REINET INVESTMENTS S.C.A.

Interim Report at 30 September 2011

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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.

HIGHLIGHTS

The investment objective of Reinet is to achieve long-term capital growth.

Reinet's strategy is to work with experienced partners to invest in unique opportunities focusing on value creation for investors.

- Net asset value at 30 September 2011: € 3 179 million, an increase of 14 per cent from 31 March 2011
- Net asset value per ordinary share at 30 September 2011: € 16.23 (31 March 2011: € 14.21)
- Reinet's investment in British American Tobacco increased in value by € 291 million during the period
- Profit for the period: € 393 million
- New investments with funding commitments of € 166 million closed during the period

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 and Reinet South African Depository Receipts are listed in Johannesburg. The Company's 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. The Company and the Fund together with the Fund's subsidiaries are referred to as 'Reinet'.

REPORT TO THE SHAREHOLDERS

BUSINESS OVERVIEW

CONSOLIDATED NET ASSET VALUE ('NAV')

The NAV of Reinet Investments S.C.A. at 30 September 2011 comprised:

	30 September 2011		31 March 2011	
	€ m	%	€ m	%
Listed investments				
– British American Tobacco	2 678	84.2	2 387	85.7
– Other	2	–	7	0.2
Cash and liquid funds	157	4.9	236	8.5
Unlisted investments				
– Trilantic Capital Partners funds[1]	102	3.2	72	2.6
– US land development and mortgages[1]	76	2.4	53	1.9
– Vanterra Flex Investments	23	0.7	13	0.5
– Vanterra C Change TEM	21	0.7	10	0.4
– Jagersfontein and other diamond interests	69	2.2	49	1.8
– 36 South	100	3.1	88	3.2
– Other	53	1.7	42	1.5
	444	14.0	327	11.9
Funding by minority partners	(30)	(0.9)	(21)	(0.8)
Borrowings	(49)	(1.5)	(46)	(1.7)
Fees payable and other liabilities, net of other assets	(17)	(0.5)	(102)	(3.7)
	3 185	100.2	2 788	100.1
Minority interest	(6)	(0.2)	(4)	(0.1)
	3 179	100.0	2 784	100.0

(1) This amount represents the 100 per cent investment, whereas the comments below use figures which represent Reinet's 80 per cent investment.

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

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 4.3 per cent of BAT's capital. At 30 September 2011, the value of the investment in BAT in the balance sheet of Reinet was € 2 678 million, being 84 per cent of Reinet's NAV. The BAT share price on the London Stock Exchange increased from £ 25.02 to £ 27.29 during the six months ended 30 September 2011.

Reinet received dividends from BAT during the period amounting to € 114 million (£ 100 million), being BAT's final 2010 dividend and its 2011 interim dividend.

CASH AND LIQUID FUNDS

During the period, dividend income and other inflows were offset by new investments and operating costs. At 30 September 2011, net cash and liquid funds amounted to € 157 million (31 March 2011: € 236 million).

In addition to deposits held principally in European banks, Reinet has invested € 82 million in a euro-denominated government bond fund. This holds exclusively short-dated bonds issued by western European (principally French and German) governments and short-term loans backed by government bonds.

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 investors. In evaluating these opportunities, Reinet applies a minimum hurdle rate of return, recognising the expected performance target set by the investment in BAT.

To date, funding commitments in the amount of € 689 million have been entered into in respect of the businesses detailed below, excluding the smaller investments transferred from Richemont when Reinet was established.

TRILANTIC CAPITAL PARTNERS
Original commitment: US$ 104 million and € 68 million

Early in 2009, Reinet announced its decision to invest in the private equity management business formerly owned by Lehman Brothers. Reinet bought this interest, in conjunction with the management team, from the bankruptcy estate for US$ 10 million. This business is now known as Trilantic Capital Partners ('Trilantic').

Reinet has an 80 per cent interest in the holding company ('Reinet TCP') which holds the Trilantic interest, with its two partners holding the balance and sharing in the investment commitments. Reinet TCP holds an interest in the Trilantic management company and is committed to invest in Trilantic's Fund IV Global and Fund IV Europe funds.

The investment in the Trilantic management company provides that Reinet and its partners will not pay any management fees or carried interest cost on substantially all of its investments in funds under Trilantic management. In addition, the agreement provides for Reinet and its partners to receive a share of the carried interest payable to the Trilantic management company on the realisation of investments held in the funds, once a hurdle rate has been achieved. Reinet's share of any carried interest earned by the Trilantic management company is 10 per cent, after the minority partners' share.

