

Confidential

EETI Quarterly Review

QUARTER ENDED 30/06/2016

August 2016

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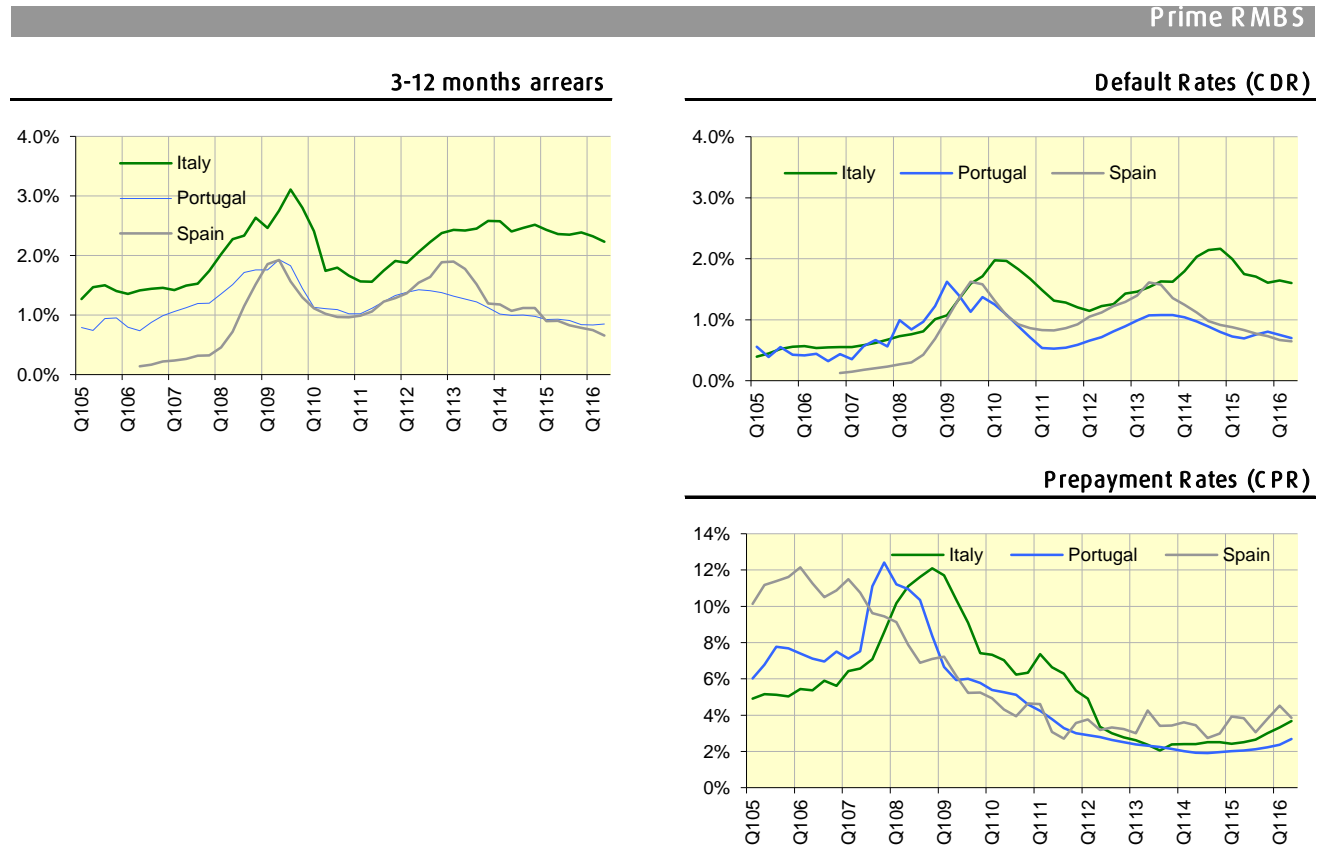
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1 EUROPEAN ABS / RMBS ACTIVITY AND PERFORMANCE

Prime European RMBS performance

- ▶ Average arrears and defaults have declined to below 1.0% in Spain and Portugal and continue to head down in Italy
- ▶ Average prepayment rates are rising across seasoned peripheral RMBS and now reach 4.0% in Spain and Italy

