

Confidential

EETI Quarterly Review

QUARTER ENDED 31/03/2016

April 2016

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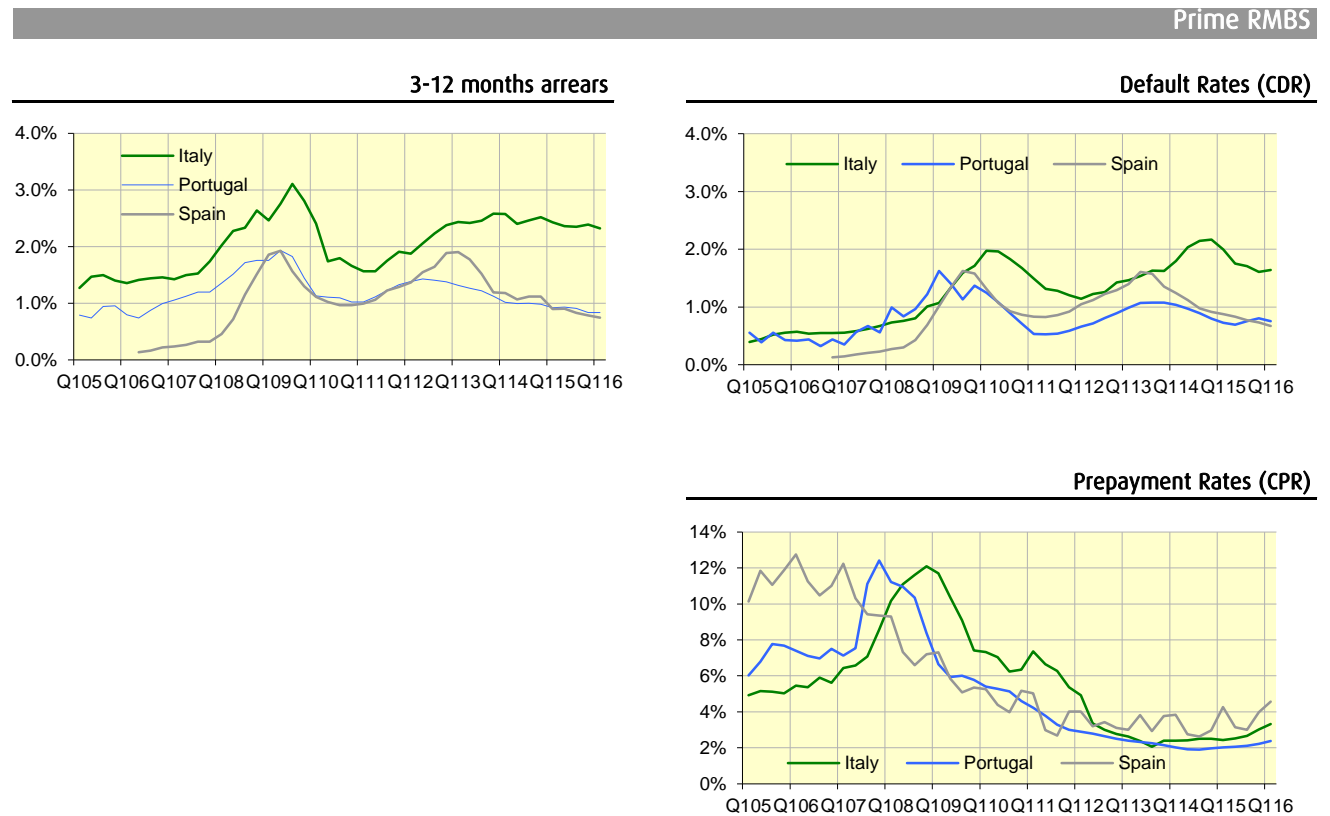
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1 EUROPEAN ABS / RMBS ACTIVITY AND PERFORMANCE

Prime European RMBS performance

- ▶ Average arrears and defaults remain stable at around 1.0% in Spain and Portugal and continue their gradual decline in Italy
- ▶ Prepayment rates across these countries, while displaying an upward trend, remain very low, at 2-4% p.a.

