

DRAFT / Confidential

EETI Quarterly Review

QUARTER ENDED 30/06/2013

July 2013

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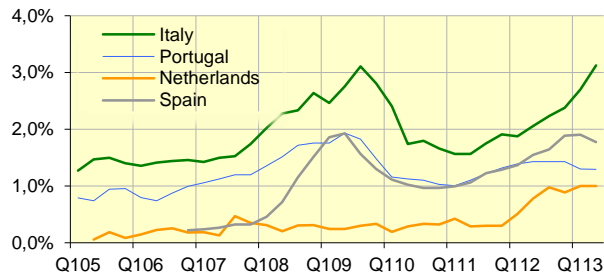
1 EUROPEAN ABS / RMBS ACTIVITY AND PERFORMANCE

Prime European RMBS performance overview

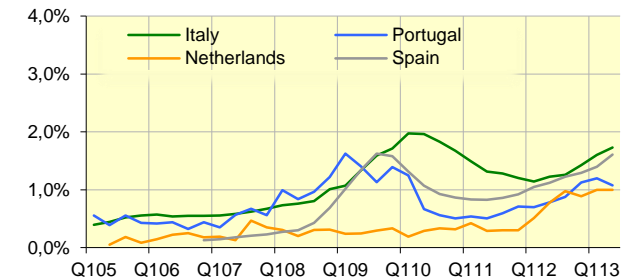
- ▶ Collateral performance of European RMBS, notably in southern Europe, remains weak with no prospect of a sustained improvement in the short term.

Prime RMBS

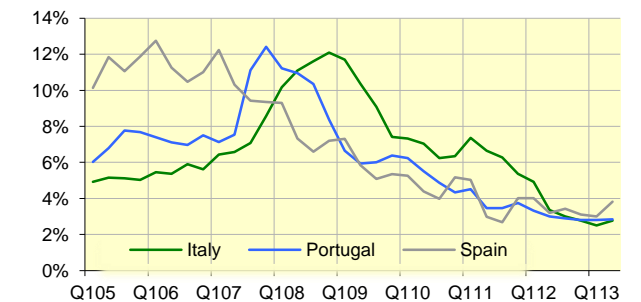
3-12 months arrears



Default Rates (CDR)



Prepayment Rates (CPR)

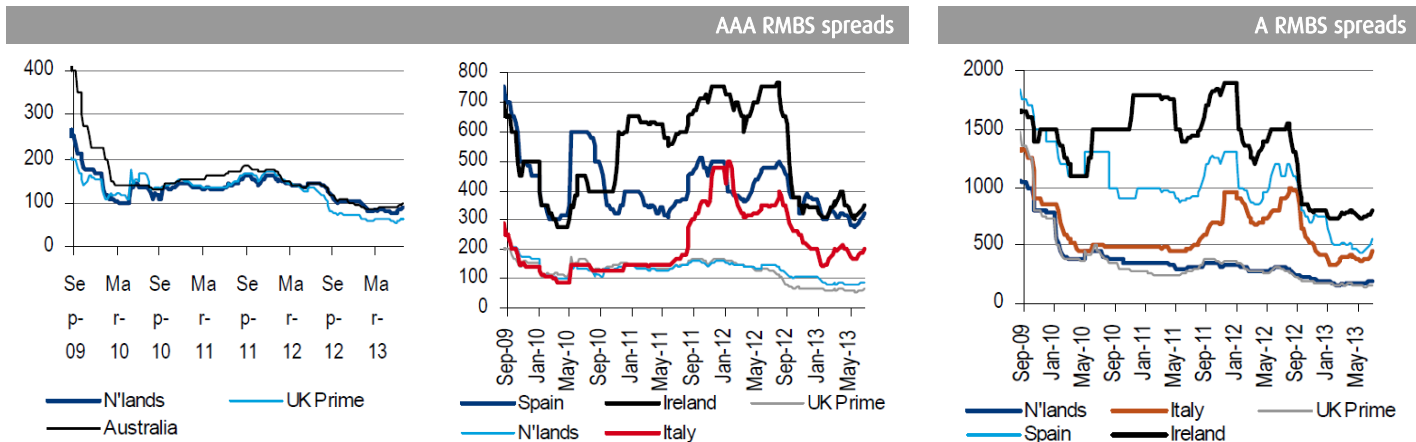


Note: Indices based on own data collection of a broad sample of seasoned RMBS transactions.
 Source: Trustee reports and Cartesia.

European ABS / RMBS market activity

- ▶ ABS markets rallied for the most part of the quarter across Europe and at all levels of the capital structure. Signs of a withdrawal of quantitative easing in the US and renewed questions on the sustainability of sovereign debt in the Euro periphery have impacted spread levels in the last weeks of June, alongside all risk assets.
- ▶ At the time of writing, market levels are as follows:
 - Top UK/Dutch AAAs are trading close to EUR3M + 100bps (5-year maturity), 10-15 bps off year highs;
 - Italian, Spanish and Portuguese first-pay / seniors are trading at EUR3M + 275-400 bps, up close to 50 bps over the past weeks.

