

Boats Investments (Netherlands) B.V.
Amsterdam

Annual report and accounts
for the year 2007

1058001



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Report of the management

The management herewith presents to the shareholder the annual accounts of Boats Investments (Netherlands) B.V. (hereinafter: "the Company") for the year 2007.

General

The Company is a private company with limited liability incorporated under the laws of The Netherlands on February 3, 1998 and acts as a so-called repack company. The Company issues Notes subscribes for loans and/or receives deposits and/or entered into derivative transactions under its USD 10,000,000,000 Secured Note Programme for the issue of and the making of Instruments, which will be issued to or concluded with one or more financial institutes and other professional market parties. Under the Programme, various assets are to be repackaged into instruments. The transactions are arranged by Credit Suisse International. During the year the Company amended its structure into a depository receipt structure.

We refer to the programme memorandum dated 12 February 1998, which was renewed on 27 September 1999, 19 December 2000 and 27 March 2002 of USD 2,500,000,000 and increased to USD 10,000,000,000 on 30 November 2006.

Information regarding financial instruments

The Company is exposed to various risks associated with the effects of fluctuations in the prevailing levels of market interest and currency rates on its financial position and cash flows. These risks are addressed and mitigated by asset swap agreements with Credit Suisse Financial Products. The obligations and rights under the swap agreement mirror the obligations and rights on respectively the liabilities in relation to the notes and the assets on the bonds.

Overview of activities

During the year the Company has issued notes under the established USD 2,500,000,000 Secured Note Programme and increased the size of the Programme to USD 10,000,000,000 ("the Programme"). The notes are issued to acquire, and are secured by, various bonds and other securities.

During the year the Company issued:

Series 97 Secured Notes due 2017

Series 98 Secured Notes due 2017

Series 99 Secured Repackaged Pass-Through Notes

Series 100 Secured Notes due 2015 Interregional Bank for Settlements of the Tel and postal services

Series 101 Secured Pass-Through Notes USD 160,000,000, due 2020

Series 102 Secured Repackaged Notes, due 2010

Series 104 Secured Repackaged Notes, due 2022

Series 105 Secured Repackaged Notes, due 2032

Report of the management (continued)

During this financial year the following Series have been (partially) repurchased:

Series 6 Secured 5 1/2 % Callable Credit-Linked Notes due 2029.

Series 72 Principal Protected DANO notes due 2017

Series 73 Secured Repackaged Notes due 2008

None of these repurchases were caused by credit defaults.

During the year series 83, the Secured Credit-Linked Notes matured.

Results

The net asset value of the Company as at 31 December 2007 amounts to EUR 18,151 (2006: EUR 18,151).

The result for the year 2007 amounts to EUR 94,528 (2006: nil).

Future outlook

The management is of the opinion that the present level of activities will be maintained during the next financial year. The company again has issued new Series under the USD 10,000,000,000 Secured Note Programme in 2008.

During the first four months of 2008 the company has issued Series 106, 107, 108, 109, 110 and 111.

Amsterdam, April 29, 2008

Fortis Intertrust (Netherlands) B.V.

Boats Investments (Netherlands) B.V., Amsterdam**Balance sheet as at 31 December 2007**

(Before the proposed appropriation of the result and expressed in Euro's)

	Notes	2007	2006
Fixed assets			
Financial fixed assets			
Bonds	1	3,167,383,255	1,693,399,015
<i>Total fixed assets</i>		<u>3,167,383,255</u>	<u>1,693,399,015</u>
Current assets			
Debtors			
Amounts owed by group entities	2	133	133
Prepayments and accrued income	3	78,919,247	27,473,175
Cash at banks	4	3,805,554	1,197,364
<i>Total current assets</i>		<u>82,724,934</u>	<u>28,670,671</u>
Current liabilities (due within one year)			
Taxation	5	(12,486)	(2,114)
Accruals and deferred income	6	82,624,741	28,654,634
<i>Total current liabilities</i>		<u>82,612,255</u>	<u>28,652,520</u>
Current assets less current liabilities		<u>112,679</u>	<u>18,151</u>
Total assets less current liabilities		3,167,495,934	1,693,417,166
Long term liabilities (due after one year)			
Floating rate secured notes	7	3,167,383,255	1,693,399,015
Net asset value		<u><u>112,679</u></u>	<u><u>18,151</u></u>
Capital and reserves	8		
Paid up and called up share capital		18,151	18,151
Other reserves		0	0
Unappropriated results		94,528	0
<i>Total shareholder's equity</i>		<u><u>112,679</u></u>	<u><u>18,151</u></u>

The accompanying notes form an integral part of these financial statements.

