



MTQ CORPORATION LIMITED
(Incorporated in the Republic of Singapore)

Unaudited Full Year Financial Statements And Dividend Announcement

1(a) STATEMENT OF PROFIT AND LOSS FOR THE FULL YEAR ENDED 31 MARCH 2004

	Group			Group		
	3 months to 31.03.04 S\$'000	3 months to 31.03.03 S\$'000	Change %	12 months to 31.03.04 S\$'000	12 months to 31.03.03 S\$'000	Change %
Revenue	14,601	12,754	14%	52,738	48,030	10%
Investment income	-	3	n/m	-	46	n/m
Other income (Note A)	371	417	-11%	450	772	-42%
	14,972	13,174	14%	53,188	48,848	9%
Cost of sales (Note B)	(9,859)	(8,399)	17%	(35,302)	(31,674)	11%
	5,113	4,775	7%	17,886	17,174	4%
Staff costs	(2,603)	(2,143)	21%	(9,478)	(8,024)	18%
Other operating expenses (Notes C, D)	(1,596)	(1,654)	-4%	(6,422)	(6,091)	5%
Profit from operating activities	914	978	-7%	1,986	3,059	-35%
Interest on borrowings (Note E)	(355)	(200)	78%	(1,149)	(633)	82%
Gain on disposition of discontinuing operation	-	-	n/m	-	3,484	n/m
	559	778	-28%	837	5,910	-86%
Share of results of associated company	290	-	n/m	1,366	-	n/m
Profit from operations before taxation	849	778	9%	2,203	5,910	-63%
Taxation (Note F)	(376)	(365)	3%	(876)	(760)	15%
Net profit from operations	473	413	15%	1,327	5,150	-74%
Minority interests	(26)	358	n/m	378	235	61%
Net profit attributable to shareholders	447	771	-42%	1,705	5,385	-68%

n/m : not meaningful



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Note A - Other income comprises:-

	Group			Group		
	3 months to	3 months to	Change	12 months to	12 months to	Change
	31.03.04	31.03.03		31.03.04	31.03.03	
SS'000	SS'000	%	SS'000	SS'000	%	
Interest income	11	15	-27%	60	73	-18%
Rental income	280	286	-2%	280	286	-2%
Government grant	-	-	n/m	-	262	n/m
Other income	80	116	-31%	110	151	-27%
	<u>371</u>	<u>417</u>	<u>-11%</u>	<u>450</u>	<u>772</u>	<u>-42%</u>

Note B - Cost of sales include :-

	Group			Group		
	3 months to	3 months to	Change	12 months to	12 months to	Change
	31.03.04	31.03.03		31.03.04	31.03.03	
SS'000	SS'000	%	SS'000	SS'000	%	
Depreciation of property, plant and equipment	740	711	4%	2,879	2,022	42%

Note C - Other operating expenses include:-

	Group			Group		
	3 months to	3 months to	Change	12 months to	12 months to	Change
	31.03.04	31.03.03		31.03.04	31.03.03	
SS'000	SS'000	%	SS'000	SS'000	%	
Depreciation of property, plant and equipment	281	240	17%	945	838	13%
Loss / (Profit) on sale of property, plant & equipment, net	29	9	222%	6	(16)	n/m
Gain on exchange, net	(102)	(338)	-70%	(1,600)	(691)	132%
Allowance for doubtful debts and bad debts written off / (back)	24	(72)	n/m	131	34	285%
Allowance for inventory obsolescence and inventories written off	109	30	263%	229	104	120%
Amortisation of goodwill	103	34	203%	243	69	252%
Goodwill written off	-	-	n/m	81	6	1250%
Exceptional items (Note D)	-	-	n/m	332	685	-52%

Note D - Exceptional items comprise:-

	Group			Group		
	3 months to	3 months to	Change	12 months to	12 months to	Change
	31.03.04	31.03.03		31.03.04	31.03.03	
SS'000	SS'000	%	SS'000	SS'000	%	
Provision for diminution in value of investment	-	-	n/m	-	685	n/m
Insurance claim in relation to property, plant and equipment written off	-	-	n/m	-	(2,007)	n/m
Provision for restructuring costs	-	-	n/m	332	-	n/m
Property, plant and equipment written off	-	-	n/m	-	2,007	n/m
	<u>-</u>	<u>-</u>	<u>n/m</u>	<u>332</u>	<u>685</u>	<u>n/m</u>

