

Confidential

EETI Quarterly Review

QUARTER ENDED 30/09/2015

October 2015

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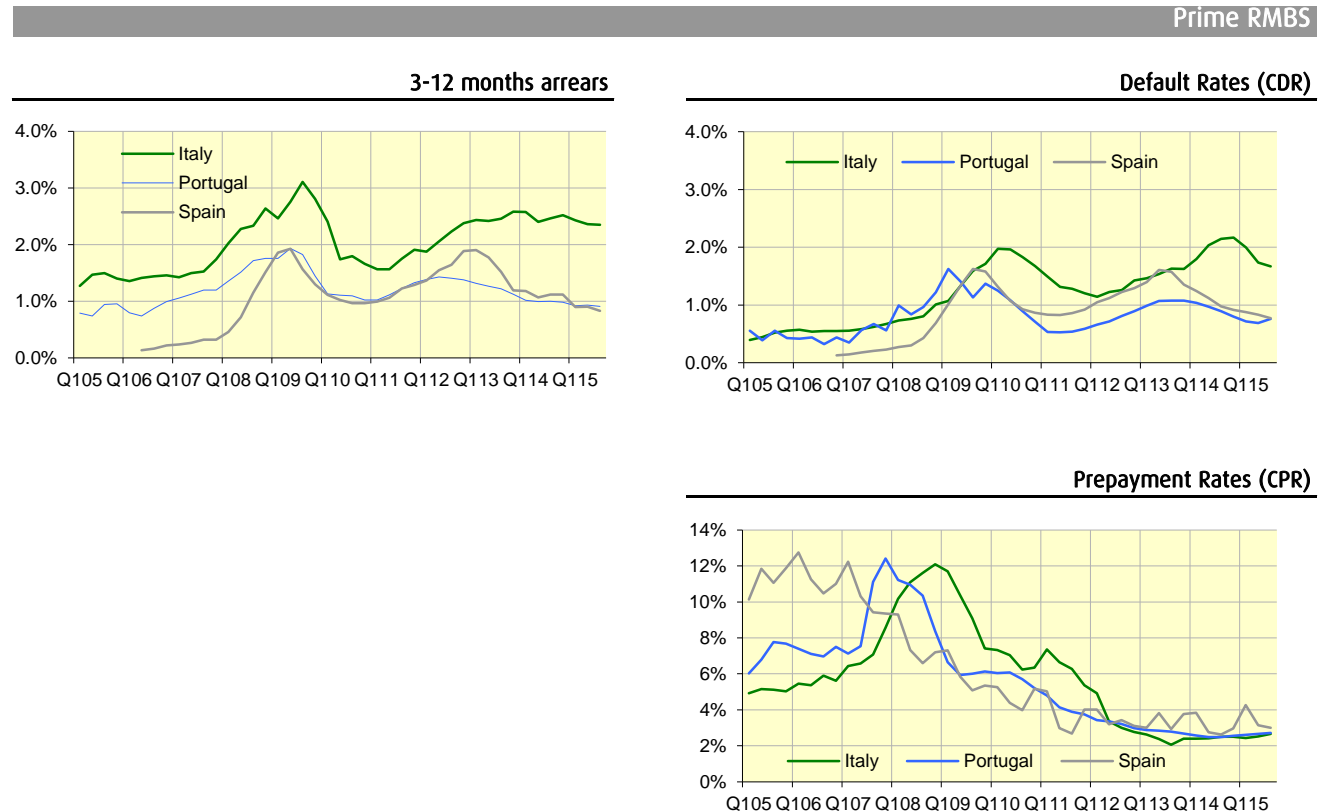
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1 EUROPEAN ABS / RMBS ACTIVITY AND PERFORMANCE

Prime European RMBS performance

- ▶ Arrears levels appear to have stabilized in Spain and Portugal at around 1.0%, pointing to default rates of the same magnitude over the coming 12 months.
- ▶ Average prepayment rates are slowly edging up in those two countries, reflecting potentially the ageing of outstanding RMBS as well as a modest pickup in activity in the real estate market.



