REINET INVESTMENTS S.C.A.

COMPANY ANNOUNCEMENT FOR IMMEDIATE RELEASE

19 MAY 2014

CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2014 AND PROPOSED CASH DIVIDEND

The Board of Reinet Investments Manager S.A. announces the results of Reinet Investments S.C.A. for the year ended 31 March 2014

Key financial data

Net asset value at 31 March 2014: € 4 115 million, an increase of 2 per cent from 31 March 2013

Net asset value per ordinary share at 31 March 2014: € 21.00 (31 March 2013: € 20.53)

Profit for the year: € 92 million

New investments with overall funding commitments of € 176 million closed during the year

Additional investment of € 262 million in Pension Corporation Group Limited made during the year

Dividends received from BAT during the year amounted to € 126 million

Proposed initial dividend of € 0.153 per share

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. ('Reinet Fund' or 'the Fund'), a specialised investment fund also incorporated in Luxembourg. The Company's shares are listed on the Luxembourg Stock Exchange, the primary listing, and its South African Depository Receipts are listed in Johannesburg, the secondary listing. The Company's shares are included in the 'LuxX' index of the principal shares traded on the Luxembourg exchange. The Company and the Fund together with the Fund's subsidiaries are referred to as 'Reinet'.

Cautionary statement regarding forward-looking statements
This document contains forward-looking statements as that term is defined in the United States Private Securities Litigation Reform Act of 1995. Words such as 'may', 'should', 'estimate', 'project', 'plan', 'believe', 'expect', 'anticipate', 'intend', 'potential', 'goal', 'strategy', 'target', 'will', 'seek' and similar expressions may identify forward-looking statements. Such forward-looking statements are not guarantees of future performance. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are outside Reinet's control. Reinet does not undertake to update, nor does it have any obligation to provide updates or to revise, any forward-looking statements. Included in the Management Report is text attributed to the management of investee entities. While no facts have come to our attention that lead us to conclude that any such information is inaccurate, we have not independently verified such information and do not assume any responsibility for the accuracy or completeness of such information.

CHAIRMAN'S COMMENTARY

Dear Shareholder

We have used the past year to continue the planned diversification of the Reinet Fund portfolio, using the proceeds of sales of British American Tobacco shares to extend the Fund's participation in, most notably, Pension Corporation and Renshaw Bay.

At 31 March 2014, the Company's net asset value amounted to € 4 115 million, some 2 per cent above the comparable figure last year. The investment in British American Tobacco represented 72.8 per cent of the total net asset value, down from 82.5 per cent the previous year. The reduction in the weighting of the British American Tobacco shares as a part of the Company's net asset value reflects the sale of a further 5 million shares during the year, the re-allocation of those funds to other investment areas and a decline in the market price of the remaining 74.3 million shares held over the year. The closing price of British American Tobacco shares at 31 March 2014 was £ 33.35 compared to £ 35.27 twelve months earlier.

We continue to explore avenues for further diversification, whilst recognising that the investment in British American Tobacco continues to be a cornerstone of Reinet, both in terms of value and cash flow.

At 31 March 2014, Reinet had cash on hand of € 223 million and saw a further inflow of € 87 million this month when the final British American Tobacco dividend for 2013 was received. Although there are significant investment commitments to be funded in the coming year, Reinet's cash position and credit facilities are adequate.

During the year, Reinet invested a further £ 225 million in Pension Corporation. This was linked to a pension insurance transaction in July 2013 which significantly increased the size of Pension Corporation's business, fully justifying our faith in that investment. Pension Corporation is one of very few companies focused on the pension insurance sector in the United Kingdom and is well positioned to be a leader in what we consider to be a market with major growth opportunities. In March this year, the insurance market generally in the United Kingdom saw the valuations of listed insurance companies significantly impacted by two specific announcements – one changing the rules on annuity purchases and another proposing an inquiry into insurance selling. We believe neither initiative will impact directly on Pension Corporation. Nevertheless, we took a cautious view when determining the fair value of our investment as at 31 March, even if we have no intention to be sellers at this time and are confident that the long-term value of Pension Corporation will be significantly above where it stands today.

I am pleased to announce Reinet's proposed initial dividend of € 0.153 per share or some € 30 million in total. This represents just over one third of realised net investment income, excluding the significant gain realised on the sale of British American Tobacco shares. We consider the current value of Reinet's British American Tobacco holding to be Reinet's reserve for diversification into other investments and it would make no sense to pay this out, even in part, by way of dividends if it would restrict Reinet's ability to invest elsewhere.

Let me also take this opportunity to thank the Reinet team and all of those who are involved in our investee entities for their support and endeavours during the past year.

I believe that Reinet is soundly established and on track to deliver on its objective of providing long-term security and growth. There are challenges ahead but Reinet should be well positioned to take advantage of opportunities as they present themselves.

Johann Rupert

Chairman
Reinet Investments Manager S.A.

Luxembourg, 19 May 2014

BUSINESS REVIEW

The Company has determined that it meets the definition of an investment entity in terms of the amended IFRS 10. This significantly simplifies the financial information presented in the consolidated financial statements, which have been restated accordingly. The consolidated net asset value, the consolidated income statement and the consolidated cash flow statement presented in this business review have been presented in the same format as last year to provide readers with a more detailed understanding of the underlying figures.

Consolidated Net Asset Value ('NAV')

The NAV of Reinet Investments S.C.A. at 31 March 2014 comprised:

	31 March 2014		31 March 2013	
	€ m	**%**	€ m	%
Listed investments				
British American Tobacco p.l.c.	**2 997**	**72.8**	3 317	82.5
Unlisted investments				
Pension Corporation	**548**	**13.3**	134	3.3
Private equity and related partnerships	**655**	**15.9**	549	13.7
Trilantic Capital Partners	**210**	**5.1**	163	4.0
Fund IV, Fund V and related management companies				
Renshaw Bay and related investments	**128**	**3.1**	75	1.9
Renshaw Bay advisory and investment management company	**26**		14	
JPS Credit Opportunities Fund	**63**		61	
Renshaw Bay Real Estate Finance Fund	**38**		-	
Renshaw Bay Structured Finance Opportunity Fund	**1**		-	
36 South macro / volatility funds	**72**	**1.8**	83	2.1
Asian private equity and portfolio funds	**104**	**2.5**	92	2.3
Milestone China Opportunities funds, co-investment and related opportunities	**77**		61	
GEMS	**8**		8	
Prescient China Balanced Fund	**19**		23	
Specialised private equity funds	**141**	**3.4**	136	3.4
Vanterra Flex Investments	**47**		47	
Vanterra C Change TEM	**30**		37	
NanoDimension Funds and co-investment opportunities	**29**		25	
Fountainhead Expert Fund	**25**		21	
Other fund investments	**10**		6	
US land development and mortgages	**134**	**3.3**	105	2.6
Jagersfontein and other diamond exploration interests	**76**	**1.9**	102	2.5
Other investments	**10**	**0.2**	30	0.7
	4 420	**107.4**	4 237	105.3
Cash and liquid funds	**223**	**5.4**	326	8.1
Bank borrowings and collar financing				
Borrowings	**(420)**	**(10.2)**	(435)	(10.8)
Derivative assets / (liabilities)	**(13)**	**(0.3)**	(11)	(0.3)
Other liabilities				
Fees payable and other liabilities, net of other assets	**(59)**	**(1.4)**	(60)	(1.5)
Funding by minority partners	**(19)**	**(0.5)**	(21)	(0.5)
	4 132	**100.4**	4 036	100.3
Minority interests	**(17)**	**(0.4)**	(13)	(0.3)
Consolidated net assets value	**4 115**	**100.0**	4 023	100.0

All of the underlying assets are held by Reinet Fund S.C.A., F.I.S. ('Reinet Fund' or 'the Fund'). Reinet Investments S.C.A. and the Fund together with the Fund's subsidiaries are referred to as 'Reinet'.

LISTED INVESTMENT IN BRITISH AMERICAN TOBACCO P.L.C.

British American Tobacco p.l.c. ('BAT') is a leading global tobacco group, employing more than 57 000 people worldwide.

The investment in BAT is Reinet's single largest investment position and is kept under constant review, considering the company's performance, the industry outlook, cash flows from dividends, stock market performance, volatility and liquidity. The share price of BAT has increased significantly from around £ 17.00 in October 2008 to £ 33.35 at 31 March 2014. During the year under review, Reinet sold 5 million BAT shares at an average price of £ 35.88 per share, the aggregate proceeds amounting to € 212 million.