Note E - Interest on borrowings comprises:-

	Group			Group		
	3 months to	3 months to	Change	12 months to	12 months to	Change
	31.03.04	31.03.03		31.03.04	31.03.03	
SS'000	SS'000	%	SS'000	SS'000	%	
Interest on bank loans and overdrafts	351	196	79%	1,126	619	82%
Interest on finance leases	-	3	n/m	7	13	-46%
Interest on loan from minority shareholder of a subsidiary company	4	1	300%	16	1	1500%
	<u>355</u>	<u>200</u>	<u>78%</u>	<u>1,149</u>	<u>633</u>	<u>82%</u>



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Note F - Amount of any adjustment for under or overprovision of tax in respect of prior years:-

	Group			Group		
	3 months to	3 months to	Change	12 months to	12 months to	Change
	31.03.04	31.03.03		31.03.04	31.03.03	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Overprovision in respect of previous years:						
- current taxation	(83)	(32)	159%	(83)	-	n/m
- deferred taxation	(25)	(295)	-92%	(80)	(295)	-73%
	<u>(108)</u>	<u>(327)</u>	<u>-67%</u>	<u>(163)</u>	<u>(295)</u>	<u>-45%</u>

1(b)(BALANCE SHEETS)

	Group		Company	
	31.03.04	31.03.03	31.03.04	31.03.03
	S\$'000	S\$'000	S\$'000	S\$'000
Share capital	19,887	19,800	19,887	19,800
Reserves	12,390	11,490	9,198	12,641
Shareholders' funds	<u>32,277</u>	<u>31,290</u>	<u>29,085</u>	<u>32,441</u>
Minority interests	691	970	-	-
	<u>32,968</u>	<u>32,260</u>	<u>29,085</u>	<u>32,441</u>
Represented by:				
Non-current assets				
Goodwill	7,458	2,163	-	-
Property, plant and equipment, net	25,298	24,238	1,882	2,307
Subsidiary companies	-	-	26,045	22,208
Associated company	7,234	-	-	-
Investments	-	2,813	-	-
Other receivables	228	316	48	73
Deferred tax assets	356	297	-	-
	<u>40,574</u>	<u>29,827</u>	<u>27,975</u>	<u>24,588</u>
Current assets				
Inventories and work-in-progress	7,666	5,668	-	-
Receivables	11,910	14,495	1,136	673
Fixed deposits	3,809	7,705	502	7,702
Cash at bank and in hand	2,446	2,980	209	435
	<u>25,831</u>	<u>30,848</u>	<u>1,847</u>	<u>8,810</u>
Current liabilities				
Payables: amounts falling due within one year	<u>(21,109)</u>	<u>(17,925)</u>	<u>(605)</u>	<u>(773)</u>
	<u>(21,109)</u>	<u>(17,925)</u>	<u>(605)</u>	<u>(773)</u>
Net current assets	4,722	12,923	1,242	8,037
Non-current liabilities				
Payables: amounts falling due after one year	(11,869)	(10,121)	-	-
Deferred tax liabilities	(459)	(369)	(132)	(184)
	<u>(12,328)</u>	<u>(10,490)</u>	<u>(132)</u>	<u>(184)</u>
Net assets	<u>32,968</u>	<u>32,260</u>	<u>29,085</u>	<u>32,441</u>

Goodwill increased significantly with the acquisition of the business assets of Adelaide Fuel Injection Service Pty Ltd, Adelaide Fuel Injection Parts Pty Ltd and Rund Pty Ltd (collectively known as "AFI Group"). In addition, the Australian-dollar based goodwill was also translated at a higher exchange rate.

The net investment in associated company reflected the Group's 28.02% investment in RCR Tomlinson Ltd ("RCR") and included a negative goodwill of S\$2.4m. During the year, the Group also took up its share of the results of RCR amounting to S\$0.5m and recognised negative goodwill of S\$0.9m arising from the acquisition of shares in the company. As at the end of last financial year, the Group held a 19.99% equity stake in RCR and had classified it under "Investments". This investment was reclassified as an associated company in the current financial year as the Group increased its shareholding in RCR significantly to 28.02%.