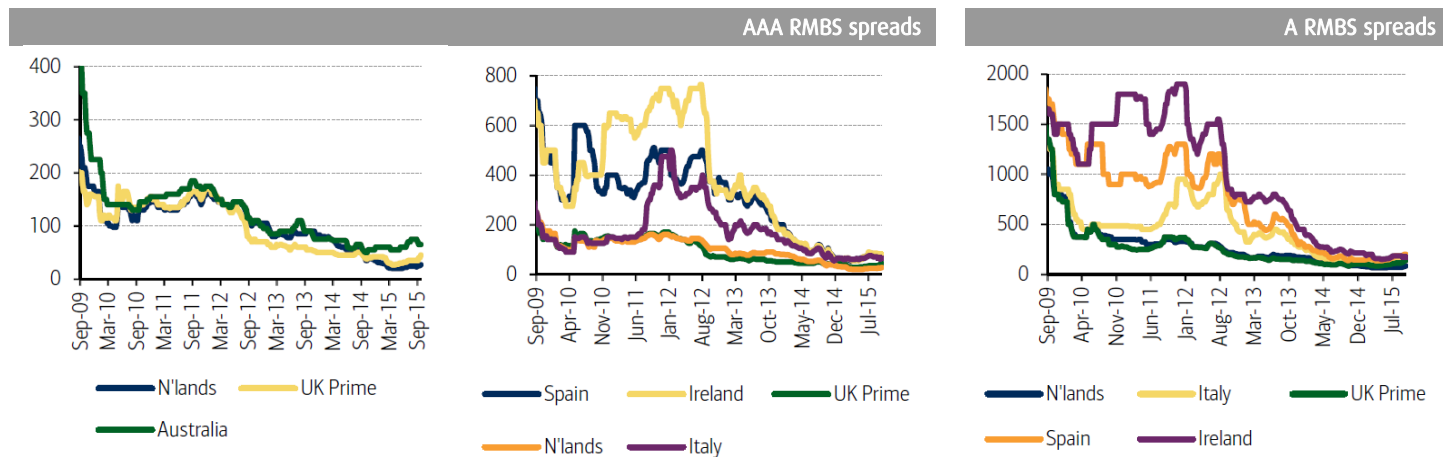
Note: Indices based on own data collection of a broad sample of seasoned RMBS transactions.

Source: Trustee reports and Cartesia.

European ABS / RMBS market activity

- ▶ Credit and ABS markets have largely recovered from the turbulence experienced in the summer but lack direction as a result of macroeconomic uncertainty and the long expected, yet still delayed, rise in US rates, which could affect Euro-denominated bonds by contagion.
- ▶ As a result, activity has been relatively muted in European ABS, with spreads over 3-month Euribor currently at the following levels:
 - Top Dutch/UK AAAs (first pay bonds) -- 30 to 45bps;
 - Peripheral first pay bonds -- ca. 80bps for ECB eligible bonds and 125-150bps for others;
 - Mezzanine and subordinated bonds – between 4% and 8%.

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 30/09/2015

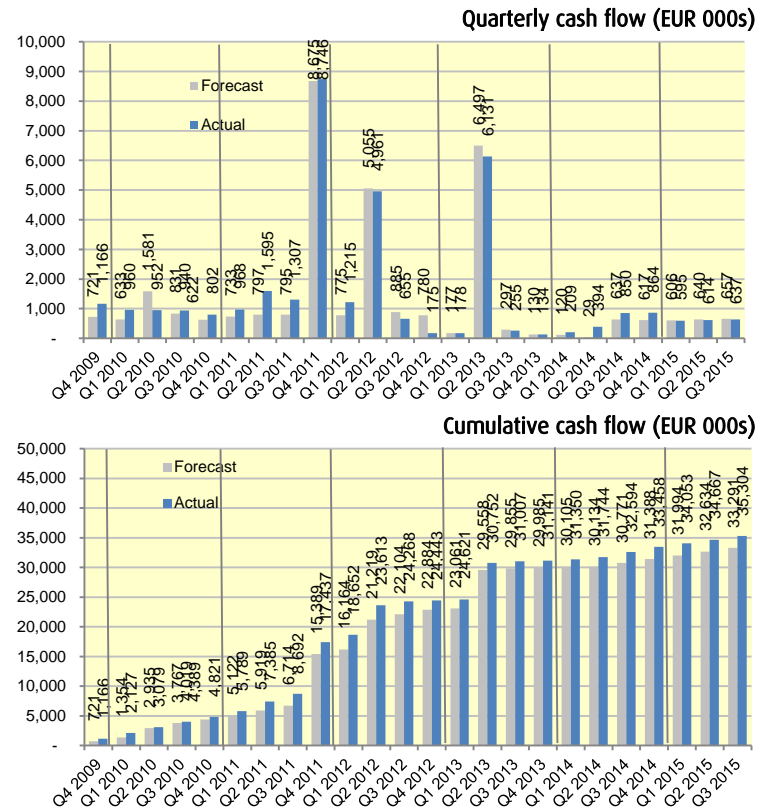
► Quarterly cash flow amounted to EUR 637k, derived primarily from the Ludgate and Lusitano 3 residual positions.