Boats Investments (Netherlands) B.V., Amsterdam**Profit and loss account for the year 2007**

	Notes	2007	2006
(Expressed in Euro's)			
Repackaging activities			
Interest income	9	363,400,224	270,810,246
Interest expenses	10	(363,400,224)	(270,810,246)
<i>Result repackaging activities</i>		<u>0</u>	<u>0</u>
Other financial income and expenses			
Other income	11	0	221
<i>Total other financial income and expenses</i>		<u>0</u>	<u>221</u>
Other income and expenses			
General and administrative expenses	12	(34,659)	(175,623)
Recharged expenses	13	155,864	177,298
<i>Total other income and expenses</i>		<u>121,205</u>	<u>1,675</u>
Result before taxation		<u>121,205</u>	<u>1,896</u>
Corporate income tax	14	(26,677)	(1,896)
Result after taxation		<u><u>94,528</u></u>	<u><u>0</u></u>

The accompanying notes form an integral part of these financial statements.

Boats Investments (Netherlands) B.V., Amsterdam**Cash flow statement for the year 2007**

	Notes	2007	2006
(Expressed in Euro's)			
Net result		94,528	0
Changes in working capital			
Increase/(decrease) current receivables		(51,446,073)	(20,634,610)
(Increase)/decrease current liabilities		53,959,735	21,819,524
		<u>2,608,191</u>	<u>1,184,914</u>
Cash flow from financing activities			
Redemption of bonds		<u>1,474,978,127</u>	<u>207,494,812</u>
		<u>1,474,978,127</u>	<u>207,494,812</u>
Cash flows from financing activities			
Redemption of notes		(1,474,978,127)	(207,494,812)
Issued share capital		0	0
Issued notes		0	0
		<u>(1,474,978,127)</u>	<u>(207,494,812)</u>
Net change in cash during the year		<u>2,608,191</u>	<u>1,184,914</u>
Initial cash balance		1,197,364	12,450
Cash at year-end		<u><u>3,805,554</u></u>	<u><u>1,197,364</u></u>

Notes to the annual accounts for the year ended 31 December 2007

General

The Company was incorporated as a private company with limited liability under the laws of The Netherlands on 3 February 1998, has its statutory seat in Amsterdam and acts as a so-called repack company. The Company issues Notes subscribes for loans and/or receives deposits and/or enter into derivative transactions under its USD 10,000,000,000 Secured Note Programme for the issue of and the making of Instruments, which will be issued to or concluded with one or more financial institutes and other professional market parties. Under the Programme, various assets are to be repackaged into instruments. The transactions will be arranged by Credit Suisse International.

We refer to the programme memorandum dated 12 February 1998, which was renewed on 27 September 1999, 19 December 2000 and 27 March 2002 of USD 2,500,000,000 and increased to USD 10,000,000,000 on 30 November 2006.

All issued shares are held by Stichting Boats Investments (Netherlands) ("Stichting"). The Stichting is a foundation incorporated under the laws of the Netherlands on 3 February 1998. The objectives of the Stichting are to acquire, hold, alienate and encumber shares in the share capital of the Company and to exercise all rights attached to such shares. The Stichting is also established in Amsterdam. The Stichting has issued depositary receipts in respect the shares to Fortis Intertrust Depository Receipts B.V., which therefore will have full beneficial interest in the shares.

Basis of presentation

The accompanying accounts have been prepared under the historic cost convention in accordance with accounting principles generally accepted in The Netherlands (Dutch GAAP) and in conformity with provisions governing financial statements as contained in Part 9, Book 2 of the Netherlands Civil Code. The financial statements are presented in Euro's.

a. Foreign currencies

Amounts receivable and payable in foreign currencies, in respect of which forward exchange contracts have been entered into, are translated at the exchange rate of the forward transaction. Transactions in foreign currencies are translated into Euro's at the exchange rate of the transactions. Other assets and liabilities in foreign currencies are translated into Euro's at their exchange rates prevailing on the balance sheet date. The resulting currency exchange rate differences are taken to the profit and loss account.

b. Assets and liabilities

The bonds and notes are stated at historic cost, minus any deduction for uncollectible assets where applicable. Premiums and discounts on purchase are capitalised and amortised on a linear basis over the remaining life of the instrument. All other assets and liabilities are shown at face value, unless stated otherwise in the notes.

c. Derivatives

Derivatives are measured at cost. Derivatives which are concluded for hedging purposes are taken into account in the determination of the result.

d. Recognition of income

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

2007	2006
EUR	EUR

Notes to the annual accounts for the year ended 31 December 2007 (continued)

e. Financial risk management**Interest rate risk**

The Company is exposed to various risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. These risks are addressed and mitigated by an asset swap agreement with Credit Suisse International.

