

## Description

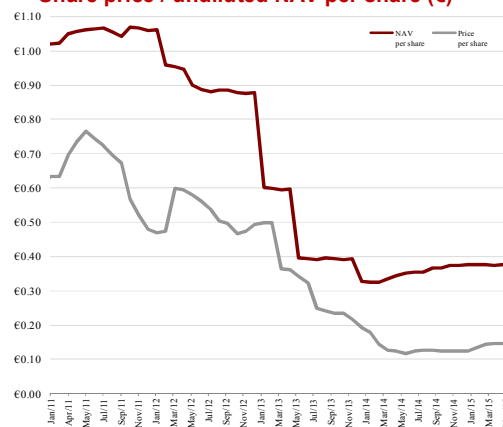
Reconstruction Capital II ("RC2" or the "Fund") is a closed-ended, absolute return driven investment fund, incorporated in the Cayman Islands. The fund invests in Private Equity & Listed Securities in South-East Europe. RC2 was admitted to the AIM market of the London Stock Exchange in December 2005 raising €24m initially, with two follow-on offerings in May-06 and Dec-07 raising a further €40m and €71m net of expenses respectively. New Europe Capital SRL (Bucharest) is the adviser to RC2.



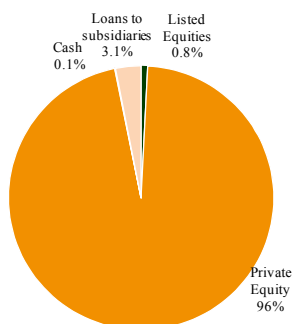
## Statistics

		RC2 NAV returns (undiluted basis)					
NAV per share (€) - undiluted	0.3881	2011	2012	2013	2014	2015	
NAV per share (€) - fully diluted	0.2901	Jan	-0.54%	0.12%	-31.58%	-0.65%	-0.07%
Total NAV (€m) - undiluted	38.8	Feb	0.24%	-9.69%	-0.51%	-0.34%	-0.34%
Total NAV (€m) - fully diluted	47.2	Mar	2.48%	-0.50%	-0.62%	2.94%	-0.70%
Share price (€)	0.1488	Apr	0.70%	-0.66%	0.29%	2.73%	0.93%
Mk Cap (€m)	14.9	May	0.55%	-4.98%	-33.53%	2.70%	3.11%
# of shares (m) - undiluted	100.0	Jun	0.25%	-1.47%	-0.85%	0.28%	
# of shares (m) - fully diluted	162.6	Jul	0.13%	-0.73%	-0.28%	0.44%	
NAV return since inception†	-59.42%	Aug	-1.10%	0.61%	1.27%	3.23%	
12-month NAV CAGR†	9.99%	Sep	-1.25%	0.01%	-0.69%	0.01%	
NAV annualized Return*†	-9.13%	Oct	2.63%	-0.82%	-0.72%	1.87%	
NAV annualized Volatility*†	19.54%	Nov	-0.25%	-0.36%	0.43%	0.15%	
Best month (NAV)†	15.60%	Dec	-0.49%	0.29%	-16.44%	0.73%	
Worst month (NAV)†	-33.53%	YTD	3.32%	-17.17%	-62.64%	14.91%	2.92%
# of months up (NAV)†	60						
# of months down (NAV)†	53						
† undiluted basis * since inception							

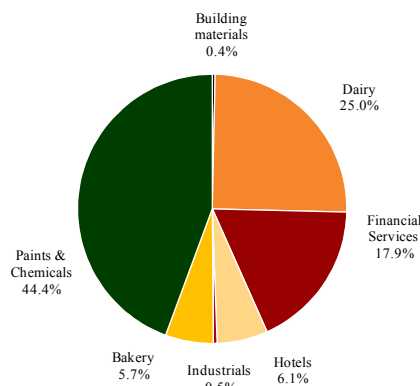
## Share price / undiluted NAV per share (€)



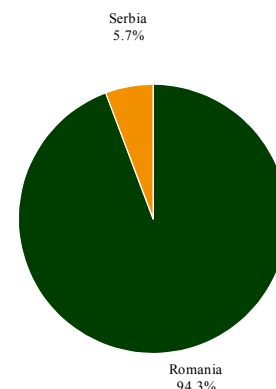
## Portfolio Structure by Asset Class



## Equity Portfolio Structure by Sector



## Portfolio Structure by Geography



## Commentary

During the month of May, the price of Albalact shares rose by 12.6% in euro terms, partly in anticipation of the company's listing on the main market of the Bucharest Stock Exchange ("BSE"). (Albalact started trading on the main market of the BSE on 3rd June; previously it had traded on the RASDAQ section of the BSE). As at the end of May, the Company's holding in Albalact had a market value of €11.6m.

In May, a local bank agreed to release its pledge over 30% of the shares held by the Company in Albalact. The pledge is in respect of a loan to Glasro Holdings Limited, RC2's debt purchase subsidiary. The balance of shares held in Albalact remains pledged to the bank.