

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

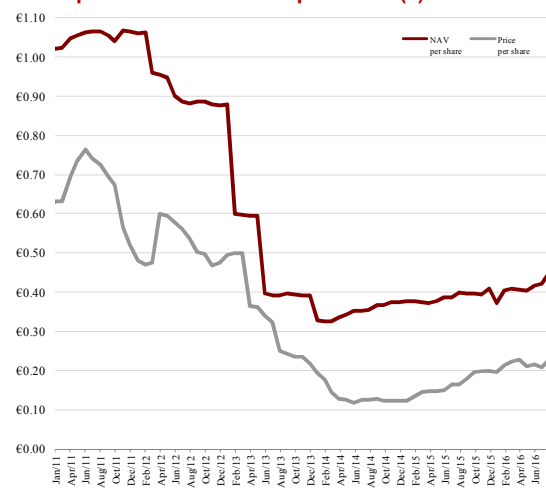
NAV per share (€) - undiluted	0.4594
NAV per share (€) - fully diluted	0.3324
Total NAV (€ m) - undiluted	40.4
Total NAV (€ m) - fully diluted	50.1
Share price (€)	0.2575
Mk Cap (€ m)	22.7
# of shares (m) - undiluted	88.0
# of shares (m) - fully diluted	150.6
NAV return since inception†	-51.97%
12-month NAV CAGR†	16.09%
NAV annualized Return*†	-6.64%
NAV annualized Volatility*†	18.97%
Best month (NAV)†	15.60%
Worst month (NAV)†	-33.53%
# of months up (NAV)†	69
# of months down (NAV)†	59

† undiluted basis * since inception

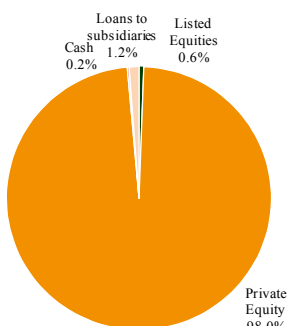
RC2 NAV returns (undiluted basis)

	2012	2013	2014	2015	2016
Jan	0.12%	-31.58%	-0.65%	-0.07%	8.03%
Feb	-9.69%	-0.51%	-0.34%	-0.34%	1.22%
Mar	-0.50%	-0.62%	2.94%	-0.70%	-0.66%
Apr	-0.66%	0.29%	2.73%	0.93%	-0.49%
May	-4.98%	-33.53%	2.70%	3.11%	3.09%
Jun	-1.47%	-0.85%	0.28%	-0.38%	1.18%
Jul	-0.73%	-0.28%	0.44%	3.24%	6.83%
Aug	0.61%	1.27%	3.23%	-0.85%	2.11%
Sep	0.01%	-0.69%	0.01%	0.31%	
Oct	-0.82%	-0.72%	1.87%	-0.35%	
Nov	-0.36%	0.43%	0.15%	3.17%	
Dec	0.29%	-16.44%	0.73%	-8.47%	
YTD	-17.17%	-62.64%	14.91%	-0.94%	22.99%

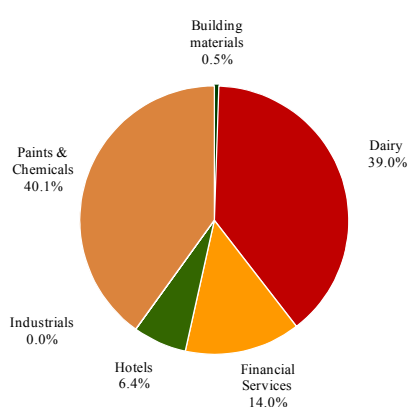
Share price / undiluted NAV per share (€)



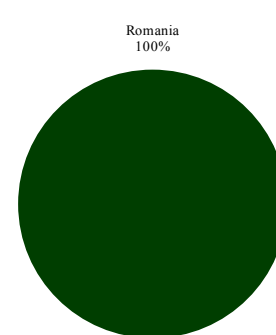
Portfolio Structure by Asset Class



Equity Portfolio Structure by Sector



Portfolio Structure by Geography



Commentary

On 5 August 2016, Albalact announced that Lactalis' voluntary takeover bid for the entire voting share capital of Albalact SA had been approved by the Romanian Securities Commission. The offer opened on 10 August and remained open until 14 September.

On 12 August 2016, the Company acquired 3,930,000 of its own ordinary shares at a price of EUR 0.246 per share. The re-purchased shares have subsequently been cancelled so that the total shares in issue as at the end of August was 88,007,767.