

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.



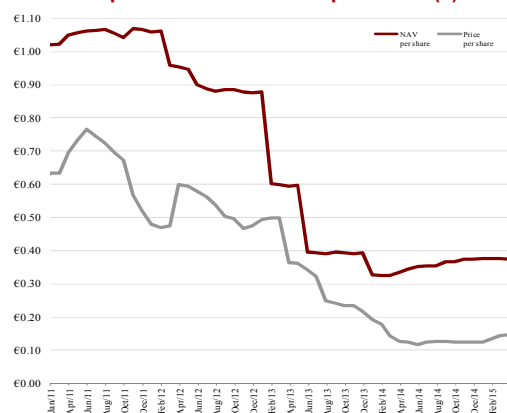
Statistics

NAV per share (€) - undiluted	0.3764
NAV per share (€) - fully diluted	0.2825
Total NAV (€ m) - undiluted	37.6
Total NAV (€ m) - fully diluted	45.5
Share price (€)	0.1475
Mk Cap (€ m)	14.8
# of shares (m) - undiluted	100.0
# of shares (m) - fully diluted	162.6
NAV return since inception†	-60.65%
12-month NAV CAGR†	9.55%
NAV annualized Return*†	-9.51%
NAV annualized Volatility*†	19.59%
Best month (NAV)†	15.60%
Worst month (NAV)†	-33.53%
# of months up (NAV)†	59
# of months down (NAV)†	53
† undiluted basis * since inception	

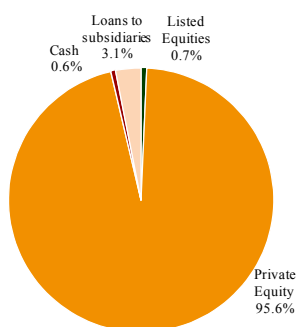
RC2 NAV returns (undiluted basis)

	2011	2012	2013	2014	2015
Jan	-0.54%	0.12%	-31.58%	-0.65%	-0.07%
Feb	0.24%	-9.69%	-0.51%	-0.34%	-0.34%
Mar	2.48%	-0.50%	-0.62%	2.94%	-0.70%
Apr	0.70%	-0.66%	0.29%	2.73%	0.93%
May	0.55%	-4.98%	-33.53%	2.70%	
Jun	0.25%	-1.47%	-0.85%	0.28%	
Jul	0.13%	-0.73%	-0.28%	0.44%	
Aug	-1.10%	0.61%	1.27%	3.23%	
Sep	-1.25%	0.01%	-0.69%	0.01%	
Oct	2.63%	-0.82%	-0.72%	1.87%	
Nov	-0.25%	-0.36%	0.43%	0.15%	
Dec	-0.49%	0.29%	-16.44%	0.73%	
YTD	3.32%	-17.17%	-62.64%	14.91%	-0.19%

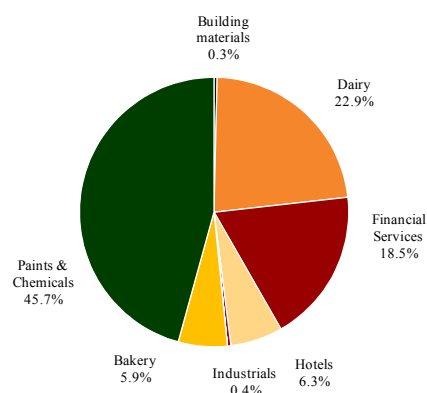
Share price / undiluted NAV per share (€)



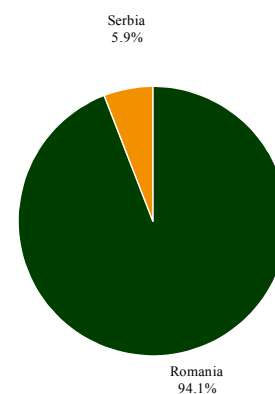
Portfolio Structure by Asset Class



Equity Portfolio Structure by Sector



Portfolio Structure by Geography



Commentary

On 21 April, an Albalact shareholder meeting approved the distribution of €2.7m of its distributable profits as dividends. As a result, RC2 is due to receive dividends of approximately €0.7m in August 2015.

The same shareholder meeting also approved the establishment of a 3-year stock option plan for Albalact's senior management team, to which Albalact intends to allocate up to 2.4% of its share capital, making use of 3.3% of treasury stock already acquired by the company within a previously approved share buy-back program.

At the end of April, Policolor received a further €0.5m down-payment in relation to the sale of its main Bucharest site. It is due to receive staged payments of a further €16.1m for the sale of its site over 2015-2017.