Unaudited semi-annual accounts of Boats Investments (Netherlands) B.V.

for the first six months ended 30 June, 2019

Boats Investments (Netherlands) B.V.
Prins Bernhardplein 200
1097 JB Amsterdam
Chamber of Commerce nr: 33299834

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Report of the management

Management herewith presents to the shareholder the semi-annual accounts of Boats Investments (Netherlands) B.V. (the "Company") for the six months ended 30 June, 2019.

General

The Company is a private company with limited liability incorporated under the laws of the Netherlands on 3 February 1998. The statutory address of the Company is Prins Bernhardplein 200, Amsterdam, the Netherlands. The Company's Dutch Chamber of Commerce registration number is 33299834.
All issued shares are held by Stichting Boats Investments (Netherlands), which also is established in Amsterdam, The Netherlands.

The Company is a so-called repackaging Company. The Company issues series of notes ("Series") under its USD 10,000,000,000 Secured Note Programme (the "Programme"). These Series are limited recourse; an investor (noteholder) is only entitled to the collateral/ proceeds of its own Series including all risks associated with the collateral. There will be no other assets of the Company available to meet outstanding claims of the noteholders, who bear such shortfall pro rata their holdings of the notes.

With collateral ("Collateral") is meant the actual investment(s) bought for a Series. Each Series has its own terms and conditions and has its own Collateral. When a new Series is issued all documents, including the derivative contracts, are signed simultaneously at the closing date.

The Collateral bought by the Company can consist of almost any item the investor in a certain Series prefers, as long as this fits within the terms and conditions of the Programme. This is, amongst other, loans, listed or unlisted bonds, notes, and any other kind of Collateral. It is the investor/noteholder together with the swap counterparty who decide what kind of Collateral they would like to purchase for a certain Series, as one of them bears the risk. All other conditions can also differ per Series (maturity date, interest rates, payment dates, parties involved etc).
As the limit of the Programme is set at USD 10,000,000,000 the total sum of the Company's outstanding Series may not at any time exceed the limit of USD 10,000,000,000 (or its equivalent in another currency at the date of issue).
Application will be made to the Irish Stock Exchange for certain Series during the period of twelve months from the last update of the Programme to be admitted to the Official List and trading on its regulated market. However, any such application may not be successful. In addition, a Series may be listed on any other stock exchange or may be unlisted. Such approval relates only to Notes which are to be admitted to trading on the regulated market of the Irish Stock Exchange or other regulated markets for the purposes of Directive 2004/39/EC or which are to be offered to the public in any Member State of the European Economic Area. Notes may be listed on such other or further stock exchange(s). The Company may also issue unlisted Notes.

Report of the management - Continued

At balance sheet date several Series are listed on the Luxembourg Stock Exchange and several Series are listed on the Irish Stock Exchange. 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 (the "Rating Agency") as may be specified in the relevant Series memorandum or Alternative Memorandum and the relevant constituting instrument (the "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 transactions are arranged by Credit Suisse International, London. (“Credit Suisse”).

As all operational activities are performed by external parties, the Company does not have any personnel.

Information regarding financial instruments

Due to the limited recourse nature of the Series, the Company is not exposed to any risks as all the risks are fully mitigated by derivative contracts or transferred to the Noteholder / swap counterparty as described in the legal documentation for each Series as far as not transferred to the derivative Counterparty. The Company did enter into several derivative contracts to mitigate the risks of the Noteholders to the swap counterparty. The obligations and rights under the derivative contracts mirror the obligations and rights on respectively the liabilities in relation to the Notes and the assets on the Collateral as disclosed under Notes 1 and 7.

Financial risk management

General

The Company's principal financial instruments during the year comprised the Collateral, Notes issued and derivatives. The main purpose of these financial instruments is to finance the Company's operations, to manage the interest rate risk arising from its issued Notes and to minimise the impact of fluctuations in exchange rates on future cash flows.

The Series are limited recourse; an investor (noteholder) is only entitled to the Collateral/ proceeds of its own Series including all risks associated with the Collateral. The Company has entered into derivative contracts with the objective to mitigate the risk between the issued notes and collateral purchased. The risk is mainly currency, interest rate and inflation risk. In this respect, the Company mainly uses interest rate swaps, fx derivatives and inflation linked swaps.

