

Confidential

EETI Quarterly Review

QUARTER ENDED 31/03/2015

April 2015

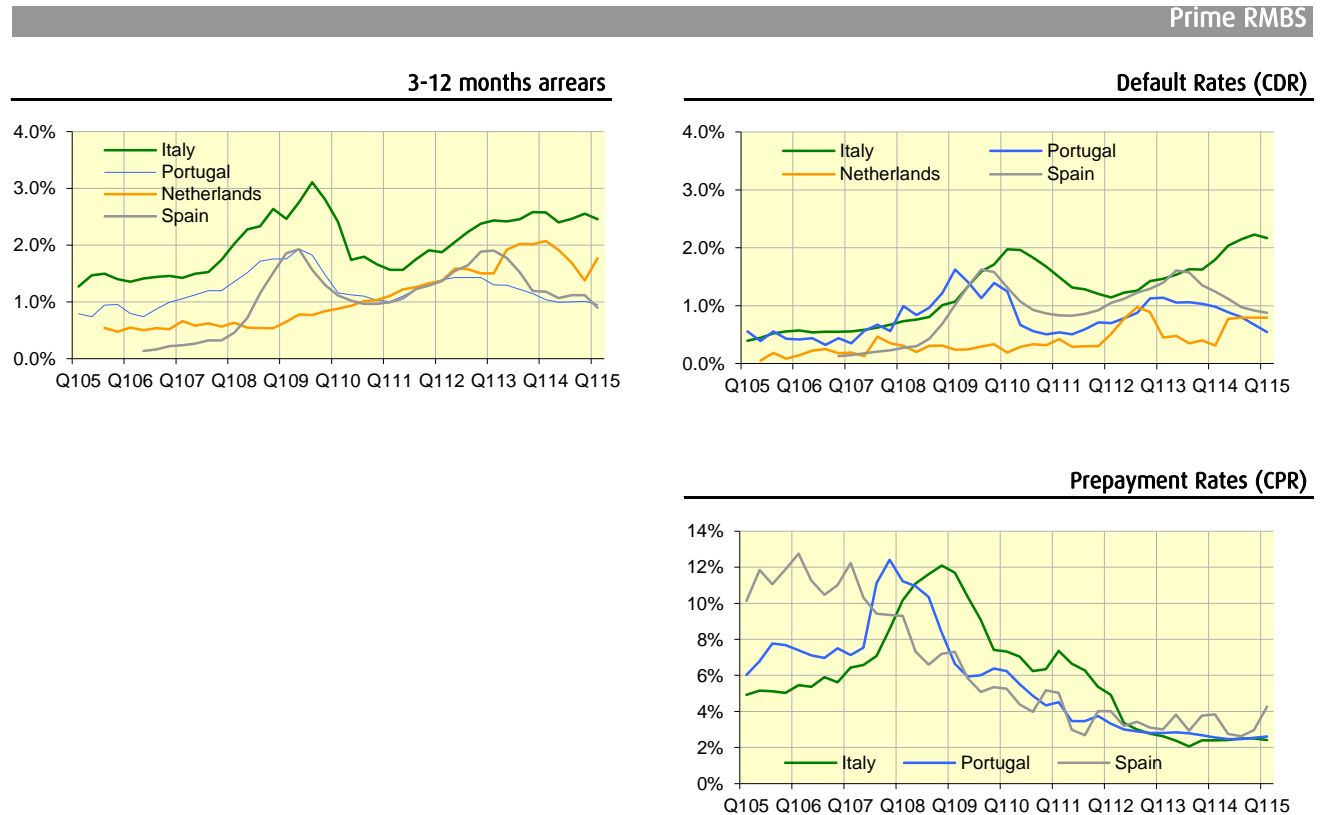
Table of Contents

- 1 EUROPEAN ABS / RMBS ACTIVITY AND PERFORMANCE**
- 2 PORTFOLIO PERFORMANCE**
 - A. Cash flow
 - b. Performance and valuation
- 3 PROVISIONAL ACCOUNTING ITEMS**

1 EUROPEAN ABS / RMBS ACTIVITY AND PERFORMANCE

Prime European RMBS performance

- ▶ Arrears and default levels continue their gradual improvement in Spain and Portugal, while seemingly stabilizing in Italy.
- ▶ Prepayment rates seem to have bottomed just above 2% in Portugal and Italy, and increased by approx. 100bps to reach 4% in Spain.

