

**ELM B.V.**  
**Amsterdam**

Annual report and accounts  
for the year ended 31 December 2008

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ELM B.V., Amsterdam

## Report of Management

Management herewith presents to the shareholder the annual accounts of ELM B.V. (the "Company") for the financial year ended 31 December 2008.

### General

The Company was incorporated under the laws of The Netherlands on 14 November 1996 as a private company with limited liability. On 9 June 2004 the Company changed its name from Government Asset Tradeable Securities B.V. to ELM B.V.. The Company has its registered office in Amsterdam (Prins Bernhardplein 200, 1097 JB). Its authorised share capital consists of EUR 90,000 divided into 2,000 voting ordinary shares of EUR 45 par value per share. The Company has an issued and outstanding share capital of EUR 18,000 consisting of 400 shares, all of which are fully paid up and held by Stichting ELM (formerly known as Stichting Government Asset Tradeable Securities), a foundation ("Foundation") established under Dutch law on 14 November 1996. The Company and the Foundation entered into a letter agreement dated 25 June 2004 under which, in order to ensure that the Foundation does not abuse its control of the Company, the Foundation, inter alia, undertook to manage the affairs of the Company in accordance with proper and prudent Dutch business practices and in accordance with the requirements of Dutch law and accounting practice. To exercise its voting and other rights and powers as a shareholder in accordance with the Company's obligations under the documents relating to the Programme Memorandum, not to liquidate the Company without the prior written approval of the Trustee, and that the Company shall undertake no business except the transactions contemplated by the documents relating to the Programme. The Company also entered into a series proposal and guaranteed fees agreement with UBS AG, London Branch ("Arranger") on the basis of which all expenses are reimbursed.

The Company acts as an issuer of notes under the EUR 15 billion Secured Note Programme ("Programme") established on 25 June 2004. Its objectives are to raise finance through the issuance of bonds, notes and other debt instruments, the entering into loan agreements, derivatives and other instruments evidencing indebtedness. Further to invest funds raised in (interest in) bonds, notes, loans, deposits and other debt instruments, shares, warrants, derivatives and other similar financial assets. To acquire, purchase, manage and sell claims and parts of claims. To grant security in whatever form for obligation and liabilities of the Company. To enter into swaps and other derivatives transactions, letters of credit, guarantees, insurances, or other credit support, credit enhancement or hedging agreements in connection with the above objects and to enter into agreements with third parties relating to the above objectives.

Recourse on the Notes are limited to the collateral ("Collateral") and rights under the swap agreement for each of the issued series of Notes ("Series of Notes"). For a complete description of the terms and conditions of this transaction, we refer to the updated Programme Memorandum dated 13 May 2008.

During 2008 the Company had no employees (2007: nil).

### Financial risk management

Financial risks associated with the business are detailed in the notes to these annual accounts.

### Overview of activities

On 19 December 2008, Standard & Poor's Ratings Services lowered its long-term counterparty credit ratings on UBS AG and UBS Limited. In order to maintain the rating of certain Series of Notes and acting in accordance with the rating agency requirements in respect of such Series of Notes, the Company transferred the securities that serve as Collateral for such individual Series of Notes, from UBS AG (London Branch) who was acting as custodian, to the custody of the Bank of New York Mellon on 19 January 2009.

A total of 15 Series of Notes (see note 7 of the annual accounts) have suffered write downs to their notional amounts due to credit events occurring on their underlying reference entities. Depending on the Series documentation these credit events have resulted in certain Series of Notes redeeming below their par value, with certain Series of Notes redeeming at or close to zero. Furthermore, these credit events have resulted in certain Series of Notes having their Collateral liquidated and their future coupons reduced. Of the 15 Series of Notes affected by these credit events, a total write down of notional amounts of EUR 212,247,000 has been finalised as at the date of signing these annual accounts.

The Company continued its repackaging activities during 2008 and issued 7 new Series of Notes (2007: 27) and increased the issued amount of 4 existing Series of Notes, 20 Series of Notes (2007: 6) were early redeemed in full during the year ended 31 December 2008. Another 6 Series of Notes were partly early redeemed. On 13 May 2008 the Programme was updated.

Report of Management - continued

**Audit Committee**

In August 2008 the Dutch Act on the Supervision of Accounting Firms (Wet Toezicht Accountantsorganisaties) ("ASAF") was amended. This resulted in a broader definition of a public interest entity (organisatie van openbaar belang) ("PIE"). All Dutch entities which have issued listed debt are now considered to be PIE's.

In addition on 8 August 2008, an implementing regulation (algemene maatregel van bestuur) ("IR") came into force in the Netherlands, enforcing Art. 41 of European Directive no. 2006/43/EG (the "ED"), regarding legislative supervision of annual reports and consolidated annual accounts. This IR obliges all PIE's to establish an audit committee ("AC"). The AC is formed by members of the Company's supervisory board ("SB") or by non-executive management board members.

Because the Company falls within the definition of a PIE it is in principle obliged to establish an AC. Although the ED provides certain exemptions for establishing an AC for securitisation vehicles ("SV"), under the IR (the regulation whereby the ED was implemented in the Netherlands) the Company is not considered to be a SV and therefore cannot make use of an exemption to establish an AC. Further to extensive research and discussions with amongst others the Dutch Authority for the Financial Markets (Autoriteit Financiële Markten), several legal advisors and audit firms, there are certain observations to be made in respect of the obligation to establish an AC or not:

1. the activities of the Company and those of a SV are very much alike;
2. under the ED the Company qualifies as a SV and would thus be exempted from the obligation to establish an AC;
3. the Company does not have a SB nor non-executive board members. Establishment of a SB requires an amendment to the Company's Articles of Association;
4. it remains unclear why the IR contains a more stringent definition of a SV than the ED.

The general view in the Netherlands is that it could not have been the legislators' intention for repackaging vehicles, such as the Company, not to fall within the description of a SV and thus not to be exempted. In view of the above reasons, Management currently does not consider it to be in the Company's best interest nor has it taken steps to establish an AC.

**Results**

The net asset value of the Company as at 31 December 2008 amounts to EUR 153,000 (2007: EUR 118,000). The result after taxation for the year ended 31 December 2008 amounts to a profit of EUR 315,000 (2007: EUR 90,000).

**Future outlook**

Management expects to continue its present level of activities. Since the reporting date the Company has issued another 1 Series and there no increases of the issued amount on existing Series. 3 Series were fully redeemed and 3 Series was partially redeemed.

Since September 2008 several credit events have occurred in respect of reference entities to which Notes are credit linked. Also, certain assets held as Collateral by the Company in respect of certain Series of Notes have defaulted. There have also been trigger events resulting in the early redemption of certain Series of Notes. Depending on the Series documentation these events mean the Noteholders of the relevant Series have suffered and/or will suffer losses, which may result in certain Series of Notes redeeming below their par value, with certain series redeeming at or close to zero.

At the present time, the final price determination in respect of the credit linked Notes issued by the Company that have been affected by the credit events are not all wholly determined and therefore Management is unable to provide any kind of estimate of the losses that the Noteholders will incur for those Notes who have Credit Event Notices outstanding, but whom do not have their final price determined and therefore do not have their possible losses on the Notes determined. As at the date of signing of these annual accounts, 34 Series of Notes in note 7 of the annual financial report may be affected by the reduction in principal and coupons due to the credit events and they are potentially subject to a total loss in respect of principal and further coupons due under the Notes.

During 2009 the movements in the market prices of the Collateral held varies across the individual Series of Notes. The market value of the Collateral and Funded Swaps to which it is a counterparty from 2008 that are still outstanding at 15 May 2009 are EUR 5,967,953,000 and EUR 243,904,000 respectively. The market value of the same portfolio of Collateral and funded swaps to which it is a counterparty to that were outstanding at 31 December 2008, are EUR 6,161,745,000 and EUR 302,308,000.

The decrease in market value compared to the market value disclosed in note 1 is caused by Series being written down due to credit events (and subsequently the Collateral being sold) and Series being (partly) redeemed.

As mentioned, recourse on the Notes are limited to the Collateral and rights under the Swap Agreement for each of the issued Series of Notes.

ELM B.V., Amsterdam

Balance sheet as at 31 December 2008

(Before the proposed appropriation of the results and expressed in Euros)

	Notes	2008 ( '000)	2007 ( '000)
<b>Fixed assets</b>			
Financial fixed assets			
Collateral	1	7,045,882	7,495,873
Receivable from UBS on trading balance due after one year	8	0	2,614
<i>Total fixed assets</i>		<u>7,045,882</u>	<u>7,498,487</u>
<b>Current assets</b>			
Debtors			
Amounts owed by group entities	2	3	3
Prepayments and accrued income	3	87,871	75,540
Receivable from UBS on trading balance due within one year	8	0	460
Cash and cash equivalents	4	1,473	1,014
<i>Total current assets</i>		<u>89,347</u>	<u>77,017</u>
<b>Current liabilities</b>			
Taxation	5	5	(3)
Accruals and deferred income	6	88,567	76,285
Payable to Noteholders for trading balance due within one year	8	0	604
<i>Total current liabilities</i>		<u>88,572</u>	<u>76,886</u>
<b>Current assets less current liabilities</b>		<b>775</b>	<b>131</b>
<b>Total assets less current liabilities</b>		<b>7,046,657</b>	<b>7,498,618</b>
<b>Long term liabilities</b>			
Notes	7	7,045,882	7,495,873
Payable to Noteholders for trading balances due after one year	8	622	2,627
<i>Total long term liabilities</i>		<u>7,046,504</u>	<u>7,498,500</u>
<b>Net asset value</b>		<u><b>153</b></u>	<u><b>118</b></u>
<b>Capital and reserves</b>			
Share capital		18	18
Legal reserve		0	0
Other reserves		(180)	10
Unappropriated results		315	90
<i>Total shareholder's equity</i>		<u><b>153</b></u>	<u><b>118</b></u>

The accompanying notes form an integral part of these annual accounts.

ELM B.V., Amsterdam

Profit and loss account for the year ended 31 December 2008  
(Expressed in Euros)

	Notes	2008 ('000)	2007 ('000)
<b>Repackaging activities</b>			
Interest income	10	547,652	416,570
Interest expense	11	(547,652)	(416,570)
<i>Result repackaging activities</i>		<u>0</u>	<u>0</u>
<b>Other financial income and expenses</b>			
Trading balance income	8	0	(257)
Trading balance expense	8	0	257
Other interest income	12	30	26
Other financial income	13	2,478	1,944
Other financial expenses	14	(2,478)	(1,944)
<i>Total other financial income and expenses</i>		<u>30</u>	<u>26</u>
<b>Other income and expenses</b>			
General and administrative expenses	15	(792)	(3,044)
Recharged expenses and other income	16	792	3,044
Other income	17	373	98
<i>Total other income and expenses</i>		<u>373</u>	<u>98</u>
<b>Results before taxation</b>		<u>403</u>	<u>124</u>
Corporate Income Tax	18	(88)	(34)
<b>Results after taxation</b>		<u><u>315</u></u>	<u><u>90</u></u>

The accompanying notes form an integral part of these annual accounts.

