



**PRESS RELEASE**  
Regulated Information

**RHJ INTERNATIONAL REPORTS FIRST TRADING UPDATE FOR THE FISCAL  
YEAR ENDING MARCH 31, 2010**

Brussels, August 19, 2009 – RHJ International (the “Company”) today issued its first trading update for the fiscal year ending March 31, 2010, in accordance with the Royal Decree of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market.

**1. Portfolio as of July 31, 2009**

The evolution of the Company’s portfolio since March 31, 2009, can be summarized as follows:

*(In JPY millions)*

|                                                                            | March 31,<br>2009 | Additions     | Disposals       | Fair value<br>adjustments | July 31, 2009  |
|----------------------------------------------------------------------------|-------------------|---------------|-----------------|---------------------------|----------------|
| <b>Investments in subsidiaries - At cost less impairment</b>               |                   |               |                 |                           |                |
| Asahi Tec                                                                  | 14,000            | -             | -               | -                         | 14,000         |
| CME                                                                        | 3,000             | -             | -               | -                         | 3,000          |
| Honsel                                                                     | -                 | 6,648         | -               | -                         | 6,648          |
| Niles                                                                      | 16,619            | 3,500         | -               | -                         | 20,119         |
| Phoenix Seagaia Resort                                                     | 5,500             | -             | -               | -                         | 5,500          |
|                                                                            | <b>39,119</b>     | <b>10,148</b> | -               | -                         | <b>49,267</b>  |
| <b>Investments in equity accounted investees - At cost less impairment</b> |                   |               |                 |                           | -              |
| Shaklee                                                                    | 6,470             | -             | -               | -                         | 6,470          |
| SigmaXYZ                                                                   | 1,085             | -             | -               | -                         | 1,085          |
| U-shin                                                                     | 3,200             | -             | -               | -                         | 3,200          |
|                                                                            | <b>10,755</b>     | -             | -               | -                         | <b>10,755</b>  |
| <b>Other investments - At fair value</b>                                   | <b>6,082</b>      | -             | <b>(3,130)</b>  | <b>671</b>                | <b>3,623</b>   |
| <b>Total investments</b>                                                   | <b>55,956</b>     | <b>10,148</b> | <b>(3,130)</b>  | <b>671</b>                | <b>63,645</b>  |
| <b>Cash and cash equivalents (parent company only)</b>                     | <b>58,726</b>     | -             | <b>(7,340)</b>  | -                         | <b>51,386</b>  |
| <b>Loans</b>                                                               | <b>4,945</b>      | <b>665</b>    | <b>(284)</b>    | <b>134</b>                | <b>5,460</b>   |
| <b>Total portfolio</b>                                                     | <b>119,627</b>    | <b>10,813</b> | <b>(10,754)</b> | <b>805</b>                | <b>120,491</b> |
| <b>Book value per share (in JPY)</b>                                       | <b>1,398</b>      | <b>126</b>    | <b>(125)</b>    | <b>9</b>                  | <b>1,408</b>   |

(In EUR millions)