EVOLUTION OF RMBS SPREADS OVER EUR3M



Source: Merrill Lynch BOA for 3-5 year WAL bonds.

2 PORTFOLIO PERFORMANCE

A. Cash Flow

Cash flow receipts for the quarter ended 30/06/2013

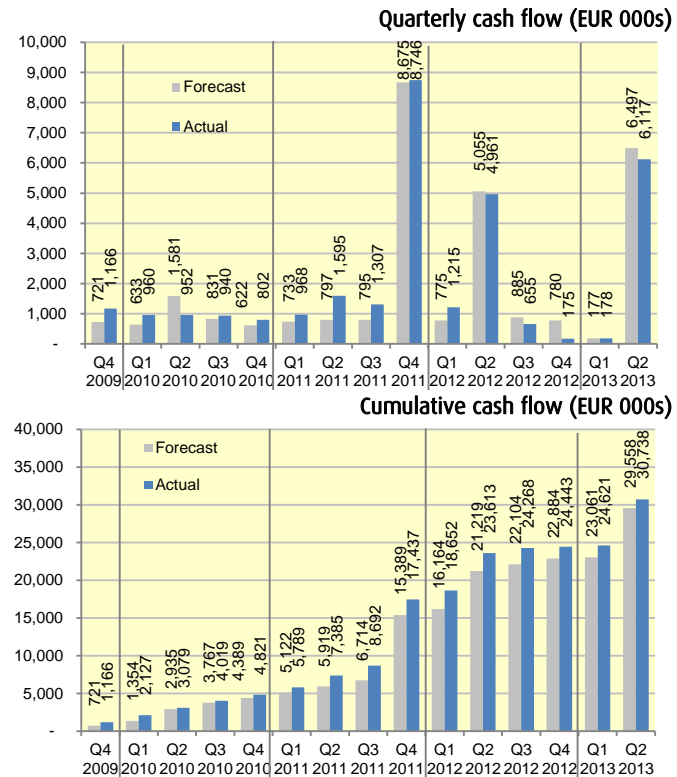
- ▶ Quarterly cash flow amounted to EUR 6,116k, deriving mainly from the sale of the Semper 2006-1 position. No cash flows were received from the Lusitano 3 residual and the Pastor 2 second loss.

Cash flow receipt for the quarter ended 30/06/2013

(EUR)

Transactions	Q2 2013		
	Actual	Forecast	Delta
Lusitano 3	-	236,695	(236,695)
Lusitano 5	-	-	-
Pastor 2	-	7,077	(7,077)
Pastor 3	-	-	-
Pastor 4	-	-	-
Pastor 5	-	-	-
Sestante 4 A1	12,586	11,757	830
Gems	11,615	11,375	240
Semper	6,092,670	156,144	5,936,526
Minotaure	-	-	-
Ludgate	-	-	-
TOTAL	6,116,871	423,047	5,693,824

Actual vs. forecast since Q4 2009



Forecast cash flow

Forecast cash flow from Q3 2013 onwards

(EUR 000s)				
Period	Yearly CF	Cumulative CF	% Total	Cumulative % Total
Q3-4 2013	464	464	1.0%	1.0%
2014	704	1,168	1.6%	2.6%
2015	5,713	6,881	12.6%	15.2%
2016	2,214	9,095	4.9%	20.1%
2017	3,236	12,331	7.2%	27.2%
2018	1,236	13,567	2.7%	30.0%
2019	6,115	19,683	13.5%	43.5%
2020	3,352	23,035	7.4%	50.9%
2021	4,951	27,986	10.9%	61.8%
2022	1,290	29,275	2.8%	64.7%
Beyond	15,982	45,258	35.3%	100.0%
TOTAL	45,258		100.0%	

Total forecast cash flow of
EUR 45.3m until maturity

Forecast cash flow (cont'd)