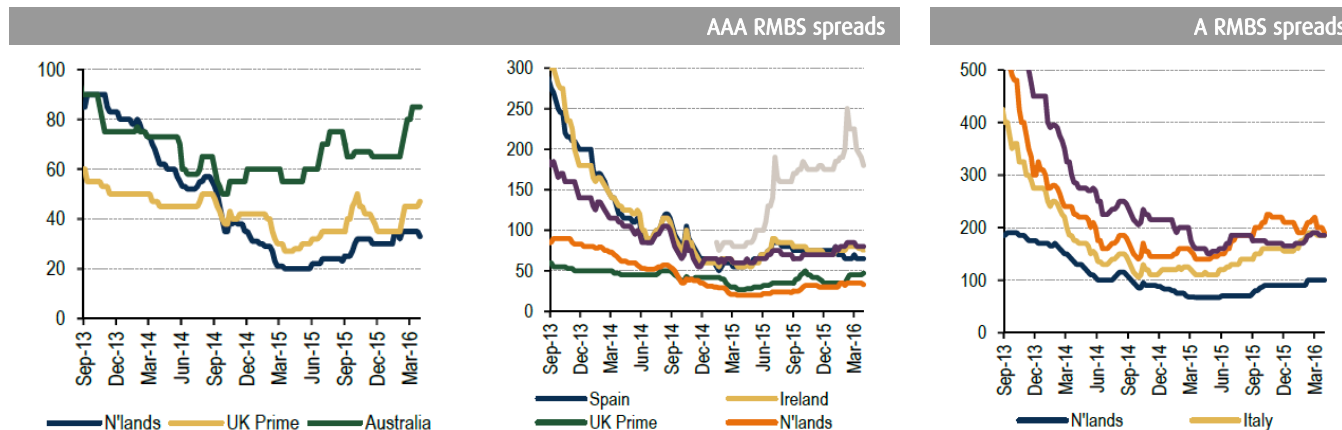


Note: Indices based on own data collection of a broad sample of seasoned RMBS transactions.
 Source: Trustee reports and Cartesia.

European ABS / RMBS market activity

- ▶ European ABS widened in the first quarter alongside the equity and high yield markets and continue to trade at higher spread levels than at year-end:
 - ECB-eligible RMBS – the market segment that widened the least – trade at spreads over 3-month Euribor between 30 and 80bps, depending on the collateral country;
 - Non-eligible first-pay bonds trade at a spread premium of at least 50bps over eligible issues and otherwise tail sovereign bond yields;
 - Mezzanine and subordinated bonds continue to trade between 4% and 8%, with continuing appetite as they offer attractive risk/reward;
 - Note that the risk of a Brexit is weighing on prices and volume in UK non-conforming RMBS, whether denominated in GBP or EUR.

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 31/03/2016

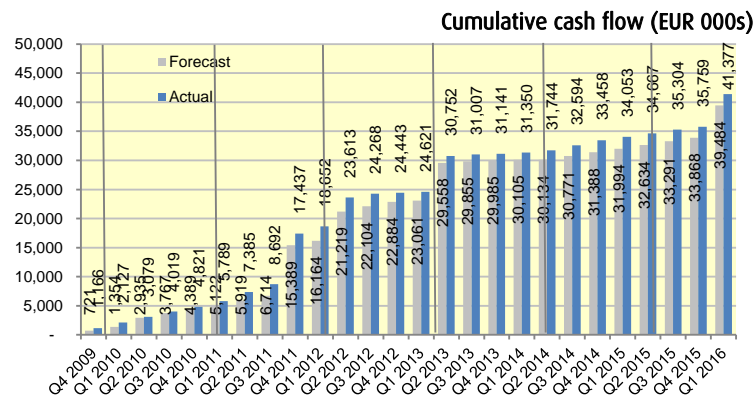
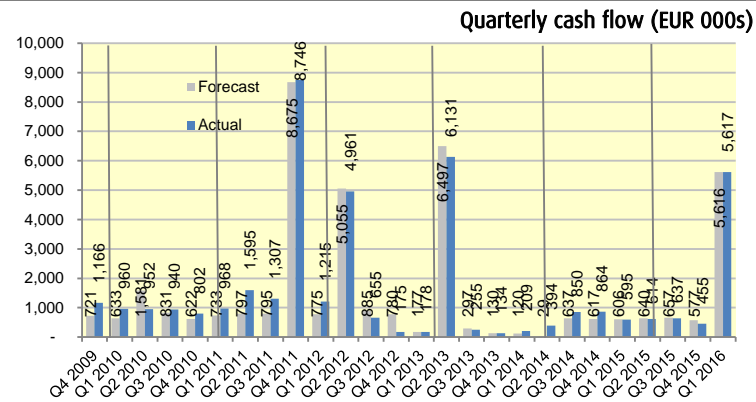
- ▶ Quarterly cash flow amounted to EUR 5.6m, derived primarily from the full repayment of the Gems position (EUR 5m) and from the residual receipts under the Ludgate and Lusitano 3 positions.

