

Confidential

# **EETI Quarterly Review**

**QUARTER ENDED 30/06/2012**

July 2012

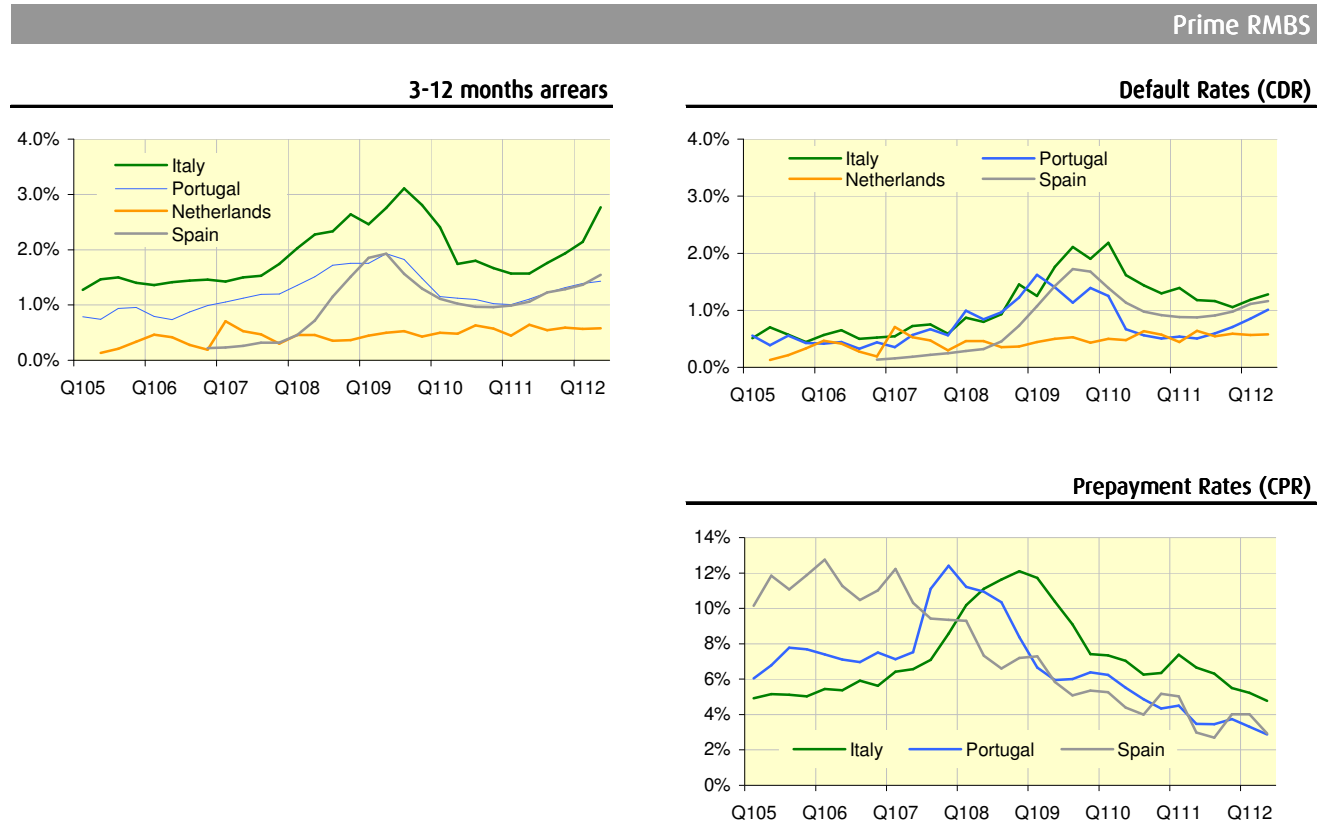
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# 1 EUROPEAN ABS / RMBS ACTIVITY AND PERFORMANCE

# Prime European RMBS performance overview

- ▶ As previously highlighted, ongoing austerity and recession in Europe are translating into increased arrears in prime RMBS across Southern Europe.
- ▶ Average 90-day+ arrears in our samples are now close to peak 2009 levels, at close to 3.0% in Italy and approx. 1.5% in Spain and Portugal.
- ▶ While average defaults remain contained, arrears increases are bound to fuel defaults in the coming quarters.