Up to 30 September 2011, Reinet and its partners had invested the equivalent of € 7.6 million in the initial Trilantic management company investment, € 2.1 million to acquire a further interest in Trilantic Fund IV Europe and € 72 million, net of capital repayments, in the funds under Trilantic management. The investment in Trilantic is carried at the estimated fair value of € 102 million at 30 September 2011, based on recent valuations provided by Trilantic. Of the period-end valuation of € 102 million, some € 20 million is attributable to Reinet's partners.

At 30 September 2011, Reinet had remaining commitments of € 86 million, being US$ 57 million and € 43 million to invest in funds under Trilantic management, after taking into account the amounts payable by Reinet's minority partners.

During the period under review, Reinet and its partners earned carried interest of € 7.8 million and realised gains of € 6.4 million before tax on their share of investments sold by the Trilantic funds. Of these amounts, € 11.4 million was attributable to Reinet and € 2.8 million to the minority partners.

REPORT TO THE SHAREHOLDERS

BUSINESS OVERVIEW
CONTINUED

UNITED STATES LAND DEVELOPMENT AND MORTGAGES
Original commitment: US$ 100 million

Recognising the depressed state of the property market in the United States, Reinet has co-invested with partners in acquiring real estate development projects – usually properties where infrastructure services have been laid but where construction of properties has not yet commenced – and mortgage debt on such developments and undeveloped sites. The investments are principally in Florida and the North and South Carolinas with one investment in Colorado.

The mortgage debts were acquired from local lenders at substantial discounts to nominal value, reflecting the economic situation and the risk that the development companies may not be able to meet their obligations. During the period under review certain assets were acquired, which were already encumbered with mortgages totalling US$ 10 million. These mortgages payable are included in borrowings in the balance sheet. 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. At 30 September 2011, Reinet had invested a total of US$ 84 million (€ 63 million) in these projects. At that date, these were valued at € 76 million of which € 61 million is attributable to Reinet and € 15 million to its partners.

Reinet is committed to invest a further US$ 16 million (€ 12 million) to acquire further mortgage debt and to fund development projects.

VANTERRA FLEX INVESTMENTS L.P.
Original commitment: US$ 100 million

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

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 has invested alongside Reinet in Trilantic and in the United States land development and mortgages. It is also an investor in Vanterra C Change Transformative Energy & Materials I, L.P. . Vanterra will seek to construct a globally diversified private equity portfolio providing investors with long-term capital appreciation.

As at 30 September 2011, US$ 31 million (€ 23 million) of committed funds plus an additional US$ 2 million (€ 1.5 million) in respect of expenses had been invested in the fund. The investment is carried at the estimated fair value of € 23 million at 30 September 2011. Reinet is committed to invest a further US$ 69 million (€ 51 million) in Vanterra.

VANTERRA C CHANGE TRANSFORMATIVE ENERGY & MATERIALS I, L.P. ('TEM')
Original commitment: US$ 65 million

Reinet is an investor in TEM and in its general partner.

In July 2010, Reinet entered into an agreement to invest in TEM. TEM is a newly created fund, established 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.

As at 30 September 2011, capital contributions of US$ 31 million (€ 23 million) had been made to the fund. The investment is carried at the estimated fair value of € 21 million at 30 September 2011. Reinet is committed to invest a further US$ 34 million (€ 25 million) in TEM.

JAGERSFONTEIN AND OTHER DIAMOND INTERESTS
Project cost: ZAR 967 million

Reinet is an investor in an entity which will process and extract diamonds from the waste tailings from mining operations carried out up to 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.

As at 30 September 2011, Reinet had provided loans of ZAR 540 million to finance the acquisition of the tailings and plant to process the tailings. Limited processing operations began in July 2011 and should reach full capacity by December 2011.

Reinet has also invested in a company which has acquired assets and assumed liabilities pertaining to mining rights and related activities to source diamonds on another property in South Africa. As at 30 September 2011, Reinet had provided loans of ZAR 165 million to the company to finance the acquisition of these rights and the equipment required in respect of the mining operations.

These investments are carried at the estimated fair value of € 69 million at 30 September 2011. Reinet is committed to invest a further ZAR 262 million (€ 24 million). Once the final investment holding structures have been determined, it is anticipated that Reinet will have an equity interest of between 40 and 49 per cent in each of the ventures referred to above. The exposure to the South African rand has been largely hedged by borrowings in that currency.

