



**SUMMARY OF KEY FINANCIAL INFORMATION FOR THE FINANCIAL
PERIOD ENDED 31 DECEMBER 2007**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
	RM'000	RM'000	RM'000	RM'000
1. Revenue	33,274	25,029	95,828	67,697
2. Profit before tax	18,324	32,559	47,924	53,417
3. Profit for the period	15,027	29,851	37,963	47,442
4. Profit attributable to ordinary equity holders of the parent	15,027	29,851	37,963	47,442
5. Basic earnings per share (sen)	2.32	4.64	5.87	7.53
6. Proposed/Declared dividend per share (sen)	-	-	-	-
		AS AT END OF	AS AT PRECEDING	
		CURRENT	FINANCIAL	
		QUARTER	YEAR END	
7. Net assets per share attributable to ordinary equity holders of the parent (RM)		0.30		0.25
		INDIVIDUAL QUARTER	CUMULATIVE QUARTER	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
	RM'000	RM'000	RM'000	RM'000
8. Gross interest income	1,293	823	3,911	1,851
9. Gross interest expense	22	10	49	27



CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
	RM'000	RM'000	RM'000	RM'000
Revenue	33,274	25,029	95,828	67,697
Gain on disposal of investment	-	20,399	-	20,399
Other operating income	1,832	915	4,886	2,287
Interest applicable to revenue	(11,244)	(7,751)	(31,279)	(18,615)
Staff costs and directors' remuneration	(1,884)	(569)	(5,494)	(1,703)
Depreciation of property, plant and equipment and investment property	(197)	(89)	(521)	(311)
Impairment of investment	-	(3,506)	-	(3,506)
Other operating expenses	(3,435)	(1,859)	(15,447)	(12,804)
Profit from operations	18,346	32,569	47,973	53,444
Finance costs	(22)	(10)	(49)	(27)
Profit before taxation	18,324	32,559	47,924	53,417
Taxation	(3,297)	(2,708)	(9,961)	(5,975)
Profit for the period	15,027	29,851	37,963	47,442
Attributable to:				
Equity holders of the parent	15,027	29,851	37,963	47,442
	15,027	29,851	37,963	47,442
Earnings per share attributable to equity holders of the parent:				
Basic (sen)	2.32	4.64	5.87	7.53
Diluted (sen)	n/a	n/a	n/a	n/a

The condensed consolidated income statements should be read in conjunction with the annual audited financial statements for the financial year ended 31 March 2007

CONDENSED CONSOLIDATED BALANCE SHEETS

	AS AT 31/12/2007 RM'000	AS AT 31/03/2007 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	3,155	1,759
Investment property	1,707	1,735
Goodwill on consolidation	28,677	28,677
Loans and hire-purchase receivables	565,418	368,968
Long term investments	31,557	31,557
Deferred tax assets	5,368	7,892
	635,882	440,588
Current assets		
Short term investments	8,029	8,500
Trade receivables	21,835	15,035
Loans and hire-purchase receivables	61,849	45,669
Other receivables, deposits and prepayments	20,647	10,668
Deposits with licensed financial institutions	167,211	162,627
Cash and bank balances	4,512	5,355
	284,083	247,854
Total assets	919,965	688,442
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	64,634	64,634
Reserves	130,282	97,102
Total equity	194,916	161,736
Non-current liabilities		
Hire purchase payables	735	56
Finance lease payables	159	145
Borrowings	537,936	456,324
Deferred taxation	62	189
	538,892	456,714
Current liabilities		
Payables and accrued expenses	43,544	36,445
Hire purchase payables	195	56
Finance lease payables	193	207
Borrowings	140,663	30,258
Taxation	1,546	3,026
Dividend payable	16	-
	186,157	69,992
Total liabilities	725,049	526,706
Total equity and liabilities	919,965	688,442
NET ASSETS PER SHARE (RM)	0.30	0.25

The condensed consolidated balance sheets should be read in conjunction with the annual audited financial statements for the financial year ended 31 March 2007



CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

	Share Capital RM '000	Non-Distributable Reserves Share Premium RM '000	Reserve on Consolidation RM '000	Distributable Reserve Unappropriated Profits RM '000	Total Reserves RM '000	Minority Interest RM '000	Total Equity RM '000
As at 1 April 2006	46,893	8,042	2,155	35,852	46,049	-	92,942
Effects of adopting FRS 3	-	-	(2,155)	2,155	-	-	-
Restated balance	46,893	8,042	-	38,007	46,049	-	92,942
Share issuance expenses recognised directly in equity	-	(296)	-	-	(296)	-	(296)
Profit for the period	-	-	-	47,442	47,442	-	47,442
Total recognised income and expenses for the period	-	(296)	-	47,442	47,146	-	47,146
Issuance of bonus shares	15,631	(7,791)	-	(7,840)	(15,631)	-	-
Issuance of private placement shares	2,110	3,608	-	-	3,608	-	5,718
As at 31 December 2006	64,634 #	3,563 #	- #	77,609 #	81,172 #	- #	145,806
As at 1 April 2007	64,634	3,563	-	93,539	97,102	-	161,736
Profit for the period	-	-	-	37,963	37,963	-	37,963
Dividend	-	-	-	(4,783)	(4,783)	-	(4,783)
As at 31 December 2007	64,634 #	3,563 #	- #	126,719 #	130,282 #	- #	194,916

The condensed consolidated statements of changes in equity should be read in conjunction with the annual audited financial statements for the financial year ended 31 March 2007



CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	CUMULATIVE QUARTER 31/12/2007 RM'000	CUMULATIVE QUARTER 31/12/2006 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	47,924	53,417
Adjustment for:		
Allowance for doubtful debts, net	2,775	4,583
Interest expense	31,328	18,642
Depreciation of property, plant and equipment and investment property	521	311
Amortisation of discount of medium term notes	1,101	-
Property, plant and equipment written off	6	-
Impairment of investment	-	3,506
Interest income	(3,911)	(1,851)
Dividend income	(1,764)	(2,476)
Gain on disposals of investments	(372)	(20,399)
Gain on disposal of property, plant and equipment	(5)	-
Operating Profit Before Working Capital Changes	<u>77,603</u>	<u>55,733</u>
(Increase)/Decrease in:		
Loans and hire purchase receivables	(215,405)	(135,522)
Trade receivables	(6,800)	-
Other receivables and prepaid expenses	(10,312)	(11,073)
Increase in:		
Payables and accrued expenses	20,613	9,508
Cash Used In Operations	<u>(134,301)</u>	<u>(81,354)</u>
Interest paid	(31,279)	(18,615)
Tax paid	(10,746)	(3,784)
Tax refund	333	399
Net Cash Used in Operating Activities	<u>(175,993)</u>	<u>(103,354)</u>

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (CONT'D)

	CUMULATIVE QUARTER 31/12/2007 RM'000	CUMULATIVE QUARTER 31/12/2006 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	3,911	1,851
Dividend received	1,764	2,452
Proceeds from disposals of investments	843	-
Proceeds from disposal of property, plant and equipment	145	-
Purchase of short term quoted investments	-	(759)
Additions to property, plant and equipment	(361)	(162)
Net Cash Generated From Investing Activities	<u>6,302</u>	<u>3,382</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of other borrowings	227,500	45,000
Issuance of bonds	100,000	-
Proceeds from issuance of medium term notes	-	163,532
Proceeds from issuance of placement shares	-	5,718
Repayment of borrowings	(134,951)	(46,144)
Redemption of commercial papers and bonds	(14,000)	(17,000)
Dividend paid	(4,767)	-
Finance costs paid	(49)	(27)
Repayment of finance lease payables	(183)	(114)
Repayment of hire-purchase payables	(118)	(54)
Share issuance expenses	-	(296)
Net Cash Generated From Financing Activities	<u>173,432</u>	<u>150,615</u>
Net change in cash and cash equivalents	3,741	50,643
Cash and cash equivalents at beginning of financial period	167,982	56,007
Cash and cash equivalents at end of financial period	<u>171,723</u>	<u>106,650</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD COMPRISE THE FOLLOWING:		
Deposits with licensed financial institutions	167,211	101,044
Cash and bank balances	4,512	5,606
	<u>171,723</u>	<u>106,650</u>

The condensed consolidated cash flow statements should be read in conjunction with the annual audited financial statements for the financial year ended 31 March 2007



NOTES TO THE INTERIM FINANCIAL REPORT

1 BASIS OF PREPARATION

This interim financial report is unaudited and has been prepared in accordance with FRS 134 "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. It should be read in conjunction with the Group's annual audited financial statements for the financial year ended 31 March 2007.

2 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 March 2007, except for the adoption of FRS 117 "Leases" and FRS 124 "Related Party Disclosures" which are effective for the financial period beginning 1 April 2007 and FRS 119 "Employee Benefits" which are effective immediately.

FRS 117: Leases

FRS 117 requires payments for leasehold land to be prepaid lease payments and are amortised on a straight-line basis over the lease term. Previously, any leasehold land was classified as property, plant and equipment and was stated at cost less accumulated depreciation and impairment losses. The adoption of this FRS has no financial impact to the Group.

FRS 124: Related Party Disclosures

This FRS affects the identification of related parties and the disclosure of related party transactions and outstanding balances with other entities in the group. Intra-group related party transactions and outstanding balances are eliminated in the preparation of consolidated financial statements of the Group.

The adoption of this FRS has no financial impact on the Group's consolidated financial statements. The disclosure requirements under FRS 124 will be presented in the annual financial statements for the financial year ending 31 March 2008.

NOTES TO THE INTERIM FINANCIAL REPORT

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

FRS 119: Employee Benefits

This FRS supersedes FRS119₂₀₀₄ Employee Benefits and Amendment to FRS 119₂₀₀₄ Employee Benefits – Actuarial Gains and Losses, Group Plans and Disclosures. This FRS which has the same effective date as the original standard has no financial impact on the Group's consolidated financial statements.

As at the date of this report, the Group has not applied the following applicable five new/revised Standards which have been issued by the Malaysian Accounting Standard Board, but are not yet effective:

FRS 107: Cash Flow Statements

FRS 112: Income Taxes

FRS 118: Revenue

FRS 134: Interim Financial Reporting

FRS 137: Provisions, Contingent Liabilities and Contingent Assets

The Group will apply the above accounting standards in the annual period commencing 1 April 2008, when they become effective. It is expected that there will be no material impact on the financial statements when the Group applies these new/revised standards.

3 AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the preceding annual financial statements was not subject to any qualification.

4 SEASONALITY OR CYCLICALITY FACTORS

The Group's operations were not materially affected by seasonal or cyclical factors.

NOTES TO THE INTERIM FINANCIAL REPORT

5 UNUSUAL ITEMS

There were no unusual items in the current quarter and financial period to-date.

6 CHANGES IN ESTIMATES

There were no significant changes in estimates that have a material effect in the current quarter and the financial period to-date.

7 DEBT AND EQUITY SECURITIES

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities during the financial period ended 31 December 2007 except for the following:

- a. Repayment of the Underwritten Commercial Papers ("CPs") by RCE Premier Sdn Bhd, a subsidiary of the Company, as follows:

	CURRENT QUARTER RM'000	CUMULATIVE QUARTER RM'000
Redemption of CPs upon maturity	10,000	14,000

- b. Issuance of the Fixed Rate Serial Bonds ("FRSB") by Tresor Assets Berhad, a subsidiary of the Company, as follows:

	CURRENT QUARTER RM'000	CUMULATIVE QUARTER RM'000
Issuance of FRSB	92,000	92,000

Out of the issuance of RM100.0 million FRSB, RM8.0 million was subscribed internally by a subsidiary of the Company.

NOTES TO THE INTERIM FINANCIAL REPORT**8 DIVIDEND**

On 28 September 2007, the Company paid a final dividend in respect of the financial year ended 31 March 2007 of 10% less 26% tax on 646,337,640 ordinary shares, amounting to RM4,782,899.

The dividend has been accounted for in the equity as an appropriation of unappropriated profits in the financial period ended 31 December 2007.

9 SEGMENTAL INFORMATION

Segmental revenue and results for the financial period ended 31 December 2007 were as follows:

	Loan Financing RM'000	Factoring RM'000	Investment Holding & Mgmt Services RM'000	Others RM'000	Eliminations RM'000	Group RM'000
Segment Revenue						
External sales	91,371	2,138	2,319	-	-	95,828
Intersegment sales	7,758	-	8,962	-	(16,720)	-
Total revenue	<u>99,129</u>	<u>2,138</u>	<u>11,281</u>	<u>-</u>	<u>(16,720)</u>	<u>95,828</u>
Segment Results						
Profit from operations	44,558	1,185	18,920	820	(17,510)	47,973
Finance costs						(49)
Profit before taxation						<u>47,924</u>
Taxation						(9,961)
Profit for the period						<u><u>37,963</u></u>

NOTES TO THE INTERIM FINANCIAL REPORT

10 MATERIAL SUBSEQUENT EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

As at the date of this report, there were no events subsequent to the end of the period reported that materially affect the results of the Group for the financial period ended 31 December 2007.

11 CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the financial period ended 31 December 2007.

12 PERFORMANCE REVIEW ON THE RESULTS OF THE GROUP FOR THE PERIOD

For the current financial period ended 31 December 2007, the Group's revenue grew by 41.6% or RM28.1 million compared to the previous year's corresponding period. The significant improvement was mainly attributed to the growth in interest income and commission arising from the increase in loan disbursements.

The Group recorded a net profit of RM38.0 million for the current financial period ended 31 December 2007. The previous year's corresponding period included a gain of RM20.4 million arising from the disposal of its investment in AmFirst Property Trust offset by impairment of its investment in AmFIRST Real Estate Investment Trust ("AmFIRST REIT") amounting to RM3.5 million. Excluding the effects of the aforesaid, the Group's net profit for the current quarter is actually 24.3% higher as compared to the preceding quarter and this was mainly due to growth in interest income and commission arising from its loan financing operations.

NOTES TO THE INTERIM FINANCIAL REPORT

13 CHANGES IN QUARTERLY RESULTS COMPARED TO PRECEDING QUARTER

For the current quarter under review, the Group recorded a revenue of RM33.3 million compared to RM34.5 million in the preceding quarter. This is because the salary hike for civil servants has led to higher revenue in the preceding quarter.

Net profit for the current quarter was RM15.0 million, higher than the preceding quarter of RM13.0 million. This is mainly due to lower other operating expenses incurred in the current quarter.

14 CURRENT YEAR PROSPECTS

With the continued expansion of the Group's loan financing business and barring any unforeseen circumstances, the Group expects to show a further improvement in its performance for the financial year ending 31 March 2008.

15 PROFIT FORECAST

There were no profit forecast prepared or profit guarantee made by the Group.

16 TAXATION

	INDIVIDUAL QUARTER 31/12/2007 RM'000	CUMULATIVE QUARTER 31/12/2007 RM'000
Taxation:		
Current period	(3,637)	(8,552)
Overprovision in prior years	988	988
	₹ (2,649)₹	(7,564)
Deferred taxation:		
Current period	(648)	(2,397)
	(3,297)	(9,961)

NOTES TO THE INTERIM FINANCIAL REPORT

16 TAXATION (CONT'D)

The effective tax rate of the Group is lower than the statutory income tax rate for the current quarter and financial period ended 31 December 2007 due to certain income which is not taxable and utilisation of unabsorbed tax losses brought forward.

17 UNQUOTED INVESTMENTS AND PROPERTIES

There were no sales of unquoted investments and/or properties by the Group for the current quarter and financial period ended 31 December 2007.

18 QUOTED SECURITIES

a. Details of purchases and disposals of quoted securities are as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
	RM'000	RM'000	RM'000	RM'000
Included within short term investments:				
Purchase consideration	-	-	-	-
Sales proceeds	-	-	843	-
Gain on disposals	-	-	372	-

b. Investment in quoted real estate investment trust units as at 31 December 2007:

	CUMULATIVE QUARTER RM'000
Included within long term investments:	
At cost	35,063
At carrying/book value	31,557
At market value	31,557

NOTES TO THE INTERIM FINANCIAL REPORT

18 QUOTED SECURITIES (CONT'D)

- c. Investments in quoted securities as at 31 December 2007:

	CUMULATIVE QUARTER RM'000
Included within short term investments:	
At cost	29
At carrying/book value	29
At market value	<u>85</u>

19 STATUS OF CORPORATE PROPOSALS ANNOUNCED**a. Proposed Joint Venture in Vietnam**

On 11 September 2007, RCE entered into a Memorandum of Understanding with Southern Bank Vietnam ("SBV") to form a joint venture company to apply for licences to establish a Finance Company in Vietnam ("FinCo"). The FinCo is a non-bank credit institution regulated by the State Bank of Vietnam.

The Company shall take up an equity stake of up to 30% in the FinCo with SBV at 11%, being the maximum permissible holdings under Vietnamese regulations. The definitive agreement is expected to be signed by the 1st quarter of 2008.

b. Proposed Private Placement Exercise

On 11 January 2008, the Board announced that the Company proposed to undertake a private placement exercise of up to 64,633,700 new ordinary shares of RM0.10 each ("the Placement Shares"), representing approximately up to 10% of the existing issued and paid-up share capital of the Company ("the Proposed Placement").

The approval of the Securities Commission ("SC") for the Proposed Placement was obtained vide the SC's letter dated 6 February 2008, whilst the approval-in-principle of Bursa Malaysia Securities Berhad ("Bursa Securities") for the additional listing of and quotation for the Placement Shares was obtained vide Bursa Securities' letter dated 25 February 2008. The Proposed Placement is expected to be completed before the end of this financial year ending 31 March 2008.

NOTES TO THE INTERIM FINANCIAL REPORT

20 GROUP BORROWINGS

Total borrowings (all denominated in Ringgit Malaysia) of the Group as at 31 December 2007 are as follows:

	Long Term	Short Term	Total
	RM'000	RM'000	RM'000
Secured			
- Fixed Rate Medium Term Notes	# 341,674	-	341,674
- Fixed Rate Serial Bonds	107,000	10,000	117,000
- Underwritten Commercial Papers	-	10,000	10,000
- Term Loan	9,262	1,985	11,247
- Revolving Credit	-	115,000	115,000
	<u>457,936</u>	<u>136,985</u>	<u>594,921</u>
Unsecured			
- Fixed Rate Term Loan	80,000	-	80,000
- Trust Receipts	-	2,678	2,678
- Revolving Credit	-	1,000	1,000
	<u>80,000</u>	<u>3,678</u>	<u>83,678</u>
	<u>537,936</u>	<u>140,663</u>	<u>678,599</u>

21 CONTINGENT LIABILITIES

There were no material changes in contingent liabilities since the last annual audited balance sheet as at 31 March 2007.

22 OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off-balance sheet financial instruments at the date of this report.

23 MATERIAL LITIGATIONS

There were no pending material litigations for the Group at the date of this report.

NOTES TO THE INTERIM FINANCIAL REPORT

24 EARNINGS PER SHARE

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Basic earnings per share:				
Profit for the period attributable to equity holders of the parent (RM'000)	15,027	29,851	37,963	47,442
Number of ordinary shares in issue ('000) (weighted)	646,338	643,585	646,338	629,862
Basic earnings per share (sen)	<u>2.32</u>	<u>4.64</u>	<u>5.87</u>	<u>7.53</u>

Comparative earnings per share were calculated on the basis that the bonus issue was in effect from the beginning of the financial period.

The Company does not have in issue any financial instruments or other contract that may entitle its holder to ordinary shares and therefore dilutive to its basic earnings per share.

BY ORDER OF THE BOARD
JOHNSON YAP CHOON SENG
Company Secretary
27 February 2008