Cash flow receipt for the quarter

(EUR)

Transactions	Actual	Forecast	Delta
Lusitano 3	70,819	149,501	(78,682)
Lusitano 5	-	-	-
Pastor 2	3,456	5,367	(1,911)
Pastor 3	-	-	-
Pastor 4	-	-	-
Pastor 5	-	-	-
Sestante 4A1	12,715	13,081	(366)
Gems C	8,791	9,500	(709)
Minotaure 04	-	-	-
Ludgate 06-1	541,115	479,723	61,392
TOTAL	636,896	657,172	(20,275)

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
Q4 2015	577	577	1.3%	1.3%
2016	3,505	4,082	7.9%	9.2%
2017	4,018	8,099	9.1%	18.3%
2018	4,577	12,676	10.3%	28.6%
2019	10,769	23,445	24.3%	52.9%
2020	7,966	31,411	18.0%	70.9%
2021	4,023	35,434	9.1%	80.0%
2022	675	36,110	1.5%	81.5%
Beyond	8,198	44,307	18.5%	100.0%
TOTAL	44,307		100.0%	

Total forecast cash flow of
EUR 44.3m

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	Qtly	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		
Q2 2015	4	-	-	-	110	-	11	9	-	479	614		
Q3 2015	3	-	-	-	71	-	13	9	-	541	637	1,846	34,138
FORECAST													
Sum CF	5,088	-	3,457	-	9,923	9,664	79	5,088	3,210	7,798	44,307	Totals	
% Total	12.3%	0.0%	8.3%	0.0%	23.9%	23.3%	0.2%	12.3%	7.7%	18.8%	106.8%	Yearly	Cumulative
Q4 2015	1	5	-	-	100	-	1	9	-	461	577	577	577
Q1 2016	2	5	-	-	140	-	1	9	-	451	606		1,183
Q2 2016	3	5	-	-	157	-	1	32	-	440	635		1,818
Q3 2016	4	5	-	-	148	-	1	549	-	447	1,150		2,968
Q4 2016	5	5	-	-	164	-	2	510	-	433	1,113	3,505	4,082
Q1 2017	6	5	-	-	147	-	1	474	-	419	1,047		5,128
Q2 2017	7	5	-	-	159	-	1	440	-	406	1,012		6,140
Q3 2017	8	5	-	-	150	-	1	408	-	393	958		7,098
Q4 2017	9	6	-	-	240	-	2	379	-	375	1,001	4,018	8,099
Q1 2018	10	6	-	-	448	-	2	352	-	358	1,165		9,264
Q2 2018	11	6	-	-	441	-	2	326	-	341	1,116		10,380
Q3 2018	12	6	-	-	441	-	2	374	-	325	1,148		11,527
Q4 2018	13	6	-	-	429	-	2	409	-	303	1,149	4,577	12,676
Q1 2019	14	6	-	-	402	-	2	431	-	282	1,123		13,799
Q2 2019	15	6	-	-	400	-	2	386	-	262	1,056		14,856
Q3 2019	16	5,007	-	-	2,786	-	2	-	-	244	8,038		22,894
Q4 2019	17	-	-	-	93	239	2	-	-	218	552	10,769	23,445
Q1 2020	18	-	-	-	95	1,912	19	-	-	195	2,222		25,667
Q2 2020	19	-	-	-	94	796	19	-	-	1,447	2,355		28,022
Q3 2020	20	-	-	-	92	3,073	14	-	-	-	3,179		31,200
Q4 2020	21	-	-	-	87	124	-	-	-	-	211	7,966	31,411
Q1 2021	22	-	-	-	87	124	-	-	3,210	-	3,421		34,832
Q2 2021	23	-	-	-	86	122	-	-	-	-	207		35,040
Q3 2021	24	-	-	-	85	117	-	-	-	-	202		35,241
Q4 2021	25	-	-	-	77	116	-	-	-	-	193	4,023	35,434
Q1 2022	26	-	-	-	79	115	-	-	-	-	195		35,629
Q2 2022	27	-	-	-	78	113	-	-	-	-	191		35,820
Q3 2022	28	-	-	-	77	84	-	-	-	-	161		35,981
Q4 2022	29	-	-	-	70	58	-	-	-	-	128	675	36,110
Q1 2023	30	-	-	-	72	58	-	-	-	-	130		36,239
Q2 2023	31	-	-	-	70	56	-	-	-	-	126		36,365
Q3 2023	32	-	-	-	69	53	-	-	-	-	122		36,487
Q4 2023	33	-	-	-	63	52	-	-	-	-	114	492	36,602
Q1 2024	34	-	3,457	-	64	51	-	-	-	-	3,572		40,174
Q2 2024	35	-	-	-	62	50	-	-	-	-	112		40,286
Q3 2024	36	-	-	-	61	47	-	-	-	-	108		40,395
Q4 2024	37	-	-	-	57	46	-	-	-	-	102	3,895	40,497
Q1 2025	38	-	-	-	57	45	-	-	-	-	102		40,599
Q2 2025	39	-	-	-	55	44	-	-	-	-	99		40,697
Q3 2025	40	-	-	-	54	40	-	-	-	-	95		40,792
Q4 2025	41	-	-	-	1,386	40	-	-	-	-	1,426	1,721	42,218
Q1 2026	42	-	-	-	-	39	-	-	-	-	39		42,257
Q2 2026	43	-	-	-	-	38	-	-	-	-	38		42,295
Q3 2026	44	-	-	-	-	35	-	-	-	-	35		42,330
Q4 2026	45	-	-	-	-	34	-	-	-	-	34	146	42,364
Q1 2027	46	-	-	-	-	34	-	-	-	-	34		42,397
Q2 2027	47	-	-	-	-	32	-	-	-	-	32		42,430
Q3 2027	48	-	-	-	-	30	-	-	-	-	30		42,459
Q4 2027	49	-	-	-	-	29	-	-	-	-	29	125	42,488
Q1 2028	50	-	-	-	-	28	-	-	-	-	28		42,517
Q2 2028	51	-	-	-	-	27	-	-	-	-	27		42,544
Q3 2028	52	-	-	-	-	25	-	-	-	-	25		42,569
Q4 2028	53	-	-	-	-	24	-	-	-	-	24	105	42,594
Q1 2029	54	-	-	-	-	1,713	-	-	-	-	1,713		44,307