The decrease in net current assets was mainly attributable to the following:

- payment of final & interim dividends in respect of last financial year and current financial year respectively;
- increase in bank borrowings as explained in 1(b)(ii)
- increase in loan from minority shareholder of a subsidiary company, and
- reduction in receivables following receipt of final settlement sum of GBP650,000 in relation to the resolution of a insurance claim dispute as well as improved collection.



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Non-current liabilities increased due to additional bank borrowings obtained as explained in 1(b)(ii).

1(b) GROUP BORROWINGS

	As at 31.03.04		As at 31.03.03	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand	8,160	250	6,205	-
Amount repayable after one year	11,869	-	10,121	-

Details of any collateral:

(i) Total bank borrowings of S\$11,965,000 granted to a subsidiary company are secured by the following:-

- first legal mortgage over the subsidiary company's freehold property at Raynham St. Salisbury, Queensland, Australia;
- legal assignment of the sale proceeds of the aforementioned property to the bank;
- legal charge over the subsidiary company's quoted investment;
- corporate guarantee from the Company; and
- fixed and floating charge over the assets of the subsidiary company.

(ii) Total bank borrowings of S\$6,259,000 granted to a second subsidiary company are secured by the following :-

- floating charge over the assets of the subsidiary company;
- corporate guarantee from its subsidiary company and the Company;
- personal guarantee from a minority shareholder of the subsidiary company; and
- subordination deeds from the Company and a minority shareholder of the subsidiary company.
- standby letter of credit supported by a minority shareholder of the subsidiary company.

(iii) Total bank borrowings of S\$1,804,000 granted to a third subsidiary company are secured by the following :-

- fixed charge on equipment purchased under the facility granted;
- corporate guarantee provided by the Company; and
- subordination deed from the Company

Note: Included in the Group's secured borrowings is S\$1,000 of finance lease payables.

Group's Borrowings:

The Group's aggregate borrowings as at 31 March 2004 increased mainly due to higher bank overdrafts. New term loan was also obtained to part-finance the acquisition of the businesses of AFI Group. Borrowings of the Group's subsidiary company in Australia were also translated at higher exchange rate due to the strengthening of the Australian-dollar.



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1(c) CASH FLOW STATEMENT FOR THE FULL YEAR ENDED 31 MARCH 2004

	Group	
	12 months to 31.03.04 S\$'000	12 months to 31.03.03 S\$'000
Cash flows from operating activities:		
Profit from operations before taxation	2,203	5,910
Add/ (less):		
Depreciation of property, plant and equipment	3,824	2,860
Amortisation of goodwill	243	69
Loss / (Profit) on sale of property, plant & equipment , net	6	(16)
Investment and interest income	(60)	(119)
Interest expense	1,149	633
Goodwill written off	81	6
Dilution of minority interests in subsidiary company	(18)	-
Provision for restructuring costs	332	-
Share of results of associated company	(1,366)	-
Provision for diminution in value of investment	-	685
Gain on disposition of discontinuing operation	-	(3,484)
Operating income before reinvestment in working capital	6,394	6,544
Decrease / (Increase) in receivables	3,006	(2,006)
(Increase) / Decrease in inventories and work-in-progress	(451)	450
(Decrease) / Increase in payables	(320)	263
Currency re-alignment	(890)	(388)
Cash generated from operations	7,739	4,863
Investment and interest income received	60	119
Interest expense paid	(1,133)	(633)
Income taxes paid	(1,236)	(683)
Net cash provided by operating activities	5,430	3,666
Cash flows from investing activities:		
Purchase of property, plant and equipment	(2,073)	(9,727)
Proceeds from sale of property, plant and equipment	205	542
Repayment of staff loans / (New staff loans) , net	93	(46)
Investment in new business	(7,411)	(3,471)
Subscription for shares in a subsidiary company by minority shareholders	43	300
Acquisition of additional shares in associated company	(2,493)	-
Dividends received from associated company	160	-
Proceeds from sale of business assets	-	7,798
Purchase of quoted equity investments	-	(2,813)
Net cash used in investing activities	(11,476)	(7,417)
Cash flows from financing activities:		
Dividends paid	(1,549)	(2,162)
Proceeds from bank overdrafts, secured	941	600
Repayment of finance leases	(79)	(99)
Proceeds from bank loans, secured	3,801	12,896
Repayment of bank loans, secured	(2,393)	(4,680)
Loan from minority shareholder of a subsidiary company, net	540	-
Proceeds from issuance of new shares	105	-
Net cash provided by financing activities	1,366	6,555
Net change in cash and cash equivalents	(4,680)	2,804
Cash and cash equivalents at beginning of financial year	10,685	7,881
Cash and cash equivalents at end of financial year	6,005	10,685