Cash flow statement for the year ended 31 December 2008  
(Expressed in Euros)

	2008	2007
	('000)	('000)
Result for the year	315	90
<b>Adjustment in respect of</b>		
Long term liability trading balances	(2,005)	(861)
Long term receivable trading balances	2,614	(2,614)
Long term liability	0	(114)
Dividend paid	(280)	(104)
	<u>329</u>	<u>(3,603)</u>
<b>Changes in working capital</b>		
Increase current receivables excluding cash	(11,871)	(45,244)
Increase current liabilities	11,686	45,321
	<u>(185)</u>	<u>77</u>
<b>Cash flow from investing activities</b>		
Purchase of Collateral	(803,184)	(3,992,832)
Funded swaps	344,202	(278,271)
Premium / discount	(9,426)	(5)
Redemption of Collateral	488,311	277,853
	<u>19,903</u>	<u>(3,993,255)</u>
<b>Cash flows from financing activities</b>		
Notes issued	898,184	4,260,657
Premium / discount	9,426	5
Redemption of Notes	(927,513)	(267,407)
	<u>(19,903)</u>	<u>3,993,255</u>
<b>Cash balance as per 01.01</b>	<u>1,014</u>	<u>4,540</u>
Net change in cash during the year	<u>459</u>	<u>(3,526)</u>
<b>Cash balance as per 31.12</b>	<u>1,473</u>	<u>1,014</u>

The cash flow statement has been prepared using the indirect method. Cash flows in foreign currency are converted into Euros at the average weighted exchange rates at the dates of the transactions.

*The accompanying notes form an integral part of these annual accounts.*

**General**

The Company was incorporated under the laws of The Netherlands on 14 November 1996 as a private company with limited liability. On 9 June 2004 the Company changed its name from Government Asset Tradeable Securities B.V. to ELM B.V.. The Company has its registered office in Amsterdam (Prins Bernhardplein 200, 1097 JB). Its authorised share capital consists of EUR 90,000 divided into 2,000 voting ordinary shares of EUR 45 par value per share. The Company has an issued and outstanding share capital of EUR 18,000 consisting of 400 shares, all of which are fully paid up and held by Stichting ELM (formerly known as Stichting Government Asset Tradeable Securities), a foundation ("Foundation") established under Dutch law on 14 November 1996. The Company and the Foundation entered into a letter agreement dated 25 June 2004 under which, in order to ensure that the Foundation does not abuse its control of the Company, the Foundation, inter alia, undertook to manage the affairs of the Company in accordance with proper and prudent Dutch business practices and in accordance with the requirements of Dutch law and accounting practice. To exercise its voting and other rights and powers as a shareholder in accordance with the Company's obligations under the documents relating to the Programme Memorandum, not to liquidate the Company without the prior written approval of the Trustee, and that the Company shall undertake no business except the transactions contemplated by the documents relating to the Programme.

The Company acts as an issuer of notes under the EUR 15 billion Secured Note Programme ("Programme") established on 25 June 2004. Its objectives are to raise finance through the issuance of bonds, notes and other debt instruments, the entering into loan agreements, derivatives and third parties relating to the above objectives.

Application was granted by the Irish Stock Exchange ("ISE") for Notes issued under the Programme during a period of twelve months from 13 May 2008 to be admitted to the official list of the ISE and for such Notes to be admitted to trading on the ISE. After 13 May 2009 no new Series have been issued yet. The Programme will be updated prior to new Notes being issued.

Application has been made to the Irish Financial Services Regulatory Authority ("IFSRA") under the Prospectus Directive ("PD") for approval of the Programme Memorandum ("PM"). The PM constitutes a base prospectus under the PD. The approval relates only to Notes or alternative investments which are to be admitted to trading on the regulated market of the ISE or other regulated markets or which are to be offered to the public in any other Member State of the European Economic Area. In addition, application may be made for certain Series of Notes or alternative investments to be admitted to trading on any other exchange. Unlisted Notes or alternative investments may also be issued under the Programme. At balance sheet date two Series are listed on the Luxembourg Stock Exchange (2007: 2 Series).

Recourse on the Notes are limited to the collateral ("Collateral") and rights under the swap agreement for each of the issued series of Notes ("Series of Notes"). For a complete description of the terms and conditions of this transaction, we refer to the updated Programme Memorandum dated 13 May 2008.

There are two types of Notes issued, being Credit Linked Notes of which the repayment of notional is dependent on credit events of pre-defined reference portfolios. If credit events occur, the notional will be reduced. The second type of Notes are Credit Linked Notes which may be early redeemed, dependent upon the occurrence of credit events.

In case of a credit event (and in accordance with the provisions of the relevant Series documentation of each specific Series of Notes) the credit loss may be transferred to the relevant Noteholders. For certain Series of Notes a credit event will lead to a transfer of assets held as Collateral to the Noteholders.

The Company intends to hold all Notes issued until maturity but has the option of repurchasing Notes in the market from investors, subject to investors willing to sell any such Notes. Some of the Notes have call options, which means the Company has the right to repurchase (part of) the Notes from the Noteholders on predetermined dates.

At maturity or repurchase of Notes the outstanding Collateral will be transferred to the Swap Counterparty.

During 2008 the Company had no employees (2007: nil).

**Basis of presentation**

The accompanying accounts have been prepared in accordance with accounting principles generally accepted in The Netherlands (Dutch GAAP) and in conformity with provisions governing annual accounts as contained in Part 9, Book 2 of the Dutch Civil Code. The annual accounts are presented in Euros.

**a. Foreign currencies**

These annual accounts are presented in Euros, which is the Company's functional currency. Assets and liabilities in foreign currencies are converted into Euros at their exchange rates prevailing on the balance sheet date. Transactions in foreign currencies are converted into Euros at the exchange rates in effect at the time of the transactions. The resulting currency exchange rate differences are taken to the profit and loss account.



The currency exchange rates used in the annual accounts are:

		31.12.2008	31.12.2007
1 EUR = USD	United States Dollars	1.4045	1.4705
1 EUR = GBP	Pounds Sterling	0.9665	0.7335
1 EUR = CHF	Swiss Francs	1.4900	1.6555
1 EUR = NOK	Norwegian Kroner	9.8000	7.9700
1 EUR = JPY	Japanese Yen	126.7500	164.9000
1 EUR = AUD	Australian Dollars	2.0350	1.6755

#### b. Assets and liabilities

The Collateral and Notes are valued at cost price. Discount received and premium paid on the Collateral and Notes are amortised over the remaining duration of the Collateral and Notes. All other assets and liabilities are reported at the currency exchange rates prevailing at the reporting date.

#### c. Recognition of income

Income and expenses, including taxation, are recognised and reported on an accrual basis.

#### d. Derivatives

The Company uses derivatives for hedging purposes. The Company applies cost price hedge accounting in order to simultaneously recognise both the results from changes in the value of the derivative and the hedged item in the profit and loss account. Resulting from the application of cost price hedge accounting, derivatives are initially carried at cost. The profits or losses associated with the forward foreign exchange contracts are recognised in the profit or loss account in the same period as in which the asset or liability affects the profit or loss.

#### e. Financial risks

As part of its asset and liability risk management the Company uses derivatives to hedge its exposure to currency, interest rate and credit risk. This is achieved by hedging specific transactions using interest rate and cross currency swaps, cash flow swaps, and funded credit default swaps.

As a result of reliance on its trading and indemnity arrangements with the Arranger, the Company is not exposed to currency, interest rate and credit risk.

The information disclosed under the notes to these annual accounts is partly derived from and should be read in conjunction with the full text and definitions of the master documents and series documents. Any decision to buy, sell or hold Notes issued by the Company should not be based solely on the information in these annual accounts (including the notes thereto). Potential and current investors should also refer to the master documents and series documents which, amongst others, give a more thorough and detailed description of the risks involved in investing in the Notes issued by the Company.

#### f. Corporate Income Tax

Provisions for taxation have been made in accordance with the tax ruling the Company obtained from the Dutch Tax Authorities.

#### g. Secured Note Programme

The Company, under the Programme, may from time to time issue new Series of Notes. The Company may also raise finance by other means or enter into other financial transactions under the Programme, including, without limitation, by way of loan or entering into derivatives. The aggregate nominal amount of Notes and alternative investments issued by the Company under the Programme may not at any time exceed EUR 15 billion (or the equivalent in another currency).

Application was granted by the Irish Stock Exchange ("ISE") for Notes issued under the Programme during a period of twelve months from 13 May 2008 to be admitted to the official list of the ISE and for such Notes to be admitted to trading on the ISE. After 13 May 2009 no new Series have been issued yet. The Programme will be updated prior to new Notes being issued.

Application has been made to the Irish Financial Services Regulatory Authority ("IFSRA") under the Prospectus Directive ("PD") for approval of the Programme Memorandum ("PM"). The PM constitutes a base prospectus under the PD. The approval relates only to Notes or alternative investments which are to be admitted to trading on the regulated market of the ISE or other regulated markets or which are to be offered to the public in any other Member State of the European Economic Area. In addition, application may be made for certain Series of Notes or alternative investments to be admitted to trading on any other exchange. Unlisted Notes or alternative investments may also be issued under the Programme. At balance sheet date two Series are listed on the Luxembourg Stock Exchange (2007: 2 Series).

Notes of any Series or alternative investments may be rated by Moody's Investor Services, Inc and/ or Standard & Poor's Rating Services, a Division of McGraw-Hill Companies Inc. and/ or Fitch Ratings Limited (or any other relevant recognised debt rating agency ("Rating Agency")) as may be specified in the relevant series memorandum or Alternative Memorandum and the relevant constituting instrument ("Constituting Instrument"). The rating of Notes of any Series or alternative investments issued or entered into under the Programme will be specified in the relevant series memorandum or Alternative Memorandum and the relevant Constituting Instrument. The Company will notify any Rating Agency which has assigned a rating to any Series of Notes or Alternative Investments or any class thereof which is outstanding of any further Series of Notes or alternative investments to be issued which may be unrated or not rated by such Rating Agency and the Company shall obtain from such Rating Agency a confirmation that ratings of existing Series of Notes and existing Alternative Investments, rated by such Rating Agency, will not be adversely affected. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning Rating Agency. A suspension, reduction or withdrawal of the rating assigned to the Notes of any Series or alternative investments may adversely affect the market price of the Notes of any Series or alternative investments.

		2008	2007		
		EUR	EUR		
		('000)	('000)		
<b>Balance sheet</b>					
<b>1 Collateral</b>					
All Collateral is shown at cost price					
<u>Series</u>	<u>Collateral description</u>	<u>Nominal</u>	<u>Premium/ (Discount)</u>	<u>Total</u>	<u>Total</u>
3	Bradford & Bingley PLC - 3.750% per annum (EUR) Swap with UBS AG, London Branch Total Collateral	10,000	19  (19)	10,019  (65)	10,065  (65)
5	Bradford & Bingley PLC - 3.750% per annum (EUR) Swap with UBS AG, London Branch Total Collateral	7,500	14  (14)	7,514  (49)	7,549  (49)
8	Dexia Kommunalbank AG - Floating Rate (EUR) Swap with UBS AG, London Branch Total Collateral	50,000	0  0	50,000  0	50,000  0
9	Buoni Poliennali Del Tesoro BTPS - 5.250% per annum (EUR) Swap with UBS AG, London Branch Total Collateral	50,000	7,825  (7,825)	57,825  (8,202)	58,202  (8,202)
11	Logo Securities Ltd - Floating Rate (EUR) Swap with UBS AG, London Branch Total Collateral	13,000	0  423	13,000  (919)	13,000  (919)
12	Deutsche Bank AG - 5.500% per annum (EUR) Swap with UBS AG, London Branch Total Collateral	15,000	720  (15,720)	15,720  (1,024)	16,024  (1,024)
13	Deutsche Hypothekenbank - Floating Rate (USD) Swap with UBS AG, London Branch Total Collateral	17,800	11  (11)	17,811  (14)	17,015  (14)
14	Dexia Municipal Agency - Floating Rate (EUR) Swap with UBS AG, London Branch Total Collateral	45,000	16  (30,177)	45,016  (62)	135,062  (62)
15	Deutsche Hypothekenbank - Floating Rate (USD) Swap with UBS AG, London Branch Total Collateral	21,360	14  (14,615)	21,374  (34)	40,836  (34)
16	Dexia Municipal Agency - Floating Rate (EUR) Swap with UBS AG, London Branch Total Collateral	32,500	12  (32,512)	32,512  (17)	36,517  (17)
17	Deutsche Hypothekenbank - Floating Rate (USD) Swap with UBS AG, London Branch Total Collateral	3,560	3  (3,563)	3,563  (3)	3,403  (3)
18	Dexia Municipal Agency - Floating Rate (EUR) Swap with UBS AG, London Branch Total Collateral	9,000	3  (9,003)	9,003  (4)	9,004  (4)
19	Dexia Municipal Agency - Floating Rate (EUR) Swap with UBS AG, London Branch Total Collateral	41,000	95  (41,095)	41,095  (122)	41,122  (122)
20	Dexia Municipal Agency - Floating Rate (EUR) Swap with UBS AG, London Branch Total Collateral	4,000	1  (4,001)	4,001  (2)	4,002  (2)
21	Deutsche Hypothekenbank - Floating Rate (USD) Collateral sold/ purchased Swap with UBS AG, London Branch Total Collateral	10,881	0  (10,881)  0	10,881  0  (9)	10,890  0  (9)
22	Dexia Municipal Agency - Floating Rate (EUR) Swap with UBS AG, London Branch Total Collateral	10,000	4  (10,004)	10,004  (5)	10,005  (5)
23-1	Dexia Municipal Agency - Floating Rate (EUR) Collateral sold/ purchased Swap with UBS AG, London Branch Total collateral	10,000	0  (10,000)  0	10,000  0  (5)	10,005  0  (5)
23-2	Dexia Municipal Agency - Floating Rate (EUR) Collateral sold/ purchased Swap with UBS AG, London Branch Total Collateral	2,000	0  (2,000)  0	2,000  0  (1)	2,001  0  (1)
24	Deutsche Hypothekenbank - Floating Rate (USD) Collateral sold/ purchased Swap with UBS AG, London Branch Total Collateral	20,401	0  (20,401)  0	20,401  0  (17)	20,418  0  (17)
				0	20,401

