

November 3, 2011

## McCOY CONTINUES ITS STRONG FINANCIAL PERFORMANCE IN Q3 2011

Edmonton – **McCoy Corporation** (“McCoy” or “the Corporation”) (TSX:MCB) today announced its results for the three and nine months ended September 30, 2011.

McCoy continued to deliver strong financial and operating results in the third quarter of 2011. The Corporation increased its total revenue by 41% to \$37.8 million from \$26.9 million of the same period of 2010 and its net earnings by 55% to \$3.0 million from \$1.9 million for Q3 of 2010.

McCoy’s Financial Statements and Management’s Discussion and Analysis have been filed with regulators and are available at McCoy’s website at [www.mccoyglobal.com](http://www.mccoyglobal.com) and will also be available at [www.sedar.com](http://www.sedar.com).

A summary of McCoy’s quarterly financial results is shown in the following table:

(\$000 except per share amounts)	Q3 2011	Q3 2010	Q2 2011
Total revenue	37,815	26,908	38,834
Net earnings from continuing operations	3,067	1,838	3,277
Net earnings per share from continuing operations – diluted	0.11	0.07	0.12
Net earnings	3,010	1,945	3,284
Net earnings per share – diluted	0.11	0.07	0.12
EBITDAS <sup>(1)</sup>	5,962	4,110	6,154
EBITDAS <sup>(1)</sup> per share – diluted	0.22	0.16	0.23
Cash on hand at period end	24,806	11,078	15,603
Net cash position <sup>(1)</sup> at period end	18,392	4,461	9,045
Weighted average shares – diluted, at period end (000)	26,861	26,491	26,864

1) EBITDAS and net cash are non-GAAP measurements. EBITDAS is defined as “earnings from continuing operations before other non-recurring items, interest, taxes, depreciation and amortization and share-based compensation.” EBITDAS is not considered an alternative to net earnings in measuring McCoy’s performance. Net cash is defined as “cash on hand less the sum of current portion of borrowings, current portion of finance lease liabilities, borrowings and finance lease liabilities.” EBITDAS and net cash do not have a standardized meaning and are therefore not likely to be comparable with similar measures used by other issuers. However, McCoy calculates EBITDAS and net cash consistently from period to period.

McCoy’s Energy Products and Services (“EP&S”) and Mobile Solutions segments both performed well in the third quarter of 2011. Revenue for the EP&S segment increased by 14% to \$21.7 million for the third quarter of 2011 from sales of \$19.0 million for the same period of 2010, attributable mainly to higher worldwide and North American rig counts and increased spending in the drilling equipment market in these comparative quarters.

Revenue in the Mobile Solutions segment increased by 103% to \$16.1 million in the third quarter of 2011 from \$7.9 million in the third quarter of 2010. This \$8.2 million increase is primarily due to the continued recovery in unconventional oil and gas activity in the Western Canadian Sedimentary Basin and the U.S. land market, from which the majority of the revenue for the Mobile Solutions segment is derived. Energy services, such as pressure pumping, has created a robust demand for service equipment.

### Sales and Gross Profit by Operating Segment – Three Months Ended September 30

(\$000 except percentages)		Energy Products & Services	Mobile Solutions	Inter-Segment Eliminations	Total
Q3 2011	Sales	21,731	16,084		37,815
	gross profit	7,813	2,929	-	10,742
	gross profit margin	36%	18%	-	28%
Q3 2010	sales	19,036	7,913	(41)	26,908
	gross profit	6,679	1,276	-	7,955
	gross profit margin	35%	16%	-	30%
Increase in sales		14%	103%	-	41%
Increase (decrease) in gross profit margin		1%	2%	-	(2%)

### Outlook

The second and third quarters of 2011 represent the two best quarters in company history for revenue from continuing operations, and current backlogs support the continuation of this positive revenue trend through the balance of 2011.

According to Baker Hughes, the worldwide rig count has increased by 17% from Q3 of 2010 and the North American rig count has increased by 20% from Q3 of 2010. The outlook for global drilling activity continues to be positive due to the relative stability of oil prices. As the number of rigs working internationally and in North America is maintained or increases, McCoy expects demand for capital equipment will continue, which will be positive for both the EP&S and Mobile Solutions segments.

New product development continues to be at the forefront of McCoy's strategic plans with several new pieces of drilling and tubular handling equipment expected to be introduced to the market in 2012 and 2013. This equipment will fill in our overall product line and push us closer to our goal of providing an integrated solution for our customers' needs. We will also continue to pursue acquisitions of businesses providing best in class products and services that fit in to our overall strategic plan and product mix.

"We see exciting opportunities to execute our growth strategy," said Jim Rakevich, McCoy's President and CEO. "The strength of our balance sheet gives us the flexibility to continue to pursue long-term growth through product development while also positioning ourselves to achieve rapid growth through strategic acquisitions."

## **Conference Call**

McCoy will host a conference call and webcast at 9:00 a.m. Mountain Time (11:00 a.m. Eastern Time) on November 3, 2011. Management participants will include Jim Rakievich, President and CEO; Milica Stolic, Chief Financial Officer & Corporate Secretary; and DeAnn McNally, Manager, Corporate Affairs.

Participants calling from Canada or the United States should call toll-free: 1-866-253-4938. Callers from other locations may access the call at: 1-416-849-6209. Those who prefer to join by webcast can do so at the following link: [http://www.snwebcastcenter.com/event/?event\\_id=2253](http://www.snwebcastcenter.com/event/?event_id=2253).

The call will also be available for replay via telephone for seven days after the conference call by calling 1-866-245-6755 or 1-416-915-1035. The replay passcode number is 417292. The transcript of the conference call will be archived on the conference calls page of McCoy's website.

## **About McCoy**

McCoy provides innovative products and services to the global energy industry. McCoy's two segments, Energy Products & Services and Mobile Solutions, operate internationally through direct sales and distributors with its operations based out of the Western Canadian Sedimentary Basin and the US Gulf Coast. McCoy's corporate office is located in Edmonton, Alberta, Canada with offices in Alberta, British Columbia, Louisiana, and Texas.

## **Forward-Looking Information**

*This news release and the website referenced therein may contain forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. By its nature, such forward-looking information is subject to various risks and uncertainties, which could cause McCoy's actual results and experience to differ materially from the anticipated results or expectations expressed. Readers are cautioned not to place undue reliance on forward-looking information that may be contained herein, which is given as of the date it is expressed in this news release or otherwise, and to not use future-oriented information or financial outlooks for anything other than their intended purpose. McCoy undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.*

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