignment	(837)	1,878
<b>Cash generated from operations</b>	<b>24,786</b>	<b>6,115</b>
Interest income received	191	183
Interest expense paid	(248)	(140)
Income taxes paid, net	(2,299)	(2,187)
<b>Net cash provided by operating activities</b>	<b>22,430</b>	<b>3,971</b>
<b>Cash flows from investing activities:</b>		
Dividends received	194	338
Purchase of property, plant and equipment	(25,830)	(4,182)
Acquisition of business by a subsidiary company	(3,120)	(642)
Proceeds from sale of property, plant and equipment	1,438	46
Proceeds from sale of investment in quoted shares, net of brokerage	-	2,456
Purchase of investment in quoted shares, net of brokerage	(12,917)	(172)
Loans granted to staff	(60)	(125)
Loans repaid by staff	195	103
<b>Net cash used in investing activities</b>	<b>(40,100)</b>	<b>(2,178)</b>
<b>Cash flows from financing activities:</b>		
Dividends paid	(2,749)	(2,642)
Proceeds from bank borrowings	30,576	1,100
Repayment of bank borrowings	(6,346)	(2,175)
Repayment finance lease	(238)	(78)
Proceeds of loans from a minority shareholder of a subsidiary company	-	6
<b>Net cash provided by/(used in) financing activities</b>	<b>21,243</b>	<b>(3,789)</b>
Net change in cash and cash equivalents	3,573	(1,996)
Cash and cash equivalents at beginning of financial year	20,314	21,984
Effect of exchange rate changes on cash and cash equivalents	(87)	326
<b>Cash and cash equivalents at end of financial year</b>	<b>23,800</b>	<b>20,314</b>

Note

Cash and cash equivalents consist of the following:-

	<b>Group</b>	
	<b>31.03.11</b>	<b>31.03.10</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Fixed deposits	3,700	14,607
Cash at bank and in hand	20,100	5,707
	<b>23,800</b>	<b>20,314</b>



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Cash Flows Review

Higher net cash generated from operating activities for the current financial year was mainly due to improvement in debts collection coupled with decrease in inventories and increase in payables.

Net cash used in investing activities in the current financial year was mainly for the construction of new premises in Bahrain and purchase of its machineries/equipment amounting to S\$23.9m and S\$12.9m for purchase of investment in quoted shares.

Net cash provided by financing activities in the current financial period was mainly due to net proceeds from new bank borrowings and finance leases, offset by payment of dividends.

**1(d)(i) STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011**

Group	Attributable to owners of the parent						Shareholders' Funds	Non-Controlling Interest	Total Equity
	Share Capital	Treasury Shares	Foreign Currency Translation Reserve	Retained Earnings	Fair Value Adjustment Reserve	Other Reserve			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000			
<b>Balance as at 1 April 2009</b>	28,159	(3,992)	(2,166)	36,673	(1,161)	(18)	57,495	(665)	56,830
<b>Profit for the financial year, net of tax</b>	-	-	-	12,034	-	-	12,034	(7)	12,027
<b>Other Comprehensive income</b>									
Other Comprehensive income for the financial year	-	-	3,784	-	3,317	-	7,101	-	7,101
<b>Total comprehensive income for the financial year</b>	-	-	3,784	12,034	3,317	-	19,135	(7)	19,128
<b>Contributions by and distributions to owners</b>									
Dividends paid in respect of previous financial year, tax exempt (one-tier)	-	-	-	(1,761)	-	-	(1,761)	-	(1,761)
Dividends paid in respect of current financial year, tax exempt (one-tier)	-	-	-	(881)	-	-	(881)	-	(881)
<b>Total transactions with owners in their capacity as owners</b>	-	-	-	(2,642)	-	-	(2,642)	-	(2,642)
<b>Balance as at 31 March 2010</b>	28,159	(3,992)	1,618	46,065	2,156	(18)	73,988	(672)	73,316
<b>Balance as at 1 April 2010</b>	28,159	(3,992)	1,618	46,065	2,156	(18)	73,988	(672)	73,316
<b>Profit for the financial year, net of tax</b>	-	-	-	10,631	-	-	10,631	112	10,743
<b>Other Comprehensive income</b>									
Other Comprehensive income for the financial year	-	-	(825)	-	(2,762)	-	(3,587)	-	(3,587)
<b>Total comprehensive income for the financial year</b>	-	-	(825)	10,631	(2,762)	-	7,044	112	7,156
<b>Contributions by and distributions to owners</b>									
Dividends paid in respect of previous financial year, tax exempt (one-tier)	-	-	-	(1,761)	-	-	(1,761)	-	(1,761)
Dividends paid in respect of current financial year, tax-exempt (one-tier)	-	-	-	(1,761)	-	-	(1,761)	-	(1,761)
Issuance of ordinary shares pursuant to scrip dividend scheme	773	-	-	-	-	-	773	-	773
<b>Total transactions with owners in their capacity as owners</b>	773	-	-	(3,522)	-	-	(2,749)	-	(2,749)
<b>Balance as at 31 March 2011</b>	28,932	(3,992)	793	53,174	(606)	(18)	78,283	(560)	77,723