		2008	2007		
		EUR	EUR		
		('000)	('000)		
<b>1 Collateral (continued)</b>					
All Collateral is shown at cost price					
Series	Collateral description	Nominal	Premium/ (Discount)	Total	Total
25	Dexia Municipal Agency - Floating Rate (EUR)	5,000	2	5,002	5,002
	Swap with UBS AG, London Branch			(5,002)	(2)
	<b>Total Collateral</b>			<b>0</b>	<b>5,000</b>
26	Dexia Municipal Agency - Floating Rate (EUR)	25,000	9	25,009	25,011
	Swap with UBS AG, London Branch			(15,832)	(11)
	<b>Total Collateral</b>			<b>9,177</b>	<b>25,000</b>
27	Dexia Municipal Agency - Floating Rate (EUR)	15,000	42	15,042	15,055
	Swap with UBS AG, London Branch			(15,042)	(55)
	<b>Total Collateral</b>			<b>0</b>	<b>15,000</b>
28	Funded Swap with UBS AG, London Branch (CHF)			0	30,202
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>0</b>	<b>30,202</b>
29	Funded Swap with UBS AG, London Branch (EUR)			3,000	3,000
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>3,000</b>	<b>3,000</b>
30	RWE AG - 5.750% per annum (EUR)	5,000	1,124	6,124	6,170
	Swap with UBS AG, London Branch			(1,124)	(1,170)
	<b>Total Collateral</b>			<b>5,000</b>	<b>5,000</b>
31	CIR SPA - 5.750% per annum (EUR)	6,000	(134)	5,866	5,857
	Swap with UBS AG, London Branch			(1,324)	(1,328)
	<b>Total Collateral</b>			<b>4,542</b>	<b>4,529</b>
32	Buoni Poliennali Del Tesoro BTPS - 4.500% per annum (EUR)	10,000	801	10,801	10,873
	Swap with UBS AG, London Branch			(801)	(873)
	<b>Total Collateral</b>			<b>10,000</b>	<b>10,000</b>
34	EURhypo AG - 4.500% per annum (EUR)	45,000	0	45,000	47,797
	Collateral sold/ purchased			(45,000)	0
	Swap with UBS AG, London Branch			0	(2,797)
	<b>Total Collateral</b>			<b>0</b>	<b>45,000</b>
35	DEPFA Pfandbriefbank AG - 5.250% per annum (EUR)	10,000	525	10,525	10,733
	Cash collateral			50,000	0
	Swap with UBS AG, London Branch			(10,525)	(733)
	<b>Total Collateral</b>			<b>50,000</b>	<b>10,000</b>
37	Norddeutsche Landesbank - Floating Rate (USD)	1,714	0	1,714	1,714
	Dexia Municipal Agency - Floating Rate (USD)	27,202	0	27,202	27,202
	Collateral sold/ purchased			(28,916)	0
	Swap with UBS AG, London Branch			0	(1,714)
	<b>Total Collateral</b>			<b>0</b>	<b>27,202</b>
38	Bank Of Ireland Mortgage Bank - Floating Rate (EUR)	53,000	0	53,000	53,000
	Collateral sold/ purchased			(53,000)	0
	Swap with UBS AG, London Branch			0	(3,000)
	<b>Total Collateral</b>			<b>0</b>	<b>50,000</b>
39	Bank Of Ireland Mortgage Bank - Floating Rate (EUR)	70,000	0	70,000	70,000
	Collateral sold/ purchased			(70,000)	0
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>0</b>	<b>70,000</b>
40	Buoni Poliennali Del Tesoro BTPS - 5.250% per annum (EUR)	9,500	489	9,989	10,178
	Swap with UBS AG, London Branch			11	(178)
	<b>Total Collateral</b>			<b>10,000</b>	<b>10,000</b>
41	Funded Swap with UBS AG, London Branch (EUR)			84,000	200,000
	<b>Total Collateral</b>			<b>84,000</b>	<b>200,000</b>
42	General Electric Capital Corporation - Floating Rate (NOK)	61,837	0	61,837	76,035
	Swap with UBS AG, London Branch			0	0
	<b>Total collateral</b>			<b>61,837</b>	<b>76,035</b>
43	General Electric Capital Corporation - Floating Rate (USD)	14,240	0	14,240	13,601
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>14,240</b>	<b>13,601</b>
44	Swiss Reinsurance Company - 5.252% per annum (EUR)	1,000,000		1,000,000	1,000,000
	<b>Total Collateral</b>			<b>1,000,000</b>	<b>1,000,000</b>
45	AyT Cédulas Cajas Global - 3.500% per annum (EUR)	7,500	(309)	7,191	7,148
	Swap with UBS AG, London Branch			(7,191)	352
	<b>Total Collateral</b>			<b>0</b>	<b>7,500</b>

## Notes to the annual accounts for the year ended 31 December 2008

		2008	2007		
		EUR	EUR		
		('000)	('000)		
<b>1 Collateral (continued)</b>					
All Collateral is shown at cost price					
<u>Series</u>	<u>Collateral description</u>	<u>Nominal</u>	<u>Premium/ (Discount)</u>	<u>Total</u>	<u>Total</u>
46	Citigroup Inc - 6.000% per annum (USD)	10,680	(357)	10,323	9,845
	Swap with UBS AG, London Branch			9,677	10,155
	<b>Total Collateral</b>			<b>20,000</b>	<b>20,000</b>
47	GE Capital European Funding - Floating Rate (EUR)	100,000	0	100,000	100,000
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>100,000</b>	<b>100,000</b>
48	Funded Swap with UBS AG, London Branch (EUR)			22,500	22,500
	<b>Total Collateral</b>			<b>22,500</b>	<b>22,500</b>
51	Hypotheekbank in Essen - Floating Rate (JPY)	7,890	0	7,890	6,064
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>7,890</b>	<b>6,064</b>
52	Hypotheekbank in Essen - Floating Rate (JPY)	3,945	0	3,945	3,032
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>3,945</b>	<b>3,032</b>
53	Hypotheekbank in Essen - Floating Rate (JPY)	3,945	0	3,945	3,032
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>3,945</b>	<b>3,032</b>
54	Hypotheekbank in Essen - Floating Rate (JPY)	3,945	0	3,945	3,032
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>3,945</b>	<b>3,032</b>
55	Hypotheekbank in Essen - Floating Rate (JPY)	6,064	0	6,064	6,064
	Collateral sold/ purchased			(6,064)	0
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>0</b>	<b>6,064</b>
56	Deutsche Hypothekbank - Floating Rate (USD)	6,800	0	6,800	6,800
	Collateral sold/ purchased			(6,800)	0
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>0</b>	<b>6,800</b>
57	Funded Swap with UBS AG, London Branch (EUR)			22,500	22,500
	<b>Total Collateral</b>			<b>22,500</b>	<b>22,500</b>
58	Caixa d'Estalvis i Pensions de Barcelona - Floating Rate (EUR)	5,400	0	5,400	5,400
	Collateral sold/ purchased			(5,400)	0
	Swap with UBS AG, London Branch			0	(400)
	<b>Total Collateral</b>			<b>0</b>	<b>5,000</b>
59	Caixa d'Estalvis i Pensions de Barcelona - Floating Rate (USD)	3,560		3,560	3,400
	Swap with UBS AG, London Branch			(285)	(272)
	<b>Total Collateral</b>			<b>3,275</b>	<b>3,128</b>
60	Caixa d'Estalvis i Pensions de Barcelona - Floating Rate (EUR)	50,000	0	50,000	50,000
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>50,000</b>	<b>50,000</b>
61	Caixa d'Estalvis i Pensions de Barcelona - Floating Rate (USD)	14,240	0	14,240	13,601
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>14,240</b>	<b>13,601</b>
62	Caixa d'Estalvis i Pensions de Barcelona - Floating Rate (USD)	35,600	0	35,600	34,002
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>35,600</b>	<b>34,002</b>
64	Caixa d'Estalvis i Pensions de Barcelona - Floating Rate (USD)	1,780	0	1,780	1,700
	Swap with UBS AG, London Branch			(124)	0
	<b>Total Collateral</b>			<b>1,656</b>	<b>1,700</b>
65	General Electric Capital Corporation - Floating Rate (USD)	12,816	0	12,816	12,241
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>12,816</b>	<b>12,241</b>
66	General Electric Capital Corporation - Floating Rate (USD)	96,120	0	96,120	91,806
	Swap with UBS AG, London Branch			(7,120)	(6,801)
	<b>Total Collateral</b>			<b>89,000</b>	<b>85,005</b>