|                                                              | March 31,<br>2009 | Additions   | Disposals     | Fair value<br>adjustments | July 31, 2009 |
|--------------------------------------------------------------|-------------------|-------------|---------------|---------------------------|---------------|
| <b>Investments in subsidiaries - At cost less impairment</b> |                   |             |               |                           |               |
| Asahi Tec                                                    | 103.5             | -           | -             | -                         | 103.5         |
| CME                                                          | 22.2              | -           | -             | -                         | 22.2          |
| Honsel                                                       | -                 | 49.1        | -             | -                         | 49.1          |
| Niles                                                        | 122.8             | 25.9        | -             | -                         | 148.7         |
| Phoenix Seagaia Resort                                       | 40.6              | -           | -             | -                         | 40.6          |
|                                                              | <b>289.1</b>      | <b>75.0</b> | -             | -                         | <b>364.1</b>  |
| <b>Investments in associates - At cost less impairment</b>   |                   |             |               |                           | -             |
| Shaklee                                                      | 47.8              | -           | -             | -                         | 47.8          |
| SigmaXYZ                                                     | 8.0               | -           | -             | -                         | 8.0           |
| U-shin                                                       | 23.6              | -           | -             | -                         | 23.6          |
|                                                              | <b>79.5</b>       | -           | -             | -                         | <b>79.5</b>   |
| <b>Other investments - At fair value</b>                     | <b>44.9</b>       | -           | <b>(23.1)</b> | <b>5.0</b>                | <b>26.8</b>   |
| <b>Total investments</b>                                     | <b>413.5</b>      | <b>75.0</b> | <b>(23.1)</b> | <b>5.0</b>                | <b>470.3</b>  |
| <b>Cash and cash equivalents (parent company only)</b>       | <b>433.9</b>      | -           | <b>(54.2)</b> | -                         | <b>379.7</b>  |
| <b>Loans</b>                                                 | <b>36.5</b>       | <b>4.9</b>  | <b>(2.1)</b>  | <b>1.0</b>                | <b>40.3</b>   |
| <b>Total portfolio</b>                                       | <b>884.0</b>      | <b>79.9</b> | <b>(79.5)</b> | <b>5.9</b>                | <b>890.3</b>  |
| <b>Book value per share (in EUR)</b>                         | <b>10.3</b>       | <b>0.9</b>  | <b>(0.9)</b>  | <b>0.1</b>                | <b>10.4</b>   |

The Company's functional currency is the Japanese Yen. All financial information has been translated for convenience into Euros using the exchange rate prevailing at July 31, 2009 (EUR/JPY = 135.33).

The increase in investments in subsidiaries is attributable to additional capital invested in Niles (JPY 3,500 million or EUR 25.9 million) and in Honsel (JPY 6,648 million or EUR 49.1 million), respectively.

Other investments consisted of certain non-controlling ownership interests and certain undisclosed investments. The non-controlling ownership interests are "available-for-sale financial assets", and are reported above at fair market value. The decrease since March 31, 2009, resulted from the partial sale of the Company's stake in Commercial International Bank (Egypt) SAE ("CIB"). On July 8, 2009, the Company sold 63% of its shares in CIB for JPY 4,934 million or EUR 36.5 million, representing a capital gain of 107% over the initial purchase price. The remaining 3.5 million shares are valued at JPY 2,894 million or EUR 21.4 million, based on CIB's publicly traded market price of July 31, 2009.

The values of the Company's investments in subsidiaries and associated companies are based on the book values as reflected in the Company's non-consolidated financial statements for the fiscal year ended March 31, 2009, and reflect the lower of their cost or their future recoverable amount. The Company recorded significant impairment charges at March 31, 2009 to reflect the impact of the economic downturn on the future recoverable amount of its investments. At July 31, 2009, the Company did not review the recoverable amount of its investments. The Company will perform such a review when preparing the interim financial statements for the 6 months ending September 30, 2009, which may result in the recognition of additional impairment charges or the reversal of previously recognized impairment charges in the event the reasons underlying the impairment would no longer be valid.

The Company's non-consolidated cash at July 31, 2009, amounted to approximately JPY 51,386 million (EUR 379.7 million), compared to JPY 58,726 million (EUR 433.9 million) at March 31, 2009. The decrease mainly resulted from (a) the cash outflow in connection to above mentioned investments (JPY 10,148 million or EUR 75 million), (b) the completion of the share repurchase program of 2% of total shares outstanding (JPY 522 million or EUR 3.9 million), (c) a liquidity facility of JPY 665 million or EUR 5 million granted to Honsel AG as part of the financial restructuring, partly offset by (d) the partial sale of the stake in CIB (JPY 4,934 million or EUR 36.5 million).