Credit and concentration risk

As the Programme is a limited recourse programme the claims of the Noteholders are limited to the value of the underlying assets.

Currency rate risk

The Company is exposed to various risks associated with the effects of fluctuations in the prevailing levels of market currency rates on its financial position and cash flows. These risks are addressed and mitigated by a currency swap agreement with Credit Suisse International.

Liquidity risk

The Company is not exposed to liquidity risk since the timing of proceeds on the assets matches the timing of proceeds on the liabilities.

f. Corporate income tax

Provisions for taxation have been made in accordance with the standard Dutch corporate income tax law.

g. Cash flow statement

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

Balance sheet**1 Bonds**

Balance as per 1 January	1,693,399,015	2,079,616,125
Net Acquisitions/Disposals	1,474,978,127	(207,494,812)
Other movements	0	(165,505,294)
Shortfall in collateral regarding series 72	0	(1,432,500)
Amortisation (premium/discount)	(993,888)	(11,784,504)
Balance as per 31 December	<u>3,167,383,255</u>	<u>1,693,399,015</u>
Amount of bonds falling due within 1 year	83,626,261	0
Amount of bonds falling due between 1 and 5 year	329,457,667	404,209,736
Amount of bonds falling due after 5 year	2,754,299,327	1,289,189,279
	<u>3,167,383,255</u>	<u>1,693,399,015</u>

The fair value of the collateral portfolio at year end is estimated at EUR 3,217,242,611 (2006: EUR 1,682,707,879).

All bonds are taken up under the USD 10,000,000,000 Secured Note Programme. The average interest received on the Bonds was 9.80% (2006: 6.39%)

Boats Investments (Netherlands) B.V., Amsterdam

Notes	2007 EUR	2006 EUR
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Notes to the annual accounts for the year ended 31 December 2007 (continued)
2 Amounts owed by group entities

Stichting Boats Investments (Netherlands)	133	133
	<u>133</u>	<u>133</u>

3 Prepayments and accrued income

Credit Suisse International (recharged expenses)	53,168	25,237
Interest receivable Collaterals	73,240,392	21,421,363
Swap Interest receivable	5,618,459	6,017,731
Withholding tax receivable	7,227	8,844
	<u>78,919,247</u>	<u>27,473,175</u>

4 Cash at banks

Current account Fortis Bank		80,948	4,128
Current account BNP Paribas		6,284	6,283
Current account Bank of New York	USD 682,274	463,974	764,409
Current account Bank of New York	GBP 1,000	1,363	0
Current account Bank of New York	EUR	3,252,985	422,543
		<u>3,805,554</u>	<u>1,197,364</u>

5 Taxation

Corporate income tax 2006	(2,114)	(2,114)
Corporate income tax 2007	(10,372)	0
	<u>(12,486)</u>	<u>(2,114)</u>

Final corporate income tax assessments have been received for the financial years through 2005.

Corp. income tax summary	<u>01.01</u>	<u>paid/received</u>	<u>p/l account</u>	<u>31.12</u>
2004	(485)	(4,783)	5,268	0
2005	0	(3,636)	3,636	0
2006	0	(4,003)	1,889	(2,114)
2007	0	16,305	(26,677)	(10,372)
Total	<u>(485)</u>	<u>3,883</u>	<u>10,793</u>	<u>14,191</u>

6 Accruals and deferred income

Interest payable on Bonds issued	44,780,661	7,210,249
Interest expenses Swap Collaterals	37,802,080	21,421,363
Audit fee payable	42,000	23,000
Other payable	0	22
	<u>82,624,741</u>	<u>28,654,634</u>

2007	2006
EUR	EUR

Notes to the annual accounts for the year ended 31 December 2007 (continued)

7 Notes

Balance as per 1 January	1,693,399,015	2,079,616,125
Net Acquisitions/Disposals	1,474,978,127	(207,494,812)
Other movements	0	(165,505,294)
Shortfall in collateral regarding series 72	0	(1,432,500)
Amortisation (premium/discount)	(993,888)	(11,784,504)
Balance as per 31 December	<u>3,167,383,255</u>	<u>1,693,399,015</u>
Amount of bonds falling due within 1 year	83,626,261	0
Amount of bonds falling due between 1 and 5 year	329,457,667	404,209,736
Amount of bonds falling due after 5 year	<u>2,754,299,327</u>	<u>1,289,189,279</u>
	<u>3,167,383,255</u>	<u>1,693,399,015</u>

There is no reliable information available regarding the fair value of the notes. The fair value of the notes is primarily dependent of the interest rate and credit events as defined in de loan agreements.