36 SOUTH GLOBAL MACRO/VOLATILITY FUNDS
Original commitment: € 88 million

Reinet has co-invested with the 36 South management team in the fund management and distribution companies. It is also an investor in the funds under management. These funds are established through an Irish-registered umbrella fund – 36 South Funds PLC.

36 South is an absolute return fund manager which 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.

In March 2011, Reinet invested its full commitment of € 88 million in 36 South. Of this, € 15 million represented the initial investment in and loans to the jointly-held fund management activities; the balance of € 73 million being Reinet's investment in the funds under management. The investment in 36 South Funds PLC is carried at its fair value of € 100 million at 30 September 2011.

OTHER UNLISTED INVESTMENTS
This portfolio includes small businesses with growth potential as well as investments in specialised investment funds focused on developing markets and niche sectors. The portfolio is valued at its fair value of € 53 million in the balance sheet at 30 September 2011, based on a detailed evaluation of each of the investments.

REPORT TO THE SHAREHOLDERS

BUSINESS OVERVIEW
CONTINUED

OTHER DEVELOPMENTS

Earlier this year, Reinet announced plans for a co-investment with Mr William T. Winters and RIT Capital Partners to establish an investment advisory and management business to be known as Renshaw Bay. Agreements have now been concluded and, in October 2011, Reinet invested £ 2 million in the Renshaw Bay advisory and management business alongside Mr Winters and RIT Capital Partners. Reinet owns 25.01 per cent of the business and is committed to invest a further £ 8 million. In addition to partnering in the advisory and management company, it is anticipated that Reinet will co-invest in future opportunities to be determined by the partners.

During the period, Reinet committed US$ 152 million (€ 113 million) to Milestone China Opportunities Fund III L.P. ('Milestone III'), its associated management company and co-investment opportunities. As at 30 September 2011 no investment had been made in Milestone III, US$ 13 million was invested in October 2011.

COMMITTED FUNDS

The table below summarises Reinet's outstanding investment commitments as at 30 September 2011.

	Commitments as at 31 March 2011 € m	Change in commitments in period[2] € m	New commitments in period € m	Funded in current period € m	Remaining commitments € m
Trilantic Capital Partners funds[1]	100	3	–	(17)	86
US land development and mortgages	26	2	–	(16)	12
Vanterra Flex Investments	58	3	–	(10)	51
Vanterra C Change TEM	36	1	–	(12)	25
Jagersfontein and other diamond interests	15	(2)	34	(23)	24
Renshaw Bay[3]	11	–	–	–	11
Milestone III	–	–	113	–	113
Smaller commitments	29	2	11	(20)	22
	275	9	158	(98)	344
Other investments[4]	13	(1)	8	(9)	11
	288	8	166	(107)	355

(1) The remaining amount represents 80 per cent of the initial commitment assumed by Reinet, 20 per cent having been sold to co-investors.

(2) The change in the period reflects exchange rate fluctuations.

(3) Reflects advisory and management company only.

(4) Represents portfolio of investments transferred from Richemont in 2008.

FEES PAYABLE AND OTHER LIABILITIES, NET OF OTHER ASSETS

Fees payable and other liabilities comprise principally a provision of € 2 million in respect of the performance fee and an accrual of € 10 million in respect of the management fee payable as at 30 September 2011, together with taxes and other operating expenses payable. The performance fee and management fee are payable to Reinet Investment Advisors Limited.

Details of the basis of calculation of the performance fee are given in note 11 to the financial statements, which form part of this report.

The management fee for the period under review amounted to € 12 million, of which € 10 million was payable at 30 September 2011.

Other assets include amounts receivable from Trilantic Capital Partners in respect of carried interest and gains.

SUMMARISED CONSOLIDATED INCOME STATEMENT

	30 September 2011 € m	30 September 2010 € m
BAT dividends received	**114**	103
Interest income, net of interest expense	**2**	–
Operating expenses and transaction-related costs	**(15)**	(15)
	101	88
Realised gains on investments	**15**	–
Unrealised fair value adjustments		
– BAT	**291**	149
– Other investments	**(7)**	–
Unrealised foreign exchange gain on borrowings	**5**	–
Performance fee	**(2)**	(35)
Tax expense	**(8)**	–
Minority interest	**(2)**	–
Profit attributable to the shareholders of the Company	**393**	202

Operating expenses include € 12 million in respect of the management fee for the period ended 30 September 2011. Also included are € 0.5 million in charges from Reinet Investments Manager S.A. (the 'General Partner') and transaction-related expenses, including legal and other advisory fees, which amounted to € 2 million.

