



MTQ CORPORATION LIMITED
(Co. Reg. No.: 196900057Z)

PRESS RELEASE

MTQ Reports Record Full Year Profits
Post tax earnings from core operations soared 99%
Exceptional gains provided icing on cake

SINGAPORE - 30 April 2008 – Mainboard-listed engineering group MTQ Corporation Limited (“MTQ Group” or “Group”) today announced its result for the Financial Year ended 31 March 2008 (“FY2008”). Unaudited Group net profit after tax hit a high of S\$ 37.85 million, compared to S\$ 4.71 million 12 months ago (“FY2007”), making FY2008 its best year on record.

Importantly, core operations of the Group reflected good consistent growth. Revenue grew 25% from S\$ 67.92 million in FY2007 to S\$ 84.70 million in FY2008 and post-tax profits from its two operational Divisions rose 98.9% from S\$ 4.71 million to S\$ 9.37 million. Capping a most satisfying year for the Group, the timely move to divest its entire stake in Australia listed engineering firm RCR Tomlinson Limited during the Financial Year yielded an exceptional gain that contributed strongly to the Group’s phenomenal net profit after tax leap of 704%.

Mr. K.K. Kuah, Chairman and CEO highlighted the fact that underpinning the record earning is the sustainable growth achieved by its operational units. “The Group achieved significant top and bottomline growth for FY2008, which is strong testimony of our ability to capitalise on opportunities brought about by favourable external conditions, particularly in the Oil and Gas industry, a segment that accounted for half of our turnover.” He added that the Group’s investments in human resources and capital equipment in recent years had paid off, putting it in a state of readiness to support resurgent activities in the market.

On the Group's Engine Systems Division in Australia, Mr. Kuah said: "It has managed to successfully integrate its businesses and we should expect it to deliver an improved performance as the full effect of cost savings and other synergistic benefits begin to materialise in the coming Financial Year. Our Australian Division has a comprehensive national distribution network and we have reasons to believe that it can pack a bigger punch. We will explore suitable opportunities to leverage on our extensive geographical reach and increase business volume, as well as strengthen our position as a preferred vendor by cultivating strong brand loyalty and providing quality services."

FY2008 saw the liquidation of its small Indonesia Engine Systems business. The closure of this business will enable the Division to redirect the utilisation of resources and focus attention on its more dominant Australian market.

Looking ahead, the Group expects continuous growth at a more moderate pace. "While it may be difficult to be too upbeat about the global economy right now due to the specter of inflationary and credit fears, there are certainly still pockets of optimism abound. High crude prices, which precipitate a surge in oil exploratory activities worldwide and higher capital investments in rig equipment will continue to create demands for downstream support activities and is likely to benefit the Group. The Group is also intensifying efforts to tap into opportunities around the region and is likely to utilise a mix of organic and inorganic growth strategies to enlarge its core market base and ensure sustainable growth in the long term."

Group's basic Earnings per ordinary share rise from 5.06 Singapore cents for FY2007 to 40.96 Singapore cents for FY2008, while Net asset value per ordinary share dips marginally from 62.29 Singapore cents as of FY2007 to 61.26 Singapore cents as of FY2008, mainly due to a special interim dividend of 24 Singapore cents per ordinary share, less tax, paid during the Financial Year.

To reflect the higher level of sustainable recurrent earnings, the Board of Directors has recommended an increase final tax dividend payout (subject to shareholders' approval) of 2 Singapore cents per ordinary share, tax exempt (one tier) for FY2008, compared to 1.5 Singapore cents per ordinary share, less tax, paid out for FY2007.

About MTQ

MTQ Corporation Limited Group specializes in engineering services, and is primarily involved in oilfield equipment repair and rental operations. MTQ is the authorized repair workshop for some of the world's largest OEMs in wellhead equipment, and is accredited to carry out manufacturing and repair works in accordance to American Petroleum Institute standards. Through its wholly owned subsidiary MTQ Engine Systems (Aust) Pty Ltd, the Group is also the leading independent supplier of turbocharger and fuel injection parts and services in Australia with a nationwide branch network.

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