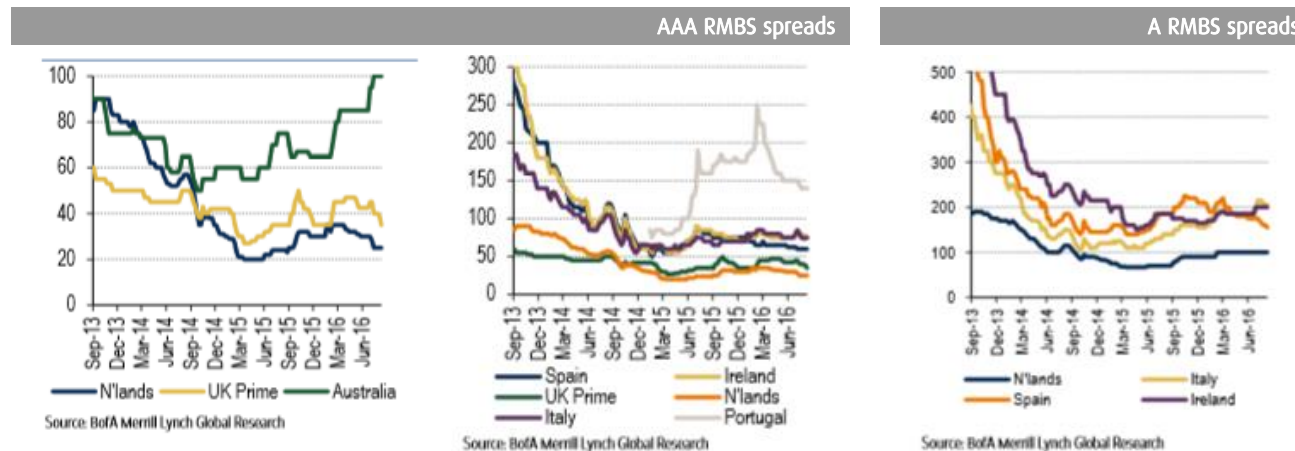


Note: Indices based on own data collection of a broad sample of seasoned RMBS transactions.
 Source: Trustee reports and Cartesia.

European ABS / RMBS market activity

- ▶ European ABS widened slightly in the last weeks of the second quarter, on the back of the Brexit vote, amidst very low trading volumes. The ABS market has however recovered during the summer and is now trading broadly at the same level as at the end of Q1 2016:
 - ECB-eligible RMBS has remained flat or tightened slightly, trading at spreads over 3-month Euribor between 20 and 75bps, depending on the collateral country;
 - Non-eligible first-pay bonds, notably peripheral issues, initially widened by at least 10-20 bps after the Brexit vote but have now reverted to their starting level; depending on country and performance, these bonds trade at spreads between 100 and 200 bps;
 - UK and GBP-denominated bonds followed the same path, with an initial widening of 10-15 bps, followed by a tightening of around 15bps.

EVOLUTION OF RMBS SPREADS OVER EUR3M



2 PORTFOLIO PERFORMANCE

A. Cash Flow

Cash flow receipts for the quarter ended 30/06/2016

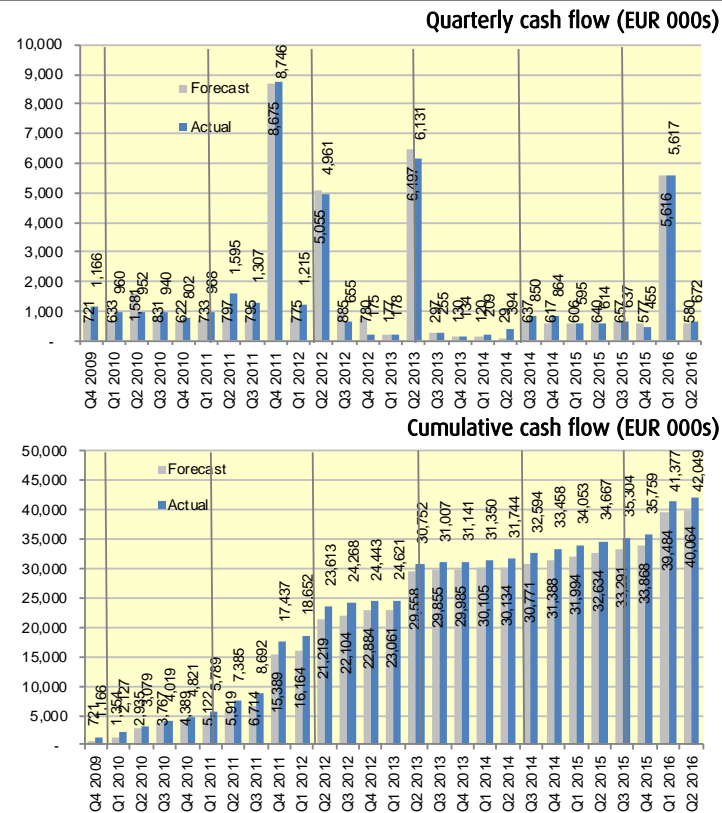
- ▶ Quarterly cash flow amounted to EUR 672k, derived essentially from the Ludgate and the Lusitano 3 residual positions. Actual cash flow was EUR 92k ahead of forecast due to higher than expected payments from both deals.

Cash flow receipts for the quarter

(EUR)

Transactions	Actual	Forecast	Delta
Lusitano 3	219,099	155,141	63,958
Lusitano 5	-	-	-
Pastor 2	8,193	9,252	(1,059)
Pastor 3	-	-	-
Pastor 4	-	-	-
Pastor 5	-	-	-
Sestante 4A1	12,942	12,282	660
Minotaure 04	-	-	-
Ludgate 06-1	432,038	403,776	28,262
TOTAL	672,272	580,451	91,821

Actual vs. forecast since Q4 2009



Forecast cash flow

Forecast cash flow				
(EUR 000s)				Cumulative
Period	Period CF	Cumulative CF	% Total	% Total
2016	1,085	1,085	2.6%	2.6%
2017	2,126	3,212	5.1%	7.7%
2018	2,690	5,901	6.5%	14.2%
2019	7,896	13,798	19.0%	33.3%
2020	6,320	20,118	15.2%	48.5%
2021	5,594	25,712	13.5%	62.0%
2022	2,755	28,467	6.6%	68.6%
Beyond	13,011	41,478	31.4%	100.0%
TOTAL	41,478		100.0%	