The investment in BAT increased in value by € 291 million during the period under review. Of this, € 217 million was attributable to the increase in value of the underlying BAT shares in sterling terms and € 74 million arose due to the appreciation of sterling against the euro over the course of the period. The unrealised fair value adjustment in respect of other investments reflects the decision to further write down the carrying value of certain small investments, offset to some extent by increases in the value of others.

REPORT TO THE SHAREHOLDERS

BUSINESS OVERVIEW
CONTINUED

A performance fee may be payable on 31 March 2012 if certain conditions are met. As detailed above, a provision of € 2 million has been made in the period under review.

The tax expense of € 8 million includes corporate and withholding taxes provided for in respect of realised gains on Trilantic investments plus a deferred tax provision in respect of unrealised gains and anticipated distributions related to Trilantic investments.

The minority interest arises in respect of the 20 per cent minority partners holding in the vehicles which own the Trilantic and US land and development interests as described above.

Profit attributable to shareholders of the Company for the period amounted to € 393 million.

APPROVAL

The General Partner, represented by its Chief Executive Officer and Chief Financial Officer, confirms that, to the best of its knowledge:

1. The unaudited interim consolidated financial statements have been prepared in accordance with IFRS as adopted by the European Union and give a true and fair view of the consolidated assets, liabilities, financial position and profit of the Company and its subsidiaries taken as a whole;

2. This report includes a fair review of the development and performance of the business and position of the Company and its subsidiaries taken as a whole, together with a description of the principal risks and uncertainties that they face.

The unaudited interim consolidated financial statements for the six-month period ended 30 September 2011 on pages 10 to 22 of this interim report were approved by the Board of the General Partner and signed on its behalf by Joachim Schwenke and Alan Grieve, directors of the General Partner.

Joachim Schwenke	**Alan Grieve**
Chief Executive Officer	Chief Financial Officer

Reinet Investments Manager S.A.
General Partner

10 November 2011

UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER 2011

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UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

	Note	30 September 2011 € m	31 March 2011 € m
ASSETS			
Non-current assets			
Financial assets at fair value through profit or loss	5	3 117	2 713
Non-current assets – held for sale		7	8
		3 124	2 721
Current assets			
Financial assets at fair value through profit or loss	5	82	183
Cash and cash equivalents		75	53
Receivables		9	1
Other assets		1	–
		167	237
Total assets		3 291	2 958
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital		220	220
Share premium		770	770
Non-distributable reserve		22	22
Cumulative translation adjustment reserve		(202)	(204)
Retained earnings		2 369	1 976
		3 179	2 784
Minority interest		6	4
Total equity		3 185	2 788
Liabilities			
Non-current liabilities			
Deferred tax liability		5	1
Funding from minority partners	6	30	21
Borrowings		49	46
		84	68
Current liabilities			
Trade and other payables		13	99
Taxes payable		3	–
Accruals and provisions	7	6	3
		22	102
Total liabilities		106	170
Total equity and liabilities		3 291	2 958

The notes on pages 14 to 22 are an integral part of these interim consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Six-month period ended 30 September 2011 € m	30 September 2010 € m
Income			
Dividend and investment income	8	116	102
Interest income		4	–
Net change in the fair value of financial assets and financial liabilities at fair value through profit or loss	5	304	149
Total income		424	251
Expenses			
Performance fee	7	2	35
Management fee	9	12	11
Interest expense		2	–
Custodian, secretarial and administration fees		5	3
Total expenses		21	49
Profit for the period before tax		403	202
Tax expense		8	–
Profit for the period after tax		395	202
Other comprehensive income			
Currency translation adjustment		2	–
Total comprehensive income		397	202
Attributable to:			
– owners of the parent		395	202
– minority interest		2	–
Total comprehensive income		397	202
Profit for the period		395	202
Attributable to:			
– owners of the parent		393	202
– minority interest		2	–
		395	202
Earnings per share from profit for the period			
– basic and diluted	10	€ 2.01	€ 1.03

The notes on pages 14 to 22 are an integral part of these interim consolidated financial statements.

UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity attributable to equity holders						
	Equity holders' capital € m	Non-distributable reserve € m	Cumulative translation adjustment reserve € m	Retained earnings € m	Total € m	Minority interest € m	Total equity € m
Balance at 31 March 2010	990	22	(203)	1 728	2 537	2	2 539
Minority interest arising on sale of 10% of a subsidiary	–	–	–	(1)	(1)	2	1
Profit attributable to the shareholders	–	–	–	202	202	–	202
Balance at 30 September 2010 – unaudited	990	22	(203)	1 929	2 738	4	2 742
Profit attributable to the shareholders	–	–	(1)	47	46	–	46
Balance at 31 March 2011	990	22	(204)	1 976	2 784	4	2 788
Profit attributable to the shareholders	–	–	2	393	395	2	397
Balance at 30 September 2011 – unaudited	990	22	(202)	2 379	3 179	6	3 185

The notes on pages 14 to 22 are an integral part of these interim consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT

	Note	Six-month period ended 30 September 2011 € m	30 September 2010 € m
Cash flows from operating activities			
Purchase of non-current financial assets		(116)	(74)
Purchase of current financial assets		–	(70)
Redemption of current financial assets		101	–
Proceeds from sale of financial assets		12	5
Dividends and investment income received	8	114	103
Interest paid		(2)	–
Taxes paid		(1)	–
Performance fee paid		(86)	–
Operating expenses paid		(18)	(16)
Net cash from/(used in) operating activities		4	(52)
Cash flow from financing activities			
Funding from minority partners		8	10
Proceeds from bank borrowings		7	–
Net cash from financing activities		15	10
Net increase/(decrease) in cash and cash equivalents		19	(42)
Cash and cash equivalents at beginning of the period		53	143
Effect of exchange rate changes on cash balances		3	–
Cash and cash equivalents at end of the period		75	101

The notes on pages 14 to 22 are an integral part of these interim consolidated financial statements.

UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

1.1 STATUS

Reinet Investments S.C.A. (the 'Company') is established in Luxembourg as a partnership limited by shares *(société en commandite par actions)* and is governed by the Luxembourg law on Securitisation. The registered office is at 35, boulevard Prince Henri, Luxembourg.

The Company is managed by Reinet Investments Manager S.A. (the 'General Partner'), a limited liability company established in Luxembourg, which also owns 1 000 management shares in the Company. The General Partner has unlimited liability for any obligations of the Company that cannot be met from the assets of the Company. The registered office is at 35, boulevard Prince Henri, Luxembourg.

The Company owns the entire ordinary share capital of Reinet Fund S.C.A., F.I.S. ('Reinet Fund' or 'the Fund'), a specialised investment fund established as a partnership limited by shares *(société en commandite par actions)* under the laws of Luxembourg.

Reinet Fund is managed by Reinet Fund Manager S.A. (the 'Fund Manager'), a limited liability company established in Luxembourg, which also owns 1 000 management shares in the Fund. The Fund Manager is the general partner in the Fund, with unlimited liability. The address of its registered office is 35, boulevard Prince Henri, Luxembourg.

Reinet Fund's objective is to generate significant long-term capital growth. It aims to achieve this objective by investing over time in a diversified portfolio of securities. The Fund may also seek partners with whom it may co-invest. The Fund is advised by Reinet Investment Advisors Limited (the 'Investment Advisor') under the terms of the Investment Advisory Agreement.

The Company and Reinet Fund together with the Fund's subsidiaries are referred to as 'Reinet'.

These consolidated financial statements have been approved by the Board of Overseers on 7 November 2011 and by the Board of Directors of the General Partner on 10 November 2011.

2. BASIS OF PREPARATION

These interim consolidated financial statements have not been audited.

This interim financial information for the half year ended 30 September 2011 has been prepared in accordance with IAS 34, *Interim Financial Reporting*. The interim financial report should be read in conjunction with the annual consolidated financial statements for the year ended 31 March 2011, which have been prepared in accordance with IFRS as adopted by the European Union.

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current period.

3. ACCOUNTING POLICIES

The accounting policies adopted are consistent with those described in the annual consolidated financial statements for the year ended 31 March 2011.

There are currently no new standards, amendments to standards or interpretations which are mandatory for the financial year beginning 1 April 2011 that will have a material effect on Reinet's financial position.

4. SEGMENT INFORMATION

Segment reporting is prepared at the level of the Fund.

The Fund Manager makes the strategic resource allocations on behalf of the Fund.

The Fund considers its investment portfolio as three distinct segments, i.e. listed investments, unlisted investments and cash and liquid funds.

Returns on these investments consist of realised gains and losses, unrealised gains and losses, dividend income, carried interest and interest income.