Reinet holds 74.3 million shares in BAT, representing 3.9 per cent of BAT's issued share capital. The value of the investment in BAT in the balance sheet of Reinet was € 2 997 million, being 73 per cent of Reinet's NAV. The BAT share price on the London Stock Exchange decreased from £ 35.27 at 31 March 2013 to £ 33.35 at 31 March 2014.

Reinet received dividends from BAT during the year amounting to € 126 million (£ 106 million), being BAT's final 2012 dividend and its 2013 interim dividend. In May 2014, after the end of the financial year, Reinet received BAT's final dividend in respect of its 2013 financial year; this amounted to £ 72 million.

Nicandro Durante, Chief Executive of British American Tobacco, writing in its annual report for 2013 commented:

> *'British American Tobacco had another very good year in 2013, again meeting or exceeding our financial metrics.*
>
> *Revenue and market share continued to grow. Together our Global Drive Brands – Dunhill, Kent, Lucky Strike and Pall Mall – increased share and volume.*
>
> *It was a challenging year for our people globally, but they responded with the enterprise and commitment I have come to expect. We adapted to changes in our business environment, faced some tough trading conditions and embraced a range of new opportunities, in both new product categories and new markets. We invested further in our existing key high growth markets, too.*
>
> *Challenges persist in 2014. Economic recovery is still fragile, particularly across southern Europe. However, we have shown a consistent ability to improve our operating margin and grow market share. The pricing environment also remains good.*
>
> *We have a great brand portfolio, market-leading innovations and an outstanding range of high-quality products. We maintain our firm commitment to invest in key growth markets and new product categories. Our scientific research into harm reduction, for instance, is helping us develop next-generation tobacco products, such as heat-not-burn, and nicotine products, like e-cigarettes.*
>
> *In short, we have the expertise, the talented people and the global reach to succeed. Consumers have always been core to our success. We will continue to meet their needs by providing them with the superior and innovative products they want. We have a compelling strategy and proven capabilities in place to make this happen. I look forward to a gradually improving economic environment and BAT is well positioned to take advantage of this when it comes.'*

Further information on BAT is available at www.bat.com.

UNLISTED INVESTMENTS

Reinet seeks, through a range of investment structures, to build partnerships with other investors, specialised fund managers and entrepreneurs to find and develop opportunities for long-term value creation for its shareholders.

Since its formation in 2008, Reinet has invested over € 1 319 million and is committed to provide further funding of € 508 million to its current investments. Details of the funding commitments outstanding at

31 March 2014 are given in the table on page 17 of this report. The increase in commitments during the year under review amounted to € 176 million.

Unlisted investments are carried at their estimated fair value. In determining fair value, Reinet Fund Manager S.A. (the 'Fund Manager') relies on audited financial statements of investee companies, management reporting and, valuations provided by third-party experts. Valuations are based on the net asset value of investment funds as well as discounted cash flow models and comparable valuation multiples for other entities, as appropriate.

The table on page 3 shows the value of the 100 per cent investment in Trilantic Capital Partners and the United States land development and mortgages. In each case, Reinet co-invests with minority investors. Amounts attributable to these minority investors are shown in the table either as 'funding by minority partners' or 'minority interests'.

Funding commitments are entered into in various currencies including pounds sterling, US dollars and South African rand and are converted into euro below using 31 March 2014 exchange rates.

PENSION CORPORATION GROUP LIMITED
Committed amount: € 484 million (EUR equivalent of GBP commitment)
Invested amount: € 393 million (EUR equivalent of GBP commitment)

Pension Corporation Group Limited's wholly-owned subsidiary, Pension Insurance Corporation is one of the UK's leading providers of risk management solutions to defined benefit pension funds. Pension Insurance Corporation is authorised and regulated as an insurance company by the Prudential Regulation Authority in the United Kingdom. It has almost £ 10 billion in assets and has insured almost 100 000 pension fund members.

During the year under review, in accordance with its commitment, Reinet invested a further £ 225 million (€ 262 million) in Pension Corporation Group Limited to bring its equity holding to 38 per cent. The total invested to date is £ 325 million with Reinet committed to invest a further £ 75 million (€ 91 million) over the period to 2017. Such investment would result in Reinet ultimately having an equity position of 43 per cent in the Pension Corporation Group Limited. Reinet's shareholding in the company carries at all times voting rights commensurate with its ultimate 43 per cent shareholding.

The investment is carried at an estimated fair value of € 548 million at 31 March 2014 (31 March 2013: € 134 million), based on the results of an independent valuation, taking into account the audited embedded value at 31 December 2013 and valuation multiples drawn from industry data.

Pension Corporation's embedded value figure (which forms the basis of the valuation) has increased significantly over the year under review. However, the comparable multiples being applied in valuing companies in the UK insurance sector have fallen back generally in March 2014. The decline in comparable company multiples is due in part to legislative changes relating to individual pension-holders and the announcement of a review of the insurance sector. In determining the fair value of Reinet's interest in Pension Corporation the Fund Manager has therefore applied a lower multiple as at 31 March 2014, reflecting the valuation of the sector generally.

John Coomber, Chief Executive Officer of Pension Insurance Corporation ('PIC') commented as follows:

> *'2013 was an exceptional year for the bulk purchase annuity market and for PIC in particular. Market premiums almost doubled to £ 7.5 bn, while PIC, helped by its success with the £ 1.5 bn EMI transaction, achieved a record premium level of £ 3.7 bn. This growth fuelled an increase in assets under management to £ 9.4 bn and in Embedded Value to £ 1.29 bn (2012: £ 890 m).*
>
> *PIC has now insured almost 100 000 pension scheme members and as that number has grown we have maintained a particular focus on customer service. I believe this is at the heart of a business that has long-term value. Noteworthy in this regard is that in 2013 PIC gained the Plain English Campaign's Platinum status, which is unique in the insurance sector.*
>
> *The UK Chancellor created significant uncertainty in the wider annuity market with the announcement in March 2014 that deferred members of defined contribution pension plans no longer need to purchase an annuity by age 75. Apart from the expectation of an increase in competition, this has not as yet resulted in any other apparent changes in PIC's sector of the annuity market. Nonetheless, consultation on the potential implications for defined benefit pension schemes, which are the source of PIC's business, is currently underway.'*

Further information in respect of Pension Corporation is available at www.pensioncorporation.com.

PRIVATE EQUITY AND RELATED PARTNERSHIPS

Where Reinet invests in funds managed by third parties its philosophy is to partner with the managers of such funds and to share in fees generated by funds under management. This is the case with funds managed by Trilantic, 36 South, Milestone, Prescient China, Renshaw Bay and Vanterra. Under the terms of the Investment Advisory Agreement, Reinet pays no management fee to Reinet Investment Advisors Limited ('the Investment Advisor') on such investments except in the case where no fee or a reduced fee below 1 per cent is paid to the third-party manager. In such cases, the aggregate fee payable to the Investment Advisor and the third-party manager is capped at 1 per cent.

TRILANTIC CAPITAL PARTNERS
Fund IV
Committed amount: € 161 million (EUR commitment and EUR equivalent of USD commitment)
Invested amount: € 131 million (EUR commitment and EUR equivalent of USD commitment)

Trilantic Capital Partners ('Trilantic') is a global private equity firm focused on making control and significant minority interest investments in companies in North America and Western Europe. Trilantic employs flexible transaction structures and has a strong heritage of partnering with family-owned businesses and providing growth capital to management teams.

Reinet has a 90 per cent interest in an entity which invests in two funds, Trilantic Capital Partners IV L.P. ('Fund IV Global'), which invests primarily in North America, and Trilantic Capital Partners Fund IV (Europe) L.P. (together 'Fund IV'). Current investments held in the Fund IV portfolio in North America include interests in hospital supplies services; natural gas and oil exploration; aggregates extraction and distribution; sports and casual accessories; soft goods and electronics; electricity transmission component manufacture and supply; and outdoor and fitness accessories. In Western Europe, Fund IV has interests in gaming machines and video-lotteries; events management; education publishing; commodities broking; mobile telephony and high-speed rail equipment manufacturing. Reinet and its minority partner also invest in the Trilantic Capital Partners general partnerships and management companies (together 'Trilantic Management').