		2008	2007		
		EUR	EUR		
		('000)	('000)		
<b>1 Collateral (continued)</b>					
All Collateral is shown at cost price					
<u>Series</u>	<u>Collateral description</u>	<u>Nominal</u>	<u>Premium/ (Discount)</u>	<u>Total</u>	<u>Total</u>
67	General Electric Capital Corporation - Floating Rate (USD)	1,424	0	1,424	1,360
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>1,424</b>	<b>1,360</b>
68	WestLB AG - 4.125% per annum (EUR)	2,000	0	2,000	1,975
	Collateral sold/ purchased			(2,000)	0
	Swap with UBS AG, London Branch			0	25
	<b>Total Collateral</b>			<b>0</b>	<b>2,000</b>
69	WestLB AG - 4.125% per annum (EUR)	1,000	0	1,000	987
	Collateral sold/ purchased			(1,000)	0
	Swap with UBS AG, London Branch			0	13
	<b>Total Collateral</b>			<b>0</b>	<b>1,000</b>
70	General Electric Capital Corporation - Floating Rate (USD)	1,424	0	1,424	1,360
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>1,424</b>	<b>1,360</b>
71	Deutsche Hypothekbank - Floating Rate (USD)	1,424	3	1,427	1,363
	Swap with UBS AG, London Branch			(3)	(3)
	<b>Total Collateral</b>			<b>1,424</b>	<b>1,360</b>
72	Caixa d'Estalvis i Pensions de Barcelona - Floating Rate (USD)	3,560	0	3,560	3,400
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>3,560</b>	<b>3,400</b>
73	Caixa d'Estalvis i Pensions de Barcelona - Floating Rate (EUR)	10,000	0	10,000	10,000
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>10,000</b>	<b>10,000</b>
74	General Electric Capital Corporation - Floating Rate (USD)	28,480	0	28,480	27,202
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>28,480</b>	<b>27,202</b>
75	General Electric Capital Corporation - Floating Rate (USD)	6,764	0	6,764	6,460
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>6,764</b>	<b>6,460</b>
76	Credit Suisse International Inc - 5.500% per annum (USD)	3,916	(70)	3,846	3,659
	Swap with UBS AG, London Branch			70	81
	<b>Total Collateral</b>			<b>3,916</b>	<b>3,740</b>
77	Caixa d'Estalvis i Pensions de Barcelona - Floating Rate (USD)	7,120	0	7,120	6,800
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>7,120</b>	<b>6,800</b>
78	General Electric Capital Corporation - 1.000% per annum (JPY)	15,779	(310)	15,469	11,817
	Swap with UBS AG, London Branch			310	312
	<b>Total Collateral</b>			<b>15,779</b>	<b>12,129</b>
79	Funded Swap with UBS AG, London Branch (EUR)			22,500	22,500
	<b>Total Collateral</b>			<b>22,500</b>	<b>22,500</b>
80	DEPPA ACS Bank - Floating Rate (EUR)	40,000	0	40,000	40,000
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>40,000</b>	<b>40,000</b>
81	WestLB AG - 4.125% per annum (EUR)	10,800	(40)	10,760	10,755
	Swap with UBS AG, London Branch			(760)	(755)
	<b>Total Collateral</b>			<b>10,000</b>	<b>10,000</b>
82	General Electric Capital Corporation - Floating Rate (USD)	13,601	0	13,601	13,601
	Collateral sold/ purchased			(13,601)	0
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>0</b>	<b>13,601</b>
83	General Electric Capital Corporation - Floating Rate (USD)	7,690	41	7,730	7,388
	Swap with UBS AG, London Branch			(610)	(588)
	<b>Total Collateral</b>			<b>7,120</b>	<b>6,800</b>
84	General Electric Capital Corporation - Floating Rate (USD)	7,120	10	7,130	6,811
	Swap with UBS AG, London Branch			(10)	(11)
	<b>Total Collateral</b>			<b>7,120</b>	<b>6,800</b>
86	Sigma Financial Corporation - Floating Rate (JPY)	15,161	0	15,161	15,218
	Collateral written down due to Collateral Default event			(15,161)	0
	Swap with UBS AG, London Branch			0	(57)
	<b>Total Collateral</b>			<b>0</b>	<b>15,161</b>

		2008	2007		
		EUR	EUR		
		('000)	('000)		
<b>1 Collateral (continued)</b>					
All Collateral is shown at cost price					
<u>Series</u>	<u>Collateral description</u>	<u>Nominal</u>	<u>Premium/ (Discount)</u>	<u>Total</u>	<u>Total</u>
87	General Electric Capital Corporation - 5.000% per annum (USD)	8,900	(357)	8,543	6,601
	Swap with UBS AG, London Branch			357	199
	<b>Total Collateral</b>			<b>8,900</b>	<b>6,800</b>
88	General Electric Capital Corporation - Floating Rate (USD)	1,495	4	1,499	1,432
	Swap with UBS AG, London Branch			(31)	(30)
	<b>Total Collateral</b>			<b>1,468</b>	<b>1,402</b>
89	UBS AG Jersey Branch - Zero Coupon (USD)	14,952	(8,692)	6,260	4,124
	<b>Total Collateral</b>			<b>6,260</b>	<b>4,124</b>
90	Centurion CDO VIII Ltd - Floating Rate (USD)	45,667	433	46,100	44,083
	GSC Partners CDO Fund Ltd - Floating Rate (USD)	216,091	2,554	218,645	209,140
	North Westerly CLO B.V. - Floating Rate	11,500	90	11,590	11,598
	Swap with UBS AG, London Branch			23,665	35,179
	<b>Total Collateral</b>			<b>300,000</b>	<b>300,000</b>
91	Stanton ABS PLC - Floating Rate (EUR)	123,917	470	124,387	130,499
	Harbourmaster Pro-Rata CLO 3 B.V. - Floating Rate (EUR)	6,100	220	6,320	0
	Swap with UBS AG, London Branch			(707)	(499)
	<b>Total Collateral</b>			<b>130,000</b>	<b>130,000</b>
92	Stanton ABS PLC - Floating Rate (EUR)	21,590	85	21,675	22,740
	Swap with UBS AG, London Branch			2,486	(994)
	<b>Total Collateral</b>			<b>24,161</b>	<b>21,746</b>
93	Stanton ABS PLC - Floating Rate (EUR)	8,960	430	9,390	9,444
	Harbourmaster Pro-Rata CLO 2 B.V. - Floating Rate (EUR)	149,000	0	149,000	149,044
	Harbourmaster Pro-Rata CLO 3 B.V. - Floating Rate (EUR)	132,100	0	132,100	82,420
	Highlander EUR CDO 3 B.V. - Floating Rate (EUR)	367,000	0	367,000	50,168
	Halcyon Structured Asset Management CLO - Floating Rate (USD)	135,279	0	135,279	143,874
	Centurion CDO VIII Ltd - Floating Rate (USD)	0	0	0	10,335
	Dryden Leveraged Loan CDO - Floating Rate (EUR)	54,100	0	54,100	0
	Swap with UBS AG, London Branch			(22,394)	13,990
	<b>Total Collateral</b>			<b>824,475</b>	<b>459,275</b>
94	Funded Swap with UBS AG, London Branch (USD)			4,735	4,522
	Swap with UBS AG, London Branch			(1,955)	1,374
	<b>Total Collateral</b>			<b>2,780</b>	<b>5,896</b>
95	General Electric Capital Corporation - 5.450% per annum (USD)	14,240	126	14,366	27,532
	General Electric Capital Corporation - Floating Rate (USD)	14,240	(2,866)	11,374	0
	Swap with UBS AG, London Branch			2,740	(330)
	<b>Total Collateral</b>			<b>28,480</b>	<b>27,202</b>
96	Julius Baer Capital (Guernsey) I Ltd - 3.630% per annum (CHF)	151,007	(3,743)	147,265	132,472
	<b>Total Collateral</b>			<b>147,265</b>	<b>132,472</b>
97	General Electric Capital Corporation - 5.875% per annum (USD)	14,240	247	14,487	13,867
	Swap with UBS AG, London Branch			(247)	(266)
	<b>Total Collateral</b>			<b>14,240</b>	<b>13,601</b>
98	General Electric Capital Corporation - 5.450% per annum (USD)	7,120	21	7,141	6,826
	Swap with UBS AG, London Branch			(21)	(26)
	<b>Total Collateral</b>			<b>7,120</b>	<b>6,800</b>
99	General Electric Capital Corporation - 5.250% per annum (USD)	49,840	195	50,035	47,849
	Swap with UBS AG, London Branch			(195)	(246)
	<b>Total Collateral</b>			<b>49,840</b>	<b>47,603</b>
100	Swiss life holding	700,000	0	700,000	700,000
	<b>Total Collateral</b>			<b>700,000</b>	<b>700,000</b>
101	Swiss Reinsurance Company	517,331	0	517,331	681,663
	<b>Total Collateral</b>			<b>517,331</b>	<b>681,663</b>
102	Funded Swap with UBS AG, London Branch (EUR)			50,000	50,000
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>50,000</b>	<b>50,000</b>

		2008		2007	
		EUR		EUR	
		('000)		('000)	
<b>1 Collateral (continued)</b>					
All Collateral is shown at cost price					
<u>Series</u>	<u>Collateral description</u>	<u>Nominal</u>	<u>Premium/ (Discount)</u>	<u>Total</u>	<u>Total</u>
104	General Electric Capital Corporation - Floating Rate (USD)	45,000	0	45,000	45,000
	Funded Swap with UBS AG, London Branch (EUR)			0	45,000
	Collateral sold/ purchased			(45,000)	0
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>0</b>	<b>90,000</b>
105	Swiss Reinsurance Company - 7.635% per annum (AUD)	147,420	0	147,420	179,051
	<b>Total Collateral</b>			<b>147,420</b>	<b>179,051</b>
106	Swiss Reinsurance Company - Floating Rate (AUD)	221,130	0	221,130	268,577
	<b>Total Collateral</b>			<b>221,130</b>	<b>268,577</b>
107	Sigma Financial Corporation - Floating Rate (JPY)	6,064	0	6,064	5,376
	Collateral written down due to Collateral Default event			(6,064)	688
	<b>Total Collateral</b>			<b>0</b>	<b>6,064</b>
108	Sigma Financial Corporation - Floating Rate (JPY)	20,012	0	20,012	20,033
	Collateral written down due to Collateral Default event			(20,012)	(21)
	<b>Total Collateral</b>			<b>0</b>	<b>20,012</b>
110	General Electric Capital Corporation - 5.450% per annum (USD)	4,281	0	4,281	4,192
	Collateral sold/ purchased			(4,281)	0
	Swap with UBS AG, London Branch			0	89
	<b>Total Collateral</b>			<b>0</b>	<b>4,281</b>
111	Sigma Financial Corporation	6,064	0	6,064	5,634
	Collateral written down due to Collateral Default event			(6,064)	430
	<b>Total Collateral</b>			<b>0</b>	<b>6,064</b>
112	General Electric Capital Corporation - 4.875% per annum (USD)	3,560	(161)	3,399	3,222
	Swap with UBS AG, London Branch			161	178
	<b>Total Collateral</b>			<b>3,560</b>	<b>3,400</b>
113	Funded Swap with UBS AG, London Branch (EUR)			40,000	40,000
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>40,000</b>	<b>40,000</b>
115	Funded Swap with UBS AG, London Branch (EUR)			0	100,000
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>0</b>	<b>100,000</b>
116	General Electric Capital Corporation - Floating Rate (EUR)	7,500	0	7,500	7,479
	Collateral sold/ purchased			(7,500)	0
	Funded Swap with UBS AG, London Branch (EUR)			0	7,500
	Swap with UBS AG, London Branch			0	21
	<b>Total Collateral</b>			<b>0</b>	<b>15,000</b>
117	General Electric Capital Corporation - Floating Rate (EUR)	20,000	80	20,080	20,089
	Funded Swap with UBS AG, London Branch (EUR)			20,000	0
	Swap with UBS AG, London Branch			(80)	(89)
	<b>Total Collateral</b>			<b>40,000</b>	<b>20,000</b>
118	Funded Swap with UBS AG, London Branch (EUR)			7,000	50,000
	Swap with UBS AG, London Branch			0	0
	<b>Total Collateral</b>			<b>7,000</b>	<b>50,000</b>
119	Harbourmaster Pro-Rata CLO 3 B.V. - Floating Rate (EUR)	21,400	728	22,128	0
	Swap with UBS AG, London Branch			(728)	0
	<b>Total Collateral</b>			<b>21,400</b>	<b>0</b>
120	Porsche Holding Finance Plc - 6.250% per annum (EUR)	500,000	(12,194)	487,806	487,549
	<b>Total Collateral</b>			<b>487,806</b>	<b>487,549</b>
121	General Electric Capital Corporation - Floating Rate (EUR)	2,500	0	2,500	2,517
	Collateral sold/ purchased			(2,500)	0
	Funded Swap with UBS AG, London Branch (EUR)			0	2,500
	Swap with UBS AG, London Branch			0	(17)
	<b>Total Collateral</b>			<b>0</b>	<b>5,000</b>
122	Porsche Holding Finance Plc - 6.250% per annum (EUR)	500,000	(13,437)	486,563	486,280
	<b>Total Collateral</b>			<b>486,563</b>	<b>486,280</b>

