

Settlement completion

R.E.A.Hldgs PLC 21 February 2006 R.E.A. Holdings plc ("REA") Completion of litigation settlement REA announces that the agreement (the "settlement agreement") made on 23 January 2006 (and announced on 24 January 2006) between REA and certain of its subsidiaries and directors of the one part (the "REA parties") and Mr M E Zukerman and connected parties of the other part (the "Zukerman parties") has been completed. At completion, a total of \$6 million was paid in cash by REA's subsidiary, PT REA Kaltim Plantations ("REA Kaltim"), to certain of the Zukerman parties as additional interest on former loans to REA Kaltim from certain of the Zukerman parties and in settlement of various claims by one of the Zukerman parties against REA Kaltim for fees in respect of past services and financial support. At the same time, REA acquired all of the issued shares hitherto owned by the Zukerman parties in REA's subsidiary, Makassar Investments Limited, for a consideration comprising the issue of \$19 million nominal of 7.5 per cent dollar notes 2012/14 of REA ("new dollar notes"). The completion of the settlement agreement has resulted in the release of all actual and potential claims relating to Makassar and REA Kaltim between the Zukerman parties and the REA parties. The action commenced in New York in November 2001 by certain of the Zukerman parties against certain of the REA parties is being discontinued with each side bearing its own costs. The completion of the settlement agreement has also resulted in the agreement announced on 14 February 2006 for the issue by REA of 1,372,000 ordinary shares of 25p each ("new ordinary shares") for cash at a price of 260p per share pursuant to a placing becoming unconditional save as respects admission of the new ordinary shares to the Official List of the Financial Services Authority and to trading on the London Stock Exchange's market for listed securities. It is expected that admission of the new dollar notes and new ordinary shares referred to above will become effective and that dealings in such new dollar notes and new ordinary shares will commence on 22 February 2005. This information is provided by RNS The company news service from the London Stock Exchange