The investment in Trilantic Management provides that Reinet and its partner will not pay any management fees or carried interest cost on substantially all of the investments in funds under Trilantic Management. In addition, the agreement provides for Reinet and its partner to receive a share of the carried interest payable to Trilantic Management on the realisation of investments held in the funds, once a hurdle rate has been achieved. This applies to Fund IV, Fund V and TEP and to any future funds to be launched by Trilantic. Reinet's share of any carried interest earned by Trilantic Management is 11.25 per cent.

During the year under review, Reinet and its partner invested an additional € 9 million in Fund IV and received capital repayments of € 11 million. Net carried interest earned amounted to € 2 million together with realised gains of € 5 million, before tax. Of these amounts, in aggregate, € 6 million was attributable to Reinet and € 1 million to the minority partner.

As at 31 March 2014, Reinet and its partner have invested the equivalent of € 99 million (31 March 2013: € 113 million), net of capital repayments, in Trilantic Management and Fund IV. Capital repayments were received during the year under review, as Fund IV continues the process of realising investments. Total cash proceeds received from Fund IV during the year, being gains, carried interest and repayments of capital, amounted to € 17 million.

The investment is carried at the estimated fair value of € 199 million at 31 March 2014 (31 March 2013: € 163 million). The investment in Fund IV is based on audited valuation data provided by Trilantic Management as at 31 December 2013. The increase in the valuation is due to increases in unrealised gains on underlying investments. This is offset to a degree by the weakening of the US dollar against the euro during the year. Of the € 199 million carrying value, some € 179 million is attributable to Reinet, with the balance being attributable to its minority partner.

At 31 March 2014, Reinet had remaining commitments of € 30 million to invest in Fund IV.

Fund V
Committed amount: € 75 million (EUR equivalent of USD commitment)
Invested amount: € 11 million (EUR equivalent of USD commitment)

Reinet has committed some € 72 million to Trilantic Capital Partners V (North America) L.P. ('Fund V') together with a commitment of some € 3 million to Fund V's general partner ('Fund V GP'). Fund V will invest principally in North America. Fund V has now completed its fundraising activities and commenced its investment activities in line with the philosophy applied to earlier funds.

Under the terms of the original strategic agreement, no management fee or carried interest will be payable to Trilantic Management in respect of the funds to be invested in Fund V. Reinet will also be entitled to receive a share of any carried interest earned by Fund V GP on the investments held through Fund V.

During the year under review, Reinet invested € 11 million in Fund V. The investment is carried at the estimated fair value of € 11 million at 31 March 2014 (31 March 2013: € nil), based on audited valuation data provided by Trilantic Management as at 31 December 2013.

At 31 March 2014, Reinet had remaining commitments of € 64 million to invest in Fund V.

Reinet has committed an amount of $ 25 million (€ 18 million) in Trilantic Energy Partners (North America) L.P. ('TEP'). Reinet has an option to increase its commitment by a further $ 25 million to TEP.

Charlie Ayres, Chairman of the Executive Committee of Trilantic Capital Partners, commented as follows:

> *'In our view, the U.S. economic outlook for 2014 remains range bound and will be impacted by the Federal Reserve's decision on quantitative easing and the ultimate outcome of domestic fiscal policy. During this period of continued muted growth and economic uncertainty, we firmly believe in our mantra of being patient and flexible capital. At the moment, despite 'red hot' equity and debt markets approaching or exceeding all-time highs, we continue to believe the U.S. economy remains in a phase of slow improvement.*
>
> *Our objectives for 2014 are to: deploy $ 300 to $ 500 million of capital in new deals; monetize one or more investments in our Fund IV Global portfolio; proactively enhance enterprise value of existing portfolio companies through thoughtful innovation, balance sheet management and other value creating activities.'*

In respect of Trilantic Fund IV Europe, Vittorio Pignatti-Morano, Chairman of Trilantic Europe, commented:

> *'During 2013, the European economy has experienced a gradual improvement in terms of leading indicators and importantly has introduced some key structural reforms in Southern Europe.*
>
> *In 2013, Trilantic Europe carried out a significant amount of post-acquisition work with our portfolio companies and in November 2013 completed Fund IV Europe's last investment, Elisabetta Franchi, the Italian fashion house which results in the fund having deployed over 66% of invested capital in Southern Europe in the 2010-2013 period at an average EBITDA multiple of c. 6x. The Elisabetta Franchi transaction also ticks many of the boxes that define a 'Trilantic deal': proprietary, partnering with a family/founder, value investing, international growth and control-or co-control investments.*
>
> *We continue to see a number of attractively priced, quality investment opportunities throughout Europe but particularly in Southern Europe where demand for capital outweighs supply. Trilantic Europe is recognized as a flexible, value-adding equity partner to mid-market companies in this region. We expect to continue to benefit from our strong network of relationships and reputation to generate attractive, proprietary investment opportunities.'*

Further information on Trilantic is available at www.trilanticpartners.com.

RENSHAW BAY AND RELATED INVESTMENTS

Renshaw Bay Advisory and Investment Management Entity

Committed amount*: € 26 million (including additional interest acquired during the year) *(EUR equivalent of GBP commitment)

Invested amount: € 26 million (EUR equivalent of GBP commitment)

Reinet has co-invested with Mr William T Winters and RIT Capital Partners plc in an investment advisory and management business, known as Renshaw Bay. Renshaw Bay is focused on investment opportunities resulting from dislocations and structural changes in capital markets. The business is managed by Mr Winters, a former Co-Chief Executive Officer of JP Morgan Investment Bank.

During the year, Reinet purchased additional shares in the business from RIT Capital Partners and participated in a capital increase bringing its total holding to 43.5 per cent and reducing RIT Capital Partners' holding to 6.5 per cent. Mr Winters and senior management continue to hold 50 per cent of the entity. The additional investment in the year amounted to € 12 million.

Reinet has invested € 26 million to date in Renshaw Bay (31 March 2013: € 14 million). The investment is carried at the estimated fair value of € 26 million at 31 March 2014 (31 March 2013: € 14 million). The current carrying value is based on a recent independent valuation of Renshaw Bay.

At 31 March 2014, Reinet had no further commitment to invest in Renshaw Bay.

Reinet has also invested in the JPS Credit Opportunities Fund, the Renshaw Bay Real Estate Finance Fund and the Renshaw Bay Structured Finance Opportunity Fund.

Bill Winters, Chief Executive Officer of Renshaw Bay, commented:

> *'Renshaw Bay has made substantial progress over the past year in establishing our two primary business lines: financing European commercial real estate and managing structured finance assets.*
>
> *Our real estate financing activities are now well established, having successfully deployed a majority of our initial fund capital from our flagship fund. We are about to complete a successful second fundraising round, which will more than double the size of the fund. The new investors are a strong and diverse group and include major pension funds, foundations and high net worth individuals. We expect to conclude fundraising for the co-mingled fund later this year. Additionally, we are managing a separate account for a large UK insurance company in a complementary real estate financing mandate. We expect to add more of these mandates in the coming months as this is a large and attractive market where we believe we have a competitive advantage.*
>
> *We have also made good progress in our structured finance activities. We launched our main co-mingled fund and a related, separate account for one of Europe's largest pension funds in November 2013. Our first investments are scheduled to close shortly, and we are confident that we can generate strong risk-adjusted returns for our investors by efficiently solving banks' and insurers' regulatory capital problems. Additionally, we continue to build out our investing capabilities in various specialty finance areas as they offer excellent risk-adjusted returns and complement our more structured investments. We expect to bring additional institutional investors into the co-mingled structured finance fund later this year.'*

JPS Credit Opportunities Fund (Cayman) Ltd. ('JPS Credit Fund')

Committed amount: € 51 million (EUR equivalent of USD commitment)

Invested amount: € 51 million (EUR equivalent of USD commitment)

The investment in JPS Credit Fund, which was the first transaction introduced to Reinet by Renshaw Bay, focuses on liquid opportunities in the credit markets. JPS Credit Fund is managed by JP Morgan Asset Management.

JPS Credit Fund's investment objective is to achieve attractive risk-adjusted returns through both capital appreciation and current income by taking positions in publicly traded and privately held securities, derivatives and other instruments (including bonds, credit default swaps and index options), primarily in credit and credit-related markets.

Reinet invested its full commitment to JPS Credit Fund during the year ended 31 March 2012. The investment is carried at the estimated fair value of € 63 million at 31 March 2014 (31 March 2013: € 61 million) based on the valuation at that date provided by the fund manager.