Cash flow receipt for the quarter

(EUR)

Transactions	Actual	Forecast	Delta
Lusitano 3	179,131	148,755	30,376
Lusitano 5	-	-	-
Pastor 2	-	6,661	(6,661)
Pastor 3	-	-	-
Pastor 4	-	-	-
Pastor 5	-	-	-
Sestante 4A1	14,820	12,486	2,334
Gems C	5,007,406	5,007,218	188
Minotaure 04	-	-	-
Ludgate 06-1	415,873	440,578	(24,705)
TOTAL	5,617,230	5,615,698	1,532

Actual vs. forecast since Q4 2009



Forecast cash flow

Forecast cash flow

(EUR 000s)

Period	Period CF	Cumulative CF	% Total	Cumulative % Total
2016	1,707	1,707	4.1%	4.1%
2017	2,158	3,866	5.2%	9.2%
2018	2,697	6,563	6.4%	15.7%
2019	7,951	14,514	19.0%	34.7%
2020	4,883	19,398	11.7%	46.4%
2021	7,095	26,493	17.0%	63.3%
2022	2,298	28,791	5.5%	68.8%
Beyond	13,059	41,849	31.2%	100.0%
TOTAL	41,849		100.0%	

Total forecast cash flow of
EUR 41.9m

Forecast cash flow (cont'd)

(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											
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

RECAST

										Quarterly	Annual	Cumulative
										CF	CF	CF
Q2 2016	1	9	-	155	-	12	-	404	580		580	
Q3 2016	2	3	-	147	-	12	-	393	554		1,135	
Q4 2016	3	3	-	177	-	12	-	381	573	1,707	1,707	
Q1 2017	4	3	-	143	-	0	-	368	514		2,222	
Q2 2017	5	3	-	167	-		-	363	533		2,754	
Q3 2017	6	3	-	157	-		-	350	510		3,265	
Q4 2017	7	3	-	259	-		-	339	601	2,158	3,866	
Q1 2018	8	4	-	252	-		-	327	582		4,448	
Q2 2018	9	4	-	263	-		-	316	583		5,032	
Q3 2018	10	4	-	433	-		-	301	738		5,769	
Q4 2018	11	4	-	503	-		-	286	794	2,697	6,563	
Q1 2019	12	4	-	490	-		-	272	766		7,329	
Q2 2019	13	5	-	488	-		-	259	751		8,081	
Q3 2019	14	5,005	-	488	-		-	240	5,733		13,813	
Q4 2019	15		-	479	-		-	222	701	7,951	14,514	
Q1 2020	16		-	481	-		-	206	687		15,202	
Q2 2020	17		-	480	-		-	191	670		15,872	
Q3 2020	18		-	478	222		-	170	871		16,743	
Q4 2020	19		-	472	2,031		-	152	2,655	4,883	19,398	
Q1 2021	20		-	852	691		-	1,586	3,129		22,527	
Q2 2021	21		-	86	1,243		-		1,329		23,856	
Q3 2021	22		-	85	1,238		-		1,323		25,179	
Q4 2021	23		-	77	1,236		-		1,314	7,095	26,493	
Q1 2022	24		-	79	1,795		-		1,874		28,367	
Q2 2022	25		-	78	70		-		147		28,515	
Q3 2022	26		-	77	65		-		142		28,657	
Q4 2022	27		-	70	64		-		134	2,298	28,791	
Q1 2023	28		-	71	63		-		135		28,925	
Q2 2023	29		-	69	61		-		131		29,056	
Q3 2023	30		-	69	57		-	262	388		29,444	
Q4 2023	31		-	62	56		-	772	890	1,544	30,335	
Q1 2024	32		3,543	63	55		-	665	4,327		34,662	
Q2 2024	33			62	53		-	538	653		35,315	
Q3 2024	34			60	51		-	400	511		35,826	
Q4 2024	35			56	49		-	310	415	5,906	36,241	
Q1 2025	36			56	48		-	239	343		36,584	
Q2 2025	37			54	46		-	141	241		36,825	
Q3 2025	38			1,391	43		-	47	1,480		38,305	
Q4 2025	39				42		-	7	49	2,113	38,354	
Q1 2026	40				41		-	1,480	1,521		39,874	
Q2 2026	41				39		-		39		39,913	
Q3 2026	42				36		-		36		39,949	
Q4 2026	43				35		-		35	1,631	39,984	
Q1 2027	44				34		-		34		40,019	
Q2 2027	45				33		-		33		40,051	
Q3 2027	46				30		-		30		40,081	
Q4 2027	47				29		-		29	126	40,110	
Q1 2028	48				28		-		28		40,139	
Q2 2028	49				1,711		-		1,711		41,849	