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Note : Cash and cash equivalents consist of the following:-

	Group	
	As at 31.03.04	As at 31.03.03
	S\$'000	S\$'000
Fixed deposits	3,809	7,705
Cash at bank and in hand	2,446	2,980
Overdrafts, unsecured	(250)	-
	6,005	10,685

Net increase in cash generated from operating activities was mainly due to more favourable working capital movements.

Net cash used in investing activities for FY2004 was higher than FY2003 mainly due to

- (i) the acquisition of AFI Group's business ;
- (ii) the acquisition of additional shares in associated company, RCR, mainly pursuant to an on-market bid in May 2003 as well as through its capital raising exercise in December 2003; and
- (iii) absence of proceeds from sale of business assets in FY2003 arising from the sale of the Group's marine repair services business in May 2002.

This was offset by a lower investment in property, plant & equipment.

Net cash provided by financing activities was lower in current financial year mainly due to lesser new bank borrowings secured, (net of repayment) compared to the comparative year.

1(d) STATEMENT OF CHANGES IN EQUITY FOR THE FULL YEAR ENDED 31 MARCH 2004

<u>Group</u>	<u>Share Capital</u> S\$'000	<u>Share Premium</u> S\$'000	<u>Foreign Currency Translation Reserves</u> S\$'000	<u>Retained Earnings</u> S\$'000	<u>Share Capital & Reserves</u> S\$'000
Balance as at 1 April 2002	19,800	1,944	568	5,622	27,934
Exchange difference on translation of overseas subsidiary companies	-	-	133	-	133
Net profit attributable to shareholders	-	-	-	5,385	5,385
Dividends paid in respect of previous financial year, less tax	-	-	-	(1,544)	(1,544)
Dividends paid in respect of current financial year, less tax	-	-	-	(618)	(618)
Balance as at 31 March 2003	19,800	1,944	701	8,845	31,290
Balance as at 1 April 2003	19,800	1,944	701	8,845	31,290
Exchange difference on translation of overseas subsidiary companies	-	-	804	-	804
Issue of shares	87	18	-	-	105
Net profit attributable to shareholders	-	-	-	1,705	1,705
Share of reserves movement in associated company	-	-	-	(78)	(78)
Dividends paid in respect of previous financial year, less tax	-	-	-	(928)	(928)
Interim dividends paid in respect of current financial year, less tax	-	-	-	(621)	(621)
Balance as at 31 March 2004	19,887	1,962	1,505	8,923	32,277

<u>Company</u>	<u>Share Capital</u> S\$'000	<u>Share Premium</u> S\$'000	<u>Retained Earnings</u> S\$'000	<u>Share Capital & Reserves</u> S\$'000
Balance as at 1 April 2002	19,800	1,944	13,653	35,397
Net loss attributable to shareholders	-	-	(794)	(794)
Dividends paid in respect of previous financial year, less tax	-	-	(1,544)	(1,544)
Dividends paid in respect of current financial year, less tax	-	-	(618)	(618)
Balance as at 31 March 2003	19,800	1,944	10,697	32,441
Balance as at 1 April 2003	19,800	1,944	10,697	32,441
Issue of shares	87	18	-	105
Net loss attributable to shareholders	-	-	(1,912)	(1,912)
Dividends paid in respect of previous financial year, less tax	-	-	(928)	(928)
Interim dividends paid in respect of current financial year, less tax	-	-	(621)	(621)
Balance as at 31 March 2004	19,887	1,962	7,236	29,085



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

During FY2004, the Company issued and allotted 349,000 ordinary shares of S\$0.25 each upon the exercise of options granted under the Metalock Executives' Share Option Scheme. This scheme was replaced by the MTQ Corporation Executives' Share Option Scheme 2003 in April 2003. Options granted under the previous scheme shall, however, continue to be exercisable in accordance with the terms of the previous scheme.