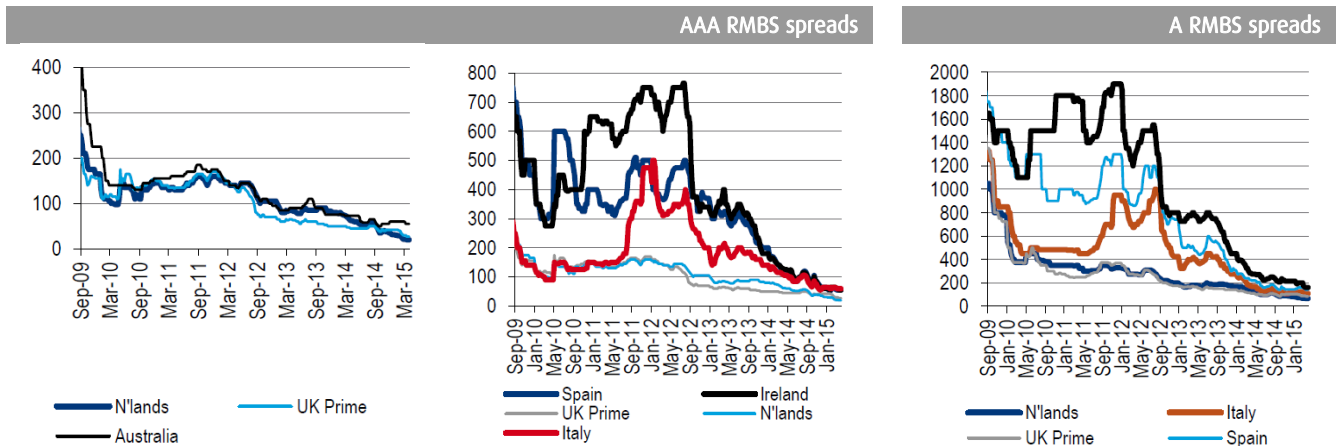


*Note: Indices based on own data collection of a broad sample of seasoned RMBS transactions.
 Source: Trustee reports and Cartesia.*

European ABS / RMBS market activity

- ▶ After a challenging Q4 2014, the European quantitative easing, which started in March this year, brought additional support to ABS and fixed income markets in general.
 - Top UK/Dutch AAAs (first pay bonds) are stable and trade around EUR3M + 30bps (-30bps vs. one year ago);
 - Peripheral first pay bonds further tightened and trade around EUR3M + 70bps (-10bps vs. end of 2014);
 - Mezzanine and subordinated bonds continue to be actively traded, with IRRs very rarely exceeding 5-6% even in distressed situations.

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 31/03/2015

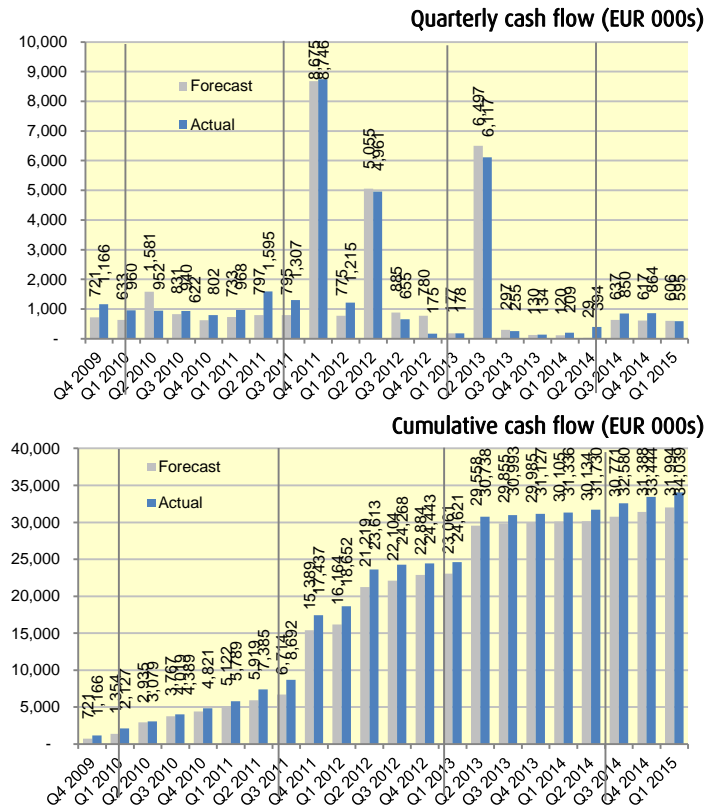
- ▶ Quarterly cash flow amounted to EUR 595k, derived primarily from the Ludgate and Lusitano 3 residual positions.

Cash flow receipt for the quarter

(EUR)

Transactions	Actual	Forecast	Delta
Lusitano 3	114,284	63,767	50,517
Lusitano 5	-	-	-
Pastor 2	4,338	4,929	(592)
Pastor 3	-	-	-
Pastor 4	-	-	-
Pastor 5	-	-	-
Sestante 4A1	11,335	19,504	(8,169)
Gems C	9,775	9,750	25
Semper 06G	-	-	-
Minotaure 04	-	-	-
Ludgate 06-1	455,612	507,890	(52,278)
TOTAL	595,344	605,841	(10,497)

Actual vs. forecast since Q4 2009



Forecast cash flow

Forecast cash flow from Q2 2015 onwards

(EUR 000s)

Period	Period CF	Cumulative CF	% Total	Cumulative % Total
Q2-4 2015	2,000	2,000	4.8%	4.8%
2016	2,605	4,605	6.3%	11.1%
2017	2,514	7,119	6.1%	17.2%
2018	7,024	14,143	16.9%	34.1%
2019	10,773	24,916	26.0%	60.0%
2020	5,885	30,801	14.2%	74.2%
2021	3,998	34,799	9.6%	83.8%
2022	669	35,468	1.6%	85.5%
Beyond	6,035	41,503	14.5%	100.0%
TOTAL	41,503		100.0%	

Total forecast cash flow of
EUR 41.5m

Forecast cash flow (cont'd)