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
4.94%	4,277	-	2,409	-	8,019	8,223	35	-	3,189	6,251	31,837
6.44%	4,071	-	2,150	-	7,552	7,509	35	-	2,818	6,022	29,822
11.44%	3,470	-	1,489	-	6,270	5,638	34	-	1,891	5,356	24,345
7.50%	3,933	-	1,986	-	7,247	7,052	35	-	2,585	5,869	28,513
10.00%	3,630	-	1,652	-	6,601	6,109	35	-	2,117	5,534	25,752
12.50%	3,358	-	1,380	-	6,043	5,321	34	-	1,742	5,232	23,385
15.00%	3,111	-	1,157	-	5,557	4,658	34	-	1,440	4,960	21,341
Valuation	4,071	-	1,489	-	7,552	5,638	35	-	1,891	5,356	26,032

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
4.94%	1.2x	-	1.5x	-	1.2x	1.4x	1.0x --	-	1.5x	1.1x	1.3x
6.44%	1.2x	-	1.6x	-	1.3x	1.5x	1.0x --	-	1.7x	1.2x	1.4x
11.44%	1.5x	-	2.4x	-	1.6x	2.0x	1.1x --	-	2.6x	1.3x	1.7x
7.50%	1.3x	-	1.8x	-	1.4x	1.6x	1.0x --	-	1.9x	1.2x	1.5x
10.00%	1.4x	-	2.1x	-	1.5x	1.8x	1.0x --	-	2.3x	1.3x	1.6x
12.50%	1.5x	-	2.6x	-	1.6x	2.1x	1.1x --	-	2.8x	1.4x	1.8x
15.00%	1.6x	-	3.1x	-	1.8x	2.4x	1.1x --	-	3.4x	1.4x	2.0x
Valuation	1.2x	-	2.4x	-	1.3x	2.0x	1.0x	--	2.6x	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												
NPV at different cash flow assumptions												
% 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%	6,920	-	2,531	-	12,838	9,584	60	-	3,214	9,106	44,254	70.0%
165.0%	6,717	-	2,456	-	12,461	9,303	58	-	3,119	8,838	42,952	65.0%
160.0%	6,513	-	2,382	-	12,083	9,021	57	-	3,025	8,570	41,650	60.0%
155.0%	6,309	-	2,308	-	11,705	8,739	55	-	2,930	8,303	40,349	55.0%
150.0%	6,106	-	2,233	-	11,328	8,457	53	-	2,836	8,035	39,047	50.0%
145.0%	5,902	-	2,159	-	10,950	8,175	51	-	2,741	7,767	37,746	45.0%
140.0%	5,699	-	2,084	-	10,573	7,893	50	-	2,647	7,499	36,444	40.0%
135.0%	5,495	-	2,010	-	10,195	7,611	48	-	2,552	7,231	35,143	35.0%
130.0%	5,292	-	1,935	-	9,817	7,329	46	-	2,458	6,963	33,841	30.0%
125.0%	5,088	-	1,861	-	9,440	7,047	44	-	2,363	6,696	32,539	25.0%
120.0%	4,885	-	1,787	-	9,062	6,765	42	-	2,269	6,428	31,238	20.0%
115.0%	4,681	-	1,712	-	8,685	6,484	41	-	2,174	6,160	29,936	15.0%
110.0%	4,478	-	1,638	-	8,307	6,202	39	-	2,080	5,892	28,635	10.0%
105.0%	4,274	-	1,563	-	7,929	5,920	37	-	1,985	5,624	27,333	5.0%
100.0%	4,071	-	1,489	-	7,552	5,638	35	-	1,891	5,356	26,032	0.0%