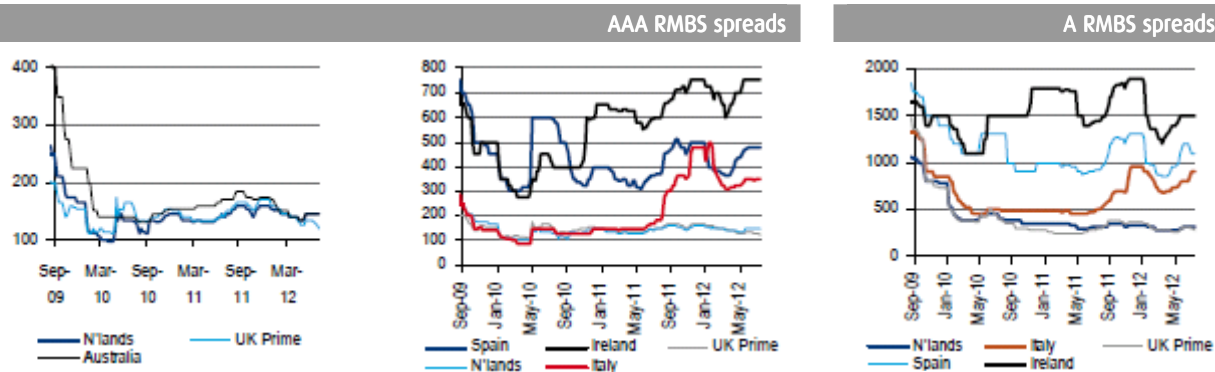


Note: Indices based on own data collection of a broad sample of seasoned RMBS transactions.  
 Source: Trustee reports and Cartesia.

## European ABS / RMBS market activity

- ▶ The quarter has been a roller coaster for credit markets and ABS, driven by the newsflow from peripheral Europe.
  - The political stalemate in Greece, followed by acute concerns about the solvency of the Spanish banking sector and sovereign downgrades (Spain & Italy) have caused a widening in European ABS spreads until end June;
  - Since then, the relative success of the June 28-29 European summit, the prospect of Spanish bank recapitalization and a potential banking union as well as lower interest rates have lifted markets.
- ▶ Dutch/UK benchmark AAAs are unchanged or modestly tighter at around EUR3M + 1.25% / 1.35% while peripheral first pay RMBS have widened by 50-100 bps to around EUR3M + 4.0% in Italy and approx. EUR3M+ 4.5% in Spain.
  - Note that a substantial amount of tender offers by all banks have taken place in Spanish and Portuguese RMBS, providing price support.
- ▶ Mezzanine and subordinated ABS are attracting continued interest from hedge fund investors, whether UK or US-based, as it presents a unique opportunity to achieve double-digit returns in a very low interest rate environment.

### EVOLUTION OF RMBS SPREADS OVER EUR3M



Source: Merrill Lynch B0A for 3-5 year WAL bonds.

## 2 PORTFOLIO PERFORMANCE

## A. Cash Flow

## Cash flow receipts for the quarter ended 30/06/2012

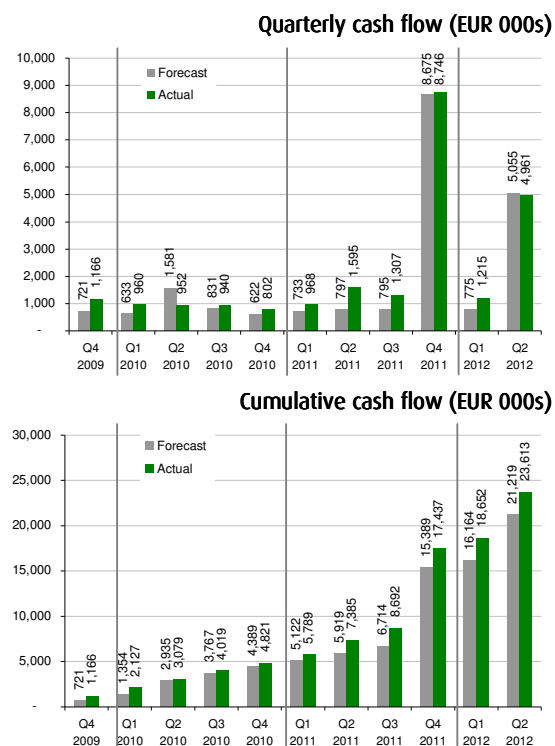
- ▶ Quarterly cash flow amounted to EUR 4,961k of which EUR 3,990k from the disposal of the Memphis position and EUR 970k from ongoing interest and principal repayment.
  - Ongoing cash flow was EUR 93k below forecast due to lower receipts on Lusitano 3 and Minotaure.

