

13th June 2006

RIO Prestige Performance Fund

This fund has produced nine consecutive gaining months since August 05 with a total gain of 23.98% during this period. With only 1.02% remaining to achieve its 12 month target return of 25% set back in August 05, the fund will outperform its target return. Any member interested in investing in this fund should contact us immediately as the underlying assets of the fund look to be exhibiting strong growth signals. I will soon fly to the UK to oversee the final stages of staff recruitment for RIO Prestige Performance UK Ltd - the staffs are a crucial part of this companies continued success. I will also assist them with the marketing of RPM membership at the Goodwood Festival of Speed due to the opportunity that this unique event provides. I will be in several meetings with the staff, both old and new, on the expansion of RIO Prestige Performance UK Ltd into the English market and the corresponding benefits for the Fund. Also scheduled are meetings with corporate accountants in association to the above.

A brief look at the funds main holding - RIO Prestige Performance UK Ltd

1. May 06 rental figures were the best this year, in fact since October 2005.
2. This rental trend continued during the first week of June 06 which became the best week in rental terms for the year to date.
3. RIO takes delivery of a new 2006 Lamborghini Gallardo tomorrow. Their current 04 Lamborghini Gallardo has been accepted as part exchange. The unit exchanged has covered 14,000 miles and was one of RIO's busiest vehicles, originally acquired in January 05 for £93,500 direct from Lamborghini London; it proved to be a valuable asset for RIO Prestige Performance (UK) Ltd producing 65 Self drive hires since its acquisition. Lamborghini London took the vehicle into stock at £82,500 as part exchange on the new vehicle. One important reason for this trade was that the factory warranty on the 04 expired during May 06 and the vehicles residual value (based on mileage and condition) had reached the optimum time for resale purposes.
4. RIO takes delivery of a new specialised DAF vehicle transporter next week - this replaces the covered trailer which has been sold. This lorry will save both time and money; loading times are reduced, it can legally travel at higher speeds on the road, fuel and maintenance costs are lower – and it's also an excellent moving advertisement.
5. RIO UK is currently recruiting new office staff due to the volume of self drive hire enquires which are steadily increasing.
6. RIO takes delivery of their second new Lamborghini Gallardo shortly - this time a roadster, This is Lamborghini's latest new model ordered by RIO last year and not surprisingly it is in great demand. RIO already has several bookings on this unit which is scheduled to arrive during the first week of July.
The market demand for this particular vehicle is excellent in fact RIO UK were offered a £20,000 premium last week by a dealer who wished to buy this unit, which incidentally they refused.
7. RIO Prestige performance UK Ltd's fleet continues to hold the added advantage of being one of the most modern, up to date fleets of prestige vehicles available in the self drive market; this gives them the competitive edge.

8. RIO Prestige is to host its biggest show yet at The Goodwood Festival of Speed during 7, 8, and 9 July. In conjunction with their largest TV campaign to date, this commercial will air during interval times of the World Cup Final matches, the viewing numbers for RIO's advert will be enormous and web traffic will increase dramatically.
9. RIO Prestige has launched the Rio Prestige Members Club (RPM Club) a private members club, which is set to be one of the most exclusive motoring clubs in the UK before the end of this year. This will bring the right type of client to RIO Prestige for the successful promotion of their very rare vehicles such as the Zonda and Koenigsegg that RIO Prestige is becoming known for, due to the phenomenal free press reports in the UK on this topic.
10. The self drive enquires received by RIO over the past 18 months clearly show that our customers prefer the newest models, which is why RIO Prestige took the initiative to order several new models last year most of which have already arrived. This policy has proved to be successful with a strong increase in bookings for this year and we have already placed orders for new models which will be launched during 2007 and 2008 by Aston Martin, Ferrari and Bentley.

The above will allow the continued expansion of the RIO Prestige Performance Fund; this Fund will continue to invest in the above company which is experiencing a rapid ascent to the top of the industry in the UK. RIO Prestige Performance UK Ltd has yet to take delivery of a further three replacement vehicles this year with five more new units on order for spring 2007. RIO Prestige has already launched their private club and plan to expand the RPM private Club membership numbers to 75 by July 2007 - one benefit will be the added revenue for the company from membership fees which are set at £7,500 each. There will be further revenue from rental by the RPM members' of the exclusive vehicles such as the Zonda and Koenigsegg at £3,500 per day further bolstering the company's income. The expansion plans don't stop there - RIO Prestige are currently completing final reviews for the opening of an English branch which they plan to open during 2007. With these two branches fully stocked they will almost certainly dominate the market in the UK as the premier provider of high performance self drive car hire in the UK.

William Gray.
Executive Chairman