## Notes to the annual accounts for the year ended 31 December 2008

		2008	2007		
		EUR	EUR		
		('000)	('000)		
<b>I Collateral (continued)</b>					
All Collateral is shown at cost price					
Series	Collateral description	Nominal	Premium/ (Discount)	Total	Total
123	Dekania Europe CDO PLC - Floating Rate (EUR)	0	0	0	19,291
	Harbourmaster Pro-Rata CLO 3 B.V. - Floating Rate (EUR)	10,000	0	10,000	40,000
	Highlander EUR CDO 3 B.V. - Floating Rate (EUR)	20,000	0	20,000	20,646
	EUR Galaxy CLO B.V. - Floating Rate (EUR)	20,000	0	20,000	20,000
	Mercator CLO PLC - Floating Rate (EUR)	0	0	0	20,858
	Harbourmaster Pro-Rata CLO 2 B.V. - Floating Rate (EUR)	20,000	0	20,000	19,415
	ACA EUR CLO - Floating Rate (EUR)	20,000	0	20,000	19,363
	Dryden Leveraged Loan CDO - Floating Rate (EUR)	20,000	0	20,000	20,000
	1776 CLO Ltd - Floating Rate (USD)	20,506	0	20,506	20,175
	Halcyon Structured Asset Management CLO - Floating Rate (USD)	20,506	0	20,506	19,165
	ELM BV Series 120 - 6.250% per annum (EUR)	100,000	0	100,000	100,000
	ELM BV Series 122 - 6.250% per annum (EUR)	100,000	0	100,000	100,000
	3I Group plc	50,000	0	50,000	0
	Swap with UBS AG, London Branch			(1,011)	(18,913)
	<b>Total Collateral</b>			<b>400,000</b>	<b>400,000</b>
124	Highlander EUR CDO 3 B.V. - Floating Rate (EUR)	46,456	0	46,456	46,456
	Collateral sold/ purchased			(46,456)	0
	Swap with UBS AG, London Branch			0	(1,456)
	<b>Total Collateral</b>			<b>0</b>	<b>45,000</b>
126	Banca Monte dei Paschi di Siena S.p.A. - Floating Rate (EUR)	50,000	10,780	60,780	0
	Swap with UBS AG, London Branch			(10,780)	0
	<b>Total Collateral</b>			<b>50,000</b>	<b>0</b>
127	AT&T Inc - Zero Coupon (USD)	284,799	(174,474)	110,325	0
	Swap with UBS AG, London Branch			(12,160)	0
	<b>Total Collateral</b>			<b>98,165</b>	<b>0</b>
128	Eurasia Capital S.A. (HCFB LLC) - 11.000% per annum (USD)	92,560	501	93,061	0
	Swap with UBS AG, London Branch			4,127	0
	<b>Total Collateral</b>			<b>97,188</b>	<b>0</b>
129	Eurasia Capital S.A. (HCFB LLC) - 11.750% per annum (USD)	121,040	250	121,290	0
	Swap with UBS AG, London Branch			5,801	0
	<b>Total Collateral</b>			<b>127,091</b>	<b>0</b>
132	Obrig Do Tes Medio Prazo - 4.450% per annum (EUR)	1,000	44	1,044	0
	Swap with UBS AG, London Branch			(44)	0
	<b>Total Collateral</b>			<b>1,000</b>	<b>0</b>
133	Bank of Ireland - Floating Rate (EUR)	10,000	(398)	9,602	0
	Cash Collateral			20,000	0
	Swap with UBS AG, London Branch			(4,422)	0
	<b>Total Collateral</b>			<b>25,180</b>	<b>0</b>
	Total Collateral for all Series at cost price as per 31.12			<b>7,045,882</b>	<b>7,495,873</b>
	Total Collateral and funded swaps held for all Series at market value as per 31.12			6,872,610	7,439,422
	Market value Swap Agreement for all Series (excluding funded) as per 31.12			497,178	502,650
				<b>7,369,788</b>	<b>7,942,072</b>
	Amount of Collateral falling due within a year:			30,923	0
	Amount of Collateral falling due between 1 and 5 years:			782,615	766,627
	Amount of Collateral falling due after 5 years:			6,232,344	6,729,246
				<b>7,045,882</b>	<b>7,495,873</b>

Floating rates are current relevant Libor and Euribor equivalent rates which are fixed in advance for periods of between three and twelve months.

The Swap with UBS AG, London Branch is the balancing figure between the Notes issued and the Collateral held.



## Notes to the annual accounts for the year ended 31 December 2008

	2008	2007
	EUR	EUR
	('000)	('000)
<b>2 Amounts owed by group entities</b>		
Inter-company with Stichting ELM	3	3
	<u>3</u>	<u>3</u>
<b>3 Prepayments and accrued income</b>		
Interest receivable on Collateral	69,040	64,200
Swap interest receivable	18,610	11,182
Other receivables	39	0
Receivable from Arranger costs paid from Fortis Intertrust accounts	160	111
Receivable from Arranger on issuance of Series of Notes	22	47
	<u>87,871</u>	<u>75,540</u>

**4 Cash and cash equivalents**

		<u>Local balance</u>	
Current account - Fortis Bank	EUR	48	24
Current account - Fortis Bank	GBP	0	(0)
Deposit account - Fortis Bank	EUR	805	830
Current account - UBS AG, London Branch	EUR	1,147	396,623
Current account - UBS AG, London Branch	USD	(432)	(304)
Current account - UBS AG, London Branch	NOK	0	0
Current account - UBS AG, London Branch	JPY	0	0
Current account - UBS AG, London Branch	GBP	0	0
Current account - UBS AG, London Branch	CHF	0	0
Timing differences	EUR	(1,116)	(396,623)
Timing differences	USD	438	311
Timing differences	NOK	0	0
Timing differences	CHF	0	(1)
Timing differences	GBP	(37)	(39)
Client accounts - UBS AG, London Branch		622	157
		<u>1,473</u>	<u>1,014</u>

The current and deposit accounts are freely available to the Company.

The client accounts are in favour of the Noteholders and UBS AG, London Branch.

**5 Taxation**

Corporate Income Tax 2006	0	(5)
Corporate Income Tax 2007	1	2
Corporate Income Tax 2008	4	0
	<u>5</u>	<u>(3)</u>

Final Corporate Income Tax assessments have been received for the financial years up to and including 2007.

<u>Corporate Income Tax summary</u>	<u>01.01.</u>	<u>(Paid)/Received</u>	<u>P/L account</u>	<u>31.12.</u>
2006	(5)	5	0	0
2007	2	0	1	1
2008	0	(83)	87	4
Total	<u>(3)</u>	<u>(78)</u>	<u>88</u>	<u>5</u>

**6 Accruals and deferred income**

Interest payable on Notes	63,927	56,280
Swap interest payable	23,758	19,102
Received in advance: fixed annual maintenance fee	840	858
Audit fees payable	42	45
	<u>88,567</u>	<u>76,285</u>

## Notes to the annual accounts for the year ended 31 December 2008

		2008	2007
		EUR	EUR
		('000)	('000)
<b>7 Notes</b>			
<u>Series</u>	<u>Note description</u>	<u>Total</u>	<u>Total</u>
3	EUR 10,000,000 Secured Floating Rate Crossbow Notes due 2009 Interest at 3 month Euribor plus 0.500% per annum	Opening balance Closing balance	10,000 10,000
5	EUR 7,500,000 Secured Floating Rate Crossbow Notes due 2009 Interest at 3 month Euribor plus 1.000% per annum	Opening balance Closing balance	7,500 7,500
8	EUR 50,000,000 Secured Floating Rate Notes due 2012 Interest at 3 month Euribor plus 1.000% per annum	Opening balance Closing balance	50,000 50,000
9	EUR 50,000,000 Secured Variable Coupon Amount Notes due 2030 Interest at 6 month Euribor plus 0.095% per annum	Opening balance Closing balance	50,000 50,000
11	CHF 20,000,000 Floating Rate Secured Notes due 2010 Interest at 3 month CHF Libor plus 0.000% per annum	Opening balance Revaluation Closing balance	12,081 1,342 13,423
12	EUR 15,000,000 Secured Floating Rate Notes due 2010 Interest at 3 month Euribor plus 1.510% per annum	Opening balance Write downs due to credit events Closing balance	15,000 (15,000) 0
13	USD 25,000,000 Secured Variable Coupon Floating Rate Notes due 2012 Interest at 3 month USD Libor plus 0.400% per annum	Opening balance Revaluation Closing balance	17,001 799 17,800
14	EUR 135,000,000 Secured Variable Coupon Floating Rate Notes due 2012 Interest at 3 month Euribor plus 0.600% per annum	Opening balance Notes issued/ redeemed Write downs due to credit events Closing balance	135,000 (90,000) (30,161) 14,839
15	USD 60,000,000 Secured Variable Coupon Floating Rate Notes due 2012 Interest at 3 month USD Libor plus 0.600% per annum	Opening balance Notes issued/ redeemed Write downs due to credit events Revaluation Closing balance	40,802 (20,401) (14,602) 960 6,759
16	EUR 36,500,000 Secured Variable Coupon Floating Rate Notes due 2012 Interest at 3 month Euribor plus 1.200% per annum	Opening balance Notes issued/ redeemed Write downs due to credit events Closing balance	36,500 (4,000) (32,500) 0
17	USD 5,000,000 Secured Variable Coupon Floating Notes due 2012 Interest at 3 month USD Libor plus 1.200% per annum	Opening balance Write downs due to credit events Closing balance	3,400 (3,400) 0
18	EUR 9,000,000 Secured Variable Coupon Fixed Notes due 2012 Interest at 3.239% plus 2.250% per annum	Opening balance Write downs due to credit events Closing balance	9,000 (9,000) 0

		2008	2007
		EUR	EUR
		('000)	('000)
<b>7 Notes (continued)</b>			
<u>Series</u>	<u>Note description</u>	<u>Total</u>	<u>Total</u>
19	EUR 41,000,000 Secured Variable Coupon Floating Rate Notes due 2012 Interest at 3 month Euribor plus 3.400% per annum	Opening balance Write downs due to credit events Closing balance	41,000 41,000 0 41,000
20	EUR 4,000,000 Secured Variable Coupon Floating Rate Notes due 2012 Interest at 3 month Euribor plus 6.500% per annum	Opening balance Write downs due to credit events Closing balance	4,000 4,000 0 4,000
21	USD 16,000,000 Secured Variable Coupon Floating Rate Notes due 2012 Interest at 3 month USD Libor plus 6.440% per annum	Opening balance Notes issued/ redeemed Closing balance	10,881 10,881 (10,881) 0 10,881
22	EUR 10,000,000 Secured Variable Coupon Floating Rate Notes due 2012 Interest at 3 month Euribor plus 0.900% per annum	Opening balance Write downs due to credit events Closing balance	10,000 10,000 (10,000) 0 10,000
23	EUR 12,000,000 Secured Variable Coupon Floating Rate Notes due 2012 Interest at 3 month Euribor plus 2.250% per annum	Opening balance Notes issued/ redeemed Closing balance	12,000 12,000 (12,000) 0 12,000
24	USD 30,000,000 Secured Variable Coupon Floating Rate Notes due 2012 Interest at 3 month USD Libor plus 6.500% per annum	Opening balance Notes issued/ redeemed Closing balance	20,401 20,401 (20,401) 0 20,401
25	EUR 5,000,000 Secured Variable Coupon Fixed Rate Notes due 2012 Interest at 3.245% per annum plus 3.400% per annum	Opening balance Write downs due to credit events Closing balance	5,000 5,000 (5,000) 0 5,000
26	EUR 25,000,000 Secured Variable Coupon Floating Rate Notes due 2012 Interest at 3 month Euribor plus 0.600% per annum	Opening balance Write downs due to credit events Closing balance	25,000 25,000 (15,823) 0 9,177 25,000
27	EUR 15,000,000 Secured Variable Coupon Floating Rate Notes due 2012 Interest at 3 month Euribor plus 1.050% per annum	Opening balance Write downs due to credit events Closing balance	15,000 15,000 (15,000) 0 15,000
28	CHF 50,000,000 Secured Variable Coupon Fixed Rate Notes due 2012 Interest at 4.400% per annum	Opening balance Notes issued/ redeemed Closing balance	30,202 30,202 (30,202) 0 30,202
29	EUR 28,000,000 Secured Fixed and Variable Coupon Amount Notes due 2023 Interest at 4.00% per annum	Opening balance Closing balance	3,000 3,000 3,000 3,000
30	EUR 5,000,000 Callable Variable Accretion Loan due 2009 Interest at 5.250% per annum	Opening balance Closing balance	5,000 5,000 5,000 5,000
31	EUR 5,000,000 Zero Coupon Notes due 2045 No interest payable; issued at 90%	nominal remaining discount Closing balance	5,000 458 4,542 4,542 4,529 4,529