95.0%	3,867	-	1,414	-	7,174	5,356	34	-	1,796	5,089	24,730	-5.0%
90.0%	3,664	-	1,340	-	6,797	5,074	32	-	1,701	4,821	23,428	-10.0%
85.0%	3,460	-	1,265	-	6,419	4,792	30	-	1,607	4,553	22,127	-15.0%
80.0%	3,257	-	1,191	-	6,041	4,510	28	-	1,512	4,285	20,825	-20.0%
75.0%	3,053	-	1,117	-	5,664	4,228	27	-	1,418	4,017	19,524	-25.0%
70.0%	2,849	-	1,042	-	5,286	3,947	25	-	1,323	3,750	18,222	-30.0%
65.0%	2,646	-	968	-	4,909	3,665	23	-	1,229	3,482	16,920	-35.0%
60.0%	2,442	-	893	-	4,531	3,383	21	-	1,134	3,214	15,619	-40.0%
55.0%	2,239	-	819	-	4,154	3,101	19	-	1,040	2,946	14,317	-45.0%
50.0%	2,035	-	744	-	3,776	2,819	18	-	945	2,678	13,016	-50.0%
45.0%	1,832	-	670	-	3,398	2,537	16	-	851	2,410	11,714	-55.0%
40.0%	1,628	-	596	-	3,021	2,255	14	-	756	2,143	10,413	-60.0%
35.0%	1,425	-	521	-	2,643	1,973	12	-	662	1,875	9,111	-65.0%
30.0%	1,221	-	447	-	2,266	1,691	11	-	567	1,607	7,809	-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	1.2%	n/a	1.0%	0.9%	2.1%	1.8%	1,007	840	6,648	6,648	6,648	n/a	n/a
Lusitano 5	1.3%	n/a	0.8%	1.2%	1.8%	1.8%	2,135	1,200	(6,488)	(7,017)	11,900	n/a	n/a
Pastor 2	0.3%	n/a	0.4%	0.4%	6.2%	4.4%	3	245	4,998	5,000	5,000	n/a	n/a
Pastor 3	1.3%	n/a	0.9%	2.1%	5.2%	3.8%	141	n/a	(49,985)	n/a	9,000	n/a	n/a
Pastor 4	0.9%	n/a	0.3%	2.3%	7.0%	4.1%	112	508	(37,596)	(39,083)	5,520	n/a	n/a
Pastor 5	1.3%	n/a	1.0%	2.4%	4.7%	3.5%	996	n/a	(29,132)	n/a	10,500	n/a	n/a
Sestante 4A1	8.3%	n/a	2.5%	3.0%	1.3%	n/a	1,113	n/a	(41,719)	n/a	6,200	n/a	n/a
Minotaure 04	n/a	n/a	0.8%	0.2%	7.6%	5.2%	n/a	n/a	2,955	2,955	2,955	n/a	n/a
Ludgate 06-1	n/a	n/a	0.4%	0.5%	10.7%	7.0%	108	64	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.

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.

Transactions continue to perform slightly better than anticipated but recoveries on defaulted loans remain disappointing in Spain

Quarterly valuation

- ▶ Quarter-end book value amounts to EUR 26,031k excluding accruals, after a combined revaluation of EUR 631k.
 - The revaluations mainly affect the Lusitano 3 and 5 positions, reflecting a continuing improvement in actual performance vs. assumptions;
 - The overall EUR 3.3m decline in book value over the quarter is related to the repayment in full of the EUR 5m Gems position.

