

Placing and crop update

R.E.A.Hldgs PLC 02 May 2007 R.E.A. Holdings plc ("REA") Placing and crop update REA announces that, pursuant to a placing agreement dated 1 May 2007, Mirabaud Securities Limited has placed on behalf of REA a total of 1,500,000 new ordinary shares of REA (the "placing shares") with a limited number of institutional investors at a price of 450p per share. The placing is conditional upon admission of the placing 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 will become effective and that dealings in the placing shares will commence on 8 May 2007. The placing shares will upon issue rank pari passu in all respect with the existing ordinary shares of REA. The proceeds from the placing shares are estimated to amount to £6.5 million (net of expenses of £250,000). These monies will be applied towards meeting the further funding that the REA group is likely to require beyond 2007 if, as the directors of REA hope will be the case, the group's extension planting of oil palms continues at a high level. It was announced on 25 April 2007 that the fresh fruit bunch crop to the end of March 2007 was approximately 9,000 tonnes below budget. The position at the end of April showed an improvement with the deficit on budget reduced to some 5,000 tonnes. It remains the case that, as the monthly phasing of each year's crop varies from year to year, a deficit against budget in crops harvested in the early months of the year should not be taken as indicating a likelihood that the fresh fruit bunch crop for 2007 as a whole will be below budget. This information is provided by RNS The company news service from the London Stock Exchange