(EUR 000s)	Spain				Portugal		Italy	Germany	France		UK	TOTAL EETI		
	Pastor 2	Pastor 3	Pastor 4	Pastor 5	Lusitano 3	Lusitano 5	Sestante 4	Gems	Minotaure	Ludgate	Qty	Annual	Cumulative	
HISTORICAL														
Q3 2009	86	-	-	-	59	77	-	25	213	13	891			
Q4 2009	430	-	-	-	34	75	-	19	210	-	1,166		2,057	
Q1 2010	337	-	-	-	-	0	-	18	190	26	960			
Q2 2010	235	-	-	-	75	-	-	17	233	6	952			
Q3 2010	59	-	-	-	205	-	-	18	264	6	940			
Q4 2010	160	-	-	-	-	-	-	20	216	8	802	3,655	3,655	
Q1 2011	316	-	-	-	85	-	-	22	132	10	968			
Q2 2011	385	-	-	-	529	-	25	23	214	13	1,595			
Q3 2011	222	-	-	-	350	-	25	27	249	11	1,307			
Q4 2011	169	-	-	-	273	-	19	28	177	11	8,746	12,616	16,271	
Q1 2012	235	-	-	-	487	-	20	27	189	2	1,215			
Q2 2012	170	-	-	-	388	-	15	22	134	2	4,961			
Q3 2012	91	-	-	-	282	-	14	17	99	5	655			
Q4 2012	7	-	-	-	-	-	11	12	-	5	175	7,006	23,277	
Q1 2013	7	-	-	-	5	-	11	11	-	7	178			
Q2 2013	-	-	-	-	-	-	13	12	-	14	6,131			
Q3 2013	14	-	-	-	203	-	12	11	-	14	255			
Q4 2013	-	-	-	-	110	-	11	12	-	1	134	6,698	29,975	
Q1 2014	-	-	-	-	183	-	10	12	-	4	209			
Q2 2014	-	-	-	-	78	-	12	13	-	291	394			
Q3 2014	-	-	-	-	247	-	13	13	-	577	850			
Q4 2014	29	-	-	-	237	-	12	11	-	575	864	2,317	32,292	
Q1 2015	4	-	-	-	114	-	11	10	-	456	595	595	32,887	
FORECAST														
Sum CF	5,132	-	1,401	-	9,502	8,519	89	5,223	3,210	8,427	41,503	Totals		
% Total	12.4%	0.0%	3.4%	0.0%	22.9%	20.5%	0.2%	12.6%	7.7%	20.3%	100.0%	Yearly	Cumulative	
Q2 2015	2	5	-	-	85	-	13	9	-	528	640		640	
Q3 2015	3	5	-	-	155	-	13	10	-	517	700		1,340	
Q4 2015	4	6	-	-	126	-	13	10	-	506	660	2,000	2,000	
Q1 2016	5	6	-	-	167	-	1	10	-	490	674		2,674	
Q2 2016	6	6	-	-	156	-	1	10	-	475	648		3,322	
Q3 2016	7	7	-	-	163	-	1	10	-	460	641		3,963	
Q4 2016	8	7	-	-	179	-	1	10	-	446	642	2,605	4,605	
Q1 2017	9	7	-	-	162	-	1	10	-	426	606		5,211	
Q2 2017	10	7	-	-	151	-	1	10	-	407	576		5,787	
Q3 2017	11	8	-	-	155	-	1	11	-	388	563		6,350	
Q4 2017	12	8	-	-	379	-	1	11	-	371	769	2,514	7,119	
Q1 2018	13	8	-	-	383	-	1	11	-	346	749		7,868	
Q2 2018	14	8	-	-	382	-	1	11	-	322	724		8,593	
Q3 2018	15	9	-	-	382	541	1	11	-	301	1,244		9,836	
Q4 2018	16	9	-	-	371	3,634	1	11	-	281	4,307	7,024	14,143	
Q1 2019	17	9	-	-	2,737	129	1	11	-	253	3,141		17,284	
Q2 2019	18	9	-	-	100	128	1	11	-	228	477		17,761	
Q3 2019	19	5,010	-	-	100	122	1	12	-	205	5,450		23,211	
Q4 2019	20	-	-	-	91	122	1	12	-	1,479	1,705	10,773	24,916	
Q1 2020	21	-	-	-	94	122	1	12	-	-	230		25,146	
Q2 2020	22	-	-	-	93	121	1	5,012	-	-	5,226		30,372	
Q3 2020	23	-	-	-	92	117	1	-	-	-	210		30,582	
Q4 2020	24	-	-	-	86	115	18	-	-	-	219	5,885	30,801	
Q1 2021	25	-	-	-	87	115	10	-	3,210	-	3,422		34,223	
Q2 2021	26	-	-	-	85	113	0	-	-	-	198		34,421	
Q3 2021	27	-	-	-	85	108	0	-	-	-	193		34,615	
Q4 2021	28	-	-	-	77	108	-	-	-	-	185	3,998	34,799	
Q1 2022	29	-	-	-	79	108	-	-	-	-	187		34,986	
Q2 2022	30	-	-	-	77	106	-	-	-	-	183		35,169	
Q3 2022	31	-	-	-	77	101	-	-	-	-	178		35,348	
Q4 2022	32	-	-	-	70	51	-	-	-	-	121	669	35,468	
Q1 2023	33	-	-	-	72	51	-	-	-	-	123		35,591	
Q2 2023	34	-	-	-	70	49	-	-	-	-	120		35,710	
Q3 2023	35	-	-	-	70	46	-	-	-	-	116		35,826	
Q4 2023	36	-	1,401	-	63	45	-	-	-	-	1,509	1,867	37,335	
Q1 2024	37	-	-	-	65	45	-	-	-	-	110		37,445	
Q2 2024	38	-	-	-	63	44	-	-	-	-	107		37,551	
Q3 2024	39	-	-	-	62	41	-	-	-	-	103		37,655	
Q4 2024	40	-	-	-	57	40	-	-	-	-	98	417	37,752	
Q1 2025	41	-	-	-	58	40	-	-	-	-	97		37,849	
Q2 2025	42	-	-	-	56	39	-	-	-	-	94		37,944	
Q3 2025	43	-	-	-	55	35	-	-	-	-	91		38,034	
Q4 2025	44	-	-	-	1,387	35	-	-	-	-	1,422	1,705	39,457	
Q1 2026	45	-	-	-	-	35	-	-	-	-	35		39,491	
Q2 2026	46	-	-	-	-	34	-	-	-	-	34		39,525	
Q3 2026	47	-	-	-	-	31	-	-	-	-	31		39,556	
Q4 2026	48	-	-	-	-	30	-	-	-	-	30	129	39,586	
Q1 2027	49	-	-	-	-	30	-	-	-	-	30		39,616	
Q2 2027	50	-	-	-	-	29	-	-	-	-	29		39,645	
Q3 2027	51	-	-	-	-	26	-	-	-	-	26		39,671	
Q4 2027	52	-	-	-	-	26	-	-	-	-	26	111	39,697	
Q1 2028	53	-	-	-	-	25	-	-	-	-	25		39,722	
Q2 2028	54	-	-	-	-	24	-	-	-	-	24		39,747	
Q3 2028	55	-	-	-	-	23	-	-	-	-	23		39,770	
Q4 2028	56	-	-	-	-	22	-	-	-	-	22	95	39,792	
Q1 2029	57	-	-	-	-	1,711	-	-	-	-	1,711		41,503	

