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FOR IMMEDIATE RELEASE

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MedQuist ranked number one in front-end speech recognition in KLAS Speech Recognition Report

Mount Laurel, NJ, May 22, 2006 -- MedQuist (Pink Sheets: MEDQ) is pleased to announce that its SpeechQ™ product was rated number one for front-end speech recognition by its customers in KLAS Enterprise's Speech Recognition Report¹. "I am delighted that our customers are finding SpeechQ for Radiology so valuable and that they rated MedQuist so highly," says Scott Bennett, MedQuist's senior vice president of Sales and Marketing. "This rating validates the excitement that we have seen building around this solution over the past 18 months."

KLAS regularly conducts queries and interviews with more than 4,500 hospitals to develop an extensive database of various healthcare vendors' products and services. They gather numerous indicators, including factors that are product and technology related, information on vendor installation and post-live support, as well as success indicators and business indicators. MedQuist, which was evaluated on its front-end speech recognition this year for the first time, received the highest average score in each indicator category for front-end speech recognition.

SpeechQ, which is powered by Philips' powerful SpeechMagic™ engine, is a solution that physicians readily embrace. That translates into tangible cost savings and improved quality and service for customers, such as:

- Increased percentage of reports completed within 24 hours. In some cases, the increase is from two percent to more than 90 percent.
- Less than one percent of reports sent to a medical editor, thanks to the superior speech recognition and formatting ability of the product.
- 80 percent reduction in incomplete reports.

"Our customers have reaped incredible benefits with SpeechQ," adds Bennett. "Our extensive experience in back-end speech recognition enabled us to create an award winning solution for front-end use that our customers clearly appreciate. Front-end speech recognition like SpeechQ is a critical piece of the clinical documentation puzzle."

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About MedQuist

MedQuist, a member of the Philips Group of Companies, is the leading provider of clinical document workflow solutions. MedQuist provides secure document workflow management, digital dictation, speech recognition, mobile dictation devices, Web-based transcription, electronic signature, medical coding products and outsourcing services

About KLAS

KLAS began to measure and report Healthcare Information Technology (HIT) vendor performance in 1996. To candidly gather performance ratings, KLAS confidentially interviews thousands of professionals in healthcare annually. The result of the interviews is an extensive HIT performance database representing over 4,500 healthcare facilities and 500 products. Vendors, consultants, investment bankers and healthcare providers use KLAS performance reports. For more information contact KLAS Enterprises, LLC at 800-920-4109 or visit the KLAS web site at www.healthcomputing.com.

"Safe Harbor" Statement under the U.S. Private Securities Litigation Reform Act of 1995: Statements in this press release regarding MedQuist's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties. Such risks and uncertainties, which could cause actual results to differ from those contained in forward-looking statements include, but are not limited to: (1) our ability to recruit and retain qualified transcriptionists and other employees; (2) the impact of new services or products on the demand for our existing services; (3) our current dependence on medical transcription for substantially all of our business; (4) our ability to expand our customer base; (5) changes in law, including, without limitation, the impact the Health Information Portability and Accountability Act ("HIPAA") will have on our business; (6) infringement on the proprietary rights of others; (7) risks inherent in diversifying into other businesses; (8) any continuation of pricing pressures and declining billing rates; (9) difficulties relating to the implementation of management changes throughout the Company; (10) the outcome of pending and future legal and regulatory proceedings and investigations; and (11) any direct or indirect impact of the matters disclosed in the Form 8-K filed by the Company on January 19, 2006. Actual outcomes and results may differ materially from what is expressed or forecasted in forward-looking statements. As a result, forward-looking statements speak only as of the date they were made, and the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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