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
5.76%	4,074	-	2,147	-	7,686	6,650	64	4,485	2,359	6,777	33,872
7.26%	3,853	-	1,904	-	7,233	6,083	60	4,347	2,183	6,549	32,075
12.26%	3,216	-	1,293	-	5,997	4,610	51	3,933	1,698	5,882	27,077
15.00%	2,923	-	1,053	-	5,459	4,004	47	3,733	1,487	5,567	24,855
17.50%	2,684	-	877	-	5,032	3,541	43	3,564	1,321	5,307	23,080
20.00%	2,470	-	733	-	4,658	3,147	40	3,407	1,177	5,068	21,507
22.50%	2,277	-	615	-	4,327	2,809	37	3,262	1,050	4,850	20,107
Valuation	3,853	-	1,293	-	7,233	4,610	64	4,485	1,698	5,882	29,118

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
5.76%	1.2x	--	1.6x	--	1.3x	1.5x	1.2x	1.1x	1.4x	1.2x	1.3x
7.26%	1.3x	--	1.8x	--	1.4x	1.6x	1.3x	1.2x	1.5x	1.2x	1.4x
12.26%	1.6x	--	2.7x	--	1.7x	2.1x	1.6x	1.3x	1.9x	1.3x	1.6x
15.00%	1.7x	--	3.3x	--	1.8x	2.4x	1.7x	1.4x	2.2x	1.4x	1.8x
17.50%	1.9x	--	3.9x	--	2.0x	2.7x	1.8x	1.4x	2.4x	1.5x	1.9x
20.00%	2.1x	--	4.7x	--	2.1x	3.1x	2.0x	1.5x	2.7x	1.5x	2.1x
22.50%	2.2x	--	5.6x	--	2.3x	3.4x	2.1x	1.6x	3.1x	1.6x	2.2x
Valuation	1.3x	--	2.7x	--	1.4x	2.1x	1.2x	1.1x	1.9x	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%	6,549	-	2,197	-	12,297	7,837	108	7,625	2,887	9,999	49,501	70.0%
165.0%	6,357	-	2,133	-	11,935	7,607	105	7,401	2,802	9,705	48,045	65.0%
160.0%	6,164	-	2,068	-	11,574	7,376	102	7,177	2,718	9,411	46,589	60.0%
155.0%	5,971	-	2,003	-	11,212	7,146	99	6,952	2,633	9,117	45,133	55.0%
150.0%	5,779	-	1,939	-	10,850	6,915	95	6,728	2,548	8,823	43,677	50.0%
145.0%	5,586	-	1,874	-	10,489	6,685	92	6,504	2,463	8,529	42,221	45.0%
140.0%	5,394	-	1,810	-	10,127	6,454	89	6,280	2,378	8,235	40,766	40.0%
135.0%	5,201	-	1,745	-	9,765	6,224	86	6,055	2,293	7,941	39,310	35.0%
130.0%	5,008	-	1,680	-	9,404	5,993	83	5,831	2,208	7,647	37,854	30.0%
125.0%	4,816	-	1,616	-	9,042	5,763	80	5,607	2,123	7,353	36,398	25.0%
120.0%	4,623	-	1,551	-	8,680	5,532	76	5,382	2,038	7,058	34,942	20.0%
115.0%	4,430	-	1,486	-	8,319	5,302	73	5,158	1,953	6,764	33,486	15.0%
110.0%	4,238	-	1,422	-	7,957	5,071	70	4,934	1,868	6,470	32,030	10.0%
105.0%	4,045	-	1,357	-	7,595	4,841	67	4,710	1,783	6,176	30,574	5.0%
100.0%	3,853	-	1,293	-	7,233	4,610	64	4,485	1,698	5,882	29,118	0.0%
95.0%	3,660	-	1,228	-	6,872	4,380	60	4,261	1,614	5,588	27,662	-5.0%
90.0%	3,467	-	1,163	-	6,510	4,149	57	4,037	1,529	5,294	26,206	-10.0%
85.0%	3,275	-	1,099	-	6,148	3,919	54	3,813	1,444	5,000	24,751	-15.0%