Total forecast cash flow of EUR 41.5m, of which EUR 28.5m until end 2022

Historical cash flow

(EUR 000s)	Spain				Portugal		Italy	Germany	France	UK	Total
	Pastor 2	Pastor 3	Pastor 4	Pastor 5	Lusitano 3	Lusitano 5	Sestante 4	Gems	Minotaure	Ludgate	
HISTORICAL											
Q3 2009	86	-	-	-	59	77	-	25	213	13	891
Q4 2009	430	-	-	-	34	75	-	19	210	-	1,166
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
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
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
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
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
Q1 2015	4	-	-	-	114	-	11	10	-	456	595
Q2 2015	4	-	-	-	110	-	11	9	-	479	614
Q3 2015	3	-	-	-	71	-	13	9	-	541	637
Q4 2015	-	-	-	-	102	-	13	8	-	331	455
Q1 2016	-	-	-	-	179	-	15	5,007	-	416	5,617
Q2 2016	8	-	-	-	219	-	13	-	-	432	672

Forecast quarterly cash flow

(EUR 000s)		Spain				Portugal		Italy	Germany	France	UK	Total		
		Pastor 2	Pastor 3	Pastor 4	Pastor 5	Lusitano 3	Lusitano 5	Sestante 4	Gems	Minotaure	Ludgate			
RECAST														
												Quarterly CF	Annual CF	Cumulative CF
Q3 2016	1	3	-		151	-	12			-	368	534		534
Q4 2016	2	3	-		181	-	11				355	551	1,085	1,085
Q1 2017	3	3	-		147	-	0			-	342	493		1,578
Q2 2017	4	3	-		205	-				-	329	538		2,115
Q3 2017	5	3	-		165	-				-	335	503		2,619
Q4 2017	6	3	-		268	-				-	322	593	2,126	3,212
Q1 2018	7	4	-		260	-				-	309	573		3,784
Q2 2018	8	4	-		301	-				-	297	602		4,386
Q3 2018	9	4	-		445	-				-	286	735		5,121
Q4 2018	10	4	-		506	-				-	270	780	2,690	5,901
Q1 2019	11	4	-		490	-				-	256	750		6,652
Q2 2019	12	5	-		488	-				-	242	735		7,387
Q3 2019	13	5,005	-		488	-				-	229	5,721		13,108
Q4 2019	14		-		479	-				-	211	690	7,896	13,798
Q1 2020	15		-		481	-				-	194	676		14,473
Q2 2020	16		-		480	-				-	179	659		15,132
Q3 2020	17		-		478	310				-	165	954		16,085
Q4 2020	18		-		472	2,036				-	1,524	4,032	6,320	20,118
Q1 2021	19		-		936	692				-		1,628		21,745
Q2 2021	20		-		86	1,244				-		1,329		23,075
Q3 2021	21		-		85	1,238				-		1,323		24,398
Q4 2021	22		-		77	1,237				-		1,314	5,594	25,712
Q1 2022	23		-		79	2,252				-		2,331		28,043
Q2 2022	24		-		77	70				-		148		28,191
Q3 2022	25		-		76	66				-		142		28,333
Q4 2022	26		-		69	65				-		134	2,755	28,467
Q1 2023	27		-		71	64				-		135		28,602
Q2 2023	28		-		69	62				447		578		29,180
Q3 2023	29		-		68	58				738		864		30,044
Q4 2023	30		-		62	57				637		755	2,332	30,799
Q1 2024	31		-		63	56				515		633		31,432
Q2 2024	32		3,439		61	54				384		3,937		35,369
Q3 2024	33				59	51				297		408		35,777
Q4 2024	34				55	49				229		333	5,311	36,110
Q1 2025	35				55	48				135		238		36,348
Q2 2025	36				53	46				45		144		36,492
Q3 2025	37				1,389	43				7		1,440		37,931
Q4 2025	38					42				8		49	1,871	37,981
Q1 2026	39					41				1,480		1,521		39,502
Q2 2026	40					39				-		39		39,541
Q3 2026	41					36				-		36		39,577
Q4 2026	42					35				-		35	1,632	39,612
Q1 2027	43					34						34		39,647
Q2 2027	44					33						33		39,680
Q3 2027	45					30						30		39,710
Q4 2027	46					29						29	127	39,739
Q1 2028	47					28						28		39,767
Q2 2028	48					1,711						1,711		41,478
Q3 2028	49											-		41,478
Q4 2028	50											-	1,739	41,478

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
4.85%	4,331	-	2,354	-	8,170	8,799	22.9	-	3,324	5,506	32,507
6.35%	4,137	-	2,101	-	7,716	8,066	23	-	2,956	5,316	30,314
11.35%	3,565	-	1,454	-	6,463	6,131	22	-	2,027	4,759	24,420
5.00%	4,311	-	2,327	-	8,123	8,722	22.9	-	3,285	5,487	32,278
7.50%	3,995	-	1,927	-	7,394	7,558	22.7	-	2,706	5,178	28,781
10.00%	3,709	-	1,603	-	6,766	6,588	22	-	2,240	4,898	25,827
15.00%	3,212	-	1,123	-	5,745	5,084	22	-	1,557	4,415	21,157
Valuation	4,137	-	1,454	-	7,716	6,131	23	-	2,027	4,759	26,245