Renshaw Bay Real Estate Finance Fund
Committed amount: € 121 million (EUR equivalent of GBP commitment)
Invested amount: € 39 million (EUR equivalent of GBP commitment)

The Renshaw Bay Real Estate Finance Fund was created to take advantage of opportunities resulting from a funding gap between the expected demand for commercial real estate finance and its availability from banks, other traditional lenders and equity investors.

During the year under review, in accordance with its commitment Reinet invested an additional € 38 million in the Renshaw Bay Real Estate Finance Fund.

Reinet has invested € 39 million to date (31 March 2013: € 1 million). The fair value at 31 March 2014 is € 38 million (31 March 2013: € nil) based on audited valuation data provided by Renshaw Bay at 31 December 2013.

Reinet is committed to invest a further € 82 million in the fund.

Renshaw Bay Structured Finance Opportunity Fund
Committed amount: € 109 million (EUR equivalent of USD commitment)
Invested amount: € 3 million (EUR equivalent of USD commitment)

During the year under review, Reinet committed to invest € 109 million in the Renshaw Bay Structured Finance Opportunity Fund. This has been established to provide investors with attractive risk-adjusted returns through investments in the structured finance and credit markets.

Reinet has invested € 3 million in the year under review. The investment is carried at the estimated fair value of € 1 million at 31 March 2014, based on audited valuation data provided by Renshaw Bay at 31 December 2013.

Reinet is committed to invest a further € 106 million in the fund.

Further information on Renshaw Bay may be found at www.renshawbay.com.

36 SOUTH GLOBAL MACRO/VOLATILITY FUNDS
Committed amount: € 88 million
Invested amount: € 88 million

36 South is an absolute return fund manager that specialises in managing global macro/volatility funds. The fund management philosophy is to invest when market estimates of volatility are mis-priced. The volatility may apply to a wide range of underlying asset classes ranging from currencies and interest rates to equities. 36 South's strategies are designed to perform well in most market environments, but substantially outperform in periods of extreme market movement and volatility.

Reinet has co-invested with the 36 South management team in the fund management and distribution companies. Reinet is also an investor in the 36 South funds. The funds are established through an Irish-registered investment fund – 36 South Funds plc.

Reinet invested its full commitment of € 88 million to 36 South in the year ended 31 March 2011.

The fund investment is carried at its estimated fair value of € 64 million, based on unaudited capital statements received from the fund manager as at 31 March 2014 (31 March 2013: € 71 million); and the fair value of the short-term loan and investment in the fund management companies amounted to € 8 million (31 March 2013: € 12 million). The investments in total have a fair value of € 72 million (31 March 2013: € 83 million). The change in valuation reflects the movement in the value of the underlying funds.

Richard (Jerry) Haworth, Chief Executive Officer of 36 South Capital Advisors LLP, commented as follows:

> *'36 South is a leading global volatility Hedge Fund Manager. We manage a number of hedge funds which primarily benefit from higher volatility regimes and/or directions in various financial markets.*

Our view is that volatility is a cyclical phenomenon. As markets transition from being overly complacent (a low volatility regime) to overly fearful (a high volatility regime), our funds will pick up value through the increased value of the options we hold. Investors in 36 South's funds gain diversification benefits when the funds outperform during periods of high volatility and stress in the financial markets, which in turn lowers investors' risk profile.

The last three years have seen a period of complacency. Volatility in some asset classes has dropped to pre-2008 levels, driven largely by interventions by global central banks through quantitative easing and low interest rates. This has given us an opportunity to buy and warehouse options at what we consider to be good value.

We at 36 South remain convinced that the concerted intervention in asset markets since the 2008 credit crisis will precipitate another crisis. What is less obvious is whether this comes as a deflationary or inflationary event, based on the bi-polar nature of the market's response to the global imbalances which currently exist.'

Further information on 36 South may be found at www.36south.com.

ASIAN PRIVATE EQUITY AND PORTFOLIO FUNDS
Milestone China Opportunities Funds ('Milestone'), Investment Holdings and Management Company Participation
Committed amount: € 12 million (Milestone II), € 73 million (Milestone III) and € 51 million (co-investments and management companies) (EUR equivalent of USD commitment)
Invested amount: € 10 million (Milestone II), € 36 million (Milestone III) and € 46 million (co-investments and management companies) (EUR equivalent of USD commitment)

The Milestone China Opportunities Fund II L.P. ('Milestone II') and Fund III L.P. ('Milestone III') invest primarily in domestic Chinese high-growth companies seeking expansion or acquisition capital. Milestone funds seek to maximise medium to long-term capital appreciation by making direct investments to acquire minority or majority equity stakes in those companies identified by Milestone's investment team. Milestone Capital has a strong track record in helping portfolio companies scale their operations and be listed on either domestic or foreign stock exchanges. Current areas of investment include: restaurants; B2C online travel services; bio-pharmaceutical manufacturers; medical device manufacturers; food and beverage distribution; and brands covering sportswear and apparel; online group buying services; power generation equipment; and retail pharmacies.

Reinet assumed the participation in Milestone II from Richemont when Reinet was formed in 2008. At 31 March 2014, this investment is estimated to have a fair value of € 7 million based on audited valuation data received from the fund manager as at 31 December 2013 (31 March 2013: € 6 million). The fund is at a mature stage and assets are being realised over the remaining life of the fund. Reinet's remaining commitment to Milestone Fund II is € 2 million.

In June 2011, Reinet entered into an agreement to invest in Milestone III and its general partner and to co-invest, at its option, in certain of Milestone III's proposed investments.

During the year under review Reinet invested an additional € 16 million in Milestone III and its co-investments.

As at 31 March 2014, capital contributions of € 82 million had been made to Milestone III, its general partner and the co-investments (31 March 2013: € 71 million). These investments are carried at the estimated fair value of € 70 million at 31 March 2014, based on a recent independent valuation (31 March 2013: € 55 million).

At 31 March 2014, Reinet's remaining commitment to Milestone Fund III and co-investment opportunities is € 42 million.

Managing Partner of Milestone Capital, Ms. Yunli Lou, commented:

'2013 was a fruitful year for Milestone Capital. While the overall Chinese economy improved compared to 2012, equity capital markets for many Chinese companies remained challenging for most of the year. This once again created a highly favourable market for deploying capital in China. Throughout the year, we continued to focus on exploiting this unique investment opportunity and on supporting the development of our existing portfolio companies.

In 2013, the Chinese economy continued to rebalance away from a low-cost manufacturing, export-based economy, to a service-based economy driven by internal demand and consumption. We believe 2014 will be a year of transition and change for the Chinese economy and society. There are many uncertainties as the new government tries to implement changes and reforms on multiple fronts at the same time.

However, our investment thesis remains the same: that domestic consumption will make up an increasingly bigger part of the economy and those companies that can continue to innovate in applying new technology, build a strong brand and distribution and have the ability to consolidate market share in this uncertain environment, will become the winners. We also continue to see opportunities in the healthcare sector, as the Chinese population is ageing and demanding higher quality healthcare. In the year ahead, we will continue to look for attractive opportunities in the consumer and healthcare sectors.'

Further information in respect of the Milestone Funds can be found at www.mcmchina.com.

General Enterprise Management Services International Limited ('GEMS')
Committed amount: No Reinet commitment; investment assumed from Richemont and fully funded at that time

Based in Hong Kong, GEMS operates investment funds focused on the natural resources sector and on growth opportunities. GEMS' principal objective is to achieve medium to long-term capital appreciation by investing in a diversified portfolio of equity or equity-linked investments in Asia. GEMS growth funds have made investments in a variety of industries including financial services, consumer/retail, telecommunications, and electronics.

At the time of its formation in 2008, Reinet assumed the investments in the GEMS II and GEMS III funds that had been made by Richemont. Both funds were fully funded by Richemont and no further investment or commitment has been made by Reinet. GEMS II has been liquidated and GEMS III is now in the divestment stage and it is expected that Reinet will realise the value of the remainder of its investments in these funds in due course.

At 31 March 2014, the aggregate investment in the GEMS funds is carried at the estimated fair value of € 8 million based on a recent independent valuation (31 March 2013: € 8 million).

Further information on GEMS can be found at www.gems.com.hk.

Prescient China Balanced Fund ('Prescient China')
Committed amount: € 23 million (EUR equivalent of USD commitment)
Invested amount: € 22 million (EUR equivalent of USD commitment)

Prescient China is a fund managed by a subsidiary of Prescient Holdings Limited, a South African-listed fund manager. The newly-launched fund invests in equities, bonds, cash and derivatives with the objective of generating inflation-beating returns at acceptable risk levels. It invests principally in equities and other instruments listed on the Shanghai and Shenzhen Stock Exchanges.