(EUR 000s)	Spain				Portugal		Italy	Germany		France	TOTAL EETI		
	Pastor 2	Pastor 3	Pastor 4	Pastor 5	Lusitano 3	Lusitano 5	Sestante 4	Gems	Semper	Minotaure	Qtly	Annual	Cumulative
HISTORICAL													
Q4 2009	430	-	-	-	34	75	-	19	148	210	1,166		
Q1 2010	337	-	-	-	-	0	-	18	146	190	960		
Q2 2010	235	-	-	-	75	-	-	17	148	233	952		
Q3 2010	59	-	-	-	205	-	-	18	150	264	940		
Q4 2010	160	-	-	-	-	-	-	20	150	216	802	3,655	
Q1 2011	316	-	-	-	85	-	-	22	151	132	968		
Q2 2011	385	-	-	-	529	-	25	23	158	214	1,595		
Q3 2011	222	-	-	-	350	-	25	27	163	249	1,307		
Q4 2011	169	-	-	-	273	-	19	28	162	177	8,746	12,616	
Q1 2012	235	-	-	-	487	-	20	27	159	189	1,215		
Q2 2012	170	-	-	-	388	-	15	22	149	134	4,961		
Q3 2012	91	-	-	-	282	-	14	17	147	99	655		
Q4 2012	7	-	-	-	-	-	11	12	139	-	175	7,006	
Q1 2013	7	-	-	-	5	-	11	11	137	-	178		
Q22013	-	-	-	-	-	-	13	12	6,093	-	6,117		
FORECAST													
Sum CF	5,392	865	8,624	5,595	9,283	7,473	184	4,728	-	3,115	45,258		
% Total	11.9%	1.9%	19.1%	12.4%	20.5%	16.5%	0.4%	10.4%	0.0%	6.9%	100.0%		
Q3 2013	1	7	-	-	267	-	12	11	-	-	297		297
Q4 2013	2	8	-	-	136	-	11	12	-	-	167	464	464
Q1 2014	3	9	-	-	247	-	11	13	-	-	279		744
Q2 2014	4	10	-	-	105	-	11	14	-	-	140		884
Q3 2014	5	10	-	-	106	-	11	14	-	-	141		1,024
Q4 2014	6	11	-	-	107	-	11	15	-	-	144	704	1,168
Q1 2015	7	11	-	-	249	-	11	4,649	-	-	4,919		6,088
Q2 2015	8	12	-	-	144	-	11	-	-	-	166		6,254
Q3 2015	9	12	-	-	152	-	10	-	-	-	175		6,429
Q4 2015	10	12	-	-	430	-	10	-	-	-	452	5,713	6,881
Q1 2016	11	12	-	-	437	-	10	-	-	-	459		7,340
Q2 2016	12	14	-	-	563	-	10	-	-	-	587		7,927
Q3 2016	13	14	-	-	565	-	10	-	-	-	589		8,517
Q4 2016	14	14	-	-	554	-	10	-	-	-	578	2,214	9,095
Q1 2017	15	14	-	-	558	504	10	-	-	-	1,086		10,181
Q2 2017	16	17	-	-	168	1,278	9	-	-	-	1,473		11,654
Q3 2017	17	17	-	-	173	150	9	-	-	-	349		12,003
Q4 2017	18	17	-	-	155	150	6	-	-	-	328	3,236	12,331
Q1 2018	19	17	-	-	163	151	-	-	-	-	331		12,662
Q2 2018	20	20	-	-	160	150	-	-	-	-	330		12,992
Q3 2018	21	23	-	-	127	146	-	-	-	-	296		13,288
Q4 2018	22	23	-	-	109	148	-	-	-	-	279	1,236	13,567
Q1 2019	23	22	-	-	116	148	-	-	-	-	287		13,854
Q2 2019	24	22	-	-	115	146	-	-	-	-	283		14,137
Q3 2019	25	23	-	-	119	140	-	-	-	-	281		14,418
Q4 2019	26	5,023	-	-	102	140	-	-	-	-	5,264	6,115	19,683
Q1 2020	27	-	-	-	109	140	-	-	-	-	249		19,932
Q2 2020	28	-	-	-	107	140	-	-	-	-	247		20,178
Q3 2020	29	-	2,213	-	109	137	-	-	-	-	2,458		22,637
Q4 2020	30	-	165	-	99	134	-	-	-	-	398	3,352	23,035
Q1 2021	31	-	57	-	102	125	-	-	-	3,115	3,398		26,433
Q2 2021	32	865	58	-	100	75	-	-	-	-	1,098		27,531
Q3 2021	33	-	60	-	103	71	-	-	-	-	234		27,766
Q4 2021	34	-	60	-	89	72	-	-	-	-	220	4,951	27,986
Q1 2022	35	-	59	94	94	72	-	-	-	-	320		28,306
Q2 2022	36	-	60	101	93	73	-	-	-	-	327		28,632
Q3 2022	37	-	62	105	96	70	-	-	-	-	332		28,964
Q4 2022	38	-	62	97	82	70	-	-	-	-	311	1,290	29,275
Q1 2023	39	-	61	89	87	71	-	-	-	-	308		29,584
Q2 2023	40	-	62	92	85	72	-	-	-	-	311		29,895
Q3 2023	41	-	63	95	88	69	-	-	-	-	316		30,211
Q4 2023	42	-	5,583	88	76	69	-	-	-	-	5,817	6,753	36,028
Q1 2024	43	-	-	80	80	70	-	-	-	-	230		36,258
Q2 2024	44	-	-	84	78	71	-	-	-	-	234		36,492
Q3 2024	45	-	-	85	79	69	-	-	-	-	233		36,725
Q4 2024	46	-	-	80	1,398	68	-	-	-	-	1,547	2,244	38,272
Q1 2025	47	-	-	4,503	-	69	-	-	-	-	4,572		42,844
Q2 2025	48	-	-	-	-	70	-	-	-	-	70		42,914
Q3 2025	49	-	-	-	-	67	-	-	-	-	67		42,982
Q4 2025	50	-	-	-	-	68	-	-	-	-	68	4,777	43,049
Q1 2026	51	-	-	-	-	68	-	-	-	-	68		43,118
Q2 2026	52	-	-	-	-	69	-	-	-	-	69		43,187
Q3 2026	53	-	-	-	-	67	-	-	-	-	67		43,253
Q4 2026	54	-	-	-	-	67	-	-	-	-	67	271	43,320
Q1 2027	55	-	-	-	-	68	-	-	-	-	68		43,388
Q2 2027	56	-	-	-	-	68	-	-	-	-	68		43,456
Q3 2027	57	-	-	-	-	66	-	-	-	-	66		43,522
Q4 2027	58	-	-	-	-	1,736	-	-	-	-	1,736	1,938	45,258