## Notes to the annual accounts for the year ended 31 December 2008

		2008		2007	
		EUR	EUR	EUR	EUR
		('000)	('000)	('000)	('000)
7 Notes (continued)					
<u>Series</u>	<u>Note description</u>		<u>Total</u>		<u>Total</u>
32	EUR 10,000,000 Daily Range Accrual Steepener Notes due 2020 Variable coupon	Opening balance	10,000	10,000	
		Closing balance	10,000	0	
34	EUR 45,000,000 Leveraged Super Senior Notes due 2012 Interest at 6 month Euribor plus 0.650% per annum	Opening balance	45,000	45,000	
		Notes issued/ redeemed	(45,000)	0	
		Closing balance	0	45,000	
35	EUR 50,000,000 Leveraged Super Senior Secured Notes due 2012 Interest at 3 month Euribor plus 0.820% per annum	Opening balance	10,000	10,000	
		Notes issued/ redeemed	40,000	0	
		Closing balance	50,000	10,000	
37	USD 40,000,000 Leveraged Super Senior Secured Notes due 2012 Interest at 3 month USD Libor plus 0.500% per annum	Opening balance	27,202	27,202	
		Notes issued/ redeemed	(27,202)	0	
		Closing balance	0	27,202	
38	EUR 50,000,000 Leveraged Super Senior Secured Notes due 2012 Interest at 3 month Euribor plus 0.500% per annum	Opening balance	50,000	50,000	
		Notes issued/ redeemed	(50,000)	0	
		Closing balance	0	50,000	
39	EUR 70,000,000 Leveraged Super Senior Secured Notes due 2012 Interest at 3 month Euribor plus 0.700% per annum	Opening balance	70,000	70,000	
		Notes issued/ redeemed	(70,000)	0	
		Closing balance	0	70,000	
40	EUR 10,000,000 Secured Fixed and Variable Coupon Amount Commodity Linked Notes due 2016 Interest at 5.000% per annum	Opening balance	10,000	10,000	
		Closing balance	10,000	10,000	
41	EUR 200,000,000 Floating Rate Credit Linked Secured Notes due 2056 Interest at 3 month Euribor plus 1.000% per annum	Opening balance	200,000	200,000	
		Notes issued/ redeemed	(116,000)	0	
		Closing balance	84,000	200,000	
42	NOK 606,000,000 Secured Fixed Rate Notes due 2016 Interest at 5.360% per annum	Opening balance	76,035	76,035	
		Revaluation	(14,198)	0	
		Closing balance	61,837	76,035	
43	USD 20,000,000 Global Portfolio CDO Secured Notes due 2013 Interest at 6 month USD Libor plus 1.100% per annum	Opening balance	13,601	13,601	
		Revaluation	639	0	
		Closing balance	14,240	13,601	
44	EUR 1,000,000,000 5.252% Perpetual Step-Up Notes (no maturity date) Interest at 5.252% per annum	Opening balance	1,000,000	1,000,000	
		Closing balance	1,000,000	1,000,000	
45	EUR 7,500,000 Floating Rate Secured Notes due 2016 Interest at 6 month Euribor plus 4.700% per annum	Opening balance	7,500	7,500	
		Write downs due to credit events	(7,500)	0	
		Closing balance	0	7,500	

		2008	2007
		EUR	EUR
		('000)	('000)
		Total	Total
<b>7 Notes (continued)</b>			
<u>Series</u>	<u>Note description</u>		
46	EUR 20,000,000 Capped CMS and Fixed Rate Credit Linked Notes due 2033 Interest at 5.150% per annum	Opening balance Closing balance	20,000 20,000
47	EUR 100,000,000 Floating Rate Secured Notes due 2016 Interest at 3 month Euribor plus 0.450% per annum	Opening balance Closing balance	100,000 100,000
48	EUR 22,500,000 Leveraged Asset Backed Securities due 2056	Opening balance Closing balance	22,500 22,500
51	JPY 1,000,000,000 Secured Credit Linked Notes due 2013 Interest at 3 month JPY Libor plus 0.400% per annum	Opening balance Revaluation Closing balance	6,064 1,826 7,890
52	JPY 500,000,000 Secured Credit Linked Notes due 2013 Interest at 2.2025% per annum	Opening balance Revaluation Closing balance	3,032 913 3,945
53	JPY 500,000,000 Secured Credit Linked Notes due 2013 Interest at 3 month JPY Libor plus 2.700% per annum	Opening balance Revaluation Closing balance	3,032 913 3,945
54	JPY 500,000,000 Secured Credit Linked Notes due 2013 Interest at 3 month JPY Libor plus 1.900% per annum	Opening balance Revaluation Closing balance	3,032 913 3,945
55	JPY 1,000,000,000 Secured Credit Linked Notes due 2013 Interest at 3 month JPY Libor plus 0.950% per annum	Opening balance Notes issued/ redeemed Closing balance	6,064 (6,064) 0
56	USD 10,000,000 Secured Credit Linked Notes due 2013 Interest at 3 month USD Libor plus 0.500% per annum	Opening balance Notes issued/ redeemed Closing balance	6,800 (6,800) 0
57	EUR 22,500,000 Leveraged Asset Backed Securities due 2026 Interest at 3 month Euribor plus 1.750% per annum	Opening balance Closing balance	22,500 22,500
58	EUR 5,000,000 Secured Short-Strategy Linked Variable Coupon and Credit Linked Notes due 2013 Interest at 3 month Euribor plus 0.300% per annum	Opening balance Notes issued/ redeemed Closing balance	5,000 (5,000) 0
59	USD 4,600,000 Secured Credit Linked Notes due 2013 Interest at 3 month USD Libor plus 0.300% per annum	Opening balance Revaluation Closing balance	3,128 147 3,275
60	EUR 50,000,000 Secured Short-Strategy Linked Variable Coupon and Credit Linked Notes due 2013 Interest at 3 month Euribor plus 0.500% per annum	Opening balance Closing balance	50,000 50,000

		2008	2007
		EUR	EUR
		('000)	('000)
<b>7 Notes (continued)</b>			
<u>Series</u>	<u>Note description</u>	<u>Total</u>	<u>Total</u>
61	USD 20,000,000 Secured Credit Linked Notes due 2013 Interest at 3 month USD Libor plus 0.500% per annum	Opening balance Revaluation Closing balance	13,601 0 13,601
62	USD 50,000,000 Secured Credit Linked Notes due 2013 Interest at 3 month USD Libor plus 1.030% per annum	Opening balance Revaluation Closing balance	34,002 0 34,002
64	USD 2,500,000 Secured Credit Linked Notes due 2013 Interest at 3 month USD Libor plus 16.000% per annum	Opening balance Write downs due to credit events Revaluation Closing balance	1,700 0 0 1,700
65	USD 18,000,000 Secured Credit Linked Notes due 2016 Interest at 3 month USD Libor plus 2.900% per annum	Opening balance Revaluation Closing balance	12,241 0 12,241
66	USD 125,000,000 Secured Credit Linked Notes due 2016 Interest at 3 month USD Libor plus 0.600% per annum	Opening balance Revaluation Closing balance	85,005 0 85,005
67	USD 2,000,000 Secured Credit Linked Notes due 2016 Interest at 3 month USD Libor plus 2.300% per annum	Opening balance Revaluation Closing balance	1,360 0 1,360
68	EUR 2,000,000 Secured Credit Linked Notes due 2016 Interest at 3 month Euribor plus 0.800% per annum	Opening balance Notes issued/ redeemed Closing balance	2,000 0 2,000
69	EUR 1,000,000 Secured Credit Linked Notes due 2016 Interest at 3 month Euribor plus 1.500% per annum	Opening balance Notes issued/ redeemed Closing balance	1,000 0 1,000
70	USD 2,000,000 Secured Credit Linked Notes due 2016 Interest at 3 month USD Libor plus 1.550% per annum	Opening balance Revaluation Closing balance	1,360 0 1,360
71	USD 2,000,000 Secured Credit Linked Notes due 2016 Interest at 3 month USD Libor plus 1.500% per annum	Opening balance Revaluation Closing balance	1,360 0 1,360
72	USD 5,000,000 Secured Credit Linked Notes due 2013 Interest at 10.500% per annum	Opening balance Revaluation Closing balance	3,400 0 3,400
73	EUR 10,000,000 Secured Short-Strategy Linked Variable Coupon and Credit Linked Notes due 2013 Interest at 3 month Euribor plus 1.000% per annum	Opening balance Closing balance	10,000 10,000

## Notes to the annual accounts for the year ended 31 December 2008

		2008		2007	
		EUR	EUR	EUR	EUR
		('000)	('000)	('000)	('000)
<b>7 Notes (continued)</b>					
<u>Series</u>	<u>Note description</u>	<u>Total</u>		<u>Total</u>	
74	USD 40,000,000 Secured Credit Linked Notes due 2013 Interest at 3 month USD Libor plus 0.950% per annum	Opening balance	27,202	27,202	
		Revaluation	1,278	0	
		Closing balance	28,480	27,202	
75	USD 9,500,000 Secured Credit Linked Notes due 2016 Interest at 3 month USD Libor plus 1.900% per annum	Opening balance	6,460	6,460	
		Revaluation	304	0	
		Closing balance	6,764	6,460	
76	USD 5,500,000 Secured Credit Linked Notes due 2013 Interest at 9.950% per annum	Opening balance	3,740	3,740	
		Revaluation	176	0	
		Closing balance	3,916	3,740	
77	USD 10,000,000 Secured Credit Linked Notes due 2013 Interest at 3 month USD Libor plus 1.000% per annum	Opening balance	6,800	6,800	
		Revaluation	320	0	
		Closing balance	7,120	6,800	
78	JPY 2,000,000,000 Secured Credit Linked Notes due 2013 Interest at 3.4575% per annum	Opening balance	12,129	12,129	
		Revaluation	3,650	0	
		Closing balance	15,779	12,129	
79	EUR 22,500,000 Leveraged Asset Backed Securities due 2026 Interest at 3 month Euribor plus 1.000% per annum	Opening balance	22,500	22,500	
		Closing balance	22,500	22,500	
80	EUR 40,000,000 Secured Credit Linked Notes due 2013 Interest at 3 month Euribor plus 0.500% per annum	Opening balance	40,000	40,000	
		Closing balance	40,000	40,000	
81	EUR 10,000,000 Secured Credit Linked Notes due 2016 Interest at 3 month Euribor plus 0.400% per annum	Opening balance	10,000	10,000	
		Closing balance	10,000	10,000	
82	USD 20,000,000 Secured Short-Strategy Linked Variable Coupon and Credit Linked Notes due 2013 Interest at 3 month USD Libor plus 0.460% per annum	Opening balance	13,601	13,601	
		Notes issued/ redeemed	(13,601)	0	
		Closing balance	0	13,601	
83	USD 10,000,000 Secured Short-Strategy Linked Variable Coupon and Credit Linked Notes due 2016 Interest at 3 month USD Libor plus 1.500% per annum	Opening balance	6,800	6,800	
		Revaluation	320	0	
		Closing balance	7,120	6,800	
84	USD 10,000,000 Secured Credit Linked Notes due 2016 Interest at 3 month USD Libor plus 1.500% per annum	Opening balance	6,800	6,800	
		Revaluation	320	0	
		Closing balance	7,120	6,800	
86	JPY 2,500,000,000 Global Portfolio CDO Secured Notes due 2013 Interest at 6 month JPY Libor plus 0.800% per annum	Opening balance	15,161	15,161	
		Notes written down due to Collateral Default event	(15,161)	0	
		Closing balance	0	15,161	