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**1(d)(i) STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011**

<u>Company</u>	<u>Share Capital</u>	<u>Treasury Shares</u>	<u>Retained Earnings</u>	<u>Other Reserve</u>	<u>Shareholders' Funds</u>
	<u>SS'000</u>	<u>SS'000</u>	<u>SS'000</u>	<u>SS'000</u>	<u>SS'000</u>
<b>Balance as at 1 April 2009</b>	28,159	(3,992)	21,206	(18)	45,355
<b>Profit for the financial year, representing total comprehensive income for the financial year</b>	-	-	6,050	-	6,050
<b>Contributions by and distributions to owners</b>					
Dividends paid in respect of previous financial year, tax-exempt (one-tier)	-	-	(1,761)	-	(1,761)
Dividends paid in respect of current financial year, tax-exempt (one-tier)	-	-	(881)	-	(881)
<b>Total transactions with owners in their capacity as owners</b>	-	-	(2,642)	-	(2,642)
<b>Balance as at 31 March 2010</b>	28,159	(3,992)	24,614	(18)	48,763
<b>Balance as at 1 April 2010</b>	28,159	(3,992)	24,614	(18)	48,763
<b>Profit for the financial year, representing total comprehensive income for the financial year</b>	-	-	6,476	-	6,476
<b>Contributions by and distributions to owners</b>					
Dividends paid in respect of previous financial year, tax-exempt (one-tier)	-	-	(1,761)	-	(1,761)
Dividends paid in respect of current financial year, tax-exempt (one-tier)	-	-	(1,761)	-	(1,761)
Issuance of ordinary shares pursuant to scrip dividend scheme	773	-	-	-	773
<b>Total transactions with owners in their capacity as owners</b>	773	-	(3,522)	-	(2,749)
<b>Balance as at 31 March 2011</b>	28,932	(3,992)	27,568	(18)	52,490

**1(d)(ii) CHANGES IN COMPANY'S SHARE CAPITAL**

On 7 January 2011, the Company allotted and issued 970,857 new ordinary shares to eligible members of the Company who have elected to participate in the MTQ Corporation Limited Scrip Dividend Scheme.

	<b>No. of issued shares ('000)</b>
As at 1 April 2009, 31 March 2010 and 1 April 2010	95,541
Issuance of new ordinary shares from Scrip Dividend Scheme	971
As at 31 March 2011	<u>96,512</u>

The total number of options outstanding is as follows:-

<u>Date of grant</u>	<u>No. of options outstanding</u>		<u>Expiry date</u>	<u>Exercise price per share</u>
	<u>01.04.10 ('000)</u>	<u>31.03.11 ('000)</u>		
31 July 2003	30	30	30 July 2013	S\$0.43
	<u>30</u>	<u>30</u>		

**1(d)(iii) NUMBER OF ISSUED SHARES EXCLUDING TREASURY SHARES**

	<b>31.03.11 ('000)</b>	<b>31.03.10 ('000)</b>
Total number of issued shares	96,512	95,541
Total number of treasury shares	7,482	7,482
Total number of issued shares excluding treasury shares	<u>89,030</u>	<u>88,059</u>

**1(d)(iv) CHANGES IN COMPANY'S TREASURY SHARES**

As at 31 March 2011, there were 7,482,000 of treasury shares (FY2010: 7,482,000). There was no movement in the number of treasury shares during the current financial year.

