**28 July 2016**

**Reconstruction Capital II Limited (the "Company")**

**Tender offer for the Company's shareholding in Albalact SA**

Reconstruction Capital II Ltd ("RC2" or the "Company"), a closed-end investment company incorporated in the Cayman Islands admitted to trading on the AIM market of the London Stock Exchange, today announces that further to the announcement made on 7 July 2016 relating to the prospective acquisition by Lactalis of RC2's 25.4% shareholding in Albalact SA, ("Albalact") a publicly quoted Romanian dairy company, the Romanian Financial Supervisory Authority ("FSA") has given its approval to the Preliminary Announcement for Lactalis' voluntary takeover bid.   The Preliminary Announcement specifies the price of the takeover offer for the whole of the share capital of Albalact bearing voting rights at RON 0.5252 per share.  This represents a premium of 6.3% to the closing price of Albalact shares on 27 July 2016 of RON 0.494.

Pursuant to the takeover offer, RC2 should receive a total of RON 87.2 million for its 166,100,478 shares in Albalact, or EUR 19.52 million based on the exchange rate of 4.4687 RON to 1 EUR prevailing as at 27 July 2016.

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