Cash flow receipt for the quarter ended 30/06/2012

(EUR)

Transactions	Actual	Forecast	Delta
Lusitano 3E	388,065	441,999	(53,934)
Lusitano 4E	-	-	-
Lusitano 5E	-	-	-
Pastor 2	170,446	173,779	(3,333)
Pastor 3	-	-	-
Pastor 4	-	-	-
Pastor 5	-	-	-
Sestante 2	-	-	-
Sestante 3	-	-	-
Sestante 4	15,448	18,362	(2,914)
Shield 1	-	-	-
Memphis	4,080,781	4,081,096	(315)
Gems	22,206	24,938	(2,732)
Semper	148,818	153,665	(4,847)
Minotaure	133,517	160,843	(27,326)
Ludgate	1,856	-	1,856
<b>TOTAL</b>	<b>4,961,137</b>	<b>5,054,681</b>	<b>(93,544)</b>

Actual vs. forecast since Q4 2009



Note: Disposal proceeds included in forecast and actual cash flow to facilitate comparisons.



## Forecast cash flow

- ▶ Total cash flow for 2012 is now forecast at EUR 7,841k, including disposal of the Memphis position in Q2.
  - Receipts in Q3 and Q4 are expected to total EUR 1,665k.
- ▶ Cash flow to maturity is forecast at EUR 51,729k.

### 2012 forecast cash flow

(EUR 000s)

Quarter ended	Quarterly	Cumulative
31/03/2012 Act.	1,215	1,215
30/06/2012 Act.	4,961	6,176
30/09/2012	885	7,061
31/12/2012	780	7,841
<b>Total 2012</b>	<b>7,841</b>	

### Forecast cash flow until maturity (starting Q3 2012)

(EUR 000s)

Period	Yearly CF	Cumulative CF	% Total	Cumulative % Total
2012	1,665	1,665	3.2%	3.2%
2013	2,708	4,373	5.2%	8.5%
2014	2,908	7,281	5.6%	14.1%
2015	11,158	18,439	21.6%	35.6%
2016	1,646	20,085	3.2%	38.8%
2017	1,492	21,577	2.9%	41.7%
2018	2,651	24,228	5.1%	46.8%
2019	7,535	31,763	14.6%	61.4%
2020	1,524	33,287	2.9%	64.3%
2021	4,338	37,625	8.4%	72.7%
2022	798	38,423	1.5%	74.3%
<b>Beyond</b>	<b>13,306</b>	<b>51,729</b>	<b>25.7%</b>	<b>100.0%</b>
<b>TOTAL</b>	<b>51,729</b>		<b>100.0%</b>	

# 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
<b>HISTORICAL</b>													
Q3 2009	86	-	-	-	59	77	-	25	156	213	891		
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		
<b>FORECAST</b>													
Sum CF	6,104	3,509	9,499	4,015	9,241	5,254	224	2,421	8,474	2,989	51,729		
% Total	11.8%	6.8%	18.4%	7.8%	17.9%	10.2%	0.4%	4.7%	16.4%	5.8%	100.0%		
Q3 2012	1	90	-	-	447	-	18	23	153	154	885		885
Q4 2012	2	19	-	-	418	-	18	23	153	148	780	1,665	1,665
Q1 2013	3	20	-	-	435	-	17	23	155	142	792		2,457
Q2 2013	4	21	-	-	292	-	17	24	156	134	644		3,101
Q3 2013	5	23	-	-	305	-	17	25	158	129	657		3,758
Q4 2013	6	25	-	-	263	-	16	27	160	123	615	2,708	4,373
Q1 2014	7	26	-	-	251	-	16	28	163	118	602		4,974
Q2 2014	8	28	-	-	273	71	16	30	165	111	693		5,667
Q3 2014	9	30	-	-	286	171	15	32	168	105	807		6,475
Q4 2014	10	33	-	-	244	210	15	34	170	100	806	2,908	7,281
Q1 2015	11	34	-	-	264	185	15	36	6,873	96	7,503		14,784
Q2 2015	12	35	-	-	203	183	14	2,116		90	2,642		17,426
Q3 2015	13	35	-	-	220	174	14			85	528		17,954
Q4 2015	14	37	-	-	177	176	14			81	485	11,158	18,439
Q1 2016	15	38	-	-	196	111	2			77	425		18,863
Q2 2016	16	40	-	-	194	110				73	416		19,280
Q3 2016	17	41	-	-	199	107				69	417		19,696
Q4 2016	18	42	-	-	174	106				66	388	1,646	20,085
Q1 2017	19	43	-	-	181	107				62	394		20,478
Q2 2017	20	43	-	-	178	107				58	387		20,865
Q3 2017	21	45	-	-	186	102				55	388		21,253
Q4 2017	22	45	-	-	124	103				53	324	1,492	21,577
Q1 2018	23	44	-	183	128	104				50	509		22,086
Q2 2018	24	44	-	417	126	103				41	731		22,817
Q3 2018	25	45	-	409	134	98				32	718		23,535
Q4 2018	26	45	-	410	109	99				31	694	2,651	24,228
Q1 2019	27	44	-	404	120	100				24	692		24,920
Q2 2019	28	44	-	397	118	99				23	681		25,601
Q3 2019	29	5,045	-	399	125	94				22	5,684		31,285
Q4 2019	30	-	-	262	102	94				20	479	7,535	31,763
Q1 2020	31	-	-	78	112	72				20	282		32,046
Q2 2020	32	-	-	78	110	29				19	236		32,282
Q3 2020	33	-	-	79	112	28				18	237		32,519
Q4 2020	34	-	-	79	100	28				561	768	1,524	33,287
Q1 2021	35	-	-	78	103	30					211		33,498
Q2 2021	36	-	-	77	101	30					209		33,707
Q3 2021	37	-	3,509	79	105	28					3,722		37,429
Q4 2021	38	-	-	79	88	29					196	4,338	37,625
Q1 2022	39	-	-	78	94	31					203		37,828
Q2 2022	40	-	-	77	92	31					201		38,029
Q3 2022	41	-	-	79	95	30					204		38,233
Q4 2022	42	-	-	79	81	30					190	798	38,423
Q1 2023	43	-	-	78	86	32					195		38,619
Q2 2023	44	-	-	5,597	84	32					5,713		44,332
Q3 2023	45	-	-	-	1,404	31					1,434		45,766
Q4 2023	46	-	-	-	-	31					31	7,374	45,797
Q1 2024	47	-	-	4,015	-	33					4,048		49,845
Q2 2024	48	-	-	-	-	33					33		49,878
Q3 2024	49	-	-	-	-	32					32		49,910
Q4 2024	50	-	-	-	-	32					32	4,145	49,942
Q1 2025	51	-	-	-	-	33					33		49,975
Q2 2025	52	-	-	-	-	34					34		50,009
Q3 2025	53	-	-	-	-	32					32		50,041
Q4 2025	54	-	-	-	-	1,688					1,688	1,787	51,729