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The figures have not been audited or reviewed by the Company's auditors.

**3 AUDITORS' REPORT**

Not Applicable.

**4 ACCOUNTING POLICIES**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year compared with the audited financial statements as at 31 March 2010.

**5 CHANGES IN ACCOUNTING POLICIES**

Refer to note. 4.

**6 EARNINGS PER ORDINARY SHARE (EPS)**

	<b>Group</b>	
	<b>31.03.11</b>	<b>31.03.10</b>
<b><u>Earnings per ordinary share:-</u></b>	<b>(cents)</b>	<b>(cents)</b>
Basic (Note A)	12.04	13.67
Diluted (Note B)	12.04	13.66

**Note A**

The basic earnings per ordinary share is calculated based on the net profit attributable to owners of the parent set out in 1(a) above and the weighted average number of ordinary shares in issue<sup>#</sup> during the financial year :-

FY2011 - 88.282 m shares (FY2010 - 88.059 m shares)

**Note B**

The diluted earnings per ordinary share is calculated based on the net profit attributable to owners to the parent set out in 1(a) above and the weighted average number of ordinary shares in issue<sup>#</sup> during the financial year (adjusted for the effects of dilutive potential ordinary shares being the share options granted to employees) :-

FY2011 - 88.298 m shares (FY2010 - 88.070 m shares)

<sup>#</sup> The total 7,482,000 treasury shares as at 31 March 2011 (7,482,000 treasury shares as at 31 March 2010) are excluded from the computation of per share data.

**7 NET ASSET VALUE**

	<b>Group</b>		<b>Company</b>	
	<b>31.03.11</b>	<b>31.03.10</b>	<b>31.03.11</b>	<b>31.03.10</b>
	<b>(cents)</b>	<b>(cents)</b>	<b>(cents)</b>	<b>(cents)</b>
Net asset* value per ordinary share**	87.93	84.02	58.96	55.38

\* Net asset refers to shareholders' funds.

\*\* Based on total number of issued shares excluding treasury shares as at end of financial period year.

**8 REVIEW OF GROUP PERFORMANCE****Revenue**

For the full year ended 31 March 2011 ("FY11"), the Group registered an 11.9% increase in revenue to S\$91.7m as compared to S\$82.0m in FY10.

The Oilfield Engineering Division saw its revenue increase by S\$2.6m or 6.4% in FY11 as compared to FY10. Good growth was recorded in OEM equipment repair and rental activities.

The Engine Systems Division recorded a 20.4% increase of revenue in FY11 as compared to FY10 from a combination of organic growth and new business acquisitions.

**Profitability**

In line with the overall increase in revenues, gross profits for FY11 also increased by 11.3% from S\$33.7m in FY10 to S\$37.5m in FY11.

Despite higher start up losses for Bahrain in FY11, Oilfield Engineering's operating profit increased by 16.7% to S\$11.1m in FY11 from S\$9.5m in FY10 on the back of improved margins of the higher revenue base.

The Engine Systems Division recorded an improvement in its profit from operating activities by 45.9% mainly due to higher revenues. There was also a gain on sale of property of S\$0.7m in FY11.

In spite of improved performance of the two operating divisions, group profit after tax decreased by 10.7% from S\$12.0m in FY10 to S\$10.7m in FY11 due to the inclusion of an S\$1.9m one-off gain on disposal of financial assets in FY10 and a S\$1.2m adverse movement in the fair value of financial instruments between FY10 and FY11.

Excluding the effects of this one-off gain and adverse movement, the full year group profit after tax would have been 18.6% higher than FY10.





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**9 VARIANCE FROM PROSPECT STATEMENT**

No significant variance noted.

**10 PROSPECTS**

The Oilfield Engineering Division had an improved second half of FY11 as compared to second half of FY10 and this improving trend has continued in the new financial year. The Bahrain facility has been completed within budget and will be commencing operations in the new financial year.

