

5th June 2006

RIO Prestige Performance Fund update

May was yet another successful month for the fund which posted a further gain of 2.92 % - the total gain since August'05 now stands at 23.82% - (see attached graph) with the main holding of the fund RIO Prestige Performance UK Ltd going from strength to strength.

RIO Prestige Performance UK Ltd is also proud to announce that the launch of their new private members club - RIO Prestige Members Club (**RPM Club**), the club that opens the door to the almost unobtainable i.e. vehicles such as the Paganì Zonda and Koenigsegg - has met with a mass of enquires. In fact two people were so keen that they insisted in becoming members immediately and actually flew to Scotland just to view the fleet. Having arrived in Edinburgh and been interviewed by Rio staff both parties paid the membership fee of £7,500 that day. In addition to the membership fees one RPM member decided to hire out the Zonda right there and then, and the vehicle was put out on hire for the weekend notching up another £5,000. A total of £19,000 for the weekend on top of the nine vehicles out on standard hire contracts over the same weekend has ensured a good start to June. 80% of the fleet is already booked for the weekend of the Le Mans 24 hours race on 17th/18th June.

This makes last weekend the busiest weekend this year with booking very strong throughout July and August the (summer season).

The best news is that RIO Prestige has already post paid for our TV marketing campaign which will be aired from 10th June having booked advertising space to run during World Cup match half time intervals. This will be the largest male audience viewing of our TV commercial since the incorporation of RIO Prestige; it will be interesting to see the outcome of this campaign. With the Goodwood Festival of Speed taking place on the 7, 8, 9 July at the end of the football tournament we would be inclined to forecast a further upturn in business for RIO Prestige.

Option's Account

USDJPY

Yen strengthened on the day following the decline in US employment data with previous mutual fund buying for overseas operations disappearing and opening the currency pair up for a precipitous decline through the key 112 figure. Heading into the midday and afternoon trading, notable bids were taken by US investment banks, propping the pair up heading into the week's close.

William Gray.
Executive Chairman