

**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.



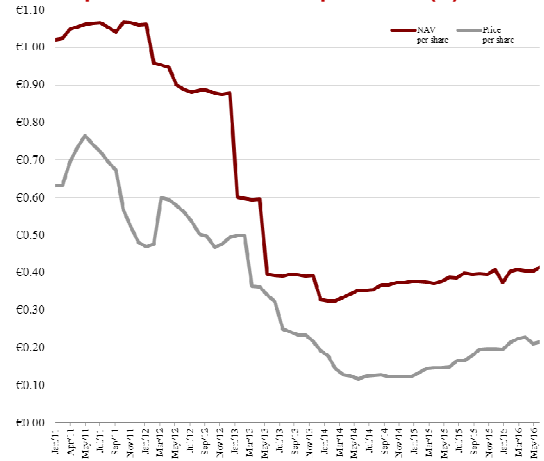
**Statistics**

NAV per share (€) - undiluted	0.4163
NAV per share (€) - fully diluted	0.3083
Total NAV (€m) - undiluted	38.3
Total NAV (€m) - fully diluted	47.6
Share price (€)	0.2150
Mk Cap (€m)	19.8
# of shares (m) - undiluted	91.9
# of shares (m) - fully diluted	154.6
NAV return since inception†	-30.48%
12-month NAV CAGR†	10.59%
NAV annualized Return††	-7.68%
NAV annualized Volatility††	19.04%
Best month (NAV)†	15.60%
Worst month (NAV)†	33.53%
# of months up (NAV)†	66
# of months down (NAV)†	59
† undiluted basis *since inception	

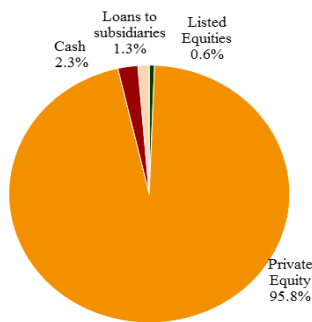
**RC2 NAV returns (undiluted basis)**

	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%	
Jul	-0.73%	-0.28%	0.44%	3.24%	
Aug	0.61%	1.27%	3.23%	-0.85%	
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%	-16.41%	0.73%	-8.47%	
YTD	-17.17%	-62.64%	14.91%	-0.94%	11.43%

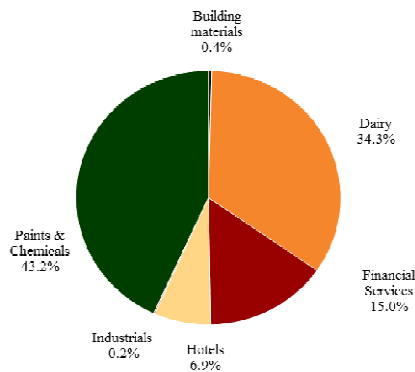
**Share price / undiluted NAV per share (€)**



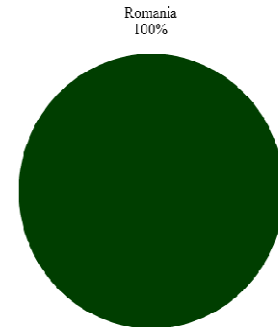
**Portfolio Structure by Asset Class**



**Equity Portfolio Structure by Sector**



**Portfolio Structure by Geography**



**Commentary**

On 3 May 2016 the Company acquired 8,063,233 of its ordinary shares for EUR 0.21 each. These shares have subsequently been cancelled so that the total shares in issue is now 91,936,767.