		2008		2007	
		EUR		EUR	
		('000)		('000)	
7 Notes (continued)		Total		Total	
Series	Note description				
87	USD 10,000,000 Secured Credit Linked Notes due 2016 Interest at 3 month USD Libor plus 0.900% per annum	Opening balance	6,800	6,800	6,800
		Notes issued/ redeemed	1,780	0	0
		Revaluation	320	0	0
		Closing balance	8,900	6,800	6,800
88	USD 2,062,000 Floating Rate Notes due 2013 Interest at 3 month USD Libor plus 0.500% per annum	Opening balance	1,402	1,402	1,402
		Revaluation	66	0	0
		Closing balance	1,468	1,402	1,402
89	USD 21,000,000 Secured Notes due 2013 No interest payable; issued at 13.250%	nominal	14,952	remaining discount	(8,692)
		Closing balance	6,260	4,124	4,124
90	EUR 300,000,000 Floating Rate Credit-Linked Secured Notes due 2016 Interest at 1 month Euribor plus 0.205% per annum	Opening balance	300,000	300,000	300,000
		Closing balance	300,000	300,000	300,000
91	EUR 130,000,000 Floating Rate Credit-Linked Secured Notes due 2026 Interest at 3 month Euribor plus 0.245% per annum	Opening balance	130,000	130,000	130,000
		Closing balance	130,000	130,000	130,000
92	CHF 36,000,000 Credit-Linked Notes linked to Goldman, Sachs Group Inc. due 2016 Interest at 145% of 10 year CHF CMS per annum	Opening balance	21,746	21,746	21,746
		Revaluation	2,415	0	0
		Closing balance	24,161	21,746	21,746
93	EUR 246,000,000 Floating Rate Secured Note due 2021 Interest at 1 month Euribor plus 0.0635% per annum	Opening balance	459,275	459,275	459,275
		Notes issued/ redeemed	365,200	0	0
		Closing balance	824,475	459,275	459,275
94	USD 20,000,000 Zero Coupon Credit-Linked Secured Notes due 2013 No interest payable; issued at 33.250%	nominal	14,240	remaining discount	(6,716)
		Write downs due to credit events	(4,744)	0	0
		Closing balance	2,779	5,897	5,897
95	USD 20,600,000 Secured Credit Linked Notes due 2013 Interest at 3 month USD Libor plus 0.800% per annum	Opening balance	27,202	14,009	14,009
		Notes issued/ redeemed	0	13,193	13,193
		Revaluation	1,278	0	0
		Closing balance	28,480	27,202	27,202
96	CHF 95,000,000 3.63% Perpetual Step-Up Notes (no maturity date) Interest at 3.63% per annum; issued at 97.175%	nominal	151,007	remaining discount	(3,742)
		Closing balance	147,265	132,472	132,472
97	USD 20,000,000 Secured Credit Linked Notes due 2016 Interest at 3 month USD Libor plus 0.950% per annum	Opening balance	13,601	0	0
		Notes issued/ redeemed	0	13,601	13,601
		Revaluation	639	0	0
		Closing balance	14,240	13,601	13,601
98	USD 10,000,000 Secured Credit Linked Notes due 20 December 2013 Interest at 6.0500% plus 0.600% per annum	Opening balance	6,800	0	0
		Notes issued/ redeemed	0	6,800	6,800
		Revaluation	320	0	0
		Closing balance	7,120	6,800	6,800



## Notes to the annual accounts for the year ended 31 December 2008

		2008	2007
		EUR	EUR
		('000)	('000)
<b>7 Notes (continued)</b>			
<u>Series</u>	<u>Note description</u>	<u>Total</u>	<u>Total</u>
99	USD 70,000,000 Secured Portfolio Credit Linked Notes due 2012 Interest at 3 month USD Libor plus 1.120% per annum		
	Opening balance	47,603	0
	Notes issued/ redeemed	0	47,603
	Revaluation	2,237	0
	Closing balance	49,840	47,603
100	EUR 700,000,000 Perpetual Fixed to Floating Rate Notes (no maturity date) Interest until 12 April 2017 at 5.849% per annum and thereafter at 3 month Euribor plus 2.500% per annum		
	Opening balance	700,000	0
	Notes issued/ redeemed	0	700,000
	Closing balance	700,000	700,000
101	GBP 500,000,000 Perpetual Step-Up Notes (no maturity date) Interest at 6.3024% plus 2.120% per annum		
	Opening balance	681,663	0
	Notes issued/ redeemed	0	681,663
	Revaluation	(164,332)	0
	Closing balance	517,331	681,663
102	EUR 50,000,000 Variable Coupon Leveraged Asset Backed Securities due 2027 at 3 month Euribor plus 1.000% per annum		
	Interest		
	Opening balance	50,000	0
	Notes issued/ redeemed	0	50,000
	Closing balance	50,000	50,000
104	EUR 135,000,000 Financials Basket T.Y.G.E.R. Series 2 Leveraged Notes due 2017 at 3 month Euribor plus 0.750% per annum		
	Interest		
	Opening balance	90,000	0
	Notes issued/ redeemed	(90,000)	90,000
	Closing balance	0	90,000
105	AUD 300,000,000 Perpetual Step-Up Notes (no maturity date) Interest at 7.6350% plus 2.17% per annum		
	Opening balance	179,051	0
	Notes issued/ redeemed	0	179,051
	Revaluation	(31,631)	0
	Closing balance	147,420	179,051
106	AUD 450,000,000 Floating Rate Perpetual Step-Up Notes (no maturity date) Interest at 6 month BBSW plus 1.170% per annum		
	Opening balance	268,577	0
	Notes issued/ redeemed	0	268,577
	Revaluation	(47,447)	0
	Closing balance	221,130	268,577
107	Elysium Class A JPY 1,000,000,000 Secured Credit Linked Notes due 2015 Interest at 6 month JPY Libor plus 1.000% per annum		
	Opening balance	6,064	0
	Notes issued/ redeemed	0	6,064
	Notes written down due to Collateral Default event	(6,064)	0
	Closing balance	0	6,064
108	Elysium Class B1 JPY 3,300,000,000 Secured Credit Linked Notes due 2017 Interest at 3 month JPY Libor plus 1.000% per annum		
	Opening balance	20,012	0
	Notes issued/ redeemed	0	20,012
	Notes written down due to Collateral Default event	(20,012)	0
	Closing balance	0	20,012
110	USD 6,295,000 Callable Global Portfolio CDO Secured Notes due 2010 and Extendable to 2014 Interest at 5.100% per annum		
	Opening balance	4,281	0
	Notes issued/ redeemed	(4,281)	4,281
	Closing balance	0	4,281
111	JPY 1,000,000,000 Global Portfolio CDO Secured Notes due 2012 Interest at 6 month JPY Libor plus 0.500% per annum		
	Opening balance	6,064	0
	Notes issued/ redeemed	0	6,064
	Notes written down due to Collateral Default event	(6,064)	0
	Closing balance	0	6,064

		2008		2007	
		EUR	EUR	EUR	EUR
		('000)	('000)	('000)	('000)
<b>7 Notes (continued)</b>					
<u>Series</u>	<u>Note description</u>		<u>Total</u>		<u>Total</u>
112	Elysium Class C USD 5,000,000 Secured Credit Linked Notes due 2015 Interest at 3 month USD Libor plus 1.700% per annum	Opening balance	3,400		0
		Notes issued/ redeemed	0		3,400
		Revaluation	160		0
		Closing balance	3,560		3,400
113	EUR 40,000,000 Managed Financials Basket T.Y.G.E.R. Series 3 Leveraged Notes due 2017 Interest at 3 month Euribor plus 1.000% per annum	Opening balance	40,000		0
		Notes issued/ redeemed	0		40,000
		Closing balance	40,000		40,000
115	EUR 150,000,000 Financials Basket Leveraged Notes due 2017 Interest at 3 month Euribor plus 1.000% per annum	Opening balance	100,000		0
		Notes issued/ redeemed	(100,000)		100,000
		Closing balance	0		100,000
116	EUR 15,000,000 Financials Basket T.Y.G.E.R. Leveraged Notes due 2017 Interest at 3 month Euribor plus 0.500 - 1.000% per annum	Opening balance	15,000		0
		Notes issued/ redeemed	(15,000)		15,000
		Closing balance	0		15,000
117	EUR 40,000,000 Financials Basket T.Y.G.E.R. Leveraged Notes due 2017 Interest at 3 month Euribor plus 1.000% per annum	Opening balance	20,000		0
		Notes issued/ redeemed	20,000		20,000
		Closing balance	40,000		20,000
118	EUR 50,000,000 Variable Coupon Leveraged Asset Backed Securities due 2027 Interest at 3 month Euribor plus a variable spread per annum	Opening balance	50,000		0
		Notes issued/ redeemed	(43,000)		50,000
		Closing balance	7,000		50,000
119	EUR 21,400,000 Floating Rate Secured Notes due 2016 Partially Credit-Linked to Porsche Automobil Holding SE Interest at 3 month Euribor plus 0.300% per annum	Opening balance	0		0
		Notes issued/ redeemed	21,400		0
		Closing balance	21,400		0
120	EUR 500,000,000 Fixed to Floating Rate Notes (no maturity date) Interest at 6.250% per annum	nominal		remaining discount	
		500,000	(12,194)	487,806	0
		Notes issued/ redeemed	0		487,549
		Closing balance	487,806		487,549
121	EUR 5,000,000 Financials Basket T.Y.G.E.R. Leveraged Notes due 2017 Interest at 3 month Euribor plus a spread between 0.500 and 1.000% per annum	Opening balance	5,000		0
		Notes issued/ redeemed	(5,000)		5,000
		Closing balance	0		5,000
122	EUR 500,000,000 Fixed to Floating Rate Notes (no maturity date) Interest at 6.250% plus a variable spread per annum	nominal		remaining discount	
		500,000	(13,437)	486,563	0
		Notes issued/ redeemed	0		486,280
		Closing balance	486,563		486,280
123	EUR 396,000,000 Floating Rate Secured Notes due 2015 Interest at 3 month Euribor plus 0.350% per annum	Opening balance	400,000		0
		Notes issued/ redeemed	0		400,000
		Closing balance	400,000		400,000
124	EUR 45,000,000 Fixed to Floating Rate Secured Notes due 2009 Interest until 31 December 2008 4.455% per annum and 12 month Euribor per annum thereafter	Opening balance	45,000		0
		Notes issued/ redeemed	(45,000)		45,000
		Closing balance	0		45,000

