

PRESS RELEASE FOR IMMEDIATE RELEASE

19 JULY 2010

MANAGEMENT STATEMENT FOR THE QUARTER ENDED 30 JUNE 2010

The Board of Reinet Investments Manager S.A. announces the results of Reinet Investments S.C.A. for the first quarter ended 30 June 2010.

Key financial data

- **Net asset value at 30 June 2010: € 2 648 million, an increase of 4 per cent from 31 March 2010**
- **Net asset value per ordinary share at 30 June 2010: € 13.51 (31 March 2010: € 12.95)**

Consolidated Net Asset Value ('NAV')	30 June 2010		31 March 2010	
	€ m	%	€ m	%
Listed investments				
- British American Tobacco p.l.c.	2 200	83.1	2 159	85.1
- Other	4	0.1	5	0.2
	2 204	83.2	2 164	85.3
Cash and liquid funds	384	14.5	343	13.5
Unlisted investments				
- Trilantic Capital Partners funds	42	1.6	29	1.1
- US land development and mortgages	28	1.1	23	0.9
- Vanterra	3	0.1	-	-
- Other	38	1.4	35	1.4
Fees payable and other liabilities, net of other assets	(49)	(1.9)	(55)	(2.2)
	2 650	100.0	2 539	100.0
Minority interest	(2)	-	(2)	-
	2 648	100.0	2 537	100.0

All of the underlying assets are held by Reinet Fund S.C.A., F.I.S. ('Reinet Fund').

A provision of € 40 million is included in this NAV calculation in respect of the potential performance fee, which may become payable after 31 March 2011 if certain conditions are met. This provision is unchanged from that made in the financial statements at 31 March 2010; no additional provision has been made in the quarter to 30 June 2010.

Listed investment in British American Tobacco p.l.c. ('BAT')

Reinet remains one of the largest shareholders in BAT, holding some 84 million shares representing 4.2 per cent of BAT's capital. At 30 June 2010, the value of the investment in BAT in the balance sheet of Reinet was € 2 200 million, being 83 per cent of Reinet's net asset value.

Reinet Fund's NAV has been positively impacted by the increase in value in euro terms of the BAT shares of € 41 million. Although the BAT share price decreased from £22.72 to £21.37, sterling appreciated against the euro during the quarter from 0.8870 to 0.8186. BAT shares are listed principally on the London Stock Exchange and are denominated in pounds sterling.

Reinet received a dividend from BAT during the quarter amounting to € 70 million.

Other listed investments are small portfolio investments, previously reported under 'other investments'

Cash and liquid funds

Reinet Fund's cash is held on deposit with banks in Luxembourg and the United Kingdom. In addition, Reinet Fund has invested € 269 million in a euro-denominated government bond fund. This holds exclusively short-dated bonds issued by western European governments and short-term loans backed by government bonds.

Unlisted investments:

Trilantic Capital Partners

As at 30 June 2010, Reinet Fund and its 10% minority partner had invested the equivalent of € 7.6 million in the initial Trilantic management company investment, € 2.1 million to acquire an interest in Trilantic Fund IV Europe and a further € 24 million in the funds under Trilantic management. The investment in Trilantic is carried at the estimated fair value of € 42 million at 30 June 2010, based on valuations prepared by Trilantic. Accordingly, of the quarter-end valuation of € 42 million, some € 4 million is attributable to the minority partner, being shown as € 2 million in respect of the minority equity interest and € 2 million under other liabilities.

As previously announced, other funds will, during the coming quarter, purchase a 10% interest (initially expected to be a 15% interest) in the Reinet subsidiary company which holds the Trilantic investment.

Reinet is committed to invest a further US\$ 114 million plus € 74 million (€ 167 million in total) in the Trilantic funds, 10% of these commitments will be funded by the minority partner and a further 10% will be funded by the future minority partner.