Net present values at different discount rates

(EUR 000s)

Net present values at different discount rates

NPV at different discount rates											
Discount Rate	Pastor 2	Pastor 3	Pastor 4	Pastor 5	Lusitano 3	Lusitano 5	Sestante 4	Gems	Semper	Minotaure	Total
8.3%	3,268	458	4,077	2,258	6,233	3,949	155	4,118	-	1,680	26,196
9.8%	2,999	410	3,586	1,931	5,861	3,573	150	4,021	-	1,510	24,041
14.8%	2,273	287	2,376	1,165	4,864	2,631	137	3,722	-	1,069	18,523
19.8%	1,747	204	1,609	719	4,135	2,008	126	3,456	-	768	14,772
24.8%	1,360	147	1,111	453	3,585	1,576	116	3,220	-	559	12,128
29.8%	1,072	107	782	291	3,158	1,264	108	3,008	-	412	10,204
34.8%	856	79	560	190	2,818	1,032	101	2,817	-	308	8,761
Valuation	2,999	287	2,376	1,165	5,861	2,631	155	4,118	-	1,069	20,660

Cash flow multiples at different discount rates (total cash flow / net present value)

Discount Rate	Pastor 2	Pastor 3	Pastor 4	Pastor 5	Lusitano 3	Lusitano 5	Sestante 4	Gems	Semper	Minotaure	Total
8.3%	1.6x	1.9x	2.1x	2.5x	1.5x	1.9x	1.2x	1.1x	--	1.9x	1.7x
9.8%	1.8x	2.1x	2.4x	2.9x	1.6x	2.1x	1.2x	1.2x	--	2.1x	1.9x
14.8%	2.4x	3.0x	3.6x	4.8x	1.9x	2.8x	1.3x	1.3x	--	2.9x	2.4x
19.8%	3.1x	4.2x	5.4x	7.8x	2.2x	3.7x	1.5x	1.4x	--	4.1x	3.1x
24.8%	4.0x	5.9x	7.8x	12.4x	2.6x	4.7x	1.6x	1.5x	--	5.6x	3.7x
29.8%	5.0x	8.1x	11.0x	19.2x	2.9x	5.9x	1.7x	1.6x	--	7.6x	4.4x
34.8%	6.3x	10.9x	15.4x	29.4x	3.3x	7.2x	1.8x	1.7x	--	10.1x	5.2x
Valuation	1.8x	3.0x	3.6x	4.8x	1.6x	2.8x	1.2x	1.1x	--	2.9x	2.2x

Note: Net present values presented in the above tables marginally differ from accounting book values as their calculation is based on simplified assumptions of end of quarter cash flow receipts and quarterly compounding.

Net present values at different cash flow vs. base case

(EUR 000s)