The key financial instrument risks are classified as credit and concentration risk, market risk (interest rate risk and currency exchange rate risk) and liquidity risk.

Report of the management - Continued

Interest rate risk
The Notes bear interest (fixed, floating and variable). The Company is not exposed to interest rate risk due to the limited recourse nature of the issued Series. All possible risks regarding the interest are fully mitigated by derivative contracts at year end. For multiple Series the Company has entered into derivative contracts to mitigate the risks associated with the effects of fluctuations in the prevailing levels of market interest rates from the noteholder to the swap counterparty.

Credit and concentration risk
The Company is not exposed to credit risk due to the limited recourse nature of the issued Series at year end as the noteholder bears the credit risk of the assets as well as the swap counterparty risk.

Currency exchange rate risk
The Company's accounts are denominated in EUR. The Collateral is denominated in EUR and foreign currencies, while the Notes are denominated in EUR and foreign currencies. The Company's accounts and Notes issued may be denominated in Euro while the portfolio is denominated in both Euro and foreign currencies.

The Company is not exposed to risks associated with the effects of fluctuations in the prevailing levels of market currency exchange rates due to the limited recourse nature of the issued Series. For multiple Series the Company has entered into derivative contracts to mitigate the risks associated with the effects of fluctuations in the prevailing levels of market currency exchange rates from the noteholder to the swap counterparty.

Liquidity risk
Liquidity risk is the risk that the Company will be unable to meet its payment obligations towards the Noteholders as they become due. Liquidity risk on interest payments to be made by the Company to its Noteholders arises from mismatches on both the interest frequency on the Notes versus the portfolio, as well as from the outstanding par of the Notes compared to the portfolio. Liquidity risk on principal payments arises from mismatches in the maturity of the Notes compared to the maturity of the assets, as well from the par value outstanding of the Notes versus the par value of the portfolio.

Matching maturities of assets and liabilities and related cash flows is fundamental to the management of the Company. This risk is addressed and mitigated by an agreement with Credit Suisse to secure any mismatch (as Credit Suisse being the Arranger reimburses all expenses of the Company). Positive or negative results from the Collateral held will be balanced with the noteholders or the Swap Counterparty at the date of redemption.

Report of the management - Continued

Risk appetite

As part of its objectives, the Company issues notes to investors. The proceeds of the notes are individually applied to purchases of debt securities (collateral).

Repayment of principal and interest payment on debt securities is subject to financial risks such as interest rate risk, credit and concentration risk and currency exchange rate risk (see details above). If and when these risks materialize into losses, these losses will be borne by holders of the notes issued, connected with the relevant collateral items. The return which the Company offers on a certain note correlates to the amount of collateral risk to which it is exposed.

The Company by its nature exposes itself to financial risks. The investors in the notes issued by the Company are made aware of these risks and understand the adverse effects on repayment of principal and interest payments on issued notes in the event these risks materialize into losses. The Company has delegated the risk management to Credit Suisse, arranger of the transaction, who monitors the nature of the changes in the value of the collateral and decides whether the composition may need to be changed. The arranger also decides on the hedging strategies that the Company needs to follow to minimize these risks.

Overview of activities

The Company, under the Programme, may from time to time issue new Series. The Company may also raise finance by other means, arranged by the sole arranger Credit Suisse 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 USD 10 billion (or the equivalent in another currency).

The Company has appointed the Bank of New York Mellon as principal paying agent, custodian and trustee under the Programme Memorandum. Furthermore, in the specific Series documents professional market parties may be appointed to fulfil other functions, such as calculation agent, purchase agent and liquidation agent.

During the first six months of 2019, the Company issued no new Series, 2 Series matured . This redemption was not caused by credit default.

Audit committee

The audit committee consists of two independent members. As per August 30, 2019, Mr. S. van Ulsen and Mr. R. Ahlers were appointed as member of the audit committee.

Report of the management - Continued

Results

The net asset value of the Company as at 30 June, 2019 amounts to EUR 42,487 (31 December, 2018: EUR 68,941). The result for the first six months of 2019 amounts to EUR 24,336 (30 June, 2018: EUR 25,395).