# Net present values at different discount rates

(EUR 000s)

Net present values at different discount rates											
Discount Rate	Pastor 2	Pastor 3	Pastor 4	Pastor 5	Lusitano 3	Lusitano 5	Sestante 4	Gems	Semper	Minotaure	Total
8.5%	3,575	1,649	4,438	1,538	6,335	2,863	194	1,925	6,922	2,221	31,660
10.0%	3,274	1,452	3,915	1,309	5,996	2,615	189	1,852	6,692	2,123	29,418
15.0%	2,474	962	2,625	776	5,090	1,991	176	1,636	6,002	1,850	23,583
20.0%	1,907	649	1,805	471	4,434	1,573	164	1,454	5,413	1,641	19,510
25.0%	1,498	445	1,270	291	3,940	1,279	153	1,300	4,906	1,477	16,559
30.0%	1,199	309	913	184	3,558	1,064	144	1,167	4,468	1,344	14,351
35.0%	976	218	668	118	3,255	901	136	1,053	4,086	1,236	12,648
<b>Valuation</b>	<b>3,274</b>	<b>962</b>	<b>2,625</b>	<b>776</b>	<b>5,996</b>	<b>1,991</b>	<b>194</b>	<b>1,925</b>	<b>6,922</b>	<b>2,221</b>	<b>26,885</b>

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
8.5%	1.7x	2.1x	2.1x	2.6x	1.5x	1.8x	1.2x	1.3x	1.2x	1.3x	1.6x
10.0%	1.9x	2.4x	2.4x	3.1x	1.5x	2.0x	1.2x	1.3x	1.3x	1.4x	1.8x
15.0%	2.5x	3.6x	3.6x	5.2x	1.8x	2.6x	1.3x	1.5x	1.4x	1.6x	2.2x
20.0%	3.2x	5.4x	5.3x	8.5x	2.1x	3.3x	1.4x	1.7x	1.6x	1.8x	2.7x
25.0%	4.1x	7.9x	7.5x	13.8x	2.3x	4.1x	1.5x	1.9x	1.7x	2.0x	3.1x
30.0%	5.1x	11.3x	10.4x	21.9x	2.6x	4.9x	1.6x	2.1x	1.9x	2.2x	3.6x
35.0%	6.3x	16.1x	14.2x	34.1x	2.8x	5.8x	1.6x	2.3x	2.1x	2.4x	4.1x
<b>Valuation</b>	<b>1.9x</b>	<b>3.6x</b>	<b>3.6x</b>	<b>5.2x</b>	<b>1.5x</b>	<b>2.6x</b>	<b>1.2x</b>	<b>1.3x</b>	<b>1.2x</b>	<b>1.3x</b>	<b>1.9x</b>

