



RCE CAPITAL BERHAD
(Company No. 2444-M)

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RCE GROUP'S EARNING CONTINUED TO GROW IN 3Q11 FROM 3Q10

- **Revenue increased by 22% to RM77.2 million**
- **Pre-tax profit increased by 41% to RM42.4 million**
- **Earnings per share increased by 57% to 4.19 sen**

KUALA LUMPUR: At the forefront, RCE Group (“the Group”) recorded a 22% increase in its revenue from RM63.2 million to RM77.2 million as compared to the previous year’s corresponding quarter. The increase was mainly due to continued growth in the loan financing business.

Arising from the above, the Group registered a higher pre-tax profit of RM42.4 million in 3Q11, representing an increase of 41% as compared to the pre-tax profit of RM30.0 million in 3Q10.

The Group’s strong results translated into earnings per share of 4.19 sen, an improvement of 57% in comparison to 2.67 sen in the previous year’s corresponding quarter.

Meanwhile, the Group’s net loans and receivables stood at RM1.1 billion in the current quarter. This is 4% higher than the previous year’s corresponding quarter, in line with the growth in the loan financing business.

As announced on 26 November 2010, the temporary disruption in disbursement activities experienced by the Group's major business partner is not expected to have any material financial impact for the current financial year ending 31 March 2011 and on its ability to meet interest and principal payments in respect of its existing debt obligations. Therefore, the Group is confident of registering good performance in this financial year ending 31 March 2011.

Notwithstanding the above, if KOWAJA's loan disbursements are curtailed in a prolonged manner, there may be some impact on the Group's future profitability in the longer-term.

About RCE Group

RCE is involved in the provision of personal loans and consumer-financing services to public and private sector employees, factoring and investment in a real-estate trust.