80.0%	3,082	-	1,034	-	5,787	3,688	51	3,588	1,359	4,706	23,295	-20.0%
75.0%	2,889	-	969	-	5,425	3,458	48	3,364	1,274	4,412	21,839	-25.0%
70.0%	2,697	-	905	-	5,063	3,227	45	3,140	1,189	4,117	20,383	-30.0%
65.0%	2,504	-	840	-	4,702	2,997	41	2,916	1,104	3,823	18,927	-35.0%
60.0%	2,312	-	776	-	4,340	2,766	38	2,691	1,019	3,529	17,471	-40.0%
55.0%	2,119	-	711	-	3,978	2,536	35	2,467	934	3,235	16,015	-45.0%
50.0%	1,926	-	646	-	3,617	2,305	32	2,243	849	2,941	14,559	-50.0%
45.0%	1,734	-	582	-	3,255	2,075	29	2,018	764	2,647	13,103	-55.0%
40.0%	1,541	-	517	-	2,893	1,844	25	1,794	679	2,353	11,647	-60.0%
35.0%	1,348	-	452	-	2,532	1,614	22	1,570	594	2,059	10,191	-65.0%
30.0%	1,156	-	388	-	2,170	1,383	19	1,346	510	1,765	8,735	-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			Cum. loss rate	
	Act.	Fcast	Act.	Fcast	Act.	Fcast	Act.	Fcast	Act.	Fcast	Min.	Act.	Fcast
Lusitano 3	1.3%	n/a	1.0%	1.0%	2.1%	1.7%	622	1,000	7,154	7,154	7,154	n/a	n/a
Lusitano 5	1.3%	n/a	0.9%	1.3%	2.3%	1.4%	1,148	1,600	(7,729)	(7,442)	11,900	n/a	n/a
Pastor 2	0.3%	n/a	0.0%	0.5%	5.0%	3.9%	489	245	5,000	5,000	5,000	n/a	n/a
Pastor 3	0.9%	n/a	1.2%	n/a	4.6%	n/a	423	n/a	(49,686)	n/a	9,000	n/a	n/a
Pastor 4	1.0%	n/a	1.7%	2.5%	3.6%	3.7%	352	700	(37,899)	(37,944)	5,520	n/a	n/a
Pastor 5	1.3%	n/a	2.3%	n/a	3.2%	n/a	468	n/a	(28,822)	n/a	10,500	n/a	n/a
Sestante 4A1	8.5%	n/a	2.6%	n/m	1.0%	n/m	861	n/m	(41,803)	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	22,670	22,578	n/a	4.02%	4.06%
Minotaure 04	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 06-1	n/a	n/a	0.6%	1.0%	7.5%	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.

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.

Transactions are generally performing slightly better than anticipated, although recoveries for the current quarter have been overall disappointing

Quarterly valuation

- Quarter-end book value amounts to EUR 29,119k excluding accruals, after a combined revaluation of EUR 1,117k. The markdowns / revaluations mainly affect the following positions:
- The Pastor 4 transaction, revalued by EUR 592k, due to the improvement in credit performance and assumptions;
 - The Gems transaction, revalued by EUR 217k, due principally to an acceleration in collateral repayment;
 - The Ludgate transaction, revalued by EUR 102k, reflecting principally higher than forecast cash flow.