## 2. Portfolio highlights



Headquarters: Japan

Industry: Automotive Components – Cast Auto Parts Segment

Tokyo Stock Exchange ticker: 5606.T

Total Shares Outstanding: 476,717,658

RHJI ownership as of July 31, 2009: 60.1% (286,314,061 shares)

Closing share price on March 31, 2008: JPY 88

Closing share price on March 31, 2009: JPY 35

Closing share price on July 31, 2009: JPY 46

- Continuous low production levels resulting from a declining demand for trucks and passenger cars as well as for construction machinery have kept Asahi Tec's order intake and sales under pressure. The continued weakness triggered additional cost saving initiatives and further measures to improve the productivity.
- Asahi Tec is focussed on mitigating the impact of continuously low volumes and under-utilized manufacturing capacity on its liquidity through several actions, including adjustments to the capital expenditure.
- At June 30, 2009, Asahi Tec was in breach of certain financial covenants under its credit agreements, but obtained a waiver from its lenders. Asahi Tec may breach covenants again for the remaining quarters of the fiscal year ending March 31, 2010, in which case it will seek further waivers from its lenders. In the event that Asahi Tec were not successful in obtaining such waivers, it would be in default of its obligations under its credit agreements, which would cast significant doubt on its ability to operate as a going concern.
- Following the filing for bankruptcy protection by Asahi Tec's US based subsidiary Metaldyne and given that Asahi Tec's was not in a position to provide further financial support to Metaldyne for having to focus on its own needs, the Company entered into a

purchase agreement to purchase a majority of Metaldyne's assets under a court-supervised sales process pursuant to section 363 of the US Bankruptcy Code. However, the purchase agreement was not approved by the bankruptcy court and has terminated on July 27, 2009. Under the Section 363 process, interested parties have an opportunity to submit better and higher offers for the Metaldyne assets, but the Company decided not to participate in the sale auction that was held on August 5, 2009. The deconsolidation of Metaldyne as from May 27, 2009, will result in a gain of approximately JPY 8,500 million for the fiscal year ended March 31, 2010.

- Asahi Tec maintained its previously disclosed outlook for the fiscal year ending March 31, 2010. According to its management's forecasts prepared under J-GAAP, consolidated sales and the operating loss are projected at JPY 60,200 million and JPY 300 million, respectively.



Headquarters: Luxemburg

Industry: Automotive Components – Cast Auto Parts Segment

Privately Held

RHJI ownership as of July 31, 2009: 51.1%

- While Honsel's order intake and production volumes further contracted in May and April as demand for passenger cars remained depressed, slight increases in sales were recorded in June and July.
- Honsel completed its financial restructuring on July 22, 2009. As part of the restructuring, the Company invested EUR 50 million in exchange for a controlling 51.1% stake in Honsel. The remaining 48.9% of the group is held by Honsel's former senior term lenders following a debt-for-equity swap, which resulted in HIT's and Honsel's total outstanding secured term debt of approximately EUR 510 million being reduced to EUR 140 million, consisting of EUR 110 million senior term loan and EUR 30 million mezzanine term loan, all of which was, on completion of the financial restructuring, held by Honsel's former senior term lenders. Honsel's other existing funding arrangements, including its EUR 40 million revolving credit facility, its EUR 20 million of factoring and leaseback facility from RHJI and EUR 30 million of term loans from certain of Honsel's key customers and suppliers, remained in place.

- In addition to the newly injected capital, the Company provided a liquidity facility of up to EUR 10 million, of which EUR 5 million is drawn, and committed to a senior secured back-stop facility of EUR 10 million, which is undrawn to date. Honsel may seek to replace this backstop facility with a third party facility.
- Following the financial restructuring, the shares of Honsel which were previously held by Honsel International Technologies (“HIT”), are now held by a newly created holding company, Shelon Holdings SA, registered in Luxembourg, in which the Company holds 51.1 %.
- The Company’s capital injection of EUR 50 million enabled Honsel to implement a drastic operational restructuring designed to align costs with reduced order and production volumes. The operational restructuring included a labor agreement that will contribute to the improvement of Honsel’s financial performance, starting August 1, 2009.