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	Minotaure	Ludgate	Total
6.14%	3,937	-	831	-	7,136	5,814	76	3,845	2,244	7,282	30,848
7.64%	3,699	-	735	-	6,700	5,353	73	3,578	2,063	7,044	29,141
12.64%	3,023	-	494	-	5,517	4,162	66	2,836	1,571	6,346	24,394
13.50%	2,923	-	462	-	5,348	3,998	65	2,728	1,500	6,239	23,700
15.00%	2,758	-	412	-	5,073	3,735	63	2,552	1,387	6,060	22,562
17.50%	2,507	-	341	-	4,663	3,351	60	2,287	1,219	5,783	20,849
20.00%	2,284	-	284	-	4,305	3,022	58	2,056	1,074	5,529	19,334
Valuation	3,699	-	494	-	6,700	4,162	76	3,845	1,571	6,346	26,891

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	Minotaure	Ludgate	Total
6.14%	1.3x	--	1.7x	--	1.3x	1.5x	1.2x	1.4x	1.4x	1.2x	1.3x
7.64%	1.4x	--	1.9x	--	1.4x	1.6x	1.2x	1.5x	1.6x	1.2x	1.4x
12.64%	1.7x	--	2.8x	--	1.7x	2.0x	1.4x	1.8x	2.0x	1.3x	1.7x
13.50%	1.8x	--	3.0x	--	1.8x	2.1x	1.4x	1.9x	2.1x	1.4x	1.8x
15.00%	1.9x	--	3.4x	--	1.9x	2.3x	1.4x	2.0x	2.3x	1.4x	1.8x
17.50%	2.0x	--	4.1x	--	2.0x	2.5x	1.5x	2.3x	2.6x	1.5x	2.0x
20.00%	2.2x	--	4.9x	--	2.2x	2.8x	1.5x	2.5x	3.0x	1.5x	2.1x
Valuation	1.4x	--	2.8x	--	1.4x	2.0x	1.2x	1.4x	2.0x	1.3x	1.5x