Within Engine Systems, the focus moving ahead is to maximise value by building on recent acquisitions and continuing the improving performance trend of recent years.

Overall, oil and gas drilling activity in Asia and the Middle East is expected to remain robust which should have a positive impact for our oilfield business.

**11 DIVIDENDS**

a) Any dividend declared for the present financial period? Yes

**Present Period**

Name of Dividend	Interim
Dividend Type	Cash / Scrip
Dividend Amount per share (in cents)	2.0 cents per ordinary share
Tax Rate	Tax-exempt (one-tier)

Name of Dividend	Final, proposed
Dividend Type	Cash / Scrip
Dividend Rate	2.0 cents per ordinary share
Tax Rate	Tax-exempt (one-tier)

The Scrip Dividend Scheme (approved at the Extraordinary General Meeting held on 2 July 2004) will be applicable to the Proposed Final Dividend. The Scrip Dividend would provide shareholders with the option to elect for their distributions to be paid:

- 1) in cash; or
- 2) in fully paid shares.

Further details on the Scrip Dividend will be announced at a later date.

b) Any dividend declared for the previous corresponding period? Yes

**Previous Corresponding Period**

Name of Dividend	Interim
Dividend Type	Cash
Dividend Rate	1.0 cent per ordinary share
Tax Rate	Tax-exempt (one-tier)

Name of Dividend	Final
Dividend Type	Cash
Dividend Rate	2.0 cents per ordinary share
Tax Rate	Tax-exempt (one-tier)

c) Date payable

The proposed dividend, if approved at the forthcoming Annual General Meeting, will be paid at a date to be announced later.

d) Books closure date

Notice will be given at a later date on the closure of the Shares Transfer Books and Register of members to determine shareholders' entitlement to the proposed final dividend.



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**12 BUSINESS SEGMENTAL INFORMATION**

**By Industry Segments**

	For The Year Ended 31 March 2011						Total
	Investment Holding	Oilfield Engineering	Engine Systems	Securities Trading	Others	Eliminations	
	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000
<b>Revenue &amp; Expenses</b>							
External sales	(502)	42,896	49,583	(263)	-	-	91,714
Inter-segment sales	5,650	1,786	-	-	-	(7,436)	-
<b>Total sales</b>	<b>5,148</b>	<b>44,682</b>	<b>49,583</b>	<b>(263)</b>	<b>-</b>	<b>(7,436)</b>	<b>91,714</b>
Segment results	(2,045)	11,131	2,665	(50)	(12)	1,696	13,385
Interest income	125	9	34	23	-	-	191
Finance costs	(2)	(82)	(174)	-	-	-	(258)
Taxation	(465)	(2,246)	(645)	125	656	-	(2,575)
<b>Net profit / (loss) for the financial year</b>							<b>10,743</b>
<b>Assets &amp; Liabilities</b>							
Segment assets	17,556	61,395	38,437	13,777	1	17	131,183
Deferred tax assets							1,379
Tax recoverable							-
<b>Total assets</b>							<b>132,562</b>
Segment liabilities	(1,636)	(6,123)	(8,837)	(15)	(56)	-	(16,667)
Provision for taxation							(7,186)
Deferred tax liabilities							(1,644)
Bank borrowings and finance lease liabilities							(28,286)
Loan from a minority shareholder of a subsidiary company							(1,056)
<b>Total liabilities</b>							<b>(54,839)</b>
<b>Other segmental information</b>							
Capital expenditure	534	24,604	2,387	-	-	73	27,598
Depreciation	237	2,507	1,252	-	-	-	3,996
Allowance/(write back) for impairment of receivables, net	-	(977)	(147)	-	-	-	(1,124)
Allowance/(write back) for inventory obsolescence, net	-	230	278	-	-	-	508
Other non-cash expenses / (income)	-	(1)	(738)	-	-	-	(739)

**By Geographical Segments**

	For The Year Ended 31 March 2011				Total
	Singapore	Australia	Bahrain	Malaysia	
	SS'000	SS'000	SS'000	SS'000	SS'000
External sales	42,131	49,583	-	-	91,714
Segment assets	67,643	38,437	25,102	1	131,183
Non-current assets*	29,145	12,865	24,406	-	66,416
Capital expenditure	1,351	2,387	23,860	-	27,598

\*Consist of goodwill, intangible asset, property, plant and equipment, investment securities, receivables and prepayments.