In March 2013, Reinet committed to invest € 22 million in Prescient China and € 1 million in its management company. Reinet invested its full capital commitment of € 22 million in the fund in March 2013. This investment is carried at the estimated fair value of € 19 million based on unaudited valuation statements provided by the fund manager at 31 March 2014 (31 March 2013: € 23 million). The decrease in value reflects the decrease in the Chinese equity market during the year. Reinet's commitment to invest € 1 million in the management company structure remained uncalled at 31 March 2014.

Liang Du, Portfolio Manager of the Prescient China Balanced Fund, commented as follows:

'March 2014 marks the first full year of operation of the Prescient China Balanced Fund. The Fund is in process of establishing a healthy track record for Prescient's investment capabilities, having outperformed the Chinese equity market by more than 4% in the first full year, after all investment costs.

In China foreign investments are limited by quotas approved by the Chinese authorities. Prescient received an initial US$ 50 million quota and this was fully invested by March 2013. In September 2013 Prescient applied for an additional quota of US$ 100 million which was approved at the end of

April 2014. Prescient also plans to add interest bearing and derivative investment capabilities in China during 2014.

2014 will be an exciting year as we take another step towards making Prescient Investment Management China (Pty) Ltd a fully-fledged investment management business. The business is in the building phase, with real growth only expected in the years to come. Today, the Chinese people have over US$ 1.2 trillion of savings in China but only a small asset management industry presence. This, coupled with the government's policy of opening up the financial sector, represents a significant opportunity for Prescient Investment Management China (Pty) Ltd, albeit in a challenging environment.'

Further information on Prescient may be found at www.prescient.co.za.

SPECIALISED PRIVATE EQUITY FUNDS
Vanterra Flex Investments L.P. ('Vanterra')
Committed amount: € 73 million (EUR equivalent of USD commitment)
Invested amount: € 44 million (EUR equivalent of USD commitment)

Vanterra was established in March 2010 to invest in listed and unlisted funds and to make direct investments in the United States and emerging markets. Vanterra seeks to construct a globally diversified private equity portfolio providing investors with long-term capital appreciation. Vanterra has co-invested alongside Reinet in Trilantic, in the United States land development and mortgages and in Vanterra C Change Transformative Energy & Materials I, L.P. In addition, Vanterra has investments in US healthcare and in a specialist fund in Brazil. Vanterra also co-invested with Trilantic Fund IV (Europe) L.P. in a Spanish high-speed train manufacturer.

Reinet is an investor in both Vanterra and in its general partner.

In the year under review Reinet invested an additional € 4 million in Vanterra.

As at 31 March 2014, € 44 million of committed funds (31 March 2013: € 43 million), together with € 3 million in respect of expenses (31 March 2013: € 3 million) had been invested in the fund. This investment is carried at the estimated fair value of € 47 million at 31 March 2014, based on unaudited financial information as at 31 December 2013 (31 March 2013: € 47 million).

Reinet is committed to invest a further € 29 million in Vanterra.

Shad Azimi, Managing Partner of Vanterra Capital commented:

'As Vanterra enters 2014, our primary goal will be to harvest the portfolio and generate liquidity. The majority of the exposure within the portfolio is to the US, geographically, which is experiencing a strong sellers' market.

In addition to Vanterra's investments in Trilantic Capital Partners Fund IV and US land development and mortgages, where it invests alongside Reinet, Vanterra has investments in the following established platforms: Vanterra Transformative Energy & Materials, BTG Pactual Brazil Investment Fund I, and Cressey & Company Health Care Fund IV.

In 2014, Vanterra will look to build upon its investments by crystallizing value in older positions, and will continue to execute on its operational and strategic initiatives within its newer core platforms. Some of the older vintage platforms have already demonstrated their ability to achieve successful realizations in select investments. Vanterra expects that the next few years will be when the hard work put in during the harvesting period will lead to meaningful exits across the majority of our platforms.'

Vanterra C Change Transformative Energy & Materials I, L.P. ('Vanterra C Change TEM')
Committed amount: € 48 million (EUR equivalent of USD commitment)
Invested amount: € 45 million (EUR equivalent of USD commitment)

Vanterra C Change TEM was established in July 2010 to invest in companies and projects providing products or services that supply cleaner energy; create a more cost-effective building environment through the use of energy efficient technologies; and develop renewable resources as a substitute for fossil and other traditional fuels.

Reinet is an investor in Vanterra C Change TEM and in its general partner.

In the year under review Reinet invested an additional € 6 million in Vanterra C Change TEM and its general partner.

As at 31 March 2014, capital contributions of € 45 million had been made to the fund (31 March 2013: € 41 million). This investment is carried at the estimated fair value of € 30 million based on unaudited financial information as at 31 December 2013 (31 March 2013: € 37 million).

Reinet is committed to invest a further € 3 million in Vanterra C Change TEM. Of this, a further € 1 million was invested in April 2014.

Dan Matloff, Chief Financial Officer of TEM Capital, commented:

'The TEM Funds invest in companies with innovative technologies that transform how energy, materials and resources are developed, delivered and consumed. Our current investments include opportunities in alternative energy, building materials, transportation and a potentially transformative alternative cement technology.

Our investments in alternative energy, including a project to convert a former coal-fired power plant to biomass fuel and a European torrefaction business, have proven to be the most challenging aspects of the portfolio. Also, our building materials platform has lagged behind its commercial expectations.

However, we've seen strong performance by our two most promising investments. One investment, a multinational passenger rail company, earned excellent financial results through outstanding operational execution. Second, we are encouraged by progress in our alternative cement business, which aims to replace 'ordinary Portland cement' (the second largest commodity in the world) with a stronger, longer lasting cement that has a significant cost advantage. With growth in these two businesses, we are working to recover from our early setbacks and achieve a favourable return on capital for our investors.'

Further information on Vanterra may be found at www.vanterra.com.

NanoDimension Funds and Co-Investment Opportunities
Committed amount: € 44 million (EUR commitment and EUR equivalent of USD commitment)
Invested amount: € 28 million (EUR commitment and EUR equivalent of USD commitment)

NanoDimension Management Limited has established two funds in which Reinet is an investor. The focus of each fund is to invest in and support the growth and commercialisation of nanotechnology, the manipulation of matter at an atomic and molecular level. Areas of investment by the funds include: pharmaceuticals and drug delivery structures; optical and electronic switches; and thin film photo-chromatic coatings.

Reinet assumed Richemont's initial investment in the first NanoDimension fund and its commitments to that fund and in May 2012 committed a further € 40 million to invest in the second NanoDimension fund and to co-invest with the fund in one specific project.

In the year under review Reinet invested an additional € 3 million in the NanoDimension funds.

At 31 March 2014, the fair value of Reinet's investment in the two funds and the co-investment amounted to € 29 million (31 March 2013: € 25 million). The estimate of fair value is based on audited valuation data received from the fund manager as at 31 December 2013 together with an independent valuation of the co-investment.

Reinet's remaining commitments to the funds amounted to € 16 million at 31 March 2014.

Aymeric Sallin, Founder of NanoDimension commented:

'Since we started over 10 years ago, every day has confirmed and reinforced the critical point that nanotechnology is an investment strategy on its own. The changes of physical properties at the nano-scale enable breakthrough science, which leads to disruptive technology and ultimately creates a revolution in the market.

Reflecting on 2013, we firmly believe that the NanoDimension Limited Partnerships ended the year in a strong position. Our portfolio companies have generally secured critical financings.

We believe that the deals we are evaluating for investments are game changers. We are looking at opportunities that could enable the development of better drugs without animal testing, rapidly engineer bacterial DNA to replace the use of petroleum derivatives in chemical manufacturing, and enable new methods of cleaning water and storing energy.

Nanotechnology continues to develop and mature as an investment sector and we are committed to harvesting as many winning nanotech companies as possible over the next 20+ years.'

Further information on NanoDimension may be found at www.nanodimension.com.

Fountainhead Expert Fund
Committed amount: € 15 million (EUR equivalent of USD commitment)
Invested amount: € 15 million (EUR equivalent of USD commitment)

Fountainhead Expert Fund ('Fountainhead') is a fund investing in a concentrated manner in global equities offering superior potential for capital appreciation and value realisation by benchmarking themselves to global inflation and striving for absolute real returns through time.

Reinet invested its full commitment of € 15 million in Fountainhead in the year ended 31 March 2012.