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	Minotaure	Ludgate	Total	Delta
170.0%	6,288	-	840	-	11,390	7,075	129	6,536	2,670	10,789	45,715	70.0%
165.0%	6,103	-	815	-	11,055	6,867	125	6,344	2,591	10,472	44,371	65.0%
160.0%	5,918	-	790	-	10,720	6,659	121	6,152	2,513	10,154	43,026	60.0%
155.0%	5,733	-	766	-	10,385	6,451	117	5,959	2,434	9,837	41,682	55.0%
150.0%	5,548	-	741	-	10,050	6,242	114	5,767	2,356	9,520	40,337	50.0%
145.0%	5,363	-	716	-	9,715	6,034	110	5,575	2,277	9,202	38,993	45.0%
140.0%	5,178	-	691	-	9,380	5,826	106	5,383	2,199	8,885	37,648	40.0%
135.0%	4,993	-	667	-	9,045	5,618	102	5,190	2,120	8,568	36,303	35.0%
130.0%	4,808	-	642	-	8,710	5,410	98	4,998	2,042	8,250	34,959	30.0%
125.0%	4,623	-	617	-	8,375	5,202	95	4,806	1,963	7,933	33,614	25.0%
120.0%	4,438	-	593	-	8,040	4,994	91	4,614	1,885	7,616	32,270	20.0%
115.0%	4,253	-	568	-	7,705	4,786	87	4,421	1,806	7,298	30,925	15.0%
110.0%	4,068	-	543	-	7,370	4,578	83	4,229	1,728	6,981	29,581	10.0%
105.0%	3,883	-	519	-	7,035	4,370	79	4,037	1,649	6,664	28,236	5.0%
100.0%	3,699	-	494	-	6,700	4,162	76	3,845	1,571	6,346	26,891	0.0%
95.0%	3,514	-	469	-	6,365	3,954	72	3,652	1,492	6,029	25,547	-5.0%
90.0%	3,329	-	445	-	6,030	3,745	68	3,460	1,414	5,712	24,202	-10.0%
85.0%	3,144	-	420	-	5,695	3,537	64	3,268	1,335	5,394	22,858	-15.0%
80.0%	2,959	-	395	-	5,360	3,329	61	3,076	1,256	5,077	21,513	-20.0%
75.0%	2,774	-	370	-	5,025	3,121	57	2,884	1,178	4,760	20,169	-25.0%
70.0%	2,589	-	346	-	4,690	2,913	53	2,691	1,099	4,442	18,824	-30.0%
65.0%	2,404	-	321	-	4,355	2,705	49	2,499	1,021	4,125	17,479	-35.0%
60.0%	2,219	-	296	-	4,020	2,497	45	2,307	942	3,808	16,135	-40.0%
55.0%	2,034	-	272	-	3,685	2,289	42	2,115	864	3,491	14,790	-45.0%
50.0%	1,849	-	247	-	3,350	2,081	38	1,922	785	3,173	13,446	-50.0%
45.0%	1,664	-	222	-	3,015	1,873	34	1,730	707	2,856	12,101	-55.0%
40.0%	1,479	-	198	-	2,680	1,665	30	1,538	628	2,539	10,757	-60.0%
35.0%	1,294	-	173	-	2,345	1,457	26	1,346	550	2,221	9,412	-65.0%
30.0%	1,110	-	148	-	2,010	1,248	23	1,153	471	1,904	8,067	-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. Performance and Valuation

Quarterly performance indicators

Transactions	90d+ arr.		CDR		CPR		Recoveries		Reserve			Cum. loss rate	
	Act.	Fcast	Act.	Fcast	Act.	Fcast	Act.	Fcast	Act.	Fcast	Min.	Act.	Fcast
Lusitano 3	1.2%	n/a	1.0%	1.3%	1.9%	1.6%	1,003	1,000	7,484	7,484	10,800	n/a	n/a
Lusitano 5	1.3%	n/a	1.4%	1.5%	1.5%	1.2%	1,422	1,600	(7,301)	(6,469)	11,900	n/a	n/a
Pastor 2	0.4%	n/a	0.3%	0.4%	6.0%	4.3%	241	245	5,000	5,000	5,000	n/a	n/a
Pastor 3	1.6%	n/a	2.1%	n/a	4.3%	n/a	234	n/a	(49,420)	n/a	9,000	n/a	n/a
Pastor 4	1.6%	n/a	2.1%	3.0%	4.7%	3.4%	114	700	(36,701)	(37,944)	5,520	n/a	n/a
Pastor 5	1.8%	n/a	1.8%	n/a	7.3%	n/a	64	n/a	(1,429)	n/a	10,500	n/a	n/a
Sestante 4A1	8.5%	n/a	3.5%	n/m	0.2%	n/m	1,004	n/m	(41,831)	n/a	6,200	n/a	n/a
Gems C	n/a	n/a	0.0%	0.0%	n/a	n/a	n/a	n/a	22,631	22,192	n/a	4.02%	4.06%
Semper 06G	na	na	na	na	na	na	na	na	5,400	5,400	na	-	-
Minotaure 04	na	na	na	na	na	na	na	na	na	na	na	na	na
Ludgate 06-1	n/a	n/a	0.9%	1.0%	4.5%	7.0%	n/a	n/a	1,149	1,149	1,149	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. Ludgate reserve is expressed in pounds.

EETI also holds the Class D residual position of the Sestante 4 transaction.

Transactions are overall performing slightly better than anticipated, although recoveries, notably in Spain remain disappointing

Revised valuation assumptions (24-month averages)

- Changes in credit assumptions are limited this quarter and IRRs have been tightened by a further 20 to 30 bps, in line with the prevailing methodology.