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**12 BUSINESS SEGMENTAL INFORMATION**

**By Industry Segments**

	For The Year Ended 31 March 2010						Total
	Investment Holding	Oilfield Engineering	Engine Systems	Securities Trading	Others	Eliminations	
	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000
<b>Revenue &amp; Expenses</b>							
External sales	569	40,328	41,174	(105)	-	-	81,966
Inter-segment sales	5,457	2,658	-	-	-	(8,115)	-
Total sales	6,026	42,986	41,174	(105)	-	(8,115)	81,966
Segment results	2,923	9,540	1,321	(400)	(45)	955	14,294
Interest income	85	30	63	5	-	-	183
Finance costs	(2)	(106)	(52)	-	-	-	(160)
Taxation	(205)	(1,639)	(403)	(42)	(1)	-	(2,290)
<b>Net profit / (loss) for the financial year</b>							<b>12,027</b>
<b>Assets &amp; Liabilities</b>							
Segment assets	21,254	46,868	30,143	1,869	9	17	100,160
Deferred tax assets							1,302
Tax recoverable							-
<b>Total assets</b>							<b>101,462</b>
Segment liabilities	(1,325)	(5,386)	(7,956)	(13)	(36)	-	(14,716)
Provision for taxation							(6,631)
Deferred tax liabilities							(1,831)
Bank borrowings and finance lease liabilities							(3,912)
Loan from a minority shareholder of a subsidiary company							(1,056)
<b>Total liabilities</b>							<b>(28,146)</b>
<b>Other segmental information</b>							
Capital expenditure	123	2,582	2,357	-	-	47	5,109
Depreciation	314	2,291	876	-	-	-	3,481
Allowance/(write back) for impairment of receivables, net	(114)	712	146	-	-	-	744
Allowance/(write back) for inventory obsolescence, net	-	(278)	137	-	-	-	(141)
Other non-cash expenses / (income)	-	-	(19)	-	-	-	(19)

**By Geographical Segments**

	For The Year Ended 31 March 2010				Total
	Singapore	Australia	Bahrain	Malaysia	
	SS'000	SS'000	SS'000	SS'000	SS'000
External sales	40,792	41,174	-	-	81,966
Segment assets	65,252	30,143	4,756	9	100,160
Non-current assets*	20,637	11,771	620	-	33,028
Capital expenditure	2,129	2,357	623	-	5,109

\*Consist of goodwill, property, plant and equipment, investment securities, receivables and prepayments.



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**13 IN THE REVIEW OF PERFORMANCE, THE FACTORS LEADING TO ANY MATERIAL CHANGES IN CONTRIBUTIONS TO TURNOVER AND EARNINGS BY BUSINESS OR GEOGRAPHICAL SEGMENTS**

Refer to Paragraph 8.

**14 BREAKDOWN OF SALES**

	Group		Change %
	31.03.11 S\$'000	31.03.10 S\$'000	
Sales reported for first half year	44,633	39,767	12
Net profit after tax reported for first half year	5,379	7,182	(25)
Sales reported for second half year	47,081	42,199	12
Net profit after tax reported for second half year	5,364	4,845	11

**15 BREAKDOWN OF THE TOTAL ANNUAL DIVIDEND (IN DOLLAR VALUE) FOR THE LATEST FULL YEAR AND PREVIOUS FULL YEAR**

	31.03.11	31.03.10
	S\$	S\$
Ordinary	3,522,365	2,641,774
Preference	-	-
Total	<u>3,522,365</u>	<u>2,641,774</u>

**16 INTERESTED PERSON TRANSACTIONS**

There were no interested person transactions during the year under review.

**BY ORDER OF THE BOARD**

Fong Choon Seng  
Company Secretary  
29-Apr-11