Quarter-end portfolio book value amounts to EUR 26,031k, further to a EUR 631k revaluation

QUARTERLY BOOK VALUES AND REVALUATIONS

(EUR 000s)	31/03/2015		30/06/2015		30/09/2015		31/12/2015		31/03/2016	
	Book Value	(Markdown)/ Revaluation	Book Value	(Markdown)/ Revaluation	Book Value	(Markdown)/ Revaluation	Book Value	(Markdown)/ Revaluation	Book Value	(Markdown)/ Revaluation
Lusitano 3	6,701	9	7,139	425	7,233	36	7,281	22	7,552	323
Lusitano 5	4,164	(164)	4,402	114	4,609	77	5,348	603	5,638	134
Pastor 2	3,698	35	3,719	(45)	3,853	70	3,916	(5)	4,070	87
Pastor 3	0	0	0	0	0	0	0	0	0	0
Pastor 4	494	(192)	680	171	1,293	592	1,386	55	1,489	63
Pastor 5	0	0	0	0	0	0	0	0	0	0
Minotaure	1,570	19	1,637	18	1,700	14	1,770	21	1,890	69
Sestante 4 A1	76	1	66	0	64	10	49	(2)	35	0
Ludgate	6,345	345	6,139	80	5,883	102	5,654	(71)	5,356	(45)
TOTAL	26,892	132	27,994	1,084	29,119	1,117	30,344	1,023	26,031	631

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.

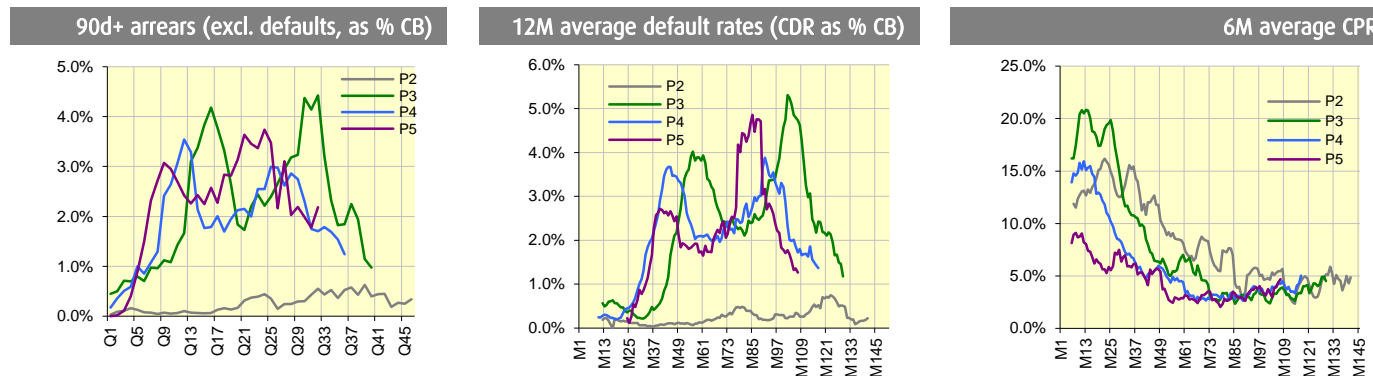
Pastor investments

PERFORMANCE

- ▶ 90-day+ arrears for the Pastor 3, 4 and 5 transactions stood between 0.9% and 1.3% at quarter-end, having seemingly bottomed out.
- ▶ Default rates of the Pastor 3 and 4 deals have also fallen to similar levels of 0.9-1.0%; Pastor 4 recorded an unusually low default rate of 0.3% this quarter but we would expect defaults for this issue to settle at around 1.0% as well.
- ▶ Recoveries on defaulted loans remain overall low for Pastor 3 and 4 (less than EUR 150k); quarterly recoveries however significantly exceeded expectations for Pastor 5 with EUR 1.1m, the highest reading in 18 months.
- ▶ Due to marginally higher defaults in Pastor 2, the reserve fund of the transaction is drawn (albeit by a nominal amount of EUR 2k). This is causing a deferral of the coupon payment this quarter; the unpaid amount remains due and should, in all likelihood, be repaid over the coming quarters.

VALUATION

- ▶ The improvement in credit performance and assumptions as well as the reduction in discount rate lead to a combined revaluation of EUR 150k of the Pastor 2 and 4 positions.