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
4.85%	1.2x	-	1.5x	-	1.2x	1.3x	1.0x --	-	1.5x	1.1x	1.3x
6.35%	1.2x	-	1.6x	-	1.3x	1.5x	1.0x --	-	1.7x	1.2x	1.4x
11.35%	1.4x	-	2.4x	-	1.5x	1.9x	1.0x --	-	2.4x	1.3x	1.7x
5.00%	1.2x	-	1.5x	-	1.2x	1.4x	1.0x --	-	1.5x	1.1x	1.3x
7.50%	1.3x	-	1.8x	-	1.3x	1.6x	1.0x --	-	1.8x	1.2x	1.4x
10.00%	1.4x	-	2.1x	-	1.5x	1.8x	1.0x --	-	2.2x	1.3x	1.6x
15.00%	1.6x	-	3.1x	-	1.7x	2.3x	1.1x --	-	3.2x	1.4x	2.0x
Valuation	1.2x	-	2.4x	-	1.3x	1.9x	1.0x --	--	2.4x	1.3x	1.6x

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%	7,032	-	2,472	-	13,117	10,422	39	-	3,445	8,090	44,617	70.0%
165.0%	6,825	-	2,400	-	12,731	10,115	38	-	3,344	7,852	43,305	65.0%
160.0%	6,618	-	2,327	-	12,345	9,809	37	-	3,243	7,614	41,992	60.0%
155.0%	6,412	-	2,254	-	11,960	9,502	35	-	3,141	7,376	40,680	55.0%
150.0%	6,205	-	2,181	-	11,574	9,196	34	-	3,040	7,138	39,368	50.0%
145.0%	5,998	-	2,109	-	11,188	8,889	33	-	2,939	6,900	38,056	45.0%
140.0%	5,791	-	2,036	-	10,802	8,583	32	-	2,837	6,662	36,743	40.0%
135.0%	5,584	-	1,963	-	10,416	8,276	31	-	2,736	6,424	35,431	35.0%
130.0%	5,377	-	1,891	-	10,031	7,970	30	-	2,635	6,186	34,119	30.0%
125.0%	5,171	-	1,818	-	9,645	7,663	29	-	2,533	5,948	32,807	25.0%
120.0%	4,964	-	1,745	-	9,259	7,357	27	-	2,432	5,710	31,494	20.0%
115.0%	4,757	-	1,672	-	8,873	7,050	26	-	2,331	5,472	30,182	15.0%
110.0%	4,550	-	1,600	-	8,487	6,744	25	-	2,229	5,234	28,870	10.0%
105.0%	4,343	-	1,527	-	8,102	6,437	24	-	2,128	4,997	27,557	5.0%
100.0%	4,137	-	1,454	-	7,716	6,131	23	-	2,027	4,759	26,245	0.0%
95.0%	3,930	-	1,382	-	7,330	5,824	22	-	1,925	4,521	24,933	-5.0%
90.0%	3,723	-	1,309	-	6,944	5,517	21	-	1,824	4,283	23,621	-10.0%
85.0%	3,516	-	1,236	-	6,558	5,211	19	-	1,723	4,045	22,308	-15.0%
80.0%	3,309	-	1,163	-	6,173	4,904	18	-	1,621	3,807	20,996	-20.0%
75.0%	3,102	-	1,091	-	5,787	4,598	17	-	1,520	3,569	19,684	-25.0%
70.0%	2,896	-	1,018	-	5,401	4,291	16	-	1,419	3,331	18,372	-30.0%
65.0%	2,689	-	945	-	5,015	3,985	15	-	1,317	3,093	17,059	-35.0%
60.0%	2,482	-	873	-	4,630	3,678	14	-	1,216	2,855	15,747	-40.0%
55.0%	2,275	-	800	-	4,244	3,372	13	-	1,115	2,617	14,435	-45.0%
50.0%	2,068	-	727	-	3,858	3,065	11	-	1,013	2,379	13,123	-50.0%
45.0%	1,861	-	654	-	3,472	2,759	10	-	912	2,141	11,810	-55.0%
40.0%	1,655	-	582	-	3,086	2,452	9	-	811	1,903	10,498	-60.0%
35.0%	1,448	-	509	-	2,701	2,146	8	-	709	1,666	9,186	-65.0%
30.0%	1,241	-	436	-	2,315	1,839	7	-	608	1,428	7,874	-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.

