



May 12, 2009

**McCOY CORPORATION ANNOUNCES FIRST QUARTER 2009 RESULTS –
OPPORTUNISTIC ACQUISITIONS AND COST REDUCTIONS HELP OFFSET
RECESSIONARY MARKET CONDITIONS**

Edmonton, Alberta – McCoy Corporation (TSX: MCB) (“McCoy” or the “Corporation”) today announced results for the three months ended March 31, 2009. First quarter net earnings were \$0.3 million, down \$1.5 million compared to the 2008 first quarter, and down \$1.5 million compared to the prior quarter ended December 31, 2008, excluding the impact of goodwill and intangibles impairment in the prior quarter. Revenue for the quarter was \$31.0 million, a decrease of \$5.0 million compared to the first quarter of 2008, and down \$10.3 million compared to the fourth quarter of 2008. McCoy’s first quarter results reflect the continued impact of reduced conventional oil and gas activity in western Canada on the Trailer Manufacturing and Truck & Trailer Products & Services (“TTP&S”) segments, which was offset to some extent by essentially flat sales in the Energy Products & Services (“EP&S”) segment of \$22.2 million, compared to \$22.1 million in the first quarter of 2008. EP&S’ revenue was impacted by softening of global drilling equipment sales, offset by the inclusion of one month of sales from Texas Breakout II, L.P., which operates as RP Manufacturing & Calibration (“RP”) of Conroe, Texas, which McCoy acquired late in February. Throughout the quarter management continued to aggressively manage expenses to reflect the market and economic conditions.

“In the first quarter of 2009, McCoy’s financial results were impacted by the continuing slowdown in worldwide oil and gas industry activity, driven by the global recession and relatively weak commodity prices. The North American drilling industry has been hit particularly hard and this has resulted in the capital equipment expenditures of these customers being cut back significantly. In the United States, the number of active rigs has been reduced by 50% in the last 12 months. Until we begin to see a recovery in these numbers, our sales in the North American market will be weak. Fortunately, we have increased our international sales over the last 5 years and international drilling activity has not been negatively impacted to the same level. Sales outside of North America have been, and will continue to be, our revenue driver through the rest of 2009,” said Mr. Jim Rakievich, McCoy’s President and CEO. “However, we continued to look for opportunistic acquisitions, resulting in our purchase of RP, the second largest global supplier

of make/break machines. These machines are used for assembling down-hole tool strings and testing pipe connections for oil and gas wells. This acquisition will add to our oil and gas drilling equipment offering and will contribute positively to our 2009 financial results, helping to offset any continuing weakness in markets for our equipment. As well, effective May 8, 2009, we successfully renegotiated the commitment letter from our principal lender, ensuring we continue to have credit available to operate and grow our business. The overall credit available to McCoy decreased slightly to \$27 million from \$28.3 million, with some marginal increases in interest rates.”

Financial Highlights

(\$000's, except per share amounts)	Three Months Ended March 31			Three months ended Dec. 31	
	2009	2008	Percent increase (decrease)	2008	Percent increase (decrease)
Revenue	30,976	35,942	(14)	41,235	(25)
Net earnings	331	1,800	(82)	1,839 ⁽²⁾	(82)
Basic and diluted earnings per share	0.01	0.06	(83)	0.07 ⁽²⁾	(86)
EBITDAS ⁽¹⁾	2,173	4,040	(46)	4,101	(47)
EBITDAS ⁽¹⁾ per share	0.08	0.15	(47)	0.15	(47)
Total Assets	96,298	113,815	(15)	100,587	(4)
Total Liabilities	27,326	36,536	(25)	32,436	(16)
Total Long-term Liabilities	10,000	13,639	(27)	10,845	(8)

(1) EBITDAS, a non-GAAP measurement, is defined by the Corporation as “Earnings before interest, taxes, depreciation, amortization (including non-cash impairment charges) and stock-based compensation”.

(2) Net earnings before goodwill and intangibles impairment of \$14.9 million and the related tax impact of \$(1) million.

Outlook for 2009

Reduced demand for McCoy’s manufactured products is expected to continue throughout 2009 due to the global recession and relatively weak oil and gas commodity prices. The Corporation is taking the following company-wide measures in an effort to align its fixed costs with lower revenue expectations:

- Major work force reductions have been implemented along with the elimination of nonessential expenses in an effort to reduce salaries and commissions, operations expense and corporate services expense.

- McCoy will continue to implement “lean manufacturing” processes in its operations to improve efficiencies and strive to be the low cost provider while maintaining high quality standards.
- In our Trailer Manufacturing segment, management is currently evaluating all strategic options. This segment has had the most negative impact on our financial performance and the outlook for this market is weak for the remainder of 2009 and well into 2010.

McCoy’s growth strategy in 2009 will include the following elements:

- The Corporation will focus on building its replacement parts and service business for worldwide drilling equipment in an effort to further penetrate the recurring revenue stream from maintaining older equipment. This is expected to reduce the impact of recessionary cycles on the Corporation’s sales because customers tend to defer capital expenditures and continue to use existing equipment during such periods.
- McCoy will continue to pursue opportunities to expand its drilling equipment product line as part of its long-term strategy to become a major global supplier of drilling equipment. This may be done through both internal development and acquisitions. The acquisition strategy will be balanced with the need to conserve cash during the current business slowdown.
- We will continue to aggressively grow our international revenue by focusing our sales and marketing where capital equipment and maintenance spending remains relatively strong.

The current credit crisis and low oil and gas commodity prices will negatively impact McCoy’s 2009 results. The Corporation will continue to monitor the markets in which it operates and will continue to take decisive action to mitigate any reduction in revenue. The Corporation strongly reiterates that 2009 is anticipated to be a challenging year and will continue to effectively manage our businesses in order to position the Company for ongoing growth and shareholder value.

Conference Call

McCoy will host a conference call and webcast on Tuesday, May 12 at 9 a.m. Mountain time (11 a.m. Eastern). Management participants will be:

- Jim Rakievich, President & Chief Executive Officer;
- Milica Stolic, Chief Financial Officer;
- Ted Redmond, Executive Vice President, Energy Products & Services; and
- Peggy Robertson, Vice President, Corporate Affairs.

Participants calling from Canada or the United States should call toll-free: 1-888-221-9591.

Callers from other locations may access the call at: 1-913-312-0672. For those who prefer to join

by webcast, a link will be displayed on the home page of McCoy's website at www.mccoycorporation.ca.

If you are unable to participate during the live conference call, 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 148594. The transcript of the conference call will be archived on the investor page of McCoy's website.

About McCoy Corporation

Established in 1914, McCoy Corporation provides advanced products and services for the global energy industry. McCoy is the leading worldwide manufacturer of tubular make-up power tongs, for both land and offshore rig applications, and also manufactures consumable replacement parts (dies and inserts) used in rig equipment. McCoy also builds mobile products including vacuum tanks, hydrovac systems, pick up and lay-down machines, and custom heavy duty trailers, crane dollies and oilfield chassis. The service portion of McCoy's business includes application of wear and corrosion resistant coatings for drilling tools; hydraulic cylinder services and refurbishment for rigs and heavy equipment; and maintenance, repairs and parts for heavy duty trucks and trailers.

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.

For further information please visit www.mccoycorporation.ca or contact:

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