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%	5,566	1,636	4,463	1,319	10,193	3,384	330	3,272	11,767	3,775	45,705	70.0%
165.0%	5,402	1,588	4,331	1,281	9,893	3,285	320	3,176	11,421	3,664	44,361	65.0%
160.0%	5,239	1,540	4,200	1,242	9,593	3,185	310	3,080	11,075	3,553	43,017	60.0%
155.0%	5,075	1,491	4,069	1,203	9,293	3,086	301	2,984	10,729	3,442	41,672	55.0%
150.0%	4,911	1,443	3,938	1,164	8,994	2,986	291	2,887	10,382	3,331	40,328	50.0%
145.0%	4,748	1,395	3,806	1,125	8,694	2,887	281	2,791	10,036	3,220	38,984	45.0%
140.0%	4,584	1,347	3,675	1,087	8,394	2,787	271	2,695	9,690	3,109	37,639	40.0%
135.0%	4,420	1,299	3,544	1,048	8,094	2,687	262	2,599	9,344	2,998	36,295	35.0%
130.0%	4,256	1,251	3,413	1,009	7,795	2,588	252	2,502	8,998	2,887	34,951	30.0%
125.0%	4,093	1,203	3,281	970	7,495	2,488	242	2,406	8,652	2,776	33,607	25.0%
120.0%	3,929	1,155	3,150	931	7,195	2,389	233	2,310	8,306	2,665	32,262	20.0%
115.0%	3,765	1,107	3,019	893	6,895	2,289	223	2,214	7,960	2,554	30,918	15.0%
110.0%	3,602	1,058	2,888	854	6,595	2,190	213	2,117	7,614	2,443	29,574	10.0%
105.0%	3,438	1,010	2,756	815	6,296	2,090	204	2,021	7,268	2,332	28,230	5.0%
100.0%	3,274	962	2,625	776	5,996	1,991	194	1,925	6,922	2,221	26,885	0.0%
95.0%	3,110	914	2,494	737	5,696	1,891	184	1,829	6,576	2,110	25,541	-5.0%
90.0%	2,947	866	2,363	699	5,396	1,792	175	1,732	6,229	1,999	24,197	-10.0%
85.0%	2,783	818	2,231	660	5,096	1,692	165	1,636	5,883	1,888	22,853	-15.0%
80.0%	2,619	770	2,100	621	4,797	1,593	155	1,540	5,537	1,777	21,508	-20.0%
75.0%	2,456	722	1,969	582	4,497	1,493	145	1,444	5,191	1,666	20,164	-25.0%
70.0%	2,292	674	1,838	543	4,197	1,394	136	1,347	4,845	1,555	18,820	-30.0%
65.0%	2,128	625	1,706	505	3,897	1,294	126	1,251	4,499	1,443	17,475	-35.0%
60.0%	1,964	577	1,575	466	3,597	1,194	116	1,155	4,153	1,332	16,131	-40.0%
55.0%	1,801	529	1,444	427	3,298	1,095	107	1,059	3,807	1,221	14,787	-45.0%
50.0%	1,637	481	1,313	388	2,998	995	97	962	3,461	1,110	13,443	-50.0%
45.0%	1,473	433	1,181	349	2,698	896	87	866	3,115	999	12,098	-55.0%
40.0%	1,310	385	1,050	310	2,398	796	78	770	2,769	888	10,754	-60.0%
35.0%	1,146	337	919	272	2,099	697	68	674	2,423	777	9,410	-65.0%
30.0%	982	289	788	233	1,799	597	58	577	2,076	666	8,066	-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

## Quarterly performance indicators

(EUR 000s)