The allocation of assets and liabilities between the segments is as follows:

		30 September 2011 € m		31 March 2011 € m
Assets				
Listed investments				
– BAT		2 678		2 387
– Other		2		7
Cash and liquid funds		157		236
Unlisted investments – long-term	437		319	
– held for sale	7	444	8	327
– receivables		8		–
Total segment assets		3 289		2 957
Liabilities				
Unlisted investments – deferred tax liability		5		1
– taxes payable		3		–
– accruals and provisions		2		–
– funding from minority partners		30		21
– borrowings		49		46
Total segment liabilities		89		68

All assets other than cash and liquid funds are held at fair value through profit or loss.

There were no transactions between reportable segments other than payment of cash to acquire new investments and receipt of sales proceeds for existing investments.

UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

4. SEGMENT INFORMATION (CONTINUED)

A reconciliation of reportable segments' assets to total assets is as follows:

	30 September 2011 € m	31 March 2011 € m
Total segment assets	3 289	2 957
Other assets	2	1
Total assets	3 291	2 958
Total segment liabilities	89	68
Other liabilities	17	102
Total liabilities	106	170

Income per segment is as follows:

		30 September 2011 € m		30 September 2010 € m
Listed investments				
– dividend	114		103	
– fair value adjustment	286	400	149	252
Cash and liquid funds				
– interest income		1		–
Unlisted investments				
– interest income	3		–	
– realised gains (losses)	15		–	
– fair value adjustment – assets	(2)		(1)	
– fair value adjustment – borrowings	5	21	–	(1)
Total segment income		422		251
Other income		2		–
Total income		424		251

Expenses and taxes cannot be allocated over the above segments.

5. FINANCIAL ASSETS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 September 2011 € m	31 March 2011 € m
Financial assets held at fair value through profit or loss – non-current		
Listed investments	2 680	2 394
Unlisted investments	437	319
Total financial assets held at fair value through profit or loss – non-current	3 117	2 713
Financial assets held at fair value through profit or loss – current		
Investment in euro-denominated government bond fund	82	183
Total financial assets at fair value through profit or loss	3 199	2 896

	30 September 2011 € m	30 September 2010 € m
Net changes in fair value of financial assets at fair value through profit or loss		
Realised	15	–
Unrealised	284	149
Total gains	299	149
Unrealised foreign exchange gain on borrowings	5	–
Net change in the fair value of financial assets and financial liabilities at fair value through profit or loss	304	149

The increase in listed investments is due to an unrealised gain of € 286 million in the period.

The increase in unlisted investments is due to additional investments of some € 116 million together with interest income of € 4 million and a net unrealised loss of € 2 million in the period.

The investment in the euro-denominated government bond fund decreased by € 101 million in the period, the funds were used to pay the performance and management fees due to the Investment Advisor.

The portfolio of the euro-denominated government bond fund as at 30 September 2011 and 31 March 2011 consisted of short-term (i.e. with maturities of less than one year) euro-denominated fixed and floating rate debt securities issued by western European governments. Distributions from this fund are included in dividend income. These instruments carry very low risk and provide daily liquidity. These investments are considered to be equity instruments categorised as financial assets at fair value through profit or loss. The value of the investment corresponds to the net asset value of the instruments held by the fund as it is the best indicator of the fair value at the balance sheet date.

UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

6. FUNDING FROM MINORITY PARTNERS

Where Reinet Fund owns 80 per cent of certain subsidiary companies, minority partners provide 20 per cent of the funding required in respect of the underlying investments. This funding is interest free and only repayable on realisation of the investments.

7. ACCRUALS AND PROVISIONS

	30 September 2011 € m	31 March 2011 € m
Accruals	4	3
Provision for performance fee	2	–
	6	3

As detailed in note 11, a pro-rata provision of € 2 million in respect of any performance fee which may become payable at 31 March 2012 has been made at 30 September 2011, reflecting the closing share price of € 11.80 on 30 September 2011.

8. DIVIDEND AND INVESTMENT INCOME

	30 September 2011 € m	30 September 2010 € m
Dividend and other investment income	114	103
Foreign exchange	2	(1)
	116	102

During the period ended 30 September 2011, Reinet Fund received a final dividend in respect of the 2010 financial year of € 77 million (£ 68 million) and an interim dividend for 2011 of € 37 million (£ 32 million) from BAT.

9. MANAGEMENT FEE, ADMINISTRATION FEE AND REIMBURSEMENT OF EXPENSES

The Company is managed by its General Partner. As detailed in note 11, the Company reimburses expenses incurred by the General Partner together with an annual administration fee equal to 10 per cent of such expenses. During the period ended 30 September 2011, the Company paid € 0.5 million (2010: € 0.4 million) to the General Partner in respect of the costs that it had incurred and the related administration fee.