Quarter-end portfolio book value amounts to EUR 29,119k, further to a EUR 1,117k revaluation

QUARTERLY BOOK VALUES AND REVALUATIONS

(EUR 000s)	30/09/2014		31/12/2014		31/03/2015		30/06/2015		30/09/2015	
	Book Value	(Markdown)/ Revaluation	Book Value	(Markdown)/ Revaluation	Book Value	(Markdown)/ Revaluation	Book Value	(Markdown)/ Revaluation	Book Value	(Markdown)/ Revaluation
Lusitano 3	6,338	331	6,678	452	6,701	9	7,139	425	7,233	36
Lusitano 5	3,796	448	4,198	282	4,164	(164)	4,402	114	4,609	77
Pastor 2	3,526	62	3,600	34	3,698	35	3,719	(45)	3,853	70
Pastor 3	0	0	0	0	0	0	0	0	0	0
Pastor 4	389	45	665	264	494	(192)	680	171	1,293	592
Pastor 5	0	0	0	0	0	0	0	0	0	0
Gems	3,648	22	3,716	21	3,844	80	4,214	321	4,486	217
Minotaure	1,338	(13)	1,506	127	1,570	19	1,637	18	1,700	14
Sestante 4 A1	105	(7)	85	(10)	76	1	66	0	64	10
Ludgate	6,507	281	6,266	132	6,345	345	6,139	80	5,883	102
TOTAL	25,647	1,169	26,715	1,300	26,892	132	27,994	1,084	29,119	1,117

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.

Pastor investments

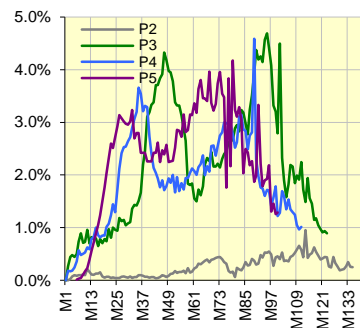
PERFORMANCE

- ▶ 90-day+ arrears of the Pastor 3, 4 and 5 transactions have continued their remarkable decline and currently stand between 0.9% and 1.3%.
- ▶ Default rates for the last quarter have also fallen to 1.2% for Pastor 3 and 1.7% for Pastor 4, well below the 12-month averages. The default rate for Pastor 5 was of 2.3% over the same period.
- ▶ Recoveries on defaulted loans are however still disappointingly low, ranging between EUR 350k to 450k per quarter for each of the Pastor 3, 4 and 5 deals, while unforced defaults amount to EUR 66m for Pastor 3, EUR 73m for Pastor 4 and EUR 47m for Pastor 5.

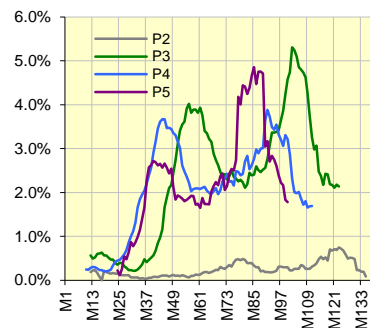
VALUATION

- ▶ The improvement in credit performance and assumptions and to a lesser extent the reduction in discount rate lead to a EUR 592k revaluation of the Pastor 4 position. The Pastor 2 position is also revalued by EUR 70k primarily driven by the lower discount rate and slight acceleration in redemptions.

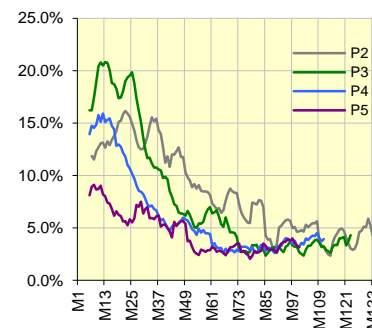
90d+ arrears (excl. defaults, as % CB)



12M average default rates (CDR as % CB)



6M average CPR



Note: Graphs expressed in months since issue.

Lusitano investments

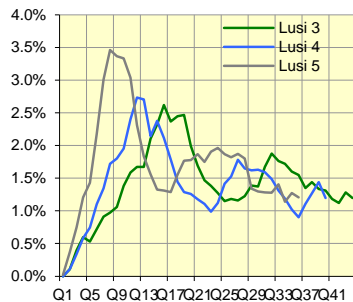
PERFORMANCE

- ▶ 90d+ arrears increased marginally for both Lusitano 3 and 5 to 1.3%, with default rates stable around 1.0%.
- ▶ Recoveries on defaulted mortgage loans were well below expectations for both transactions, with EUR 622k vs. EUR 1m forecast for Lusitano 3 and EUR 1,148k vs. EUR 1,600k forecast for Lusitano 5.
 - Principally for that reason, the Lusitano 3 quarterly cash flow amounted to only EUR 71k vs. an expected EUR 150k.