Transactions	90d+ arr.		CDR		CPR		Recoveries		Reserve			Cum. loss rate	
	Act.	Fcast	Act.	Fcast	Act.	Fcast	Act.	Fcast	Act.	Fcast	Min.	Act.	Fcast
<b>Lusitano 3</b>	1.4%	n/a	0.9%	1.5%	2.1%	3.0%	1,291	2,226	9,445	9,417	9,445	n/a	n/a
<b>Lusitano 4</b>	1.8%	n/a	1.1%	n/a	2.3%	n/a	1,586	n/a	5,280	n/a	10,200	n/a	n/a
<b>Lusitano 5</b>	1.8%	n/a	1.6%	2.0%	2.1%	3.0%	3,232	6,128	5,805	4,739	11,900	n/a	n/a
<b>Pastor 2</b>	0.6%	n/a	0.5%	0.4%	3.6%	3.5%	64	60	5,077	5,095	5,077	n/a	n/a
<b>Pastor 3</b>	3.2%	n/a	3.4%	2.0%	2.0%	3.5%	274	300	(28,826)	(27,857)	9,000	n/a	n/a
<b>Pastor 4</b>	2.6%	n/a	3.4%	2.0%	2.0%	3.5%	111	340	(21,210)	(20,768)	5,520	n/a	n/a
<b>Pastor 5</b>	3.4%	n/a	2.2%	2.0%	2.9%	3.5%	66	-	(10,000)	(10,682)	10,500	n/a	n/a
<b>Sestante 2</b>	6.0%	5.5%	2.5%	3.8%	2.6%	10.6%	528	2,047	(4,155)	(4,390)	6,253	n/a	n/a
<b>Sestante 3</b>	6.2%	4.5%	2.4%	3.6%	2.3%	10.5%	1,163	-	(11,226)	(9,192)	8,610	n/a	n/a
<b>Sestante 4 A1</b>	8.9%	7.1%	2.6%	5.2%	1.6%	11.3%	756	1,499	(26,117)	(32,939)	6,200	n/a	n/a
<b>Gems</b>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	30,819	28,913	n/a	3.62%	3.72%
<b>Semper</b>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	5,014	5,014	n/a	-	-
<b>Minotaure</b>	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
<b>Ludgate</b>	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.

Collateral performance remains in line or better than forecast for investments in Portugal and Germany / France

Spanish and Italian positions are for their part experiencing a clear deterioration in credit performance which was largely anticipated

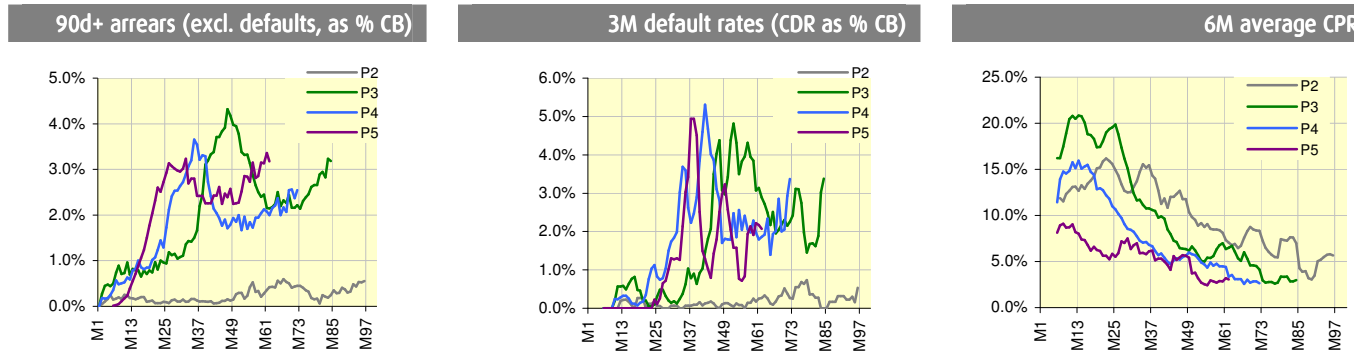
# Pastor investments

## PERFORMANCE

- ▶ 90-day+ arrears of Pastor 3, 4 and 5 have increased further in the quarter to a 2.5%-3.5% range, reflecting the deteriorating underlying performance trend in Spain.
- ▶ Default rates have now caught up with arrears levels and CDRs reached 2.5%-3.5% this quarter.
  - Based on available arrears information, we believe CDRs will remain around 2.0% for Pastor 4 and 5 in the coming quarters.

## VALUATION

- ▶ Recommendation of unchanged assumptions and valuation for the transactions at this stage pending confirmation of the arrears and default trend in next quarter.



Note: Graphs expressed in months since issue.

# Lusitano investments

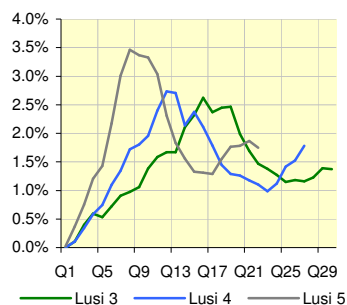
## PERFORMANCE

- ▶ 90d+ arrears broadly unchanged at 1.4% to 1.8%, with default rates nudging up to 0.9% for Lusitano 3 and 1.6% for Lusitano 5, still well below forecast (of 1.5% and 2.0% respectively).
- ▶ Quarterly recoveries on defaulted loans were high for the Lusitano 5 transaction at EUR 3.2m but dropped to about half the level of previous quarters for Lusitano 3 at EUR 1.3m.
  - This caused residual cash flow on the Lusitano 3 investment to be EUR 53k or 12% below forecast (actuals of EUR 388k vs. EUR 442k forecast).