The Company's wholly-owned subsidiary, Reinet Fund, is managed by the Fund Manager. As set out in note 11, Reinet Fund reimburses those expenses incurred by the Fund Manager. Amounts reimbursed to the Fund Manager are deducted from any management fees payable to the Investment Advisor by the Fund.

The management fee is payable to the Investment Advisor. As detailed in note 11, the management fee is calculated semi-annually based on the closing NAV at the end of the previous six-month period.

MANAGEMENT FEE	30 September 2011 € m	30 September 2010 € m
Investment Advisor	10	9
Fund Manager	2	2
Total management fee	12	11

UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

10. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period attributable to owners of the parent by the weighted average number of shares in issue during the period.

	Realised € m	Unrealised € m	30 September 2011 € m	30 September 2010 € m
Profit for the period	104	289	393	202
Weighted average number of ordinary shares in issue (millions of shares)	195.9	195.9	195.9	195.9
Earnings per share from profit for the period – basic and diluted (€ per share)	€ 0.53	€ 1.48	€ 2.01	€ 1.03

The Company has not issued any shares or other instruments that are considered to have dilutive potential. There were no movements in the period ended 30 September 2011.

The presentation of headline earnings per share, as an alternative measure of earnings per share, is mandated under the JSE Listing Requirements. It is calculated in accordance with Circular 8/2007 'Headline Earnings', as issued by the South African Institute of Chartered Accountants.

No adjustments were required in calculating headline earnings per share for the period.

	30 September 2011	30 September 2010
Unadjusted earnings per share	€ 2.01	€ 1.03
Headline earnings per share	€ 2.01	€ 1.03

11. RELATED-PARTY TRANSACTIONS

Reinet has a number of relationships and transactions with related parties, as defined by IAS 24, *Related-party transactions*, all of which are undertaken in the normal course of business.

Parties identified as related parties are:

FORMER PARENT COMPANY – COMPAGNIE FINANCIÈRE RICHEMONT S.A. ('CFR SA')

Although the management of Reinet is quite distinct from Richemont, a number of executives who have management responsibilities for Reinet through contracts with the General Partner and Fund Manager, continue to have executive roles in and are also employed by Richemont. CFR SA is not responsible in any way for the services provided by the executives concerned to Reinet.

SIGNIFICANT SHAREHOLDERS

Mr Johann Rupert, Chairman of the General Partner and the Fund Manager is a trustee of the Anton Rupert Trust.

Details of shareholdings by the Anton Rupert Trust and parties affiliated with it, including Mr Johann Rupert in his personal capacity, were provided in the Reinet Annual Report 2011. There have been no changes during the period under review.

On 6 May 2010, the Public Investment Corporation ('PIC'), a South African investment manager, notified the Company that it held 15.06 per cent of the shares and voting rights in the Company in the form of DRs.

On 2 February 2011, Allan Gray Limited notified the Company that accounts under its management held the equivalent of 5.01 per cent of the shares and voting rights in the Company in the form of DRs.

The Company is not aware of any other holdings in excess of 5 per cent of its issued capital.

MANAGEMENT AND ADVISORY COMPANIES

The Company is a partnership limited by shares ('société en commandite par actions') which is managed by the General Partner. The Company reimburses the General Partner for its expenses incurred in the ordinary course of business, including but not limited to the remuneration of its staff, taxes, rentals, directors' fees and any other disbursements and pays an annual administration fee equal to 10 per cent of such expenses.

The Company's wholly-owned subsidiary, Reinet Fund, is managed by the Fund Manager. Reinet Fund reimburses the Fund Manager for its expenses incurred in the ordinary course of business including but not limited to the remuneration of its staff, taxes, rentals, directors' fees and any other disbursements. Any such amounts payable to the Fund Manager are deductible from any management fees payable to the Investment Advisor in respect of any accounting period.

The Investment Advisor owns 834 900 shares of the Company as at 30 September 2011.

Under the terms of the Investment Advisory Agreement dated 9 October 2008 and the amendment dated 24 May 2010 between the Fund and the Investment Advisor, the Fund pays both management fees and performance fees to the Investment Advisor.

The management fee is payable to the Investment Advisor at a rate of 1 per cent per annum on the NAV of the Fund, excluding cash and interests in funds managed by third parties. It is calculated semi-annually based on the closing NAV at the end of the previous six-month period.

