

Press Release

Malta • 18th March 2009

RS2 RECOMMENDS FINAL DIVIDEND OF €25,000

RS2 Software p.l.c. has announced that its Board of Directors is recommending the payment of a net final dividend of €0.02c2 per share, amounting to €25,000.

The year ended 31 December 2008 was another successful one for RS2, this notwithstanding the current turbulent economic scenario. This is mainly attributed to the company's main line of business – in-house software development which services a substantial client base – with no exposure to investment portfolios.

RS2 Chief Executive Officer Mr Mario Schembri pointed out that the company registered total revenue of €8,335,549, representing a significant increase of 33% over the previous year's €6,260,479. "In line with prior years, revenue has been generated from the sale of licences to new and existing clients, maintenance fees and enhanced services. 2008 also saw the introduction of a new source of revenue – comprehensive packages. The latter consists of client agreements which include a varied combination of licences, maintenance and service fees which require a fixed monthly payment, thereby providing a known and fixed stream of revenue.

Gross profit for 2008 amounted to €3,638,157, yielding a 44% gross profit margin. This indicates a slight decrease in the profit margin when compared to 45% in 2007. Mr Schembri pointed out that this can be attributed to two factors. "Firstly, to meet increasing client demands, the company strengthened its staff complement which inevitably increased the wages and salaries expense. Secondly, as a direct result of a boost in sales in Scandinavia, RS2 experienced a considerable increase in commissions payable to its partner in the region," Mr Schembri stated.

Profit before taxation amounted to €2,900,181, a 35% increase over the reported profit of €2,147,565 for 2007. In addition, profit for 2008 amounted to €2,548,537 when compared to €2,047,421 obtained in the previous year. RS2 further generated a significant increase in total assets of €19,534,395 compared to €10,265,948 generated in 2007.

Notes to Editors

About RS2 Software p.l.c.

RS2's solutions are focused on the BANKWORKS suite of application modules. BANKWORKS is a powerful modular high-end card management system designed to meet current and future requirements in the international payment card industry. The system meets processing requirements defined by banks, service providers, as well as other organisations participating in diverse card businesses. The system's modules include Card Issuing, Merchant Acquiring, Transaction Processing, Clearing, Settlement, Reporting, Dispute Management and Internet Services.

Please find further information at www.rs2.com.