The total number of options outstanding as at 31 March 2004 under both Schemes are as follows:-

<u>Date of grant</u>	<u>No. of shares that may be issued upon exercising all outstanding options</u>		<u>Expiry date</u>	<u>Exercise price per share</u>
	<u>As at 31.03.04</u>	<u>As at 31.03.03</u>		
	<u>('000)</u>	<u>('000)</u>		
15 October 2000	200	200	15 October 2005	S\$0.30
15 October 2000	711	1,155	15 October 2010	S\$0.30
31 July 2003	440	-	30 July 2008	S\$0.43
31 July 2003	1,495	-	30 July 2013	S\$0.43
	<u>2,846</u>	<u>1,355</u>		

As at 31 March 2004, the Company's share capital comprised of 79,549,000 fully paid ordinary shares of S\$0.25 each .

On 13 April 2004, the Company issued 15,871,000 new ordinary shares of S\$0.25 each pursuant to a share placement exercise . As a result, the Company's share capital is increased to 95,420,000 shares of S\$0.25 each.

2 AUDIT

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

3 AUDITORS' REPORT

Not Applicable

4 ACCOUNTING POLICIES

With effect from 1 April 2003, the Group has complied with Financial Reporting Standards ("FRS") of Singapore which replaced the Singapore Statements of Accounting Standards ("SAS") adopted by the Group before the FRS came into effect. There are no material differences arising from the compliance with FRS.

For the purpose of preparing the consolidated financial statements, the Group has equity accounted for its share of the results of RCR Tomlinson Limited ("RCR"), an associated company, up to 31 December 2003 in the current financial year. It would appear that the Group would only be able to account for RCR's results once every half yearly after RCR has announced their results. As this will be applied on a consistent basis, the Group's annual financial statements will account for RCR's 12-month results with effect from FY2005 in compliance with FRS28.

The presentation and classification of certain items in the financial statements have been changed to provide proper comparisons with the current year's presentation.

5 CHANGES IN ACCOUNTING POLICIES

Other than as stated above, there are no significant changes in the accounting policies and methods of computation.



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6 EARNINGS PER ORDINARY SHARE (EPS)

	Group	
	12 months ended 31.03.04 (cents)	12 months ended 31.03.03 (cents)
	Earnings per ordinary share:-	
- Based on weighted average number of ordinary shares on issue (Note A)	2.15	6.80
- On a fully diluted basis (Note B)	2.14	6.78

Note A

The earnings per share based on existing share capital is calculated on the profit set out in 1(a) above and the weighted average number of ordinary shares in issue during the period under review :-

YTD March 2004 - 79.431m shares (YTD March 2003 - 79.200m shares)

Note B

The earnings per share on a fully diluted basis is calculated on the profit set out in 1(a) above and the weighted average number of ordinary shares of in issue during the period under review (adjusted for the effects of dilutive potential ordinary shares being the share options granted to employees) :-

YTD March 2004 - 79.729m shares (YTD March 2003 - 79.380m shares)

7 NET ASSET VALUE

	Group		Company	
	31.03.04 (cents)	31.03.03 (cents)	31.03.04 (cents)	31.03.03 (cents)
Net asset value per ordinary share based on issued share capital	40.57	39.51	36.56	40.96

8 REVIEW OF GROUP PERFORMANCE

TURNOVER

The Group's turnover for 4QFY2004 rose 14% over that of the comparative quarter to S\$14.6m. For the full year ended 31 March 2004, its turnover was S\$52.7m. This represented a 10% growth over that of the previous financial year.

The improvement was mainly attributed to additional contributions from the fuel injection business of the AFI Group which was acquired in November 2003. 4QFY2004 also witnessed a moderate pick up in Subsea Robotics division's activities following the successful completion of the North Sea ROV fleet relocation to Asia and Middle East. Meanwhile, the slowdown in the oilfield equipment repair segment continued to have a negative impact on the revenue contribution from the Oilfield Engineering division.

PROFITABILITY

The Group's operating profit before taxation for 4QFY2004 was S\$0.8m, 9% higher than that of the comparative quarter. For the full year, the Group achieved profit before tax of S\$2.2m against S\$5.9m profit achieved for prior financial year.

FY2004

The shortfall in the Group's full year performance was mainly attributable to significant losses incurred by the Subsea Robotics division and weaker performance of the Oilfield Engineering division during the year, as well as the absence of a S\$3.5m gain recognised previously in FY2003 upon disposition of the Group's Marine Repair Services division.