B. Performance and Valuation

Quarterly performance indicators

(EUR 000s, except for Ludgate, expressed in GBP 000s)

Transactions	90d+ arr.		CDR		CPR		Recoveries		Reserve		
	Act.	Fcast	Act.	Fcast	Act.	Fcast	Act.	Fcast	Act.	Fcast	Min.
Lusitano 3	0.9%	n/á	0.5%	0.9%	3.0%	2.0%	871	800	6,468	6,468	6,468
Lusitano 5	1.2%	n/á	1.2%	1.0%	2.3%	1.9%	1,197	800	(6,695)	(7,202)	11,900
Pastor 2	0.4%	n/á	0.0%	0.4%	3.7%	4.4%	23	245	5,000	5,000	5,000
Pastor 3	1.3%	n/á	0.9%	1.8%	5.2%	3.8%	65	n/á	(50,581)	n/á	9,000
Pastor 4	1.1%	n/á	0.7%	2.0%	7.0%	4.1%	-	508	(37,761)	(38,577)	5,520
Pastor 5	1.3%	n/á	1.0%	2.1%	4.7%	3.5%	250	n/á	(29,561)	n/á	10,500
Sestante 4A1	6.7%	n/á	1.2%	3.0%	1.3%	n/á	351	n/á	(41,575)	n/á	6,200
Minotaure 04	n/á	n/á	0.3%	0.3%	8.9%	5.7%	n/á	n/á	2,955	2,955	2,955
Ludgate 06-1	n/á	n/á	0.0%	0.5%	14.9%	8.0%	-	64	1,149	1,149	1,149

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.

The prepayment rate (CPR) indicated for the Ludgate position is the total redemption rate. Higher CPRs than forecast are, all other things equal, a negative for the residual positions in Lusitano 3 and 5 as well as Ludgate and are therefore depicted in red; higher CPRs are a positive for the other positions and therefore depicted in green.

EETI also holds the Class D residual position of the Sestante 4 transaction and the junior notes of the levered repackaging vehicles holding the residual positions of the Lusitano 4, Sestante 2 and Sestante 3 transactions. These positions are written off and considered to be irremediably impaired.

Transaction performance continues to improve across the portfolio

Recoveries on defaulted loans in Spain remain however almost negligible in relation to the substantial amount of unenclosed loans still outstanding

The second trend to point out is the general rise in prepayments, which is most notable in UK non-conforming and to a lesser extent in Spain

Quarterly valuation

- ▶ Quarter-end book value amounts to EUR 26,247k excluding accruals, after a combined revaluation of EUR 309k.
 - The revaluations mainly affect the Lusitano 3 and 5 positions, due to their continuing improvement in performance vs. assumptions;
 - The markdowns principally relate to the Ludgate and the Pastor 4 positions; the former is due to rising prepayments and the latter to further confirmation of increased loss severity.

Quarter-end portfolio book value amounts to EUR 26,247k, further to a EUR 309k revaluation

QUARTERLY BOOK VALUES AND REVALUATIONS

(EUR 000s)	31/12/2015		31/03/2016		30/06/2016	
	Book Value	(Markdown)/ Revaluation	Book Value	(Markdown)/ Revaluation	Book Value	(Markdown)/ Revaluation
Lusitano 3	7,281	22	7,552	323	7,716	265
Lusitano 5	5,348	603	5,638	134	6,131	338
Pastor 2	3,916	(5)	4,070	87	4,137	10
Pastor 3	0	0	0	0	0	0
Pastor 4	1,386	55	1,489	63	1,454	(76)
Pastor 5	0	0	0	0	0	0
Minotaure	1,770	21	1,890	69	2,027	84
Sestante 4 A1	49	(2)	35	0	23	0
Ludgate	5,654	(71)	5,356	(45)	4,759	(313)
TOTAL	30,344	1,023	26,031	631	26,247	309

Note: EETI also holds the Class D residual position of the Sestante 4 transaction and the junior notes of the levered repackaging vehicles holding the residual positions of the Lusitano 4, Sestante 2 and Sestante 3 transactions. These positions are written off and considered to be irretrievably impaired.

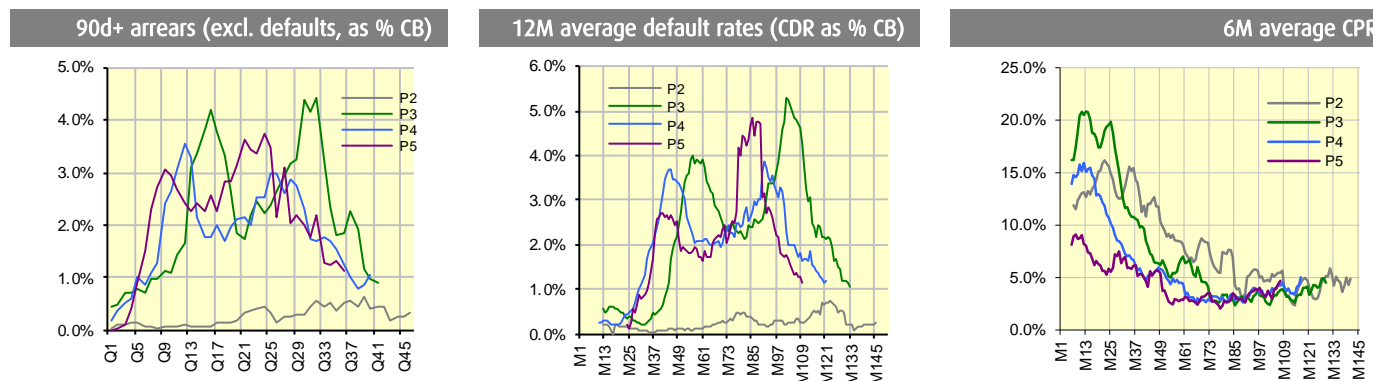
Pastor investments

PERFORMANCE

- ▶ 90-day+ arrears for the Pastor 3, 4 and 5 transactions remain at around 1.0% at quarter-end, with default rates at similar levels.
- ▶ Although default rates have halved over the past year, they still significantly exceed the available excess spread in the deals of 0.40% p.a., leading to a continuing deterioration of the principal deficiency shortfall, which can now only be cured through recoveries on defaulted loans.
- ▶ These recoveries remain however disappointing with combined receipts of around EUR 400k in the quarter on the Pastor 2, 3, 4 and 5 transactions, out of an amount of unforced loans well in excess of EUR 100m.
- ▶ Average loss severity on actual foreclosures remains well above 40%, which has led to an increase in the loss severity assumption to 38.5%.