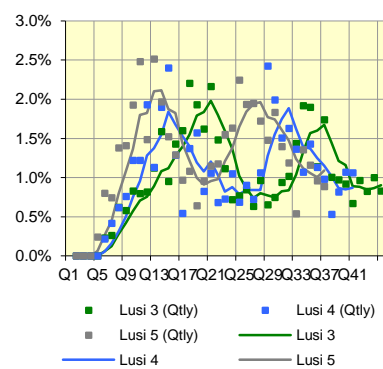
VALUATION

- ▶ The reduction in discount rate and slightly improving credit assumptions lead to a EUR 36k revaluation of the Lusitano 3 position, and to a EUR 77k revaluation of the Lusitano 5 position.

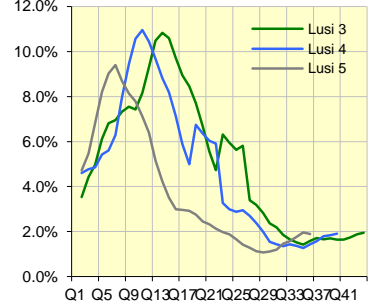
90d+ arrears (excl. defaults, as % CB)



Quarterly and average defaults (as % CB)



12M average CPR



Note: Graphs expressed in quarters since issue.

Ludgate

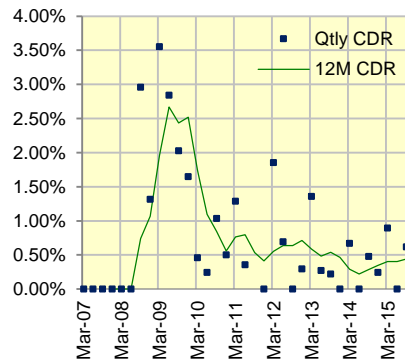
PERFORMANCE

- ▶ The credit performance of the position remains satisfactory with lower than anticipated defaults this quarter. The total redemption rate reached 7.5%, slightly ahead of forecast, due primarily to prepayments.
- ▶ The underlying interest rate exposure (BBR vs. Libor) remains neutral.
- ▶ Overall, the Ludgate position generated a quarterly cash flow of EUR 541k vs. EUR 480k forecast.

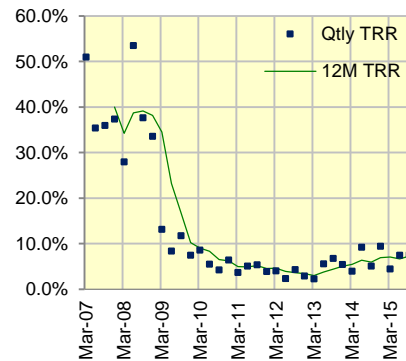
VALUATION

- ▶ The substantial over-amortization of the position this quarter and a reduction in the discount rate lead to a revaluation of EUR 102k.

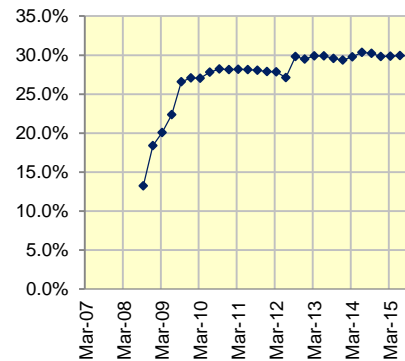
Quarterly and 12M default rate (CDR)



Quarterly total redemption rate (TRR)



Cumulative loss severity



Other EETI investments

Gems

- ▶ Outstanding credit events have further declined and currently amount to EUR 9.6m vs. an outstanding Class D amount of EUR 22.7m. Class D is currently the first loss tranche of the transaction and its principal will absorb losses before they are allocated to the Class C held by EETI.
 - As such, the chances of the Class C held by EETI incurring any principal loss is now definitely removed.
- ▶ The continued high total redemption rate of the loan pool, combined with a reduction in discount rate, lead to a substantial revaluation of the position of EUR 217k.

Minotaure

- ▶ Stable credit performance; tightening of discount rate leads to a revaluation of EUR 14k.

Sestante Class A1

- ▶ A slight acceleration in redemptions combined with a tightening of the discount rate lead to a revaluation of EUR 10k.