The fair value of the Collateral is measured on an item level. The revaluation analysis is also made on an item level. Where the fair value of a certain item is below the carrying amount, revaluation is taken. If the fair value increases after the revaluation is taken on an item, the revaluation is reversed to a maximum of the original carrying amount. The cumulative revaluation amount as per 30 June, 2019 amounts to approximately EUR 917 million and relates to Series 16, 20, 24, 86, 97, 98, 105, 115, 125, 127 and 132. As the notes issued are limited recourse, this revaluation loss is also included in the valuation of the Notes.

Future outlook

Management is of the opinion that the present level of activities will be maintained during the next financial year.

As a result of the current economic conditions, some of the Company's investments may be negatively affected and the Noteholders may potentially face serious losses in future periods. The claims of the Noteholders are limited to the value of the underlying Collateral due to the limited recourse nature of the Programme. The Company has no intention to issue new Series under the Programme after 30 June, 2019.

Management representation statement

Management declares that, to the best of their knowledge, the semi-annual accounts prepared in accordance with the applicable set of accounting standards give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and that the report of management includes a fair review of the development and performance of the business and the financial position of the Company, together with a description of the principal risks and uncertainties it faces.
The Company does not have any employees. The managing director is not a natural person, therefore, the requirements on information on the human sex ratio of board members can be found in the Director's report of the managing director.

Employees

The Company does not have any employees. During the first six months of 2019 the Board of the Company was represented by Intertrust (Netherlands) B.V. The female/male ratio of Intertrust (Netherlands) B.V. was below 30%. The composition of the Board of Intertrust (Netherlands) B.V. is considered on a regularly basis and if needed adjusted based on the knowledge and experience of the Directors. Furthermore the audit committee as at 30 June 2019 was represented by male members. For the future nominations, the human gender will be taken into consideration.

Amsterdam, 30 September 2019
Intertrust (Netherlands) B.V.

Balance sheet as at 30 June, 2019

Before result appropriation

			30-Jun-19		31-Dec-18
		EUR	EUR	EUR	EUR
FIXED ASSETS					
Financial assets					
Collateral	(1)	602,597,735		618,590,577	
			602,597,735		618,590,577
CURRENT ASSETS					
Other receivables	(2)	32,121		125,232	
Interest receivable	(3)	10,025,716		11,057,947	
Corporate income tax	(4)	20,743		7,122	
Cash	(5)	1,925,961		1,944,771	
			12,004,541		13,135,072
			614,602,276		631,725,649
SHAREHOLDERS' EQUITY	(6)				
Issued share capital		18,151		18,151	
Other reserves		0		0	
Retained earnings					
Result for the period		24,336		50,790	
			42,487		68,941
LONG-TERM LIABILITES					
Notes payable	(7)		602,597,735		618,590,577
CURRENT LIABLITIES					
Other payables	(8)	100,721		96,857	
Interest payable	(9)	11,861,333		12,969,274	
			11,962,054		13,066,131
			614,602,276		631,725,649

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

Profit and Loss account for the six months ended 30 June, 2019

			01/01/2019-06/30/2019		01/01/2018-06/30/2018
		EUR	EUR	EUR	EUR
FINANCIAL INCOME AND EXPENSES					
Interest income	(10)	56,413,886		65,387,799	
Interest expenses	(11)	(56,413,886)		(65,387,799)	
			0		0
OTHER INCOME					
Repackaging income	(15)		30,420		31,744
OPERATIONAL INCOME AND EXPENSES					
General and administrative expenses	(13)	(19,997)		(18,081)	
Recharged expenses	(14)	19,997		18,081	
			0		0
Net operating result			30,420		31,744
Revaluation of the portfolio of financial assets	(12)	5,175,216		15,675,354	
Attribution of revaluation collateral to Noteholders		(5,175,216)	0	(15,675,354)	0
Result from ordinary activities before taxation			30,420		31,744
Income tax expense	(16)		(6,084)		(6,349)
Result after taxation			24,336		25,395