As at 31 March 2014, the fair value of the investment was € 25 million based on the unaudited valuation at that date provided by the fund manager (31 March 2013: € 21 million).

Andre Cillie, Managing Partner of Andre Cillie Capital Management (Pty) Limited, manager of Fountainhead Expert Fund, commented:

'Fountainhead Expert Fund performed strongly over the last year and has seen a compound annual growth rate of 31% since its inception in February 2012. Portfolio companies surpass conservative expectations as the US economy continues to surprise on the upside. The outlook for 2014 is more constructive as the majority of the headwinds that were present at the beginning of 2013 have been resolved. However, there are some very worrying aspects of the current market that remind us of the market dynamic in the 1999-2000 period. There are definitely some very frothy sections of the market, especially the companies trumpeting top-line growth with very little regard for earnings growth or even earnings themselves, for that matter.

The Fountainhead fund currently consists of a collection of very high quality businesses with entrenched competitive positions providing owner earnings well in excess of our 10% hurdle rate. Furthermore we feel that current yields are depressed relative to more normalised levels. It is our belief therefore that the returns to be seen over the next few years should be very satisfactory.'

Further information on Fountainhead may be found at www.fountainheadpartners.co.za.

Other Fund Investments
This includes small, specialist funds investing in private equity businesses, start-up ventures and listed securities. These investments are valued at their fair value of € 10 million at 31 March 2014 based on valuation statements received from the fund managers (31 March 2013: € 6 million).

UNITED STATES LAND DEVELOPMENT AND MORTGAGES
Committed amount: € 108 million (including increase of € 36 million in the year) (EUR equivalent of USD commitment)
Invested amount: € 99 million (EUR equivalent of USD commitment)

Reinet has co-invested with partners to acquire interests in real estate development projects, usually properties where infrastructure services have been laid but where construction of properties has not yet commenced. It has also invested in mortgage debt on such developments and in specific properties. The investments are principally in Florida, Colorado and North and South Carolina.

During the year under review Reinet invested an additional € 27 million in these projects including € 22 million in December 2013 to acquire minority shareholders' interests in one property development in the North and South Carolinas and to fund other on-going projects.

At 31 March 2014, Reinet had invested € 99 million in these projects (31 March 2013: € 78 million). The investment is carried at the estimated fair value of € 134 million (31 March 2013: € 105 million) of which € 116 million is attributable to Reinet and € 18 million to its partners.

The current valuation is based on independent valuations of underlying assets as at 31 December 2013. The increase in the valuation reflects the positive outlook for the US property market in general. However, this has been offset by the weakening of the US dollar against the euro during the year.

Reinet is committed to invest a further € 9 million in these investments as at 31 March 2014.

John Kunkel, Chief Executive Officer of Reinet's subsidiary company, Arendale Holdings Corporation, commented:

> *'The past year has been an active year within the US real estate investment portfolio. Larger builders became more active and purchased raw development pods from the company, a feat that had been absent for the previous seven years. Arendale recorded four significant transactions with builders this past year. As well, retail customers purchasing properties in our higher-end communities are re-entering the market after choosing to sit on the sidelines for the past five years.*
>
> *In December 2013, Reinet purchased the minority partners' interests in seven commonly branded country club communities in the Western Carolinas. This step was significant in that there is now a unified investment strategy for this project which is expected to deliver long-term returns.*
>
> *We approach next year with guarded optimism. Activity in the next year should continue to rise. Leading the way are healthy increases of household creations in the US which are expected to average 1.2 million annually over the next ten years. As well, inventory levels are at healthy levels suggesting that it is now more of a seller's market. On the flip side, uncertainty still remains within the banking industry and thus their credit standards are still restrictive, especially to first time home buyers. All-in-all, our expectation for the next year is to see increased sales activity across most communities, continued moderate increases in pricing and continued increases in the remaining asset value.'*

JAGERSFONTEIN AND OTHER DIAMOND EXPLORATION INTERESTS
Project cost: € 85 million *(EUR equivalent of ZAR cost)*
Invested amount: € 79 million *(EUR equivalent of ZAR cost)*

Reinet is an investor in an entity which extracts diamonds from the waste tailings of mining operations which began over a century ago. The tailings are located at Jagersfontein in South Africa. Developments in terms of gemstone extraction technology since the mines were first excavated mean that there is now the potential to recover stones which were previously treated as waste.

Reinet's effective interest in the Jagersfontein project is 48 per cent. Other shareholders include a Black Economic Empowerment ('BEE') organisation, a local community trust and the parties responsible for the day-to-day operations.

Reinet has also invested in a separate project, which has acquired rights to source diamonds on an as yet unexploited site near Kimberley in South Africa. Both of the projects are now operational.

As with the Jagersfontein investment, at the time of making the investment, Reinet entered into agreements to sell a substantial part of its equity holdings in this project to third parties, including local BEE interests. The sales were completed during the year under review resulting in Reinet reducing its effective interest in this project to 49 per cent.

During the year under review Reinet made loans of ZAR 160 million to the above projects. Both projects successfully made their first diamond sales during the year. Of the proceeds, ZAR 413 million was used to repay loans and interest due to Reinet and the balance retained to fund on-going operations.

As at 31 March 2014, Reinet held equity interests of € 18 million (31 March 2013: € 22 million) in the above investments and had outstanding loans of € 42 million (31 March 2013: € 60 million). In addition, € 10 million (31 March 2013: € 7 million) is receivable from third parties in respect of sales of part of the equity investments and Reinet has accrued income of € 6 million (31 March 2013: € 13 million) in respect of the funding that it has provided in connection with the projects to date.

Taking into account the loan and interest repayments of € 28 million received during the year, these investments are carried, in aggregate, at their estimated fair value of € 76 million at 31 March 2014

(31 March 2013: € 102 million). The current valuations are based on discounted cash flow analyses prepared by local management in each case.

Reinet is committed to invest a further € 6 million in these projects as at 31 March 2014**.**

The exposure to the South African rand has been hedged by borrowings in that currency and through forward exchange contracts.

Henk van Zuydam, Chief Financial Officer of both projects, commented as follows:

> *'Over the course of the year, the waste tailings project at Jagersfontein has developed into a full-scale production unit. The project is now cash-flow positive on a sustainable basis. The old mining operation at Jagersfontein had a reputation for delivering 'white diamonds' or 'Jaggers' in diamond terminology; the stones being extracted now show the same characteristics.*
>
> *The project is focussing on improving operational efficiency and reducing costs through innovation and the expansion of the overland conveyor system – resulting in reduced vehicle usage on site and lower transportation costs.*
>
> *The second project is extracting diamonds from virgin territory located close to Kimberley. The project has commenced production and we are busy up-scaling to full capacity. To date this project has shown excellent promise, with consistent delivery of good quality alluvial diamonds, the largest being a 110 ct stone.*
>
> *In conjunction with the planned expansion of the area being developed for operations, the project will also increase capital expenditure in the forthcoming year in order to enhance production capacity.*
>
> *Marketing of the extracted diamonds plays a key role in maximizing revenue for the projects. The diamonds are marketed through the South African Diamond Exchange and Export Centre whereafter the stones are presented for sale at tenders in Antwerp. The Antwerp marketing channel was established with the full support and backing of the Antwerp World Diamond Centre.'*

OTHER INVESTMENTS

This portfolio includes small developing businesses as well as interests in businesses which require assistance in restructuring their activities before value can be realised. These assets are valued at their aggregate fair value of € 10 million at 31 March 2014 (31 March 2013: € 30 million). The decrease in value is due to a re-appraisal of the valuation basis of several of the investments, together with the effect of the weakening of the US dollar against the euro during the year under review.

Committed Funds

The table below summarises Reinet's outstanding investment commitments as at 31 March 2014.