The average interest paid on the Notes was 6.34% (2006: 7.18%)

8 Capital and reserves

The authorised share capital of the Company amounts to NLG 200,000 (EUR 90.756,04) divided into 2.000 shares of NLG 100 (EUR 45,38) each. Issued and paid up are 400 shares of NLG 100 (EUR 45,38). For expressing the Dutch guilder capital in Euro's, the Company made use of article 2.178c BW.

	Share capital	Other reserves	Unappr. results
Balance as per 01.01.2006	18,151	0	0
Result for the period	0	0	0
Balance as per 01.01.2007	<u>18,151</u>	<u>0</u>	<u>0</u>
Dividend	0	0	0
Result for the period	0	0	94,528
Balance as per 31.12.2007	<u>18,151</u>	<u>0</u>	<u>94,528</u>

Off balance sheet instruments

The Company has entered into multiple asset swap agreements to hedge the liabilities on the Notes against the assets of the Bonds. The obligations and rights under the swap agreements mirror the obligations and rights on respectively the liabilities in relation to the notes and the assets on the bonds.

No reliable fair value of the asset swap agreements are available. The fair value of the asset swaps is dependent on the fair value of the assets and the Notes.

	2007	2006
	EUR	EUR

Notes to the annual accounts for the year ended 31 December 2007 (continued)

Profit and loss account**9 Interest income**

Interest income on Assets	238,128,770	120,584,299
Swap interest income	118,596,669	135,449,872
Amortisation bonds discount	2,840,448	1,609,587
Amortisation on premium received	3,834,336	13,166,488
	<u>363,400,224</u>	<u>270,810,246</u>

10 Interest expenses

Interest on notes issued	154,034,981	135,449,872
Swap interest expenses	202,690,458	120,584,299
Amortisation paid premium	2,840,448	1,609,587
Amortisation notes discount	3,834,336	13,166,488
	<u>363,400,224</u>	<u>270,810,246</u>

11 Other income

Other operational income	0	221
	<u>0</u>	<u>221</u>

12 General and administrative expenses

Management and Administration	0	143,722
Tax advisory fees	0	8,515
Audit fee	19,000	23,000
Bank charges	122	93
General expenses	15,537	293
	<u>34,659</u>	<u>175,623</u>

13 Recharged expenses

Recharged expenses	155,864	177,298
	<u>155,864</u>	<u>177,298</u>

14 Corporate income tax

Corporate income tax 2003	0	7
Corporate income tax 2006	0	1,889
Corporate income tax 2007	26,677	0
	<u>26,677</u>	<u>1,896</u>

Boats Investments (Netherlands) B.V., Amsterdam

2007	2006
EUR	EUR

Notes to the annual accounts for the year ended 31 December 2007 (continued)

Staff numbers and employment costs

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

Directors

The Company has one (previous year: one) managing director, who receives a remuneration.
The Company has no (previous year: none) supervisory directors.

Amsterdam, April 29, 2008

Fortis Intertrust (Netherlands) B.V.

Other information

Appropriation of results

Subject to the provisions under Dutch law that no dividends can be declared until all losses have been recovered, other reserves and unappropriated results are at the disposal of the shareholder in accordance with 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 management proposes to the shareholder to add the result for the year to the other reserves.

Subsequent events

No events have occurred since balance sheet date, which would change the financial position of the Company and which would require adjustment of or disclosure in the annual accounts now presented.

Auditor's report

The auditor's report is presented on the next page.



To: General meeting of shareholders of Boats Investments (Netherlands) B.V.

AUDITOR'S REPORT

Report on the financial statements

We have audited the accompanying financial statements 2007 of Boats Investments (Netherlands) B.V., Amsterdam which comprise the balance sheet as at 31 December 2007, the profit and loss account for the year then ended 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 report of the management, 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 Boats Investments (Netherlands) B.V. as at 31 December 2007 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

HOATS/08W00013763FSP



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 report of the management is consistent with the financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.

Utrecht, 29 April 2008
KPMG ACCOUNTANTS N.V.

H.P. van der Horst RA

Initials for identification purposes: