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## **Rifco Inc. into red for quarter**

Delinquent loans and high rates of prepayment combined to push **Rifco** Inc. (TSX.V-RFC) into the red during its last quarter.

The Red Deer-based company reported on Tuesday that it had recorded an \$83,000 net loss for the quarter ended June 30. During the same three-month period in 2006, **Rifco** achieved a net profit of \$158,000.

The loss was the first for the company in six quarters.

Operating through its subsidiary, Repair Industry Finance Corporation, **Rifco** lends money for automotive and commercial repair financing and auto purchase financing. It is affiliated with vehicle dealers and repair facilities in all provinces except Saskatchewan and Quebec.

**Rifco's** revenues for the most recent quarter were \$1.5 million the same as in the corresponding quarter in 2006. Loan originations were \$5.6 million, up 22 per cent from the same quarter in 2006 and managed loans as of June 30 were \$23.5 million, 51 per cent higher than a year earlier.

A news release issued by **Rifco** said that during the final month of the quarter ended June 30, an extraordinary number of loan prepayments were received. That triggered a larger-than-normal prepayment expense.

The company also experienced higher-than-expected loan losses during the final month of the quarter. But it noted that the vehicles pledged as security for a significant amount of the written-off loans were recovered after the quarter had ended.

**RIFCO's** unaudited financial statements for the quarter were not available as of Tuesday afternoon.

The company's fiscal year ended on March 31. The company's annual shareholders meeting will take place on Sept. 5 at 4 p.m. at the Red Deer Lodge.

**Rifco** shares closed unchanged at 40 cents on the TSX Venture Exchange on Tuesday.