	As at 31 March 2013[1]	Exchange rate effects[2]	Committed during the year	Funded during the year	As at 31 March 2014	As at 31 March 2014
	€ m	€ m	€ m	€ m	€ m	%
Pension Corporation [3]	356	7	-	(272)	91	17.9
Private equity and related partnerships						
Trilantic Capital Partners[4]	121	(6)	18	(21)	112	22.0
Renshaw Bay and related investments						
Renshaw Bay advisory and investment management company	2	-	10	(12)	-	-
JPS Credit Opportunities Fund	-	-	-	-	-	-
Renshaw Bay Real Estate Finance Fund	118	2	-	(38)	82	16.1
Renshaw Bay Structured Finance Opportunity Fund	-	-	109	(3)	106	20.9
Asian private equity and portfolio funds						
Milestone China Opportunities funds investment holdings and related opportunities	63	(4)	-	(15)	44	8.7
GEMS	-	-	-	-	-	-
Prescient China Balanced Fund	2	(1)	-	-	1	0.2
Specialised private equity funds						
Vanterra Flex Investments	35	(2)	-	(4)	29	5.7
Vanterra C Change TEM	10	(1)	-	(6)	3	0.6
NanoDimension funds and co-investments opportunities	19	(1)	-	(2)	16	3.1
Other fund investments	4	1	-	-	5	1.0
US land development and mortgages[4]	-	-	36	(27)	9	1.8
Jagersfontein and other diamond exploration interests	22	(5)	-	(11)	6	1.2
Other investments	11	-	3	(10)	4	0.8
	763	(10)	176	(421)	508	100.0

(1) Commitments are calculated using 31 March 2013 exchange rates.

(2) Reflects exchange rate movements between 31 March 2013 and 31 March 2014.

(3) The amount paid to Pension Corporation in the year amounts to € 262 million using actual exchange rates, the additional € 10 million relates to exchange differences between the date of payment and the year end rate.

(4) Commitments noted represent only Reinet's share of the investments at 31 March 2014, additional commitments payable by minority partners amount to € 3 million in respect of Trilantic and € nil in respect of US land development and mortgages.

Funding commitments are entered into in various currencies including sterling, US dollars and South African rand and are converted into euros using 31 March 2014 exchange rates.

CASH AND LIQUID FUNDS

Reinet holds cash on deposit principally in European banks.

Reinet's liquidity is measured by its ability to meet potential cash requirements, including unfunded commitments on investments and the repayment of borrowings, and can be summarised as follows:

Cash at bank	€ 223 m
Undrawn borrowing facilities	€ 363 m
Cash required for unfunded commitments (refer to table above)	(€ 508 m)
Cash required to meet ZAR borrowing obligations (refer to note below)	(€ 30 m)

Bank borrowings of € 390 million under the collar financing arrangements will be settled either by the delivery of BAT shares pursuant to the put and call options in place, by the proceeds of the sale of BAT shares or may be rolled over or replaced by other borrowings.

Reinet may sell further BAT shares or use such shares to secure additional financing facilities from time to time.

The undrawn borrowing facilities comprise a facility with Bank of America for GBP 150 million and a facility with Morgan Stanley of GBP 150 million. As at 31 March 2014, these facilities had not been drawn upon.

BANK BORROWINGS AND RELATED DERIVATIVE CONTRACTS

Borrowings

In February 2012, in order to meet its on-going commitments, Reinet entered into a £ 300 million medium-term financing facility. At 31 March 2014, the fair value of the borrowing was € 358 million (31 March 2013: € 356 million). The transaction incorporates the purchase by Reinet of put options and the sale by Reinet of call options over 13.7 million BAT shares. The unpaid net option premium is payable over the period to 2017 and is carried as a liability at its fair value of € 32 million as at 31 March 2014 (31 March 2013: € 42 million).

Reinet has also borrowed ZAR 443 million to fund its investments in South African projects. At 31 March 2014, the fair value of the borrowing was € 30 million (31 March 2013: € 37 million).

Derivative assets / (liabilities) – put and call options and forward exchange contracts

As part of the £ 300 million financing facility, Reinet has purchased put options which provide protection should the value of the BAT shares used to secure the borrowings fall below a certain amount. Reinet has also sold call options over an equal number of BAT shares. Both the put options and the call options are carried at their respective fair values at the balance sheet date. The net derivative liability is carried at its fair value of € 16 million at 31 March 2014 (31 March 2013: € 15 million).

Reinet has entered into forward exchange contracts to sell ZAR 890 million. The net derivative asset in respect of the forward exchange contracts is carried at its fair value of € 3 million at 31 March 2014 (31 March 2013: € 4 million).

OTHER LIABILITIES

Fees payable and other liabilities, net of other assets

Fees payable and other liabilities comprise principally € 12 million in respect of the performance fee payable as at 31 March 2014, together with the management fee payable of € 15 million. In addition, provision for deferred taxes of € 24 million relating to unrealised gains arising from the investments in Trilantic Capital Partners has been made. Withholding taxes of € 7 million relating to the investment in US land development and mortgages have also been provided for, together with other operating expenses currently payable. The performance fee and management fee are payable to the Investment Advisor.

The management fee for the year under review amounted to € 35 million (31 March 2013: € 33 million), of which € 15 million was payable at 31 March 2014.

Funding by minority partners

Reinet invests in certain investments, principally Trilantic Capital Partners and US land development and mortgages, along with minority partners. As capital calls are received, minority partners fund their share by advancing funds to Reinet; as distributions are received from investees, Reinet refunds their pro-rata share to the minority partners. The net amounts received of € 19 million, are shown as 'Funding by minority partners' in the table on page 3.

MINORITY INTERESTS

Minority partners share in the gains and losses arising in the investments in which they have interests. To the extent that gains are not distributed to minority partners, their share of the uplift in valuation is accounted for as a liability to them.

CONSOLIDATED INCOME STATEMENT	Year ended 31 March 2014 € m	€ m	Year ended[1] 31 March 2013 € m	€ m
INCOME				
BAT dividends	**126**		136	
Interest and other investment income	**20**		16	
Realised gains on investments – BAT	**108**		98	
– Others	**6**		42	
Realised gains on foreign exchange contracts	**9**		-	
Carried interest earned on investments	**2**	**271**	6	298
EXPENSES				
Performance fee	**(12)**		(32)	
Management fee	**(35)**		(33)	
Operating expenses, foreign exchange and transaction-related costs	**(8)**		(9)	
Interest expense	**(11)**		(12)	
Tax expense	**(10)**	**(76)**	(4)	(90)
REALISED INVESTMENT INCOME, NET OF EXPENSES		**195**		208
FAIR VALUE ADJUSTMENTS				
BAT – unrealised (loss)/gain on shares held	**(111)**		316	
– reversal of unrealised gain on shares sold [2]	**(105)**		(86)	
Other investments	**115**		(15)	
Derivative instruments	**(2)**		(41)	
Borrowings	**7**	**(96)**	2	176
		99		384
Effect of exchange rate changes on cash balances		**(3)**		(4)
Net profit		**96**		380
Minority interest		**(4)**		(6)
Profit attributable to the shareholders of the Company		**92**		374

[1] The Company early adopted IFRS 10 and the amendment relating to investment entities in the year under review. As a result of the adoption, minority interest and profit attributable to the shareholders of the company for the prior year were restated by an amount of € 1 million. This amount was previously recorded in the statement of shareholders equity rather than the income statement.

[2] Reversal of unrealised gain on shares sold represents the unrealised gain as at 1 April on the 5 million BAT shares sold during the year.

INCOME

Dividends received from BAT decreased by 7 per cent from € 136 million (£ 110 million) to € 126 million (£ 106 million) during the year under review. The decrease is due to the reduction in the number of BAT shares held following the sales in December 2012 and April 2013, offset by an increase of £ 0.07 per share in the underlying dividends paid by BAT and a strengthening in the sterling / euro exchange rate at the time of the dividend payments. The dividends received from BAT represent the final 2012 dividend, paid in May 2013, as well as the interim 2013 dividend paid in September 2013. The BAT final 2013 dividend was approved at the BAT AGM held on 30 April 2014 and was paid on 8 May 2014. That dividend has not been accrued at 31 March 2014 and does not form part of the income received during the year under review.

Interest income is earned on bank deposits and loans made to underlying investments.

Total realised gains on investments of € 114 million include € 108 million in respect of the sale of 5 million BAT shares calculated by reference to the cost of the investment when the BAT shares were first carried at fair value when Reinet was established in 2008 and gains of € 5 million in respect of investments realised by the Trilantic funds. Reinet's share of the Trilantic gains amounts to € 4 million with a further € 1 million being attributable to the minority partner.

Gains of € 9 million were realised on the settlement of EUR/ZAR foreign exchange contracts during the year.

Carried interest of € 2 million was attributable to Reinet in respect of investments realised by the Trilantic funds.

EXPENSES

The performance fee for the year ended 31 March 2014 amounts to € 12 million (31 March 2013: € 32 million). The performance fee is calculated as 10 per cent of the increase in the aggregate market value of Reinet Investments S.C.A. over the period since completion of the rights issue in December 2008 up to 31 March 2014, less the sum of all performance fees paid in respect of previous periods.