VALUATION

- ▶ The reduction in discount rate leads to a EUR 10k revaluation of the Pastor 2 transaction and the increase in loss severity leads to a EUR 76k markdown of the Pastor 4 position.



Note: Graphs expressed in months since issue except for 90d+ arrears, which are expressed in quarters since issue.

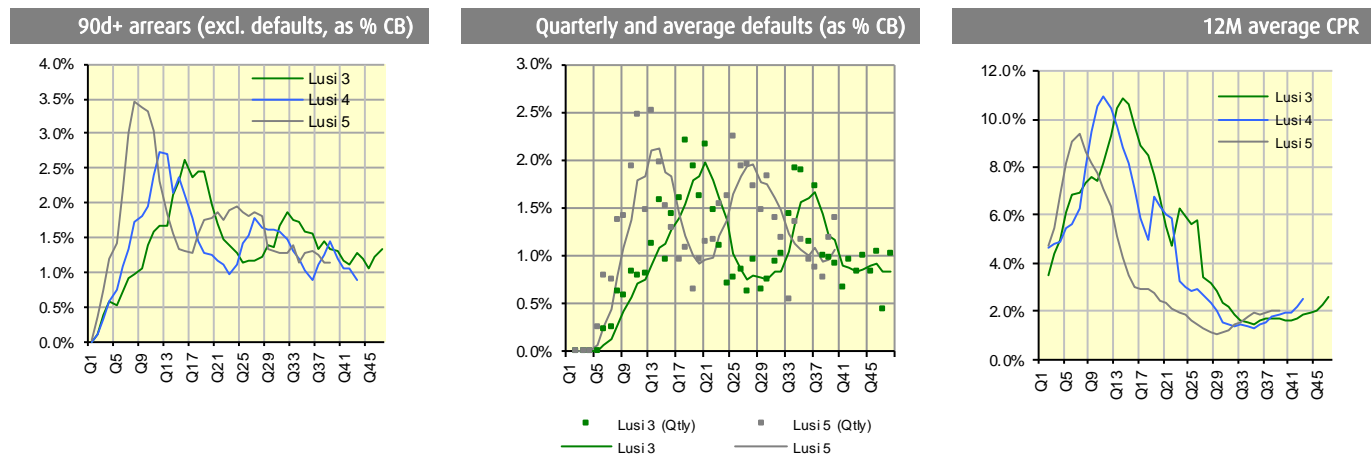
Lusitano investments

PERFORMANCE

- ▶ 90d+ arrears remain broadly stable for both transactions between 1.2% and 1.4%.
- ▶ Lusitano 3 recorded an unusually low default rate of 0.5% p.a. in the quarter vs. an expected 0.9%, leading to a residual cash flow of EUR 219k, exceeding forecast by EUR 64k.
- ▶ The default rate on the Lusitano 5 transaction was of 1.2% p.a. slightly above forecast.
- ▶ Collections on defaulted mortgage loans totaled EUR 0.9m for Lusitano 3 and EUR 1.2m for Lusitano 5, somewhat above forecast.

VALUATION

- ▶ The reduction in discount rate and improving credit assumptions lead to a combined EUR 603k revaluation for the Lusitano 3 and 5 positions.



Note: Graphs expressed in quarters since issue.

Ludgate residual position

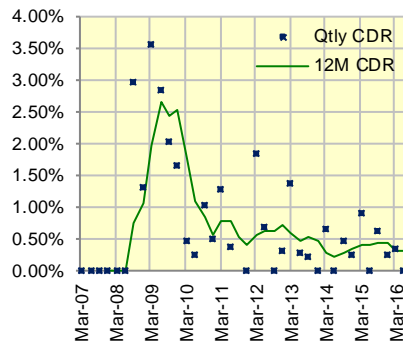
PERFORMANCE

- ▶ The credit performance of the position remains satisfactory with defaults remaining lower than anticipated, loss severity stable and interest rate exposure (BBR vs. Libor) neutral.
- ▶ Total redemption rates however increased again this quarter to over 14% p.a., leading to a further adjustment in the redemption curve used in the model.
- ▶ The Ludgate residual generated a quarterly cash flow of GBP 332k vs. forecast of GBP 320k; translating in a euro-denominated amount of EUR 432k vs. an expected EUR 404k.

