

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 Ltd (London) is the investment manager to RC2. New Europe Capital SRL (Bucharest) and New Europe Capital DOO (Belgrade) are the investment advisers to RC2.

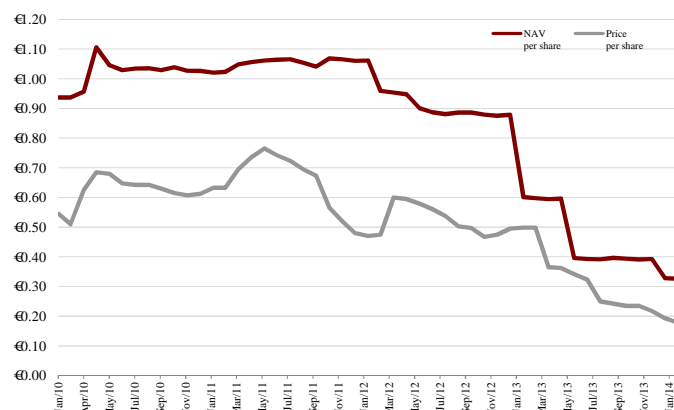


Statistics

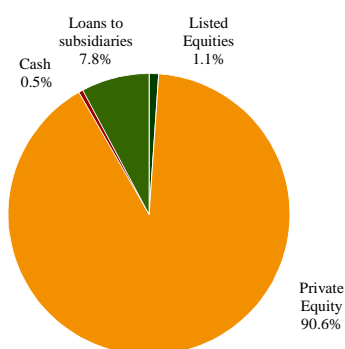
NAV per share (€)	0.3261	2010	2011	2012	2013	2014	
Share price (€)	0.1775	Jan	1.36%	-0.54%	0.11%	-31.58%	-0.64%
Total NAV (€m)	32.6	Feb	0.03%	0.24%	-9.68%	-0.50%	
Mk Cap (€m)	17.8	Mar	2.07%	2.48%	-0.51%	-0.64%	
# of shares (m)	100.0	Apr	15.60%	0.70%	-0.65%	0.29%	
NAV return since inception	-65.91%	May	-5.42%	0.55%	-4.98%	-33.53%	
12-month NAV CAGR	-45.74%	Jun	-1.57%	0.25%	-1.48%	-0.83%	
NAV annualized Return*	-12.46%	Jul	0.53%	0.13%	-0.73%	-0.28%	
NAV annualized Volatility*	20.86%	Aug	0.07%	-1.10%	0.61%	1.28%	
Best month (NAV)	15.60%	Sep	-0.62%	-1.25%	0.01%	-0.71%	
Worst month (NAV)	-33.53%	Oct	0.96%	2.63%	-0.81%	-0.71%	
# of months up (NAV)	48	Nov	-1.15%	-0.25%	-0.38%	0.43%	
# of months down (NAV)	49	Dec	-0.06%	-0.49%	0.30%	-16.45%	
*since inception		YTD	11.07%	3.32%	-17.17%	-62.64%	-0.64%

RC2 NAV returns

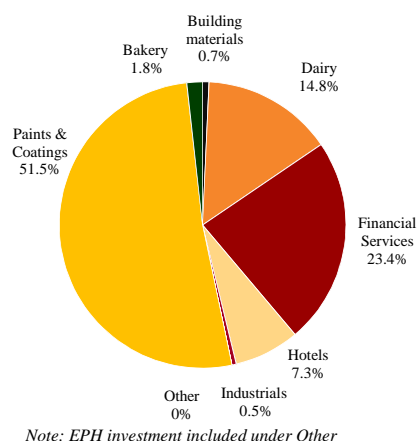
Share price / NAV per share (€)



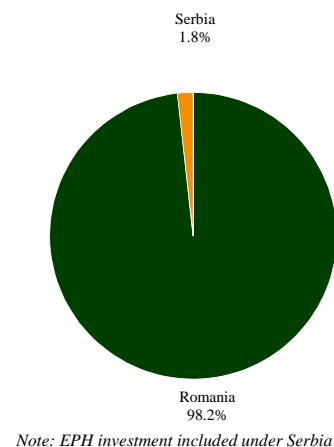
Portfolio Structure by Asset Class



Equity Portfolio Structure by Sector



Portfolio Structure by Geography



Commentary

Albalact had a very good 2013, with standalone sales growing by 24.1% year-on-year, from €77.2m to €95.8m. 2013 EBITDA increased by 12.8% from €5.2m to €5.9m, while the net profit grew by 15.7% (from €1.6m to €1.9m).



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