Headquarters: Japan

Industry: Automotive Components – Electronics Components Segment

Privately Held

RHJI ownership as of July 31, 2009: 77.3%

- On May 20, 2009, Niles bolstered its capital structure through a total capital injection of JPY 6 billion of which JPY 3.5 billion was provided by the Company and JPY 2.5 billion by a third party, which resulted in the Company's ownership being reduced from 96.4% to 77.3%. Part of the proceeds was used to repay JPY 2.5 billion of short-term debt that was previously secured by a cash deposit from the Company. Furthermore, syndicate lenders agreed on a refinancing of the existing debt structure with new bullet loans maturing in June 2011.
- Following the successful capital restructuring, Niles operating performance was in line with expectations that were based on what Niles’ management believes to be a conservative outlook for the passenger car industry.
- On August 5, 2009, Niles signed an agreement to sell Fuji Electronics Industries, a subsidiary acquired in April 2006. Fuji Electronics Industries was sold for JPY 1,548 million, resulting in a capital gain of JPY 194 million. Niles’ management believes that the transaction will help the company to focus on the core business and that the strengthened cash position is essential in times of economic uncertainty.



Headquarters: Japan

Industry: Media and Entertainment – Music Entertainment Segment

Tokyo Stock Exchange ticker: 6791.T

Total Shares Outstanding: 260,870,117

RHJI ownership as of July 31, 2009: 25.5% (66,503,000 shares)

Closing share price on March 31, 2008: JPY 60

Closing share price on March 31, 2009: JPY 23

Closing share price on July 31, 2009: JPY 44

- CME reported net sales for the quarter ended June 30, 2009, which were 8.3% below last year. Increasing sales of in-house produced titles were offset by declining sales of CME's custom sales division, Creative Core and the Press & Distribution segment. CME however maintained its focus on structural reforms and sustained cost saving initiatives, which enabled it to reduce losses compared to the first quarter of last fiscal year.
- In addition to the structural reforms, which aim at (a) focusing on profitable business with high market share, (b) a simplification of the organizational structure and (c) reducing headcount, CME restructured its pension plan, which showed a significant deficit as a result of the poor performance of plan assets. The majority of the plan's participants accepted the offer of a lump sum payment in lieu of future pension annuities, thus reducing CME's pension obligation by JPY 800 million.
- CME confirmed its outlook for the fiscal year ending March 31, 2009, which included sales of JPY 18,500 million, operating profit of JPY 100 million and net profit of JPY 400 million. Despite the extra-ordinary gain associated with the reduced pension obligation, the projected net income has not been increased as CME may have to record additional impairment charges on certain intangible assets.



Headquarters: Japan

Industry: Hospitality Segment

Privately Held

RHJI ownership as of July 31, 2009: 100.0%

- The overall tourist market remained weak, but certain stimulus initiatives such as alleviated highway toll had a positive impact on the local tourist inflow.

- Phoenix Seagaia Resort's corporate segment, focused on meetings, incentive packages and corporate events, remained under pressure as most companies are tightening cost budgets given current economic circumstances and an uncertain economic outlook.
- Rigorous cost control and constant adjustment to a changing economic reality is required to achieve improved profitability compared to the fiscal year ended March 31, 2009.
- The balance drawn under the intercompany revolving credit facility remained at JPY 400 million, unchanged compared to March 31, 2009.

**About RHJ International:**

RHJ International (Euronext: RHJI) is a limited liability company incorporated under the laws of Belgium, having its registered office at Avenue Louise 326, 1050 Brussels, Belgium. It is a diversified holding company focused on creating long-term value for its shareholders by acquiring and operating businesses. For further information visit: [www.rhji.com](http://www.rhji.com).

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*This press release contains certain forward-looking statements concerning the Company's operations, economic performance and financial condition. Such forward-looking statements are based on management's current expectations, estimates and projections and are subject to a number of assumptions and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The Company has no obligation to publicly update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this press release.*