Net present values at different forecast cash flow

% Actual Cash Flow vs. Base Case	Pastor 2	Pastor 3	Pastor 4	Pastor 5	Lusitano 3	Lusitano 5	Sestante 4	Gems	Semper	Minotaure	Total	Delta
170.0%	5,098	488	4,039	1,980	9,964	4,473	263	7,000	-	1,818	35,122	70.0%
165.0%	4,948	474	3,920	1,921	9,671	4,341	255	6,794	-	1,764	34,089	65.0%
160.0%	4,798	459	3,801	1,863	9,378	4,210	247	6,589	-	1,711	33,056	60.0%
155.0%	4,648	445	3,682	1,805	9,085	4,078	240	6,383	-	1,657	32,023	55.0%
150.0%	4,498	431	3,564	1,747	8,792	3,947	232	6,177	-	1,604	30,990	50.0%
145.0%	4,348	416	3,445	1,689	8,499	3,815	224	5,971	-	1,550	29,957	45.0%
140.0%	4,198	402	3,326	1,630	8,206	3,684	216	5,765	-	1,497	28,924	40.0%
135.0%	4,048	388	3,207	1,572	7,913	3,552	209	5,559	-	1,443	27,891	35.0%
130.0%	3,898	373	3,088	1,514	7,620	3,420	201	5,353	-	1,390	26,858	30.0%
125.0%	3,748	359	2,970	1,456	7,327	3,289	193	5,147	-	1,337	25,825	25.0%
120.0%	3,599	344	2,851	1,397	7,033	3,157	186	4,941	-	1,283	24,792	20.0%
115.0%	3,449	330	2,732	1,339	6,740	3,026	178	4,736	-	1,230	23,759	15.0%
110.0%	3,299	316	2,613	1,281	6,447	2,894	170	4,530	-	1,176	22,726	10.0%
105.0%	3,149	301	2,494	1,223	6,154	2,763	162	4,324	-	1,123	21,693	5.0%
100.0%	2,999	287	2,376	1,165	5,861	2,631	155	4,118	-	1,069	20,660	0.0%
95.0%	2,849	273	2,257	1,106	5,568	2,500	147	3,912	-	1,016	19,627	-5.0%
90.0%	2,699	258	2,138	1,048	5,275	2,368	139	3,706	-	962	18,594	-10.0%
85.0%	2,549	244	2,019	990	4,982	2,236	131	3,500	-	909	17,561	-15.0%
80.0%	2,399	230	1,901	932	4,689	2,105	124	3,294	-	855	16,528	-20.0%
75.0%	2,249	215	1,782	873	4,396	1,973	116	3,088	-	802	15,495	-25.0%
70.0%	2,099	201	1,663	815	4,103	1,842	108	2,882	-	748	14,462	-30.0%
65.0%	1,949	187	1,544	757	3,810	1,710	101	2,677	-	695	13,429	-35.0%
60.0%	1,799	172	1,425	699	3,517	1,579	93	2,471	-	642	12,396	-40.0%
55.0%	1,649	158	1,307	640	3,224	1,447	85	2,265	-	588	11,363	-45.0%
50.0%	1,499	144	1,188	582	2,931	1,316	77	2,059	-	535	10,330	-50.0%
45.0%	1,349	129	1,069	524	2,638	1,184	70	1,853	-	481	9,297	-55.0%
40.0%	1,200	115	950	466	2,344	1,052	62	1,647	-	428	8,264	-60.0%
35.0%	1,050	100	831	408	2,051	921	54	1,441	-	374	7,231	-65.0%
30.0%	900	86	713	349	1,758	789	46	1,235	-	321	6,198	-70.0%

Note: The table presents the net present value of each investment at its base case discount rate, assuming an increase/decrease in actual cash flow received vs. base case. Net present values marginally differ from accounting book values as their calculation is based on simplified assumptions of end of quarter cash flow receipts and quarterly compounding.

B. Credit Performance and Valuation

Quarterly performance indicators

(EUR 000s)

Transactions	Collateral performance													
	90d+ arr.		CDR		CPR		Recoveries		Reserve			Cum. loss rate		
	Act.	Fcast	Act.	Fcast	Act.	Fcast	Act.	Fcast	Act.	Fcast	Min.	Act.	Fcast	
Lusitano 3	1.7%	n/a	1.9%	1.0%	1.6%	2.2%	1,470	672	9,135	9,270	9,270	n/a	n/a	
Lusitano 5	1.8%	n/a	1.9%	1.6%	1.4%	1.8%	1,779	2,000	(6,477)	(4,039)	11,900	n/a	n/a	
Pastor 2	0.5%	n/a	0.5%	0.3%	2.9%	4.6%	157	250	4,963	5,000	5,000	n/a	n/a	
Pastor 3	4.4%	n/a	3.6%	2.7%	4.1%	2.9%	472	375	(37,165)	(35,579)	9,000	n/a	n/a	
Pastor 4	2.9%	n/a	3.0%	2.5%	3.0%	3.0%	100	425	(27,592)	(27,107)	5,520	n/a	n/a	
Pastor 5	4.0%	n/a	1.3%	2.1%	2.7%	0.0%	75	450	(16,512)	(16,901)	10,500	n/a	n/a	
Sestante 4 A1	10.1%	6.1%	4.5%	4.6%	1.1%	12.1%	490	1,315	(32,100)	(36,588)	6,200	n/a	n/a	
Gems	n/a	n/a	-14.1%	0.0%	n/a	n/a	n/a	n/a	27,016	27,253	n/a	4.0%	3.97%	
Semper	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-	5,014	n/a	-	-	
Minotaure	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Ludgate	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	

Notes: Negative reserve indicates unpaid amounts to the senior notes (unpaid PDLs). Reserve amounts are highlighted in red when negative or below minimum, even if better than forecast.