The management fee for the year ended 31 March 2014 amounts to € 35 million (31 March 2013: € 33 million) with other operating expenses of € 1 million in respect of charges from Reinet Investments Manager S.A. (the 'General Partner') and other expenses, including legal and other fees, which amounted to € 7 million.

Interest expense relates to rand and sterling borrowings.

FAIR VALUE ADJUSTMENTS

The investment in the remaining 74 million BAT shares decreased in value by € 111 million during the year under review. Of this, € 169 million was attributable to the decrease in value of the underlying BAT shares in sterling terms offset by € 58 million due to the appreciation of sterling against the euro over the course of the year. The sale of 5 million BAT shares resulted in a reversal of the previously recorded unrealised gain of € 105 million at 31 March 2013.

The unrealised fair value adjustment of € 115 million reflects the increase in the fair value of the investment in Pension Corporation of € 152 million, increase in the fair value of Trilantic by € 37 million, offset by decreases in the fair value of 36 South funds, Jagersfontein and other diamond interests and other smaller investments.

The fair value of the collar financing derivative liability increased by € 1 million during the year reflecting the increase in underlying interest rates in the year, offset by the positive effect of the decrease in the price of the BAT shares underlying the put and call options. The fair value of derivative assets in respect of forward exchange contracts decreased by € 1 million. In total these items increased the derivative liabilities by € 2 million in the year under review.

Borrowings are carried at fair value reflecting the discounted cash flow value of future principal and interest payments taking into account prevailing interest rates. An unrealised gain of € 7 million arose in respect of the rand borrowing due to the weakening of that currency during the year.

OTHER CHARGES

The net tax expense of € 10 million includes corporate and withholding taxes paid in respect of gains realised on Trilantic investments as well as a deferred tax provision in respect of unrealised gains, expected distributions and accrued interest in respect of Trilantic and other US investments.

The minority interest expense arises in respect of the minority partners' shares in the earnings of the Reinet entities which hold the Trilantic and US land development and mortgages interests, respectively.

Profit attributable to shareholders of the Company for the year amounted to € 92 million.

CONSOLIDATED CASH FLOW STATEMENT	Year ended 31 March 2014		Year ended 31 March 2013	
	€ m	**€ m**	€ m	€ m
Investing activities				
Purchase of investments, net of repayments	**(380)**		(327)	
Proceeds from sales of investments	**230**	**(150)**	271	(56)
Financing activities				
Repayment of funding to minority partners	**(2)**		(18)	
Proceeds from settlement of derivative assets	**9**		-	
Movements in bank borrowings	**(10)**	**(3)**	(10)	(28)
Operating activities				
Dividends, interest and other income received	**128**		139	
Carried interest earned on investments	**2**		6	
Interest expense	**(9)**		(10)	
Operating and related expenses	**(45)**		(39)	
Performance fee paid	**(32)**		(38)	
Taxation refunded/(paid)	**9**	**53**	(12)	46
Net cash outflow		**(100)**		(38)
Opening liquid funds position		**326**		368
Effects of exchange rate changes on cash balances		**(3)**		(4)
Closing liquid funds position		**223**		326

INVESTING ACTIVITIES

Investments totalling € 380 million were made during the year, including Pension Corporation Group, US real estate related opportunities, Trilantic, Milestone, Renshaw Bay and Renshaw Bay funds. Amounts invested were partially offset by repayments of € 28 million in respect of loans and interest received from Jagersfontein.

Proceeds from the sale of investments include € 212 million in respect of the sale of BAT shares, € 16 million realised through Trilantic and € 2 million on the sale of other investments.

FINANCING ACTIVITIES

Funding is received from minority partners in respect of 10 per cent of investments made in Trilantic and 20 per cent of investments made in US land development and mortgages. The appropriate share of distributions received from the same investments are repaid to minority partners.

OPERATING ACTIVITIES

Dividends received from BAT decreased by 7 per cent from € 136 million (£ 110 million) to € 126 million (£ 106 million) during the year under review. The decrease is due to the reduction in the number of BAT shares held following the sales in December 2012 and April 2013, offset by an increase of £ 0.07 per share in the underlying dividends paid by BAT and a strengthening in the sterling / euro exchange rate at the time of the dividend payments. The dividends received from BAT represent the final 2012 dividend, paid in May 2013, as well as the interim 2013 dividend paid in September 2013.

Carried interest of € 2 million was received in respect of the investment in Trilantic.

Interest of € 7 million was paid in respect of the sterling loan and € 2 million in respect of the ZAR-denominated loan in the year.

The performance fee of € 32 million was paid in respect of the year ending 31 March 2013. The performance fee payable in respect of the current year will be paid in May 2014.

US tax repayments of € 12 million were received in the year under review. This amount is net of taxes withheld by Trilantic in respect of gains and carried interest received, together with estimated taxes paid on gains and income which will be taxable in the United States.

Liquid funds decreased by € 103 million over the year to € 223 million as the amounts invested in new investments together with payment of the performance fee and operating expenses exceeded proceeds from the sales of BAT shares and the inflow of dividends received from BAT.

DIVIDEND

Reinet Investments relies on distributions from Reinet Fund as its principal source of income from which it may pay dividends.

The Board has proposed a cash dividend of € 0.153 per share subject to shareholder approval at the Annual General Meeting, which is scheduled to take place in Luxembourg on Tuesday, 9 September 2014.

There is no Luxembourg withholding tax payable on dividends which may be declared by the Company.

Reinet has sought clarification from the South African Revenue Service (‘SARS’) as to the treatment of any dividends to be declared by the Company and paid to holders of Reinet Depository Receipts (‘DRs’). SARS has confirmed to Reinet that any such dividends will be treated as ‘foreign dividends’ as defined in the Income Tax Act No. 58 of 1962. Accordingly, any such dividends will be subject to South African dividends withholding tax at 15 per cent in the hands of DR holders unless those holders are otherwise exempt from the tax. Non-resident holders of DRs will be required to fill in the appropriate SARS declaration form, if they wish to be exempted from the tax.

The dividend will be payable in accordance with the following schedule, subject to shareholder approval:

The last day to trade the Company’s shares and the Company’s South African Depository Receipts cum-dividend will be Friday, 12 September 2014. Both the shares and the depository receipts will trade ex-dividend from Monday, 15 September 2014.

The dividend on the Company’s shares will be paid on Thursday, 18 September 2014 and is payable in Euros.

The dividend in respect of the Company’s South African Depository Receipts will be payable on Friday, 26 September 2014. The South African Depository Receipt dividend is payable in rand to residents of the South African Common Monetary Area (‘CMA’) but may, dependent upon residence status, be payable in Euros to non- CMA residents. Further details regarding the dividend payable to South African Depository Receipt holders may be found in a separate announcement dated 19 May 2014 on SENS, the Johannesburg stock exchange news service.

SHARES IN ISSUE

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

FINANCIAL STATEMENTS

Reinet early adopted IFRS 10 and the amendment relating to investment entities in the year under review. Consequently, the financial information presented in the consolidated financial statements has been simplified and prior year figures have been restated accordingly.

The consolidated financial statements at 31 March 2014, on which this announcement is based, have been audited and approved by the Board of the General Partner on 13 May 2014 and are subject to shareholder approval at the annual general meeting to be held in September 2014. The printed Reinet Annual Report and Accounts will be available upon request from mid-July 2014.

STATUTORY INFORMATION

Primary Listing

Reinet Investments S.C.A. shares are listed on the Luxembourg Stock Exchange with the ISIN number LU0383812293. Thomson Reuters code REIT.LU and Bloomberg code REIN.LX. Reinet shares are included in the 'LuxX' index of the principal shares traded on the Luxembourg exchange.

Secondary Listing

Reinet Investments S.C.A. South African Depository Receipts are traded on the stock exchange in Johannesburg under the ISIN number CH 0045793657. Thomson Reuters code REIJ.J and Bloomberg code REI:SJ. One depository receipt issued by Reinet Securities S.A. represents one tenth of one ordinary share in Reinet Investments S.C.A.

Reinet Investments Manager S.A.
General Partner
For and on behalf of Reinet Investments S.C.A.

19 May 2014

Website: www.reinet.com

Reinet Investments S.C.A. 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., a specialised investment fund also incorporated in Luxembourg. Reinet Investments shares are listed on the Luxembourg Stock Exchange, its primary listing, and Reinet Investments South African Depository Receipts are listed in Johannesburg, its secondary listing.