## Notes to the annual accounts for the year ended 31 December 2008

		2008	2007
		EUR	EUR
		('000)	('000)
<b>7 Notes (continued)</b>			
<b>Series</b>	<b>Note description</b>	<b>Total</b>	<b>Total</b>
126	EUR 50,000,000 Secured Notes due 18 December 2014 Interest at 6.000% per annum		
	Opening balance	0	0
	Notes issued/ redeemed	50,000	0
	Closing balance	50,000	0
127	AUD 275,043,000 Secured Notes due 10 June 2013 No interest payable; issued at 69.2897%		
	nominal remaining discount		
	135,156 (36,991)	98,165	0
	Closing balance	98,165	0
128	USD 136,500,000 Secured Credit Linked Notes due 2011 Interest at 3 month Libor plus 5.800% per annum		
	Opening balance	0	0
	Notes issued/ redeemed	97,188	0
	Closing balance	97,188	0
129	USD 178,500,000 Secured Credit Linked Notes due 2011 Interest at 3 month Libor plus 6.830% per annum		
	Opening balance	0	0
	Notes issued/ redeemed	127,091	0
	Closing balance	127,091	0
132	EUR 1,000,000 Floating Rate Secured Notes due 2018 Interest at 3 month Euribor plus 1.000% per annum		
	Opening balance	0	0
	Notes issued/ redeemed	1,000	0
	Closing balance	1,000	0
133	EUR 30,000,000 Floating Rate Secured Notes due 2012 Interest at 3 month Euribor plus 0.700% per annum		
	Opening balance	0	0
	nominal remaining discount		
	Notes issued/ redeemed 30,000 (4,820)	25,180	0
	Closing balance	25,180	0
		7,045,882	7,495,873
	Amount of Notes falling due within a year:	17,500	0
	Amount of Notes falling due between 1 and 5 years:	875,659	837,418
	Amount of Notes falling due after 5 years:	6,152,723	6,658,454
		7,045,882	7,495,873
<b>Notes (at market value)</b>			
Notes		7,369,788	7,942,072
		7,369,788	7,942,072

Write downs due to credit events relates to Credit Linked Notes that have had their notional amounts written down. Credit Linked Notes are Notes whose performance are linked to the credit of a portfolio of reference entities, and the First Loss Protection Amount is the amount of losses that the portfolio of reference entities can accumulate, without the principal amount of the Credit Linked Notes being affected. These write downs due to credit events have occurred where the losses on the portfolio of reference entities, have exceeded their First Loss Protection amounts. In some cases these losses have resulted in the Credit Linked Notes redeeming at zero.

	2008	2007
	EUR	EUR
	('000)	('000)
<b>8 Trading balance</b>		
The trading balance is initially funded by UBS AG, London Branch and subsequently increased with trading gains and decreased with trading losses.		
On the scheduled maturity dates of the Notes (or any earlier date on which the Notes fall due for redemption in full), an amount equal to the amount standing to the credit of the trading reserve account ledger multiplied by the relevant fraction shall be paid to the Noteholders in respect of each Note and the balance of the trading reserve account ledger shall be applied for such purpose. In 2007 the amounts standing to the credit of the trading reserve client accounts were transferred to UBS AG, London Branch. In return the Noteholders have a receivable from UBS AG, London Branch, which will be settled on the date the Notes are redeemed or mature.		
<u>Trading balance liability:</u>		
Opening balance	3,231	3,488
Write downs due to credit events	(2,609)	0
Current year expense	0	(257)
Closing balance	<u>622</u>	<u>3,231</u>
<u>Funded by:</u>		
Opening balance client accounts	3,231	3,488
Write downs due to credit events	(2,609)	0
Current year Swap expense	0	(257)
Retrieval from client accounts	0	(3,074)
Swap balances with UBS AG, London Branch	0	3,074
Bank interest on trading balance bank accounts	0	0
Closing balance	<u>622</u>	<u>3,231</u>
Amount of Swap balances receivable falling due within a year:	0	460
Amount of Swap balances receivable falling due after a year:	<u>622</u>	<u>2,614</u>
	<u>622</u>	<u>3,074</u>
Amount of trading balance payable falling due within a year:	0	604
Amount of trading balance payable falling due after a year:	<u>622</u>	<u>2,627</u>
	<u>622</u>	<u>3,231</u>

**9 Capital and reserves**

The authorised share capital of the Company amounts to EUR 90,000 (2007: EUR 90,000) divided into 2,000 shares of EUR 45 (2007: EUR 45) each, of which 400 shares are issued and paid up.

	<u>Share capital</u>	<u>Legal reserve</u>	<u>retained earnings</u>	<u>Unappr. results</u>
Balance as per 01.01.2007	18	0	24	90
Transfer	0	0	90	(90)
Final dividend paid	0	0	(24)	0
Interim dividend paid	0	0	(80)	0
Result for the period	0	0	0	90
Balance as per 31.12.2007	<u>18</u>	<u>0</u>	<u>10</u>	<u>90</u>
Transfer	0	0	90	(90)
Final dividend paid	0	0	(100)	0
Interim dividend paid	0	0	(180)	0
Result for the period	0	0	0	315
Balance as per 31.12.2008	<u>18</u>	<u>0</u>	<u>(180)</u>	<u>315</u>

On 9 June 2004, the Company's share capital was redenominated into EUR. Due to the redenomination of the share capital, the Company has formed a non-distributable legal reserve of EUR 151.21.

	2008	2007
	EUR	EUR
<u>Profit and loss account</u>	('000)	('000)
<b>10 Interest income</b>		
Swap interest	165,829	149,671
Interest on Collateral	381,823	266,899
	<u>547,652</u>	<u>416,570</u>
<b>11 Interest expense</b>		
Swap interest	149,076	120,671
Interest on Notes	398,576	295,899
	<u>547,652</u>	<u>416,570</u>
<b>12 Other interest income</b>		
Bank interest on deposit account	30	26
	<u>30</u>	<u>26</u>
<b>13 Other financial income</b>		
Amortisation of Collateral	2,845	3,319
Amortisation on value Swap Agreement	(367)	(1,375)
	<u>2,478</u>	<u>1,944</u>
<b>14 Other financial expenses</b>		
Fund manager fee	1,083	11,666
Fund manager fee recharged	(1,083)	(11,666)
Amortisation of Notes	9,059	3,246
Amortisation on value Swap Agreement	(6,582)	(1,302)
	<u>2,478</u>	<u>1,944</u>

	2008	2007
	EUR	EUR
	('000)	('000)
<b>15 General and administrative expenses</b>		
Audit fee expense	42	45
General expenses	0	2
Legal fees	102	954
Listing fees	72	141
Other professional fees	505	1,663
Tax advisor fee expense	8	17
Trustee fees	63	222
	<u>792</u>	<u>3,044</u>
<b>16 Recharged expenses and other income</b>		
Recharged expenses settled from Fortis Bank bank account	49	79
Recharged expenses settled by UBS AG, London Branch	743	2,965
	<u>792</u>	<u>3,044</u>
<b>17 Other income</b>		
Repackaging transactions	373	98
	<u>373</u>	<u>98</u>
<b>18 Corporate Income Tax</b>		
Corporate Income Tax 2005	0	1
Corporate Income Tax 2006	0	3
Corporate Income Tax 2007	0	30
Corporate Income Tax 2008	88	0
	<u>88</u>	<u>34</u>

Provisions for taxation have been made in accordance with the tax ruling the Company obtained from the Dutch Tax Authorities.

#### Staff numbers and employment costs

The Company has no employees and hence incurred no wages, salaries or related social security charges during the current year, nor during the previous year.

#### Directors

The Company has one (2007: one) managing director, who receives no (previous year: no) remuneration.

The Company has no (2007: no) supervisory directors.

#### Audit fees

With reference to Section 2:382a of the Dutch Civil Code, the following fees for the financial year have been charged by Ernst & Young accountants LLP to the Company:

	2008	2007
Statutory audit of annual accounts	41,650	23,800
Other assurance services	0	0
Tax advisory services	0	0
Other non-audit services	0	0
<b>Total</b>	<u>41,650</u>	<u>23,800</u>

Amsterdam, 26 June 2009  
Interrust (Netherlands) B.V.

ELM B.V., Amsterdam

#### Other information

##### Appropriation of results

Subject to the provisions under Dutch law that no dividends can be declared until all losses have been recovered, unappropriated results are at the disposal of the General Meeting in accordance with article 21 of the Company's articles of association. Furthermore, Dutch law prescribes that any profit distribution may only be made to the extent that the shareholder's equity exceeds the amount of the issued capital and the legal reserves.

The result for the year ended 31 December 2008 will be added to the retained earnings.

##### Subsequent events

Since the reporting date the Company has issued another 1 Series and there no increases of the issued amount on existing Series. 3 Series were fully redeemed and no Series were partially redeemed.

Since September 2008 several credit events have occurred in respect of reference entities to which Notes are credit linked. Also, certain assets held as Collateral by the Company in respect of certain Series of Notes have defaulted. There have also been trigger events resulting in the early redemption of certain Series of Notes. Depending on the Series documentation these events mean the Noteholders of the relevant Series have suffered and/or will suffer losses, which may result in certain Series of Notes redeeming below their par value, with certain series redeeming at or close to zero. At the present time, the final price determination in respect of the credit linked Notes issued by the Company that have been affected by the credit events are not all wholly determined and therefore Management is unable to provide any kind of estimate of the losses that the Noteholders will incur for those Notes who have Credit Event Notices outstanding, but whom do not have their final price determined and therefore do not have their possible losses on the Notes determined. As at the date of signing of these annual accounts, 34 Series of Notes in note 7 of the annual financial report may be affected by the reduction in principal and coupons due to the credit events and they are potentially subject to a total loss in respect of principal and further coupons due under the Notes.

During 2009 the movements in the market prices of the Collateral held varies across the individual Series of Notes. The market value of the Collateral and Funded Swaps to which it is a counterparty from 2008 that are still outstanding at 15 May 2009 are EUR 5,967,953,000 and EUR 243,904,000 respectively. The market value of the same portfolio of Collateral and funded swaps to which it is a counterparty to that were outstanding at 31 December 2008, are EUR 6,161,745,000 and EUR 302,308,000. The decrease in market value compared to the market value disclosed in note 1 is caused by Series being written down due to credit events (and subsequently the Collateral being sold) and Series being (partly) redeemed. As mentioned, recourse on the Notes are limited to the Collateral and rights under the Swap Agreement for each of the issued Series of Notes.



To the Annual Meeting of Shareholders of ELM B.V.

## **Auditor's Report**

### **Report on the financial statements**

We have audited the accompanying financial statements 2008 of ELM B.V., Amsterdam, which comprise the balance sheet as at December 31, 2008, the profit and loss account and the cash flow statement for the year ended December 31, 2008 and the notes.

#### *Management's responsibility*

Management is responsible for the preparation and fair presentation of the financial statements and for the preparation of the management board report, both in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

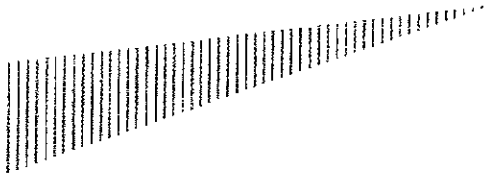
#### *Auditor's responsibility*

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.





*Opinion*

In our opinion, the financial statements give a true and fair view of the financial position of ELM B.V. as at December 31, 2008, of its result and cash flows for the year ended December 31, 2008 in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

**Report on other legal and regulatory requirements**

Pursuant to the legal requirement under 2:393 sub 5 part e of the Netherlands Civil Code, we report, to the extent of our competence, that the management board report is consistent with the financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.

Amsterdam, June 29, 2009

Ernst & Young Accountants LLP

Signed by W.J. Smit