SUMMARY OF MAIN VALUATION INPUTS

Positions	CDR										CPR										Loss Severity									
	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
Lusitano 3	0.90%	1.04%	1.20%	1.22%	1.35%	1.39%	1.39%	1.38%	1.28%	1.16%	2.50%	2.25%	1.90%	1.80%	1.70%	1.68%	1.58%	1.56%	1.59%	1.62%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
Lusitano 5	1.30%	1.41%	1.57%	1.67%	1.71%	1.79%	1.77%	1.72%	1.50%	1.43%	2.20%	2.00%	1.80%	1.60%	1.50%	1.36%	1.27%	1.24%	1.23%	1.26%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
Pastor 2	0.20%	0.22%	0.29%	0.30%	0.35%	0.39%	0.47%	0.53%	0.53%	0.51%	5.10%	4.90%	4.60%	4.60%	4.60%	4.40%	4.31%	3.97%	4.05%	3.94%	20%	20%	20%	20%	20%	20%	30%	30%	30%	30%
Pastor 3	2.40%	2.73%	2.91%	3.37%	3.93%	4.11%	4.02%	3.75%	3.61%	3.64%	3.10%	2.90%	3.10%	3.00%	3.00%	3.00%	3.21%	3.09%	3.15%	3.26%	20%	20%	20%	20%	20%	20%	30%	30%	30%	30%
Pastor 4	2.20%	2.33%	2.46%	2.58%	3.06%	3.10%	2.97%	3.10%	2.98%	2.75%	3.20%	3.00%	3.00%	2.90%	3.00%	3.10%	3.25%	3.17%	3.39%	3.54%	20%	20%	20%	20%	20%	20%	30%	30%	30%	30%
Pastor 5	2.00%	2.14%	1.90%	2.12%	3.07%	3.31%	3.50%	3.63%	3.41%	3.50%	3.30%	2.90%	2.90%	2.80%	2.80%	2.80%	2.86%	2.83%	3.06%	2.97%	20%	20%	20%	20%	20%	20%	30%	30%	30%	30%
Gems	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	95%	95%	95%	92%	95%	95%	95%	95%	95%	95%
Minotaure	0.20%	0.22%	0.18%	0.22%	0.22%	0.23%	0.26%	0.20%	0.23%	0.24%	4.58%	4.56%	4.27%	4.07%	4.16%	4.20%	4.30%	4.15%	4.22%	4.22%	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Sestante 4 A1																														
Ludgate							1.00%	1.00%	1.00%	1.00%							5.00%	5.20%	5.72%	5.97%							30%	30%	30%	30%

Revised valuation assumptions (24-month averages) (cont'd)

SUMMARY OF MAIN VALUATION INPUTS

Positions	Recovery Lag										Discount Rate									
	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
Lusitano 3	10	10	10	10	10	10	10	10	10	10	10.00%	9.90%	9.78%	9.48%	9.00%	8.77%	8.49%	8.11%	7.87%	7.64%
Lusitano 5	10	10	10	10	10	10	10	10	10	10	15.00%	14.90%	14.78%	14.48%	14.00%	13.77%	13.49%	13.11%	12.87%	12.64%
Pastor 2	10	10	10	10	10	10	10	10	10	10	10.00%	9.90%	9.78%	9.48%	9.00%	8.77%	8.49%	8.11%	7.87%	7.64%
Pastor 3	10	10	10	10	10	10	10	10	10	10	15.00%	14.90%	14.78%	14.48%	14.00%	13.77%	13.49%	13.11%	12.87%	12.64%
Pastor 4	10	10	10	10	10	10	10	10	10	10	15.00%	14.90%	14.78%	14.48%	14.00%	13.77%	13.49%	13.11%	12.87%	12.64%
Pastor 5	10	10	10	10	10	10	10	10	10	10	15.00%	14.90%	14.78%	14.48%	14.00%	13.77%	13.49%	13.11%	12.87%	12.64%
Gems	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	8.50%	8.40%	8.28%	7.98%	7.50%	7.27%	6.99%	6.61%	6.37%	6.14%
Minotaure	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	15.00%	14.90%	14.78%	14.48%	14.00%	13.77%	13.49%	13.11%	12.87%	12.64%
Sestante 4 A1											8.50%	8.40%	8.28%	7.98%	7.50%	7.27%	6.99%	6.61%	6.37%	6.14%
Ludgate							4	4	4	4						13.49%	13.11%	12.87%	12.64%	

Quarterly valuation

- ▶ Quarter-end book value amounts to EUR 26,892k excluding accruals, after a combined revaluation of EUR 132k. The markdowns / revaluations mainly affect the following positions:
 - Ludgate, revalued by EUR 345k, reflecting the continued amortization of the position, the EUR/GBP exchange rate impact and slight decrease in IRR;
 - The Pastor 4 position, marked down by EUR 192k, due to reduced recoveries;
 - The Lusitano 5 transaction, marked down by EUR 164k, due to lower recoveries than anticipated.

Transactions are overall performing slightly better than anticipated, although recoveries, notably in Spain, remain disappointing

QUARTERLY BOOK VALUES AND REVALUATIONS

(EUR 000s)	31/03/2014		30/06/2014		30/09/2014		31/12/2014		31/03/2015	
	Book Value	(Markdown)/ Revaluation	Book Value	(Markdown)/ Revaluation	Book Value	(Markdown)/ Revaluation	Book Value	(Markdown)/ Revaluation	Book Value	(Markdown)/ Revaluation
Lusitano 3	5,769	132	6,129	317	6,338	331	6,678	452	6,701	9
Lusitano 5	2,926	81	3,244	224	3,796	448	4,198	282	4,164	(164)
Pastor 2	3,278	(42)	3,393	45	3,526	62	3,600	34	3,698	35
Pastor 3	0	(70)	0	0	0	0	0	0	0	0
Pastor 4	2,324	(13)	333	(2,067)	389	45	665	264	494	(192)
Pastor 5	427	(31)	0	(441)	0	0	0	0	0	0
Semper					0	0			0	0
Gems	4,654	110	3,577	(1,148)	3,648	22	3,716	21	3,844	80
Minotaure	1,245	18	1,308	22	1,338	(13)	1,506	127	1,570	19
Sestante 4 A1	127	0	123	6	105	(7)	85	(10)	76	1
Ludgate			6,590	6,590	6,507	281	6,266	132	6,345	345
TOTAL	20,751	186	24,697	3,548	25,647	1,169	26,715	1,300	26,892	132

Note: EETI also holds the Class D residual position of the Sestante 4 transaction.