Other

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

3 PROVISIONAL ACCOUNTING ITEMS

Accounting items for the quarter ended 30/09/2015

EETI QUARTERLY VALUATION REPORT AS AT 30/09/2015

From:	01/07/2015
To:	30/09/2015

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	16/07/2015	71	71	-	129	58	143	36	7,233	36	7,375	24.8%
Lusitano 5	15/07/2015	-	-	-	130	130	130	77	4,609	77	4,739	15.8%
Pastor 2	22/09/2015	3	3	-	68	64	8	70	3,853	70	3,861	13.2%
Pastor 3	22/09/2015	-	-	-	0	0	0	0	0	0	0	0.0%
Pastor 4	22/09/2015	-	-	-	20	20	2	592	1,293	592	1,295	4.4%
Pastor 5	22/09/2015	-	-	-	0	0	0	0	-	0	0	0.0%
Gems	02/09/2015	9	9	-	64	55	27	217	4,486	217	4,512	15.4%
Minotaure	22/09/2015	-	-	-	49	49	3	14	1,700	14	1,703	5.8%
Ludgate	07/09/2015	541	184	357	184	0	35	102	5,883	102	5,918	20.2%
Sestante 4 A1	16/07/2015	13	1	12	1	0	1	10	64	10	65	0.2%
Total		637	268	369	645	377	349	1,117	29,119	1,117	29,468	100.0%

ACCOUNTING INCOME	
Actual cash flow received in Q	637
Plus: Capitalised interest	377
Less: Amortisation of principal	(369)
Income excl. accruals	645
<i>check</i>	<i>0.0</i>
Less: Previous Q accruals	(330)
Plus: Current Q accruals	349
Income incl. accruals	663

WRITE-DOWNS / REVALUATIONS	
Sum of write-downs excl. accruals	0
Sum of revaluations excl. accruals	1,117
Total excl. accruals	1,117
<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	1,117
<i>check</i>	<i>0.0</i>

VALUATION RECAP	
Valuation excl. accruals	29,119
Valuation incl. accruals	29,468
<i>check</i>	<i>0.0</i>
Last Q valuation excl. accruals	27,994
Plus: Capitalised interest	377
Less: Amortisation of principal	(369)
Sum write-downs / reval. excl. accruals	1,117
Plus: Purchased in Q	
Current Q excl. accruals	29,119
<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 irretrievably 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 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015			
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%	2.50%	2.25%	1.90%	1.80%	1.70%	1.68%	1.58%	1.56%	1.59%	1.68%	1.70%	1.78%			
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%	2.20%	2.00%	1.80%	1.60%	1.50%	1.36%	1.27%	1.24%	1.23%	1.32%	1.44%	1.59%			
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%	5.10%	4.90%	4.60%	4.60%	4.60%	4.40%	4.31%	3.97%	4.05%	3.94%	3.94%	4.31%			
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%	3.10%	2.90%	3.10%	3.00%	3.00%	3.00%	3.21%	3.09%	3.15%	3.26%	3.24%	3.53%			
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%	3.20%	3.00%	3.00%	2.90%	3.00%	3.10%	3.25%	3.17%	3.39%	3.54%	3.67%	3.67%			
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%	3.30%	2.90%	2.90%	2.80%	2.80%	2.80%	2.86%	2.83%	3.06%	2.97%	3.18%	3.11%			
Gems	0.00%	0.00%	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	nm	nm			
Minotaure	0.20%	0.22%	0.18%	0.22%	0.22%	0.23%	0.26%	0.20%	0.23%	0.24%	0.24%	0.27%	4.58%	4.56%	4.27%	4.07%	4.16%	4.20%	4.30%	4.15%	4.22%	4.29%	4.64%	5.50%			
Ludgate							1.00%	1.00%	1.00%	1.00%	1.00%	1.00%							5.00%	5.20%	6.00%	7.00%	7.00%	7.00%			

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 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015
Lusitano 3	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	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%	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%	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%	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%	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%	10	10	10	10	10	10	10	10	10	10	10	10
Gems	95%	95%	95%	92%	95%	95%	95%	95%	95%	95%	95%	95%	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
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
Ludgate							30%	30%	30%	30%	30%	30%							4	4	4	4	4	4

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
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%
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%
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%
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%
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%
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%
Gems	8.50%	8.40%	8.28%	7.98%	7.50%	7.27%	6.99%	6.61%	6.37%	6.14%	6.14%	5.76%
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%
Ludgate						13.49%	13.11%	12.87%	12.64%	12.42%	12.26%	