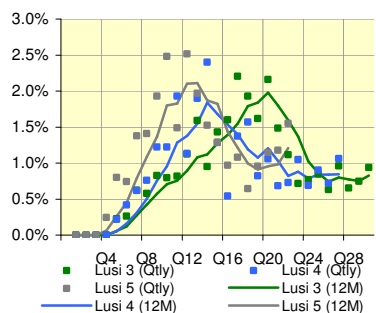
## VALUATION

- ▶ Recommendation of unchanged assumptions for the transactions as credit parameters (defaults, reserve levels and recoveries) remain overall better than forecast.

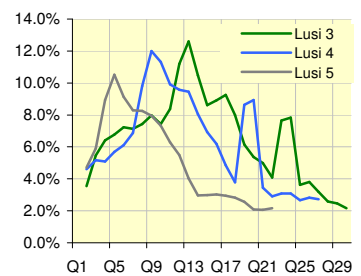
90d+ arrears (excl. defaults, as % CB)



Quarterly and average defaults (as % CB)



6M average CPR





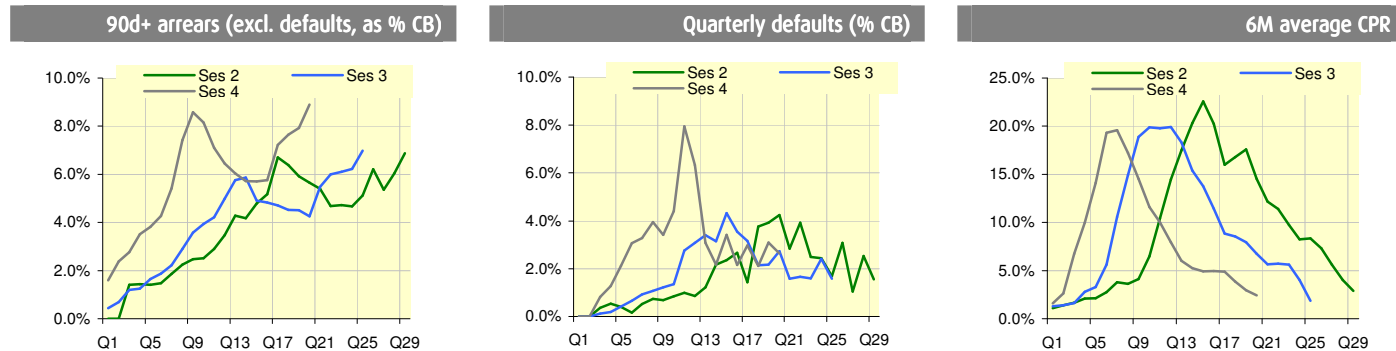
# Sestante investments

## PERFORMANCE

- ▶ 90-day+ arrears have risen to unprecedented levels of 6.0% to 9.0% in all 3 transactions while default rates remain well below expectations. Some recoveries continue to flow in, but at a slower pace than defaults.

## VALUATION

- ▶ Performance trend does not warrant a revaluation of written-off investments, which are still unlikely to recover any cash flow.
- ▶ Unchanged assumptions for Class A1, which is essentially credit insensitive and whose main return driver is the redemption rate of the pool.



Note: Graphs expressed in months since issue.

## Other EETI investments

### Memphis 2006-1

- ▶ The whole position (EUR 4.1m in nominal) has been sold in May at a price of 97% of par. The position had been marked down in Q1 based on that price level.
- ▶ An accounting gain of EUR 22k has to be recognized during this quarter reflecting positive differences in accrued interest.

### Semper 2006-1

- ▶ The transaction continues to perform well, with no arrears or defaults to date.
- ▶ No assumption changes warranted in the bond in the continued absence of arrears and defaults.

### Provide Gems 2002-1

- ▶ Evolution in credit events and cumulated losses slightly above forecast with however limited further improvement expected.
- ▶ No assumption changes in the bond warranted as current default and loss performance broadly in line with forecast.

### Minotaure

- ▶ Residual cash flow modestly below forecast due to lower than anticipated prepayments this quarter.
- ▶ No assumption changes warranted as average loss and prepayment performance are in line with forecast.

### Ludgate

- ▶ Flows from prepayment penalties have been minimal this quarter and are drying out as expected.

### **3 CONSOLIDATED ACCOUNTING ITEMS**

## Provisional quarterly income

- ▶ Income for the quarter is expected at **EUR 711k**, of which EUR 237k in capitalised interest.
  - Accruals to quarter end amount to EUR 216k (vs. EUR 277k last quarter);
  - The EUR 61k decline in accrued interest, which weighs on quarterly income, reflects the ongoing reduction of the portfolio further to the sale of the Memphis position;
  - Revised run-rate accounting income should be approx. EUR 770k.
- ▶ Not reflected in these figures is a one-off gain of EUR 22k on the sale of the Memphis position.