Pastor investments

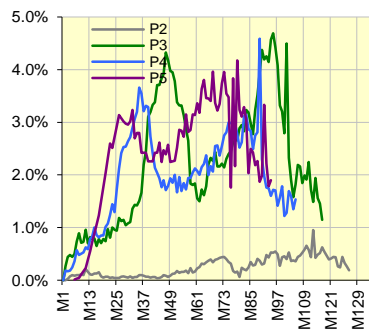
PERFORMANCE

- ▶ 90-day+ arrears have continued to decrease by approx. 0.5% and stand at 1.1%, 1.5% and 1.9% for Pastor 3, 4 and 5 respectively at the end of the quarter.
- ▶ This has translated into a substantial decrease in default rates to 2.0-2.6% vs. 3.4-4.8% a year ago; these levels are however still very elevated in relation to excess spread of 0.40% p.a..
- ▶ Recoveries on defaulted loans has slowed down in all Pastor transactions, with quarterly recoveries ranging from EUR 100k to EUR 250k for Pastor 2, 3, 4 and 5, vs. EUR 1.0m per quarter in average in 2014.
- ▶ Reserve fund of the Pastor 2 position is now undrawn and the position resumed cash-flowing.

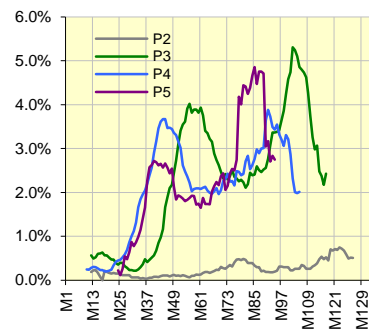
VALUATION

- ▶ The reduction in the discount rate leads to a EUR 35k revaluation in the Pastor 2 position. The shortfall in recoveries on Pastor 4, and the corollary deterioration in its negative reserve, leads to a markdown of EUR 192k.

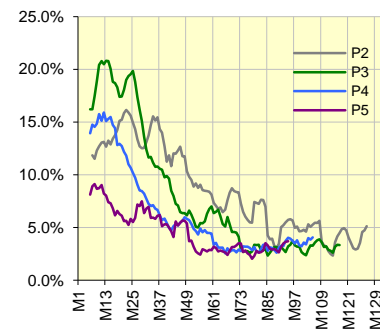
90d+ arrears (excl. defaults, as % CB)



12M average default rates (CDR as % CB)



6M average CPR



Note: Graphs expressed in months since issue.

Lusitano investments

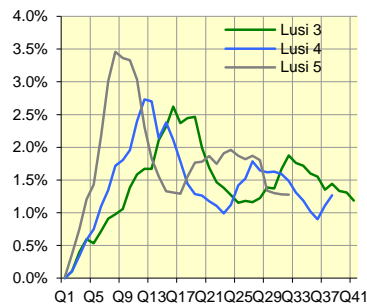
PERFORMANCE

- ▶ 90d+ arrears improved marginally for Lusitano 3 and 5 deals. Default rates improved more substantially for both deals and stand below 1% for Lusitano 3 (0.88% vs. 1.45% a year ago) and just above 1% for Lusitano 5 (1.24% vs. 1.77% a year ago).
- ▶ The Lusitano 3 residual received EUR 114k vs. an expected EUR 64k, due to lower defaults than forecast.
- ▶ Recoveries of defaulted mortgage loans were lower than expected, notably those allocated to the interest waterfall, increasing the negative reserve position of the transaction.

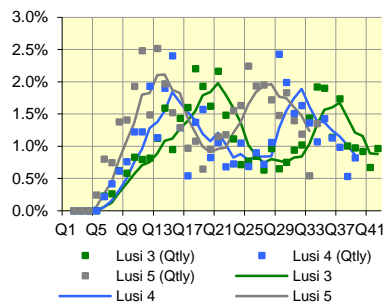
VALUATION

- ▶ The reduction in discount rate leads to a EUR 9k revaluation on the Lusitano 3 position. Lower recoveries on Lusitano 5 lead to a EUR 164k markdown.

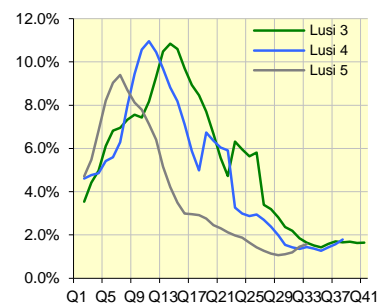
90d+ arrears (excl. defaults, as % CB)



Quarterly and average defaults (as % CB)



12M average CPR



Note: Graphs expressed in months since issue.

