

28 September 2007

MARKET ANNOUNCEMENT – AMAZING PAINTS GROUP

RCG Corporation Limited (ASX:RCG) today announced that the deed of company arrangement in respect of the Amazing Paints Group has been wholly effectuated following the payment of a first and final dividend to the creditors of the group. All creditors received a dividend of no less than 88.65 cents in the dollar and many creditors received 100 cents in the dollar.

The new board of RCG placed Amazing Paints into voluntary administration late last year after the previous board failed to act to stem the debilitating impact of the performance of that division on the group.

“By taking such decisive action so soon after our appointment, the new board not only prevented RCG from sustaining further losses from Amazing Paints, but also ensured that all employee entitlements were preserved and that all creditors received a substantial dividend”, said RCG Chairman Ivan Hammerschlag. “We are delighted that this matter is now behind us once and for all and look forward to being able to execute our strategies for growth”, he said.