Credit performance of southern European deals remains weak as expected

Current CDR assumptions are well below actuals for most deals, as they are based on 24-month averages

Main positive relates to Gems, where EUR 7m (18% of total) in defaults have been removed from the deal, increasing the expected principal repayment on the bond held by EETI

Revised valuation assumptions (24-month averages)

- ▶ Updated 24-month averages broadly lead to a gradual increase in default rates and marginal adjustments to CPRs.
- ▶ Discount rates are lowered by approx. 10bps reflecting average risk premiums over two years.

SUMMARY OF MAIN VALUATION INPUTS

Investments	CDR			CPR			Loss Severity			Recovery Lag			Discount Rate		
	Q4 2012	Q1 2013	Q2 2013	Q4 2012	Q1 2013	Q2 2013	Q4 2012	Q1 2013	Q2 2013	Q4 2012	Q1 2013	Q2 2013	Q4 2012	Q1 2013	Q2 2013
Lusitano 3	0.90%	1.04%	1.20%	2.50%	2.25%	1.90%	20%	20%	20%	10	10	10	10.00%	9.90%	9.78%
Lusitano 5	1.30%	1.41%	1.57%	2.20%	2.00%	1.80%	20%	20%	20%	10	10	10	15.00%	14.90%	14.78%
Pastor 2	0.20%	0.22%	0.29%	5.10%	4.90%	4.60%	20%	20%	20%	10	10	10	10.00%	9.90%	9.78%
Pastor 3	2.40%	2.73%	2.91%	3.10%	2.90%	3.10%	20%	20%	20%	10	10	10	15.00%	14.90%	14.78%
Pastor 4	2.20%	2.33%	2.46%	3.20%	3.00%	3.00%	20%	20%	20%	10	10	10	15.00%	14.90%	14.78%
Pastor 5	2.00%	2.14%	1.90%	3.30%	2.90%	2.90%	20%	20%	20%	10	10	10	15.00%	14.90%	14.78%
Semper	0.00%	0.00%	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	8.50%	8.40%	8%
Gems	0.00%	0.00%	0.00%	nm	nm	nm	95%	95%	95%	nm	nm	nm	8.50%	8.40%	8.28%
Minotaure	0.20%	0.22%	0.18%	4.58%	4.56%	4.27%	nm	nm	nm	nm	nm	nm	15.00%	14.90%	14.78%
Sestante 4 A1													8.50%	8.40%	8.28%

Note: For the Minotaure transaction, the value for CDR is the annualised loss rate.

Quarterly valuation

- ▶ The sale of the Semper 2006 Second Loss bond generated a markdown of approx. EUR 616k, as the entire EUR 6.7m nominal was sold at a price of 90% of par vs. a book value at par.
- ▶ Compensating that loss are revaluations on several positions of which Gems (+EUR 663k), the Pastors (+368k) and Lusitano 5 (+EUR 116k).
 - These reflect principally a combination of either (i) slightly lower discount rates, (ii) higher Euribor curve or (iii) favourable changes in assumptions (lower CPR, lower defaults for Gems and Pastor 5).

The disposal of the Semper 2006 Second Loss and updated assumptions lead to a quarterly revaluation of EUR 319k

Resulting book value excluding accruals would be EUR 20.6m

QUARTERLY BOOK VALUES AND REVALUATIONS

(EUR 000s)	31/12/2012		31/03/2013		30/06/2013	
	Book Value	Markdown	Book Value	Markdown	Book Value	Markdown
Lusitano 3	6,070	13	5,947	(266)	5,862	(225)
Lusitano 5	2,762	627	2,430	(431)	2,631	116
Pastor 2	2,826	(520)	2,863	(24)	2,946	14
Pastor 3	502	(531)	184	(336)	287	97
Pastor 4	2,357	(459)	2,267	(172)	2,376	28
Pastor 5	855	23	903	18	1,165	229
Semper	6,720	(200)	6,719	(1)		(626)
Gems	3,208	1,234	3,397	136	4,119	663
Minotaure	920	(1,321)	1,010	58	1,070	23
Sestante 4 A1	173	(7)	163	(3)	153	0
TOTAL	26,394	(1,142)	25,884	(1,020)	20,608	319

Pastor investments

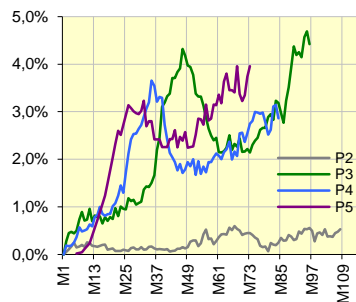
PERFORMANCE

- ▶ 90-day+ arrears of Pastor 3, 4 and 5 remain at 3-4% of current pool balance, leading to default rates between 2% and 3%.
- ▶ Some recoveries continue to trickle in but at a very modest pace given the amount of accumulated defaulted loans.
- ▶ Note that a modest draw on the Pastor 2 reserve has led to a deferral of the quarterly coupon, which should be recouped over time.