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

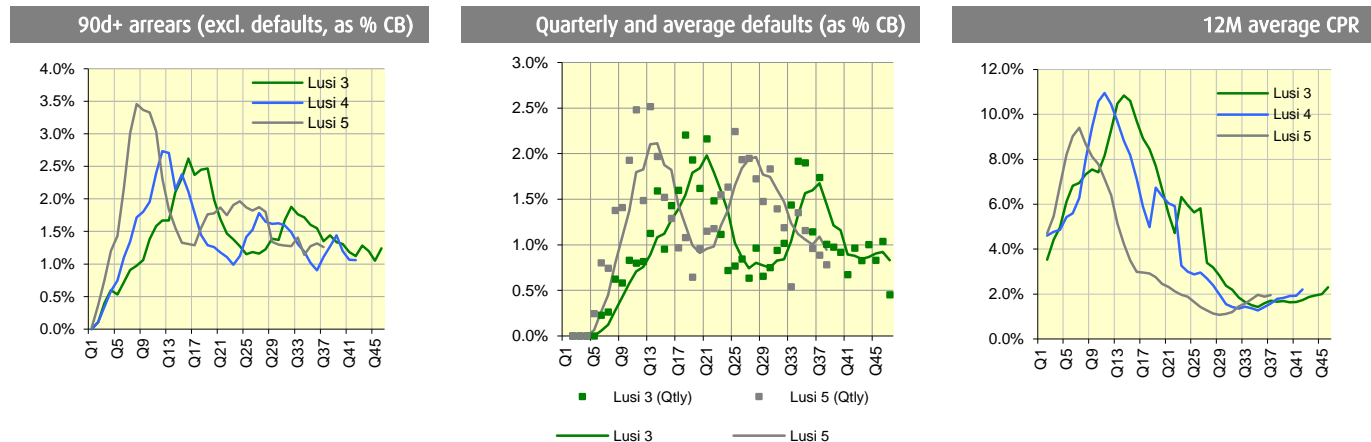
Lusitano investments

PERFORMANCE

- ▶ 90d+ arrears and default rates remain broadly stable for both transactions at 1.2-1.3% and 0.9-1.0% respectively.
- ▶ After disappointing recoveries in Q4 2015, collections on defaulted mortgage loans exceeded expectations somewhat this quarter with EUR 1m for Lusitano 3 and EUR 2.1m for Lusitano 5.
- ▶ These recoveries translated into a higher residual payment than forecast for Lusitano 3 of EUR 179k (vs. EUR 149k).

VALUATION

- ▶ The reduction in discount rate and improving credit assumptions lead to a combined EUR 456k revaluation for the Lusitano 3 and 5 positions.



Note: Graphs expressed in quarters since issue.

Ludgate residual position

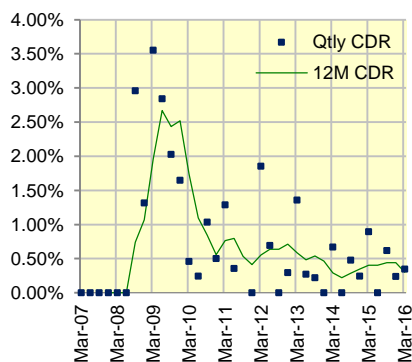
PERFORMANCE

- ▶ The credit performance of the position remains satisfactory with defaults remaining lower than anticipated, a stable loss severity and a neutral interest rate exposure (BBR vs. Libor).
- ▶ Total redemption rate increased to 10.7% this quarter confirming their upward trend, which has been further reflected in model assumptions.
- ▶ The Ludgate residual generated a quarterly cash flow of GBP 325k, as forecast; due to the decline in the GBP, the EUR inflow amounted to only EUR 416k vs. an expected EUR 441k.

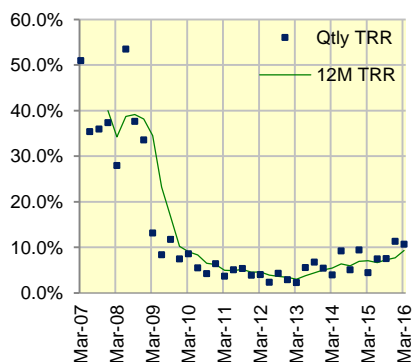
VALUATION

- ▶ Despite its strong credit performance and slightly lower discount rate, the transaction has been marked down by EUR 45k reflecting the accelerating pace of redemptions.