4QFY2004

The Oilfield Engineering division continued to experience difficulty in 4QFY2004 amid continued market slowdown in the oilfield equipment repair segment. Job margins also narrowed due to intense competition.

The Subsea Robotics division incurred a smaller loss for the current quarter compared to the prior comparative quarter on the back of a higher revenue in 4QFY2004. Fleet utilisation rate improved with the successful completion of the restructuring of its Aberdeen operations. The relocation of its fleet to Asia and Middle East insulated the division from the inclement weather conditions in the North Sea which affected its earlier performance. The improved results also included a writeback of provisions made for professional and legal fees following the successful resolution of its insurance claims relating to the loss of its Phoenix 2 ROV unit in November

The Engine Systems division's Australia operations continued to contribute positively to the Group, boosted by earnings from the fuel injection businesses. The division's performance was, however, dragged down by further start-up costs incurred by its Indonesia unit.

The Group recognised negative goodwill arising from the acquisition of shares in its associated company, RCR Tomlinson Ltd, amounting to S\$0.3m during 4QFY2004, and S\$0.9m for the full year. The Group had also taken up its share of RCR results up to 31 December 2003 amounting to S\$0.5m during the financial year.



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9 VARIANCE FROM PROSPECT STATEMENT

No variance noted.

10 PROSPECTS

The Oilfield Engineering division is likely to maintain a comparable level of performance in the new financial year. While its operations are likely to benefit from an expected recovery of the oilfield equipment repair sector, such recovery is likely to be gradual. Increasing prices for raw materials such as steel may also put downward pressure on job margins.

Performance of the Subsea Robotics division is expected to improve with the anticipated increase in its fleet utilisation as its ROVs are deployed principally in the Asian and Middle Eastern markets. The division will also enjoy significant cost savings arising from the restructuring of its Aberdeen operations as marketing and administrative resources are now consolidated through its Singapore base. Measures are also currently being explored to enhance its performance through strategic alliances with other complementary service providers.

While any moderation in the Australian economy may have a bearing on the overall performance of the Engine Systems division, such impact is likely to be diffused by the division's broad service and customer base and it will continue to contribute positively to the Group. Efforts to grow its Indonesia activities are also likely to gain pace in the new year.

The Group will also continue to benefit from its share of the results of RCR Tomlinson Limited which will be focusing on achieving margin growth in its operations.

As a significant portion of the Group's earnings is derived offshore, any significant foreign exchange fluctuation can be expected to have an impact on the Group's performance. Nevertheless, barring unforeseen circumstances, the Group will remain profitable in the new financial year.

11 DIVIDENDS

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

Present Period

Name of Dividend	Interim, paid	Final, proposed
Dividend Type	Cash	Cash
Dividend Rate	4% per ordinary share, less tax	6% per ordinary share, less tax
Par Value of Shares	S\$0.25	S\$0.25
Tax Rate	22%	20%

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

Previous Corresponding Period

Name of Dividend	Interim, paid	Final, paid
Dividend Type	Cash	Cash
Dividend Rate	4% per ordinary share, less tax	6% per ordinary share, less tax
Par Value of Shares	S\$0.25	S\$0.25
Tax Rate	22%	22%

c) Date payable

The proposed final 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' entitlements to the proposed final dividend.



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12 BUSINESS SEGMENTAL INFORMATION