### Summary of quarterly accounting income

(EUR 000s)

	Current Q	Previous Q	Q before last
Accounting income	711	766	694

## Book value of investments at quarter end

- ▶ The aggregate book value of investments stands at EUR 26,981k (excl. accruals).
- ▶ Main movements in the quarter are as follows:
  - The capitalisation of interests of EUR 237k (mainly Pastor 3, 4 & 5 and Lusitano 5); less
  - Principal repayments of EUR 421k (Lusitano 3, Pastor 2 and Minotaure); less
  - The disposal proceeds of the Memphis position with a principal value of EUR 3,999k
  - A capital gain of EUR 22k further to the disposal of the Memphis position.

### Summary of book values

(EUR 000s)

	Current Q	Previous Q	Q before last
<b>Portfolio Book Value excl. accruals</b>	<b>26,981</b>	31,148	31,311
Portfolio Book Value incl. accruals	<b>27,197</b>	31,425	31,593

## Accounting items for the quarter ended 30/06/2012

All figures in Euros thousands

Investments	Payment date	CF receipts and breakdown			Accounting items			Valuation excl. accruals		Valuation incl. accruals		
		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	16/04/12	388	151	237	151	0	118	0	6,051	0	6,169	22.4%
Lusitano 4	15/06/12	-	0	0	0	0	0	0	0	0	0	0.0%
Lusitano 5	15/04/12	-	0	0	68	68	58	0	1,991	0	2,049	7.4% 29.8%
Pastor 2	22/06/12	170	82	88	82	0	7	0	3,285	0	3,292	12.2%
Pastor 3	22/06/12	-	0	0	33	33	3	0	962	0	965	3.6%
Pastor 4	22/06/12	-	0	0	91	91	8	0	2,625	0	2,633	9.7%
Pastor 5	22/06/12	-	0	0	27	27	2	0	777	0	779	2.9% 28.4%
Memphis	25/04/12	4,081	82	3,999	82	0	(0)	22	(0)	22	(0)	0.0%
Semper 2006	30/06/12	149	144	5	144	0	0	0	6,920	0	6,920	25.6%
Gems	02/06/12	22	22	0	40	17	12	0	1,924	0	1,936	7.1%
Minotaure	22/06/12	134	48	85	48	0	4	0	2,248	0	2,252	8.3% 41.1%
Sestante 2		-	0	0	0	0	0	0	0	0	0	0.0%
Sestante 3		-	0	0	0	0	0	0	0	0	0	0.0%
Sestante 4		-	0	0	0	0	0	0	0	0	0	0.0%
Ludgate	07/06/12	2	2	0	2	0	0	0	0	0	0	0.0% 0.0%
Sestante 4 A1	00/01/00	15	4	11	4	0	3	0	198	0	201	0.7% 0.7%
<b>Total</b>		<b>4,961</b>	<b>536</b>	<b>4,425</b>	<b>772</b>	<b>237</b>	<b>216</b>	<b>22</b>	<b>26,981</b>	<b>22</b>	<b>27,197</b>	<b>100.0% 100.0%</b>

ACCOUNTING INCOME	
Actual cash flow received in Q	4,961
Plus: Capitalised interest	237
Less: Amortisation of principal	(4,425)
<b>Income excl. accruals</b>	<b>772</b>
<i>check</i>	<i>0.0</i>
Less: Previous Q accruals	(277)
Plus: Current Q accruals	216
<b>Income incl. accruals</b>	<b>711</b>

WRITE-DOWNS / REVALUATIONS	
Sum of write-downs excl. accruals	0
Sum of revaluations excl. accruals	22
<b>Total excl. accruals</b>	<b>22</b>
<i>check</i>	<i>0.0</i>
Sum of accruals included in write-downs	0
Sum of accruals included in revaluations	0
<b>Total incl. accruals</b>	<b>22</b>
<i>check</i>	<i>0.0</i>

VALUATION RECAP	
<b>Valuation excl. accruals</b>	<b>26,981</b>
<b>Valuation incl. accruals</b>	<b>27,197</b>
<i>check</i>	<i>(0.0)</i>
Last Q valuation excl. accruals	31,148
Plus: Capitalised interest	237
Less: Amortisation of principal	(4,425)
Sum write-downs / reval. excl. accruals	22
Plus: Purchased in Q	
<b>Current Q excl. accruals</b>	<b>26,981</b>
<i>check</i>	<i>(0.0)</i>