

Reconditioned Systems, Inc.
235 S. 56th Street
Chandler, Arizona 85226
(480) 968-1772 (Telephone)
(480) 894-1907 (Fax)

News Release

Contact: Investor Relations

“RSI reports fourth Quarter 2015 results”
Chandler, Arizona, May 15, 2015

Dear Fellow Shareholders:

I am happy to report that Reconditioned Systems, Inc. (“RSI”) was profitable this quarter and for the entire fiscal year. As expected, we took advantage of our plan to return to a wholesale manufacturer and have stabilized our costs. For the first time since 2006, we are making real progress on our new business plan, and have increased both sales and profits.

For the three months ended March 31 2015, RSI had a pretax gain of \$338.1 thousand on sales of \$2.68 million. This compares to a pretax gain of \$143.9 thousand on sales of \$2.53 million for the quarter ending March 31, 2014. This is clearly an extraordinary performance, and we all owe Dirk Anderson our congratulations for a terrific job well done!

I am hopeful that our GSA business, under Dave Ryan will start to grow. He has made great strides in enhancing our reputation and profile in that market. Although it presents an enormous challenge, I remain optimistic about our prospects there. I also expect to continue our outside marketing efforts and that we will show higher sales from that endeavor.

The economy continues to recover, albeit at the continued slow rate of about 2%. We are finally seeing meaningful employment gains, which is the driver for our industry. Domestically, business conditions are excellent; inflation and interest rates remain low and energy prices have gone down dramatically. Barring any unexpected adverse events, I would expect this next fiscal year should be another good one for your company. I look forward to my next report.

We have paid cash dividends for the last ten years. Our stated goal has been to pay out 50% of earnings. This year the Board of Directors voted to pay \$.20 per share, a 33% increase from last year; the dividend is payable August 27, 2015 to shareholders of record July 9, 2015. As always, future dividends will depend on business conditions and our cash needs.

/S/ Scott W. Ryan
Chairman of the Board

Summary Statement of Operations				
	For The Three Months Ended		For the Twelve Months Ended	
	March 31, 2015 (Unaudited)	March 31, 2014 (Unaudited)	March 31, 2015 (Unaudited)	March 31, 2014 (Unaudited)
Sales	\$2,677,506	\$2,531,469	\$12,151,177	\$10,146,380
Gross profit	\$625,192	\$501,840	\$2,425,708	\$1,807,601
Selling and administrative expenses	\$(361,234)	\$(325,676)	\$(1,504,916)	\$(1,357,632)
Income from operations	\$263,958	\$176,164	\$920,792	\$449,969
Non-operating building and moving expenses	\$-	\$(5,855)	\$-	\$(199,252)
Other income (expenses)	\$(74,154)	\$(26,354)	\$(118,619)	\$175,849
Net income before provision for income taxes	\$338,112	\$143,955	\$875,754	\$426,565
Net income *	\$220,605	\$87,409	\$531,438	\$258,981
Basic earnings per share	\$0.23	\$0.09	\$0.54	\$0.26
Basic weighted average number of common shares outstanding	975,619	985,815	978,558	987,311
Diluted earnings per common and equivalent share	\$0.23	\$0.09	\$0.54	\$0.26
Diluted weighted average number of common and equivalent shares outstanding	975,619	985,815	978,558	987,311

Summary Balance Sheet as of					
	March 31, 2015 (Unaudited)	March 31, 2014 (Unaudited)		March 31, 2015 (Unaudited)	March 31, 2014 (Unaudited)
Assets			Liabilities and Equity		
Cash & cash equivalents	\$1,196,702	\$621,291	Accounts payable & short term notes payable	\$556,651	\$535,282
Accounts receivable	1,250,342	1,355,392	Customer deposits	133,190	162,524
Inventory	1,739,333	1,804,040	Accrued compensation & benefits	400,577	316,175
Property & equipment	4,776,728	4,927,742	Short term notes payable	241,450	619,525
Long term notes receivable	0	63,276	Other liabilities *	2,856,109	2,787,642
Other assets	118,214	200,055	Stockholders' equity *	4,893,342	4,550,648
Total	\$9,081,319	\$8,971,796	Total	\$9,081,319	\$8,971,796

* 2015 Income taxes have been accrued at the maximum corporate rate of 39% of pretax income, and may be revised upon completion of the company's tax returns. The net income could change materially as a result.

Note: The Company's quarterly press releases are available on our website rsisystemsurniture.com under About Us/ Investor Relations. Any shareholder who would like to sell shares back to the Company should contact the Investor Relations Department at 800-280-5000.