

REKO INTERNATIONAL GROUP INC.

TSX: REK

Closing Price (September 24): \$0.55

52-Week Range: \$1.41-\$0.50

Shares O/S: 6.42 million

Market Cap: \$3.5 million

PROFILE: Engineering and manufacturing firm serving the plastics segment of the automotive, aerospace and consumer product markets.

**(1) FOURTH-QUARTER AND YEAR-END RESULTS;
(2) TSX-V LISTING APPLICATION**

(1) Fourth-Quarter and Year-End Results

Reko International Group Inc. reported that consolidated sales for the fourth quarter ended July 31, 2010 were up 25.7% compared with the corresponding period of 2009, at \$12.7 million compared with \$10.1 million. For the full year, consolidated sales were \$40.2 million, compared with \$55.3 million a year earlier, a decrease of 27%.

The Company experienced a net loss for the fourth quarter of \$2.2 million or \$0.33 per share, compared with a loss of \$1.4 million or \$0.20 per share in the corresponding period of 2009. For the full year, the net loss was \$7.5 million or \$1.16 per share compared with income of \$0.2 million or \$0.03 per share for the corresponding period of 2009.

Table 1 below shows the quarterly results for the past eight fiscal quarters. Table 2 on the next page shows fourth-quarter F2010 and full-year F2010 results.

Table 1: Quarterly Results for Eight Fiscal Quarters**Reko International Group Inc. Quarterly Results October 2009 to July 2010**

| (\$000s except EPS) | Q1/F09 | Q2/F09 | Q3/F09 | Q4/F09 | Q1/F10 | Q2/F10 | Q3/F10 | Q4/F10 |
|----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Sales | 13,881 | 16,480 | 14,791 | 10,128 | 9,255 | 8,794 | 9,329 | 12,772 |
| Net Income (Loss) | 437 | 875 | 240 | (1,353) | (1,177) | (1,867) | (2,269) | (2,156) |
| Earnings (Loss) per Share | \$0.06 | \$0.12 | \$0.05 | (\$0.20) | (\$0.18) | (\$0.29) | (\$0.36) | (\$0.33) |



Table 2: Q4/F2010 and Full-Year F2010 Results

| <i>(\$000 except per share)</i> | Q4/F2010 | Q4/F2009 | FY2010 | FY2009 |
|---------------------------------------|-----------------|-----------------|---------------|---------------|
| Sales | 12,772 | 10,128 | 40,151 | 55,277 |
| Net (Loss) Income | (2,156) | (1,353) | (7,469) | 199 |
| EPS (Basic) | (\$0.33) | (\$0.20) | (\$1.16) | \$0.03 |
| Working Capital | | | 131 | 16,941 |
| Shareholders' Equity | | | 36,156 | 43,617 |
| Shareholders' Equity per Share | | | \$5.63 | \$6.79 |

Source: Reko International Group Inc.

Further details on Reko's results are contained in the Company's September 24, 2010 news release, available on SEDAR at www.sedar.com.

COMMENT: *Our initial August 26, 2010 StockPotentials report on Reko stated that there is cautious optimism for an improvement in the capital equipment market, and increased activity in the automotive sector. These factors, along with Reko's market diversification initiatives, should have a positive impact on future revenues. In the meantime, this Company remains severely challenged financially.*

COMMENT: *Once the Company gets its "financial house" in order, and fears of it going out-of-business abate, investors may want to question the gap between the market cap (now \$3.5 million) and the book value (shareholders' equity of \$36.2 million).*

(2) TSX Venture Exchange Listing Application

Reko announced on September 24, 2010 that, due to its limited public float, the Company would be seeking a listing on the TSX Venture Exchange (TSX-V). The Company had earlier reported (September 13, 2010) that it had received a letter advising it that the Toronto Stock Exchange (TSX) had begun a review of the Company's eligibility for continued listing on the TSX. Reko was granted 120 days to comply with the continued listing requirements of the TSX.

THE COMPANY

Reko International Group Inc. ("Reko" or the "Company") is an engineering and manufacturing firm that provides engineered solutions for the plastics segment of the automotive, aerospace, and consumer product markets. The Company has eight production facilities at four sites in Windsor Ontario, where it designs and manufactures precision moulds and related industrial tooling, and has its own proprietary line of CNC (computer numerical control) machining centres.

Note: *eResearch issued its initiating StockPotentials report on Reko International Group Inc. on August 26, 2010. It is available at our link: http://www.eresearch.ca/report/REK_082610-SP.pdf*



STOCK CHART



Source: www.BigCharts.com

NOTE: eResearch reports on Reko International Group Inc. and other companies are available FREE on our website at www.eresearch.ca. You must REGISTER to gain access to these reports.

eResearch Analyst: Bob Weir, B.Sc., B. Comm., CFA

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eResearch Corporation
56 Temperance Street, Suite 501
Toronto, ON M5H 3V5
Toll-Free: 1-877-856-0765