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

Notes to the semi-annual accounts for the six months ended 30 June, 2019

General

The Company is a private company with limited liability incorporated under the laws of the Netherlands on 3 February, 1998. The statutory address of the Company is Prins Bernhardplein 200, Amsterdam, the Netherlands. The Company's Dutch Chamber of Commerce registration number is 33299834.
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The Collateral bought by the Company can consist of almost any item the investor in a certain Series prefers, as long as this fits within the terms and conditions of the Programme. This is, amongst other, loans, listed or unlisted bonds, notes, and any other kind of Collateral. It is the investor/noteholder together with the swap counterparty who decide what kind of Collateral they would like to purchase for a certain Series, as one of them bears the risk. All other conditions can also differ per Series (maturity date, interest rates, payment dates, parties involved etc).
This Programme Memorandum constitutes a base prospectus for the purposes of the Prospectus Directive. As the limit of the Programme is set at USD 10,000,000,000 the total sum of the Company's outstanding Series may not at any time exceed the limit of USD 10,000,000,000 (or its equivalent in another currency).
Application will be made to the Irish Stock Exchange for certain Series during the period of twelve months from the last update of the Programme to be admitted to the Official List and trading on its regulated market. However, any such application may not be successful. In addition, a Series may be listed on any other stock exchange or may be unlisted. Such approval relates only to Notes which are to be admitted to trading on the regulated market of the Irish Stock Exchange or other regulated markets for the purposes of Directive 2004/39/EC or which are to be offered to the public in any Member State of the European Economic Area.
At balance sheet date several Series are listed on the Luxembourg Stock Exchange and several Series are listed on the Irish Stock Exchange. 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 (the "Rating Agency") as may be specified in the relevant Series memorandum or Alternative Memorandum and the relevant constituting instrument (the "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.

Notes to the semi-annual accounts for the six months ended 30 June, 2019 - Continued

The transactions are arranged by Credit Suisse International, London ("Credit Suisse").

As all operational activities are performed by external parties, the Company does not have any personnel.

Financial Reporting period

These interim financial statements have been prepared for a reporting period of one year.

Basis of preparation

The interim financial statements have been prepared in accordance with Title 9, Book 2 of the Netherlands Civil Code and in accordance with Dutch Accounting Standards.

The applied accounting policies for all assets and liabilities are based on the historic cost convention, which effectively comprises the cost of the transaction.

These semi-annual accounts are presented in Euros.

The preparation of the semi-annual accounts requires management to form opinions and to make estimates and assumptions that influence the application of principles and the reported values of assets and liabilities and of income and expenditure. The actual results may differ from these estimates. The estimates and the underlying assumptions are constantly assessed. Revisions of estimates are recognised in the period in which the estimate is revised and in future periods for which the revision has consequences.

Comparison with prior year
The principles of valuation and determination of result remain unchanged compared to the prior year.

Estimates
The preparation of financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

a. Foreign currencies

The financial statements are presented in Euro, which is the functional and presentation currency of the Company. Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions; gains and losses resulting from the settlement of such transactions and from the conversion of monetary assets and liabilities denominated in foreign currencies to closing rate, are recognized in the income statement.

The main exchange rates used in the financial statements are:

	30.06.2019	31.12.2018
1 EUR = USD	1.1387	1.1439

Notes to the semi-annual accounts for the six months ended 30 June, 2019 - Continued

b. Assets and liabilities

Fixed assets

Collateral
Collateral is comprised of bonds and loans. Generally, underlying contracts specify the timing of interest payments and the repayment of principal, both under normal conditions and in specific circumstances. Contracts may also include specific clauses on the payment of both interest and principal in case of default or breach of certain covenants. As such, the (re-)payment of both interest and principal (if any) include an element of uncertainty, with regards to both timing and amount.

The portfolio is initially measured at fair value and subsequently carried at amortised cost or lower market value as allowed under RJ290.537a. If a financial asset is acquired at a discount or premium, the discount or premium is recognised through profit or loss over the maturity of the asset using the straight line basis.
Revaluation losses on individual debt obligations are deducted from amortised cost and expensed in the statement of income and expenses. The revaluation loss equals the difference between the amortised cost value and the lower market value of the individual assets.

The fair value of the Collateral is measured on an item level. The revaluation analysis is also made on an item level. Where the fair value of a certain item is below the carrying amount, revaluation is taken. If the fair value increases after the revaluation is taken on an item, the revaluation is reversed to a maximum of the amortised cost amount.

Derivatives
The recognition and measurement of derivatives are discussed in a separate section, 'Derivatives'.

Current assets

Receivables
Trade receivables are recognised initially at fair value and subsequently measured at amortised cost. All receivables included under current assets are due in less than one year. The fair value of the current assets approximates the book value due to its short term character.

