

* Quick Updates Section

Increased Shareholding of RCR Tomlinson Limited to 28.30%

Consistent with our long-term intention to extend our interest and involvement in RCR Tomlinson Limited ("RCR"), the Group launched an on-market bid on 1 May 2003 for all the fully paid ordinary shares of RCR that it did not already hold.

The bid succeeded in bringing our total interest in RCR to 28.30% as at the close of the bid on 16 June 2003.

RCR is a leader in multi-disciplined engineering in Western Australia. Listed on the Australian Stock Exchange, RCR provides integrated engineering solutions, including engineering design services, supply of fabricated products, mechanical repairs, heat treatment and induction hardening, precision machining and fitting, as well as site maintenance.

Improved Traffic on MTQ Investor Relations Page on www.shareinvestor.com

Since listing ourselves in this investor portal, we have noticed a two-fold increase of pageviews of MTQ's investor relations page.

This signals a heightened public interest in the Group's activities.

We strongly encourage our shareholders to visit this portal to get quick and updated information on the Group's financial results and business activities.

Investor portal www.shareinvestor.com provides shareholders and potential investors with up-to-date information on our Group of Companies.

Annual General Meeting

All nine resolutions set out were passed; including the declaration of a final dividend of 6% less tax (\$0.015 per ordinary share less tax) for the year ended 31 March 2003.

The AGM provided the opportunity for the directors, management and shareholders to mingle and to exchange views on various issues.

The 34th Annual General Meeting was held at Carlton Hotel, Connaught Room, on 20 June 2003 at 10.00 a.m.

First Quarter Financial Highlights

(Unaudited Group Results)

	Three months ended 30 June			
	2003	2002	Change	
	S\$'000	S\$'000	S\$'000	%
Turnover	12,017	10,270	1,747	17
Operating profit before exceptional items and gain on disposition	745	621	124	20
Exceptional items	-	(685)	685	(100)
Gain on disposition of discontinued operations	-	3,484	(3,484)	(100)
Profit before taxation	745	3,420	(2,675)	(78)
Net profit attributable to shareholders	563	3,276	(2,713)	(83)
	Cents	Cents	Cents	%
Earnings per share				
- Basic	0.71	4.14	(3.43)	(83)
- Diluted	0.71	4.13	(3.42)	(83)
Net assets per share	39.40	39.49	(0.09)	(0)

- Group turnover for 1QFY2004 was S\$12,017,000, an increase of 17% over 1QFY2003 attributable to turnover growth across all business divisions. Excluding net exceptional gain, the Group's profit before tax of S\$745,000 for 1QFY2004 represents a 20% improvement above that of 1QFY2003.

- The improvement was achieved mainly from strong exchange gains as well as the absence of losses sustained by the Marine Repair Services division which was divested in May 2002.

- Contributions from the Oilfield Engineering and Engine Systems divisions remained strong. Group profit for 1QFY2004 also included contributions from the fuel injection (RM Diesel) and turbocharger (Turbo Torque) businesses acquired in August and November 2002 respectively.

- Performance of the Subsea Robotics division, however, remained below expectations in view of the weak North Sea market. In entering the Asian market, gross margins were sacrificed, thus affecting the division's bottom line as well.

*MTQ Engineering Introduces New Work



Committed to providing the best services to their customers, MTQ Engineering recently completed its purchase of four new machines to enhance its workshop capabilities.

Of significant contribution to capacity will be the CNC Vertical Turning machine, capable of a 30 tonne load and the CNC Horizontal Boring machine with a table load of 25 tonnes, the most advanced six-axis machines in Asia.

These new additions give MTQ Engineering the potential to take on heavier and bigger repair jobs where competition is less severe, and margins more attractive.

The management took the opportunity to invite principals, customers and business associates to an Open House exhibiting the enhanced workshop capabilities on 20 June 2003.

The event was hosted under a white dome canopy, erected just outside the entrance to the workshop, and guests were served cocktails and treated to a BBQ buffet. A red carpet into the workshop leading to the new machines guided the curious who wanted more than a brochure introduction to the machines.

The event was a great success with customers and business associates alike, who gave very positive and encouraging feedback. More importantly, publicity on the enhanced workshop capacity and capability was generated.

MTQ Engineering is also pleased to announce that it has recently concluded and signed the Collective Agreement 2003 with the Shipbuilding and Marine Engineering Employees' Union.

*MTQ Engine Systems Sets Out to St



The change of name of the company is complete and all branches of MTQ Engine Systems throughout Australia now carry the "MTQ" livery.

The integration of the operations of the recently acquired RM Diesel and Turbo Torque is progressing smoothly. The company is currently embarking on a project to revamp its IT infrastructure to align the various business operations so as to meet the anticipated needs of future expansions.

With the relocation of the Melbourne and Sydney branches completed, the Brisbane branch is targeted to be the next in line. This is expected to take place towards the end of the year.

In February, all branch managers congregated at the brand new Melbourne premises for the Annual Managers Conference. The Conference aimed to gather

Workshop Capabilities in Open House

In line with the recent NWC recommendations, the Company is now looking towards working with the Union to refine the reward system to a more competitive performance-based model.

The division is now operationally ready to further enhance customer service levels and retain the leadership position in its field.



Strengthen Market Position

all branch managers to provide them with opportunities to highlight reviews of the current year's performance, exchange notes on critical success factors, and present budgets and goals set on a branch as well as on a group level.

The Townsville branch was named "Branch of the Year" at the Annual Managers Conference, due to its exceptional sales growth, performance against budget, and exemplary management and administration.

The division looks to be in good stead to strengthen its market position and will actively promote itself to further improve its contribution.



*MTQ Subsea

Begins Projects for Customers in Southeast Asia



Expanding its focus on the Asian market in order to lessen its existing reliance on the North Sea market where subsea activities are susceptible to harsh weather conditions and their operational duration is limited, MTQ Subsea recently mobilized its work class Swift #02 ROV to provide ROV support services in Malaysian waters. The ROV was mobilized on board the Dynamic Positioning 2 Dive Support Vessel.

Swift #02 will carry a sophisticated pipe tracking system to enable it to track pipelines buried under the seabed. In addition, it will provide diver support services for divers working on the project.

The “Swift” series of ROV is MTQ’s new generation work class ROV, capable of working at depths of up to 1,500 meters. Its compact footprint takes up minimal space, which is a plus on vessels where deck space is premium.

With the advent of the summer season, the utilization rate of its fleet is expected to increase in the North Sea and West Africa.

Regrettably, it has not had any progress with its insurance claim on the loss of a Phoenix ROV. It has every intention to pursue this vigorously.

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