Ludgate

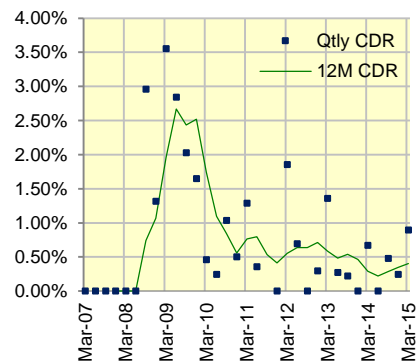
PERFORMANCE

- ▶ The Ludgate position generated a quarterly cash flow of EUR 456k vs. EUR 508k forecast; the modest cash flow shortfall reflects timing differences in the receipt of instalments on the underlying loan portfolio as well as variations in the EUR / GBP exchange rate.
- ▶ The credit performance of the position remains satisfactory with a total redemption rate of approx. 7%, despite a slight uptick in the 12-months default rate (0.9% p.a. vs. 0.7% in Q1 2014). The underlying interest rate exposure (BBR vs. Libor) has remained neutral.

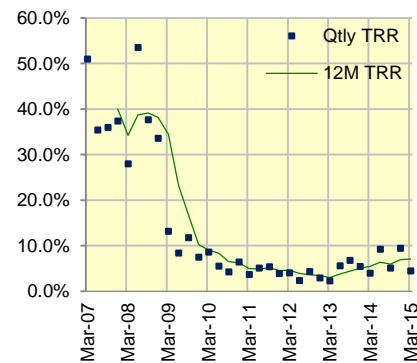
VALUATION

- ▶ The substantial amortization of the position this quarter, combined with stable credit performance and a reduction in the discount rate leads to a revaluation of EUR 345k.

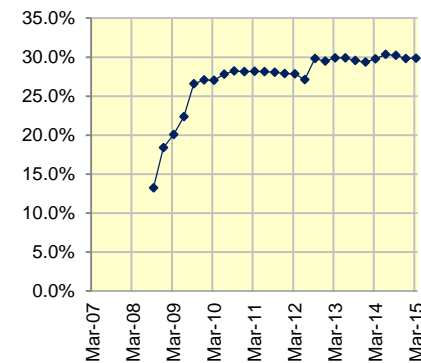
Quarterly and 12M default rate (CDR)



Quarterly total redemption rate (TRR)



Cumulative loss severity



Note: Graphs expressed in months since issue.

Other EETI investments

Gems

- ▶ Improving credit performance and amortization, which, combined with a tightening of the discount rate, lead to a quarterly revaluation of EUR 80k.

Minotaure

- ▶ Stable credit performance; tightening of discount rate leads to a marginal revaluation of EUR 19k.

Sestante Class A1

- ▶ In line with base case; marginal reduction in discount rate leads to a EUR 1k revaluation.

3 PROVISIONAL ACCOUNTING ITEMS

Accounting items for the quarter ended 31/03/2015

EETI QUARTERLY VALUATION REPORT AS AT 31/03/2015

From:	01/01/2015
To:	31/03/2015

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	16/01/2015	114	114	-	129	14	129	9	6,701	9	6,831	24.9%
Lusitano 5	15/01/2015	-	-	-	130	130	124	(164)	4,164	(164)	4,288	15.5%
Pastor 2	22/03/2015	4	4	-	68	64	9	35	3,698	35	3,706	13.8%
Pastor 3	22/03/2015	-	-	-	0	0	0	0	0	0	0	0.0%
Pastor 4	22/03/2015	-	-	-	20	20	2	(192)	494	(192)	496	1.8%
Pastor 5	22/03/2015	-	-	-	0	0	0	0	-	0	0	0.0%
Gems	02/03/2015	10	10	-	57	47	24	80	3,844	80	3,868	14.3%
Minotaure	22/03/2015	-	-	-	46	46	3	19	1,570	19	1,574	5.8%
Ludgate	07/03/2015	456	190	266	190	0	121	345	6,345	345	6,466	23.6%
Sestante 4 A1	16/01/2015	11	1	10	1	0	1	1	76	1	77	0.3%
Total		595	320	276	641	321	414	132	26,892	132	27,307	100.0%

ACCOUNTING INCOME	
Actual cash flow received in Q	595
Plus: Capitalised interest	321
Less: Amortisation of principal	(276)
Income excl. accruals	641
<i>check</i>	<i>0.0</i>
Less: Previous Q accruals	(315)
Plus: Current Q accruals	414
Income incl. accruals	740

WRITE-DOWNS / REVALUATIONS	
Sum of write-downs excl. accruals	(355)
Sum of revaluations excl. accruals	487
Total excl. accruals	132
<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	132
<i>check</i>	<i>0.0</i>

VALUATION RECAP	
Valuation excl. accruals	26,892
Valuation incl. accruals	27,307
<i>check</i>	<i>0.0</i>
Last Q valuation excl. accruals	26,715
Plus: Capitalised interest	321
Less: Amortisation of principal	(276)
Sum write-downs / reval. excl. accruals	132
Plus: Purchased in Q	-
Current Q excl. accruals	26,892
<i>check</i>	<i>0.0</i>

Note: EETI also holds the Class D residual position of the Sestante 4 transaction, which is written off.