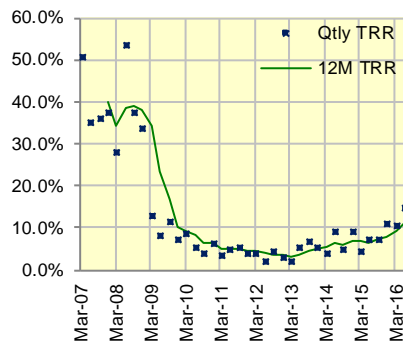
VALUATION

- ▶ Despite its strong credit performance, the transaction has been marked down by EUR 313k, reflecting the steepening of the expected redemption curve.

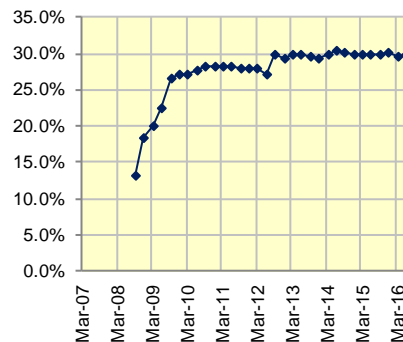
Quarterly and 12M default rate (CDR)



Quarterly total redemption rate (TRR)



Cumulative loss severity



Other EETI investments

Minotaure

- ▶ Overall stable credit performance, accelerating prepayments and a tightening of the discount rate lead to a revaluation of EUR 84k.
- ▶ Contrary to other residuals, this position benefits from increasing prepayments as the underlying loans are held below par and their principal repayment generates excess spread to the transaction.

Sestante Class A1

- ▶ The position continues to redeem as planned and should be fully repaid by year-end.

Other

- ▶ EETI also holds the Class D Notes of Sestante 4 as well as the junior notes of the Citrine refinancing vehicle referencing the residuals of the Sestante 2 and 3 and of the Lusitano 4 transactions. These positions are valued at 0 and considered permanently impaired.

3 PROVISIONAL ACCOUNTING ITEMS

Accounting items for the quarter ended 30/06/2016

EETI QUARTERLY VALUATION REPORT AS AT 30/06/2016

From: 01/04/2016

To: 30/06/2016

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	16/04/2016	219	118	101	118	0	144	265	7,716	265	7,860	29.4%
Lusitano 5	15/04/2016	-	-	-	154	154	166	338	6,131	338	6,297	23.4%
Pastor 2	22/06/2016	8	8	-	65	56	10	10	4,137	10	4,146	15.8%
Pastor 3	22/06/2016	-	-	-	0	0	0	0	0	0	0	0.0%
Pastor 4	22/06/2016	-	-	-	41	41	5	(76)	1,454	(76)	1,459	5.5%
Pastor 5	22/06/2016	-	-	-	0	0	0	0	-	0	0	0.0%
Minotaure	22/06/2016	-	-	-	52	52	4	84	2,027	84	2,031	7.7%
Ludgate	07/06/2016	432	148	284	148	0	103	(313)	4,759	(313)	4,863	18.1%
Sestante 4 A1	16/04/2016	13	0	13	0	0	1	0	23	0	23	0.1%
Total		672	275	397	579	304	433	309	26,247	309	26,680	100.0%

ACCOUNTING INCOME

Actual cash flow received in Q	672
Plus: Capitalised interest	304
Less: Amortisation of principal	(397)
Income excl. accruals	579
<i>check</i>	<i>0.0</i>
Less: Previous Q accruals	(430)
Plus: Current Q accruals	433
Income incl. accruals	583

WRITE-DOWNS / REVALUATIONS

Sum of write-downs excl. accruals	(388)
Sum of revaluations excl. accruals	697
Total excl. accruals	309
<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	309
<i>check</i>	<i>0.0</i>

VALUATION RECAP

Valuation excl. accruals	26,247
Valuation incl. accruals	26,680
<i>check</i>	<i>0.0</i>
Last Q valuation excl. accruals	26,031
Plus: Capitalised interest	304
Less: Amortisation of principal	(397)
Sum write-downs / reval. excl. accruals	309
Plus: Purchased in Q	
Current Q excl. accruals	26,247
<i>check</i>	<i>0.0</i>

Note: EETI also holds the Class D residual position of the Sestante 4 transaction and the junior notes of the levered repackaging vehicles holding the residual positions of the Lusitano 4, Sestante 2 and Sestante 3 transactions. These positions are written off and considered to be irremediably impaired.

APPENDIX: HISTORICAL VALUATION ASSUMPTIONS

Revised valuation assumptions (24-month averages)