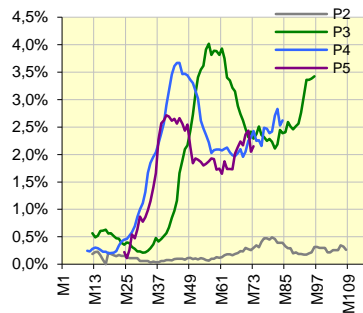
VALUATION

- ▶ Updated assumptions lead to a revaluation of EUR 368k for all 4 transactions, valued at a total of EUR 6.8m. Higher Euribor forwards as well as lower 24-month CDR for Pastor 5 are the principal factors underlying the valuation change.

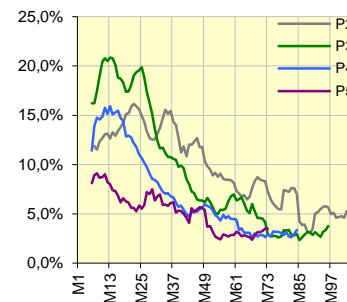
90d+ arrears (excl. defaults, as % CB)



12M average default rates (CDR as % CB)



6M average CPR



Note: Graphs expressed in months since issue.

Lusitano investments

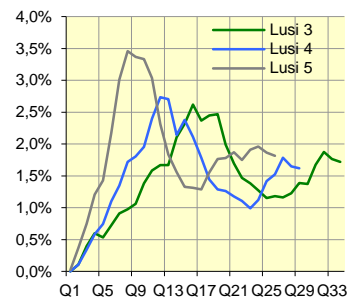
PERFORMANCE

- ▶ As in last quarter, 90d+ arrears have remained broadly stable at close to 2.0% this quarter; elevated delinquencies have translated into rising default rates of 1.9% for both Lusitano 3 and 5.
 - Similarly, recoveries on both deals have remained relatively high (EUR 1.5-2.0m).
- ▶ No residual payment has been received on the Lusitano 3 transaction as the reserve was slightly drawn this quarter.
 - Models indicate a residual cash flow in the coming quarter; these forecasts rely however on a 24-month average CDR of 1.20%, below the current level of 1.9%. Effective receipt of this cash flow may therefore be delayed.

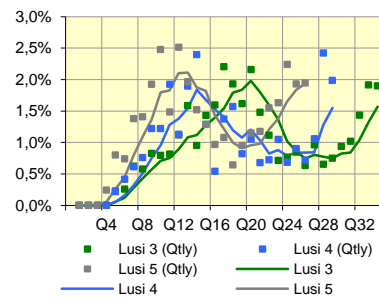
VALUATION

- ▶ Updated assumptions, notably higher CDR levels, lead to a combined markdown on these positions of EUR 109k to EUR 8,493k.

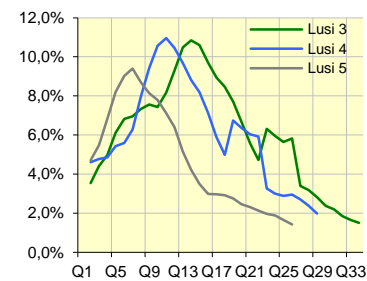
90d+ arrears (excl. defaults, as % CB)



Quarterly and average defaults (as % CB)



6M average CPR



Note: Graphs expressed in months since issue.

Gems Class C

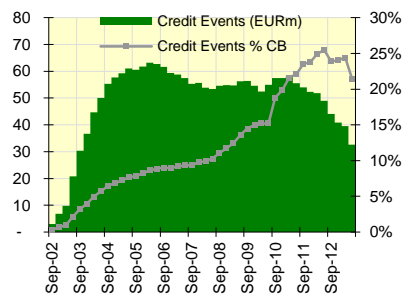
PERFORMANCE

- ▶ EUR 7m or 18% of un-foreclosed defaults have been removed from the pool balance, most likely because these loans proved not to be in compliance with the eligibility criteria for a loss deduction.
 - Remaining credit events amount to EUR 32.6m for an available credit protection of EUR 27m. Even with a very high loss severity (historical average of 95%), a smaller portion than anticipated of Class C principal should be absorbed by losses.

