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FROM:

King Capital Corp.
5500 Wayzata Boulevard, Suite 725
Golden Valley, Minnesota 55416

Peter J. King
(763) 593-0051

FOR IMMEDIATE RELEASE

**SUNRISE INTERNATIONAL LEASING CORP.
REPORTS FIRST-QUARTER RESULTS
Net Income Increases 78 Percent from Prior-Year Period**

GOLDEN VALLEY, Minn., May 7, 2003 — Sunrise International Leasing Corporation (SILC), a wholly owned subsidiary of privately held King Capital Corp., today announced financial results for the first quarter ended March 31, 2003.

For the quarter, SILC reported revenues of \$20.5 million, compared to \$35.9 million for the comparable 2002 period. First-quarter net income increased 78 percent to \$4.8 million from \$2.7 million for the prior-year period. Net income was positively impacted by continued improvement in the credit quality of SILC's portfolio and a reinstatement of certain previously written off assets.

As a result of adverse economic conditions and a worldwide decrease in capital spending, SILC has experienced an expected reduction in demand for new leases and a corresponding decrease in revenue. However, SILC reduced first-quarter expenses by 60 percent from the year-ago period, with no reduction in the services offered to its vendors. The company had no interest expense during the quarter and currently has in excess of \$50 million in cash and short-term investments.

Outlook

SILC expects 2003 total-year revenue and net income levels to be substantially lower than the \$117.4 million and \$14.7 million, respectively, recorded in the prior fiscal year. However, SILC will continue to generate significant free cash flow, and will allocate a substantial portion of its cash to support the expansion of its recently formed second placement division.

SILC has experienced an increase in its leasing activity recently and expects a significant improvement in originations in the third and fourth quarters.

(more)

The company also continues to explore all suitable options for business opportunities. SILC is capitalizing on its cash reserves, information systems and business model, which are among the best in the industry, to deal with current business conditions and set the stage for future expansion.

About Sunrise International Leasing Corporation

SILC's business consists primarily of developing and implementing customized lease and rental programs for vendors of high technology and related equipment and is becoming a major financing source for second placements. SILC also is a national major reseller of high-quality, off-lease used Sun and Cisco equipment through Redirect Tech, its remarketing subsidiary.

About King Capital Corp.

King Capital Corp., established in 1975 and based in Golden Valley, Minn., offers a wide range of leasing options to manufacturers, distributors and resellers through its primary subsidiary, SILC, as well as high-availability software through H.A. Technical Solutions, LLC.

SUNRISE INTERNATIONAL LEASING CORPORATION
CONDENSED STATEMENTS OF INCOME

	Three Months Ended	
	March 31,	
	<u>2003</u>	<u>2002</u>
Revenues	\$ 20,519,000	\$ 35,922,000
Cost, expenses, and other	12,243,000	30,818,000
Income before provision for income taxes	8,276,000	5,104,000
Provision for income taxes	3,520,000	2,399,000
Net Income	\$ 4,756,000	\$ 2,705,000

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