By Industry Segments

FY2004

	Investment Holding	Marine & Oilfield	Engine Systems	Subsea Robotics	Multi-disciplined Engineering	Others	Eliminations	Group
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue & Expenses								
External sales	-	13,657	32,710	6,371	-	-	-	52,738
Inter-segment sales	2,552	-	55	-	-	-	(2,607)	-
Total sales	2,552	13,657	32,765	6,371	-	-	(2,607)	52,738
Segment results	(377)	941	2,455	(810)	-	(92)	201	2,318
Exceptional items	-	-	-	(332)	-	-	-	(332)
	(377)	941	2,455	(1,142)		(92)	201	1,986
Finance Costs								(1,149)
Share of results of associated company					1,366			1,366
Taxation								(876)
Minority interests								378
Net profit attributable to shareholders								1,705
Assets & Liabilities								
Segment assets	12,213	8,102	25,116	12,488	7,234	5,475	(5,308)	65,320
Deferred tax assets								356
Tax recoverable								729
Total assets								66,405
Segment liabilities	(605)	(1,626)	(6,416)	(3,335)	-	(111)	-	(12,093)
Provision for taxation								(606)
Deferred taxation								(459)
Bank borrowings								(20,278)
Finance lease payables								(1)
Total liabilities								(33,437)
Other segmental information								
Capital expenditure	51	187	2,509	565	-	-	-	3,312
Depreciation	476	747	527	2,044	-	16	14	3,824
Other non cash (income) / expenses								
Profit on sale of property, plant & equipment	(3)	(19)	3	25	-	-	-	6
Amortisation of goodwill	-	-	243	-	-	-	-	243
Provision for restructuring costs	-	-	-	332	-	-	-	332
Dilution of minority interests in subsidiary company	-	-	-	-	-	-	(18)	(18)
Goodwill written off	-	-	-	-	-	-	81	81
	(3)	(19)	246	357	-	-	63	644

By geographical segments

	Singapore	Australia	United Kingdom	Malaysia	Indonesia	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
External sales	16,228	32,688	3,800	-	22	52,738
Segment assets	26,468	28,351	10,618	(206)	89	65,320
Capital expenditure	738	2,167	65	-	342	3,312



MTQ CORPORATION LIMITED
(Incorporated in the Republic of Singapore)

FY2003

	Investment Holding	Marine & Oilfield	Engine Systems	Subsea Robotics	Others	Eliminations	Group
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue & Expenses							
External sales	-	17,903	23,218	6,909	-	-	48,030
Inter-segment sales	3,065	-	-	-	-	(3,065)	-
Total sales	3,065	17,903	23,218	6,909	-	(3,065)	48,030
Segment results	(229)	2,048	1,912	(474)	(28)	515	3,744
Exceptional items	(685)	-	-	-	-	-	(685)
	(914)	2,048	1,912	(474)	(28)	515	3,059
Finance Costs							(633)
Gain on disposition of discontinuing operation							3,484
Taxation							(760)
Minority interest							235
Net profit attributable to shareholders							5,385
Assets & Liabilities							
Segment assets	17,449	8,480	18,256	15,030	5,570	(4,710)	60,075
Deferred tax assets							297
Tax recoverable							303
Total assets							60,675
Segment liabilities	(773)	(2,378)	(3,806)	(4,177)	(116)	-	(11,250)
Provision for taxation							(470)
Deferred taxation							(369)
Bank borrowings							(16,255)
Finance lease payables							(71)
Total liabilities							(28,415)
Other segmental information							
Capital expenditure	432	2,654	951	5,795	-	-	9,832
Depreciation	481	562	370	1,417	16	14	2,860
Other non cash (income) / expenses							
Gain on disposition of discontinuing operation -]	(1,118)	(2,366)	-	-	-	-	(3,484)
Prov for Dim in value of investment	685	-	-	-	-	-	685
Profit on sale of fixed assets	(91)	-	75	-	-	-	(16)
Amortisation of goodwill	-	-	69	-	-	-	69
Goodwill written off	-	-	-	-	-	6	6
	(524)	(2,366)	144	-	-	6	(2,740)

By geographical segments

	Singapore	Australia	Malaysia	United Kingdom	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
External sales	19,725	23,218	-	5,087	48,030
Segment assets	36,052	13,399	(129)	10,753	60,075
Capital expenditure	6,689	951	-	2,192	9,832



MTQ CORPORATION LIMITED

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13 BREAKDOWN OF SALES

	Group		Change %
	31.03.04 S\$'000	31.03.03 S\$'000	
Sales reported for first half year	24,305	23,213	5
Operating profit after tax before deducting minority interests reported for first half year	757	4,021	(81)
Sales reported for second half year	28,433	24,817	15
Operating profit after tax before deducting minority interests reported for second half year	570	1,129	(50)

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

	2004 S\$	2003 S\$
Ordinary	1,765,522	1,546,214
Preference	-	-
Total:	<u>1,765,522</u>	<u>1,546,214</u>

15 INTERESTED PERSON TRANSACTIONS

NIL

BY ORDER OF THE BOARD

Fong Choon Seng
Company Secretary
29.04.04