United States land development and mortgages

As at 30 June 2010, Reinet Fund has invested US\$ 39 million (€ 32 million) in property-related investments located mainly in Florida and North and South Carolina. This was principally mortgage debt in respect of land held for future development. The debts were acquired from local lenders at substantial discounts to nominal value, reflecting the depressed economic situation in the United States and the risk that the development companies may not be able to meet their obligations. Alongside its partners, Reinet is committed to invest a further US\$ 61 million (€ 50 million) to acquire further mortgage debt and to fund development projects. Reinet is working closely with its partners and co-investors in the United States, who have considerable experience in managing such projects, recognising that this is an area where industry knowledge is critical to making the right investment decisions.

Vanterra Flex Investments L.P.

In March 2010, Reinet entered into an agreement with Vanterra Flex Investments L.P. ('Vanterra'), a newly created fund which was established for the purpose of investing in other listed and unlisted funds and direct investments in the United States and emerging markets. Reinet's commitment is to invest up to US\$ 100 million over the life of the fund. As at 30 June 2010, Reinet has invested US\$ 5 million (€ 4 million) in Vanterra. The investment in Vanterra is carried at the estimated fair value of € 3 million at 30 June 2010

Reinet is committed to invest a further US\$ 95 million (€ 78 million) in Vanterra.

Vanterra will seek to construct a globally diversified private equity portfolio providing investors with long-term capital appreciation through private equity investment funds investments and direct investments.

Other unlisted investments

In addition, Reinet continues to hold the small portfolio of unlisted investments that it acquired as a consequence of the Richemont restructuring. The portfolio includes small businesses with growth potential as well as investments in specialised investment funds focused on developing markets and niche sectors. This portfolio is valued at its fair value of € 38 million in the balance sheet at 30 June 2010, based on a detailed independent evaluation of each of the investments carried out at 31 March 2010 and updated for additional investments in the quarter. Given the difficult economic conditions and the difficulties in raising supplementary funding for development capital investments, Reinet has aggressively marked down the valuations of certain of these investments.

Fees payable and other liabilities, net of other assets

Fees payable and other liabilities comprise principally a provision of € 40 million in respect of the potential performance fee payable after 31 March 2011, together with the management fee and other operating expenses currently payable.

The performance fee is only payable if certain conditions are met. The calculation of the fee is based on the increase in the volume weighted average market price of the Reinet Investments S.C.A. share as quoted on the Luxembourg Stock Exchange over the last 20 trading days prior to 31 March 2011 compared to the Initial Price, calculated over the trading period from 22 December 2008 to 19 March 2009, of € 7.1945. For illustrative purposes only, assuming a market price of the Reinet shares of € 11.61 (the market price on 30 June 2010) and applying the Initial Price, the performance fee payable on 31 March 2011 would be some € 86.5 million. The volume weighted average market price of the Reinet Investments S.C.A. share over the last 20 trading days prior to 31 March 2011 may differ significantly from the market price at 30 June 2010 and may result in a higher or lower performance fee being payable at that time. No fee will be payable if the volume weighted average market price in March 2011 would be below the Initial Price.

The management fee for the quarter under review amounted to € 5 million.

Shares in issue

The number of shares in issue remained unchanged during the quarter at 195 942 286. This figure includes 1 000 management shares held by the General Partner.

Reinet Investments Manager S.A.
for and on behalf of Reinet Investments S.C.A.

19 July 2010

Website: www.reinet.com

Reinet Investments S.C.A. (the 'Company') is a partnership limited by shares incorporated in the Grand Duchy of Luxembourg and having its registered office at 35, boulevard Prince Henri, L-1724 Luxembourg. It is governed by the Luxembourg law on securitisation and in this capacity allows its shareholders to participate indirectly in the portfolio of assets held by its wholly-owned subsidiary Reinet Fund S.C.A., F.I.S. (the 'Fund'), a specialised investment fund also incorporated in Luxembourg. Reinet shares are listed on the Luxembourg Stock Exchange and Reinet South African Depository Receipts are listed in Johannesburg. Reinet shares are included in the 'LuxX' index of the principal shares traded on the Luxembourg exchange and the South African Depository Receipts are included in the JSE 'Top 40' Share Index.