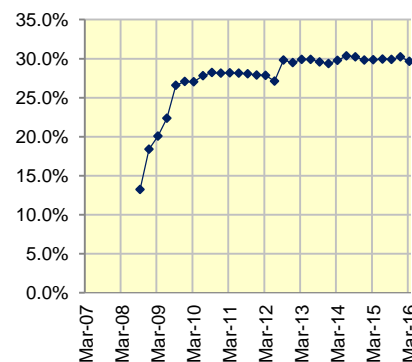
Quarterly and 12M default rate (CDR)



Quarterly total redemption rate (TRR)



Cumulative loss severity



Other EETI investments

Gems

- ▶ The position has been redeemed in full, as planned, generating a EUR 5m inflow.

Minotaure

- ▶ Overall stable credit performance, accelerating prepayments and a tightening of the discount rate lead to a revaluation of EUR 69k.

Sestante Class A1

- ▶ The position continues to redeem as planned and should be fully repaid within 3-4 quarters.

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 31/03/2016

EETI QUARTERLY VALUATION REPORT AS AT 31/03/2016

From:	01/01/2016
To:	31/03/2016

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	16/01/2016	179	127	52	127	0	142	323	7,552	323	7,694	29.0%
Lusitano 5	15/01/2016	-	-	-	156	156	160	134	5,638	134	5,798	21.7%
Pastor 2	22/03/2016	-	-	-	68	68	9	87	4,070	87	4,079	15.6%
Pastor 3	22/03/2016	-	-	-	0	0	0	0	0	0	0	0.0%
Pastor 4	22/03/2016	-	-	-	40	40	5	63	1,489	63	1,494	5.7%
Pastor 5	22/03/2016	-	-	-	0	0	0	0	-	0	0	0.0%
Gems	02/03/2016	5,007	68	4,940	68	0	(0)	0	0	0	0	0.0%
Minotaure	22/03/2016	0	0	-	51	51	4	69	1,890	69	1,894	7.3%
Ludgate	07/03/2016	416	163	252	163	0	109	(45)	5,356	(45)	5,465	20.6%
Sestante 4 A1	16/01/2016	15	1	14	1	0	1	0	35	0	36	0.1%
Total		5,617	359	5,258	674	315	430	631	26,031	631	26,461	100.0%

ACCOUNTING INCOME

Actual cash flow received in Q	5,617
Plus: Capitalised interest	315
Less: Amortisation of principal	(5,258)
Income excl. accruals	674
<i>check</i>	<i>(0.0)</i>
Less: Previous Q accruals	(445)
Plus: Current Q accruals	430
Income incl. accruals	659

WRITE-DOWNS / REVALUATIONS

Sum of write-downs excl. accruals	(45)
Sum of revaluations excl. accruals	676
Total excl. accruals	631
<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	631
<i>check</i>	<i>0.0</i>

VALUATION RECAP

Valuation excl. accruals	26,031
Valuation incl. accruals	26,461
<i>check</i>	<i>0.0</i>
Last Q valuation excl. accruals	30,344
Plus: Capitalised interest	315
Less: Amortisation of principal	(5,258)
Sum write-downs / reval. excl. accruals	631
Plus: Purchased in Q	
Current Q excl. accruals	26,031
<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 2015	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		
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%	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%		
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%	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%		
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%	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%		
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%	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%		
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%	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%		
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%	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%		
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%	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%		
Ludgate							1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	0.50%	0.50%										5.00%	5.20%	6.00%	7.00%	7.00%	7.00%	8.00%

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	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
Lusitano 3	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
Lusitano 5	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
Pastor 2	20%	20%	20%	20%	20%	20%	30%	30%	30%	30%	30%	30%	30%	30%	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%	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%	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%	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
Ludgate							30%	30%	30%	30%	30%	30%	30%	30%														

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													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	
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%
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%
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%
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%
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%
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%
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%
Sestante 4 A1	8.50%	8.40%	8.28%	7.98%	7.50%	7.27%	6.99%	6.61%	6.37%	6.14%	6.14%	5.76%	5.76%	4.94%
Ludgate							13.49%	13.11%	12.87%	12.64%	12.42%	12.26%	12.26%	11.44%

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.