The management fee in respect of cash is calculated at a rate of one-quarter of 1 per cent per annum. No management fee is payable in respect of funds managed by third parties except where the fee payable to the third party has been negotiated to a level below 1 per cent per annum and below the level payable by other investors in a fund. In such circumstances, the difference between the fee payable to the third-party manager and 1 per cent is payable to the Investment Advisor.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

11. RELATED-PARTY TRANSACTIONS (CONTINUED)

Investments as a limited partner in funds under the management of a management company in which Reinet is an investor are not treated as being managed by third parties; the management fee is payable at 1 per cent per annum to the Investment Advisor. However, such a fee payable to the Investment Advisor is reduced by any management fee paid by the Fund to the management company, net of income received by Reinet on its investment in the management company in terms of its share of the management fees earned by (but not carried interest attributable to) the management company.

The performance fee in any period is calculated as 10 per cent of the Cumulative Total Shareholder Return at the end of the Performance Measurement Period (both terms being defined in the Reinet Prospectus, published on 10 October 2008), adjusted for all dividends and returns of capital to Reinet shareholders, less the sum of all performance fees paid in previous Performance Measurement Periods.

A performance fee of € 86 million was paid in May 2011, reflecting the appreciation in the Reinet share price over the period from 2008 to 31 March 2011. A performance fee will only be payable in respect of the current financial year if the volume weighted average closing price of the Reinet share on the Luxembourg Stock Exchange over the last 20 trading days of the current financial year exceeds that calculated on the same basis in respect of the financial year ended 31 March 2011 of € 11.6064.

A pro-rata provision of € 2 million in respect of any performance fee which may become payable at 31 March 2012 has been made at 30 September 2011, reflecting the closing share price of € 11.80 on 30 September 2011.

The General Partner, the Fund Manager and the Investment Advisor are controlled by Rupert family interests.

OTHER RELATED PARTIES

Reinet has also identified Remgro Limited, a public company incorporated in South Africa, as a related party. Mr Johann Rupert is the Chairman of Remgro Limited.

No fees were charged or paid to significant shareholders or to Remgro Limited during the period and no balances were outstanding with these parties at 30 September 2011.

12. CONTINGENT LIABILITIES

Contingent liabilities as at 30 September 2011 amounted to € 11 million.

13. CAPITAL COMMITMENTS

At 30 September 2011, Reinet had committed to invest a further € 355 million (31 March 2011: € 288 million) in unlisted investments.

14. SUBSEQUENT EVENTS

There have been no events subsequent to 30 September 2011, which would have any material impact on these interim consolidated financial statements.

EXCHANGE RATES AND SHARE INFORMATION

EXCHANGE RATES AGAINST THE EURO

	Six months to 30 September 2011	Six months to 30 September 2010
Average for the period		
pound sterling	0.8800	0.8431
U.S. dollar	1.4263	1.2829
Swiss franc	1.2078	1.3708
South African rand	9.9377	9.5222

	As at 30 September 2011	As at 31 March 2011
Closing – as at the end of the period		
pound sterling	0.8590	0.8836
U.S. dollar	1.3386	1.4167
Swiss franc	1.2158	1.3014
South African rand	10.8421	9.5936

SHARE 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. The South African Depository Receipts are included in the JSE 'Top 40' Share Index.

As at 30 September 2011 and 31 March 2011 there were 195 942 286 shares in issue.

STATUTORY INFORMATION

REGISTERED OFFICE

REINET INVESTMENTS S.C.A.
35, boulevard Prince Henri
L-1724 Luxembourg
Grand Duchy of Luxembourg
Telephone: +352 22 42 10

REGISTERED NUMBER

Reinet Investments, Société en commandite par actions
Registre de commerce et des sociétés, Luxembourg B 16.576

GENERAL PARTNER

REINET INVESTMENTS MANAGER S.A.
35, boulevard Prince Henri
L-1724 Luxembourg
Grand Duchy of Luxembourg
Telephone: +352 22 42 10

CUSTODIAN

BANQUE DE LUXEMBOURG S.A.
14, boulevard Royal
L-2449 Luxembourg
Grand Duchy of Luxembourg

REGISTRAR AND PAYING AGENT

EUROPEAN FUND ADMINISTRATION S.A.
2, rue d'Alsace
P.O. Box 1725
L-1017 Luxembourg
Grand Duchy of Luxembourg

REVISEUR D'ENTREPRISES AGRÉÉ

PRICEWATERHOUSECOOPERS S.À R.L.
400, route d'Esch
B.P. 1443
L-1014 Luxembourg
Grand Duchy of Luxembourg

FURTHER INFORMATION

Internet site: www.reinet.com

Email: info@reinet.com

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