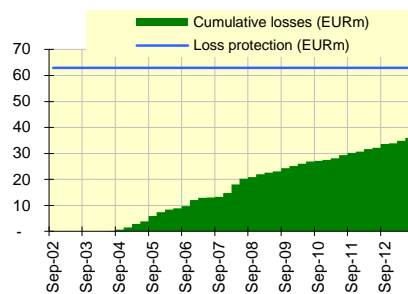
VALUATION

- ▶ Updated assumptions, notably higher Euribor, combined with the decline in un-foreclosed loans, lead to a revaluation of EUR 663k to EUR 4.1m.

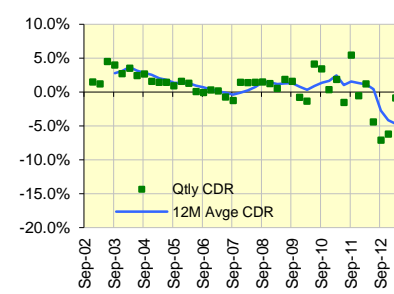
Outstanding credit events



Cumulative losses and protection



Default rates



Other EETI investments

Semper 2006-1

- ▶ The entire EUR 6.7m in nominal was sold early May at price of 90% of par. Total cash proceeds amounted to EUR 6,093k translating into a loss of EUR 626k (including accrued).

Minotaure

- ▶ Credit variables were close to forecast leading to a marginal adjustment in book value (EUR 23k).

Sestante Class A1

- ▶ Most senior bond of the Sestante 4 RMBS continues to cash flow in line with expectations.

Ludgate

- ▶ Quarterly report pending; potential modest prepayment penalties could be received in the course of July.

3 PROVISIONAL ACCOUNTING ITEMS

Accounting items for the quarter ended 30/06/2013

EETI QUARTERLY VALUATION REPORT AS AT 30/06/2013

From:	01/04/2013
To:	30/06/2013

All figures in Euros thousands		CF receipts and breakdown			Accounting items			Valuation excl. accruals		Valuation incl. accruals		
Investments	Payment date	Actual CF received	of which: Interest	of which: Principal	Income (ex-accruals)	Capitalised interest	Accruals to report date	(Write-down) / Revaluation	Valuation	(Write-down) / Revaluation	Valuation	% Total
Lusitano 3	16/04/2013	-	0	0	140	140	119	(225)	5,862	(225)	5,981	28.4%
Lusitano 5	15/04/2013	-	0	0	85	85	73	116	2,631	116	2,704	12.8%
Pastor 2	22/06/2013	-	0	0	69	69	7	14	2,946	14	2,952	14.3%
Pastor 3	22/06/2013	-	0	0	7	7	1	97	287	97	288	1.4%
Pastor 4	22/06/2013	-	0	0	81	81	8	28	2,376	28	2,384	11.5%
Pastor 5	22/06/2013	-	0	0	32	32	3	229	1,165	229	1,168	5.7%
Semper 2006	30/03/2013	6,002	0	6,002	0	0	0	(717)	0	(717)	0	0.0%
Gems	02/06/2013	12	12	0	70	58	22	663	4,119	663	4,141	20.0%
Minotaure	22/06/2013	-	0	0	36	36	2	23	1,070	23	1,072	5.2%
Sestante 2		-	0	0	0	0	0	0	-	0	0	0.0%
Sestante 3		-	0	0	0	0	0	0	-	0	0	0.0%
Sestante 4		-	0	0	0	0	0	0	-	0	0	0.0%
Ludgate							0	0	-	0	0	0.0%
Sestante 4 A1	16/04/2013	13	3	9	3	0	3	0	153	0	156	0.7%
Total		6,026	15	6,011	522	507	237	228	20,608	228	20,846	100.0%

ACCOUNTING INCOME

Actual cash flow received in Q	6,026
Plus: Capitalised interest	507
Less: Amortisation of principal	(6,011)
Income excl. accruals	522
<i>check</i>	<i>0.0</i>
Less: Previous Q accruals	(249)
Plus: Current Q accruals	237
Income incl. accruals	510

WRITE-DOWNS / REVALUATIONS

Sum of write-downs excl. accruals	(943)
Sum of revaluations excl. accruals	1,170
Total excl. accruals	228
<i>check</i>	<i>0.0</i>
Sum of accruals included in write-downs	0
Sum of accruals included in revaluations	0
Total incl. accruals	228
<i>check</i>	<i>0.0</i>

VALUATION RECAP

Valuation excl. accruals	20,608
Valuation incl. accruals	20,846
<i>check</i>	<i>(0.0)</i>
Last Q valuation excl. accruals	25,884
Plus: Capitalised interest	507
Less: Amortisation of principal	(6,011)
Sum write-downs / reval. excl. accruals	228
Plus: Purchased in Q	
Current Q excl. accruals	20,608
<i>check</i>	<i>(0.0)</i>