SUMMARY OF MAIN VALUATION INPUTS

Positions	CDR															CPR															
	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q1 2016	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q1 2016	
Lusitano 3	0.90%	1.04%	1.20%	1.22%	1.35%	1.39%	1.39%	1.38%	1.28%	1.16%	1.03%	1.01%	0.90%	0.90%	0.84%	2.50%	2.25%	1.90%	1.80%	1.70%	1.68%	1.58%	1.56%	1.59%	1.68%	1.70%	1.78%	1.79%	1.82%	2.02%	
Lusitano 5	1.30%	1.41%	1.57%	1.67%	1.71%	1.79%	1.77%	1.72%	1.50%	1.43%	1.33%	1.24%	1.16%	1.03%	1.01%	2.20%	2.00%	1.80%	1.60%	1.50%	1.36%	1.27%	1.24%	1.23%	1.32%	1.44%	1.59%	1.67%	1.76%	1.88%	
Pastor 2	0.20%	0.22%	0.29%	0.30%	0.35%	0.39%	0.47%	0.53%	0.53%	0.51%	0.45%	0.41%	0.38%	0.36%	0.22%	5.10%	4.90%	4.60%	4.60%	4.60%	4.40%	4.31%	3.97%	4.05%	3.94%	3.94%	4.31%	4.40%	4.40%	4.47%	
Pastor 3	2.40%	2.73%	2.91%	3.37%	3.93%	4.11%	4.02%	3.75%	3.61%	3.64%	3.40%	2.69%	2.07%	1.80%	1.65%	3.10%	2.90%	3.10%	3.00%	3.00%	3.00%	3.21%	3.09%	3.15%	3.26%	3.24%	3.53%	3.69%	3.80%	3.75%	
Pastor 4	2.20%	2.33%	2.46%	2.58%	3.06%	3.10%	2.97%	3.10%	2.98%	2.75%	2.54%	2.46%	2.32%	1.95%	1.43%	3.20%	3.00%	3.00%	2.90%	3.00%	3.10%	3.25%	3.17%	3.39%	3.54%	3.67%	3.67%	3.79%	4.09%	4.06%	
Pastor 5	2.00%	2.14%	1.90%	2.12%	3.07%	3.31%	3.50%	3.63%	3.41%	3.50%	3.54%	3.27%	2.42%	2.05%	1.69%	3.30%	2.90%	2.90%	2.80%	2.80%	2.80%	2.86%	2.83%	3.06%	2.97%	3.18%	3.11%	3.34%	3.50%	3.74%	
Minotaure	0.20%	0.22%	0.18%	0.22%	0.22%	0.23%	0.26%	0.20%	0.23%	0.24%	0.24%	0.25%	0.24%	0.28%	0.28%	4.58%	4.56%	4.27%	4.07%	4.16%	4.20%	4.30%	4.15%	4.22%	4.29%	4.64%	5.50%	5.24%	5.66%	6.16%	
Ludgate							1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	0.50%	0.50%	0.40%																

Note: Changes in variables which are supportive to the valuation of a position are depicted in green; changes depicted in red are unsupportive to the valuation of a position. In the case of prepayments / CPR, an increase is favourable for the Pastor and the Minotaure positions but unfavourable to the residual positions in Lusitano 3 and 5 and in Ludgate.

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

SUMMARY OF MAIN VALUATION INPUTS

Positions	Loss Severity															Recovery Lag															
	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q1 2016	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q1 2016	
Lusitano 3	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	
Lusitano 5	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Pastor 2	20%	20%	20%	20%	20%	20%	30%	30%	30%	30%	30%	30%	30%	30%	39%	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Pastor 3	20%	20%	20%	20%	20%	20%	30%	30%	30%	30%	30%	30%	30%	30%	39%	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Pastor 4	20%	20%	20%	20%	20%	20%	30%	30%	30%	30%	30%	30%	30%	30%	39%	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Pastor 5	20%	20%	20%	20%	20%	20%	30%	30%	30%	30%	30%	30%	30%	30%	39%	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Minotaure	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Ludgate							30%	30%	30%	30%	30%	30%	30%	30%	30%									4	4	4	4	4	4	4	4

Note: Changes in variables which are supportive to the valuation of a position are depicted in green; changes depicted in red are unsupportive to the valuation of a position.

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

SUMMARY OF MAIN VALUATION INPUTS

Positions	Discount Rates														
	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q1 2016
Lusitano 3	10.00%	9.90%	9.78%	9.48%	9.00%	8.77%	8.49%	8.11%	7.87%	7.64%	7.42%	7.26%	7.26%	6.44%	6.35%
Lusitano 5	15.00%	14.90%	14.78%	14.48%	14.00%	13.77%	13.49%	13.11%	12.87%	12.64%	12.42%	12.26%	12.26%	11.44%	11.35%
Pastor 2	10.00%	9.90%	9.78%	9.48%	9.00%	8.77%	8.49%	8.11%	7.87%	7.64%	7.42%	7.26%	7.26%	6.44%	6.35%
Pastor 3	15.00%	14.90%	14.78%	14.48%	14.00%	13.77%	13.49%	13.11%	12.87%	12.64%	12.42%	12.26%	12.26%	11.44%	11.35%
Pastor 4	15.00%	14.90%	14.78%	14.48%	14.00%	13.77%	13.49%	13.11%	12.87%	12.64%	12.42%	12.26%	12.26%	11.44%	11.35%
Pastor 5	15.00%	14.90%	14.78%	14.48%	14.00%	13.77%	13.49%	13.11%	12.87%	12.64%	12.42%	12.26%	12.26%	11.44%	11.35%
Minotaure	15.00%	14.90%	14.78%	14.48%	14.00%	13.77%	13.49%	13.11%	12.87%	12.64%	12.42%	12.26%	12.26%	11.44%	11.35%
Ludgate							13.49%	13.11%	12.87%	12.64%	12.42%	12.26%	12.26%	11.44%	11.35%

Note: Changes in variables which are supportive to the valuation of a position are depicted in green; changes depicted in red are unsupportive to the valuation of a position.