Notes to the semi-annual accounts for the six months ended 30 June, 2019 - Continued

Cash
Cash comprises current balances with banks and deposits held at call with maturities of less than 3 months. Cash are stated at face value.

Current liabilities
After initial measurement at fair value, other financial liabilities are carried at amortised cost using the effective interest method. Gains or losses are recognised in the profit and loss account when the liabilities are derecognised, as well as through the amortisation process.

Long term liabilities

Notes
Notes are initially recognised at fair value, normally being the amount received taking into account premium or discount less transaction costs. The Notes are subsequently stated at amortised cost, being the amount received taking into account of any premium or discount less any adjustments for attribution of revaluation on collateral to noteholders and the estimated diminution in the value of the Notes. Such adjustments to the amortised cost value of the Notes are reflective of the contractual agreements in place and represent an adjustment to the future expected cash flows.

Any difference between the proceeds and the redemption value is recognised on a straight line basis in the statement of income and expenses over the reinvestment period. The straight line method is used in the absence of any material difference from the effective interest method.

Contractual obligations of the Company towards the Noteholders are laid out in the offering circular. The limited recourse nature of the transaction may result in the non-payment of both principal and interest to the Noteholders.

c. Recognition of income

Income and expenses, including taxation, are allocated to the period to which they relate.

d. Interest income and expenses

The interest income on Collateral and the interest expense on the Notes are recognised in the income statement using the effective interest rate method.

Notes to the semi-annual accounts for the six months ended 30 June, 2019 - Continued

e. Derivatives and hedge accounting

The Company uses derivatives for hedging purposes. Derivatives are initially recognised at fair value and subsequently measured at cost. 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 recognised at cost. The profits or losses associated with the derivative 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.

As part of its asset and liability risk management the Company uses derivatives to hedge its exposure to interest rate and foreign exchange risk. This is achieved by hedging specific transactions using financial derivatives, mostly interest rate swaps, foreign exchange derivatives and inflation linked swaps.

Cost price hedge accounting
The hedges are recognised on the basis of cost price hedge accounting if the following conditions are met:
- the general hedging strategy and the way in which the hedging relationships are in line with risk management objectives and the expected effectiveness of these hedging relationships must be documented;
- the nature of the hedging instruments involved and hedged positions must be documented;
- the ineffectiveness must be recognised in the profit and loss account.

Cost hedge accounting is no longer applied if:
- The hedging instrument expires, is sold, terminated or exercised. The realised cumulative gains or losses on the hedging instrument not yet recognised in the profit and loss account at the time the hedge was effective, are then recognised in the balance sheet separately under accruals until the hedged transaction occurs.
- The hedging relationship no longer meets the criteria for hedge accounting.

Notes to the semi-annual accounts for the six months ended 30 June, 2019 - Continued

f. Financial risk management

General

The Company's principal financial instruments during the year comprised the Collateral, Notes issued and derivatives. The main purpose of these financial instruments is to finance the Company's operations, to manage the interest rate risk arising from its issued Notes and to minimise the impact of fluctuations in exchange rates on future cash flows.

The Series are limited recourse; an investor (noteholder) is only entitled to the Collateral/ proceeds of its own Series including all risks associated with the Collateral. The Company has entered into derivative contracts with the objective to mitigate the risk between the issued notes and collateral purchased. The risk is mainly currency, interest rate and inflation risk. In this respect, the Company mainly uses interest rate swaps, fx derivatives and inflation linked swaps. Please refer to note 1 for further details.

The key financial instrument risks are classified as credit and concentration risk, market risk (interest rate risk and currency exchange rate risk) and liquidity risk.

Interest rate risk
The Notes bear interest (fixed and variable). All possible risks regarding the interest mismatches between Collateral and Notes are fully mitigated by derivative contracts at year end. For multiple Series the Company has entered into derivative contracts to mitigate the risks associated with the effects of fluctuations in the prevailing levels of market interest rates.

Credit and concentration risk

Credit risk relates to the fact that the Company is exposed to the risk that borrowers who issued the bond and loans in the Company's collateral portfolio will not be able to meet their obligations to the Company. The Company is exposed to an amount of EUR 1.4 million of credit risk, being the total book value of the collateral as per 30 June, 2019. However, this risk is transferred to the Noteholders, as in case of impairment of the collateral, the noteholders will ultimately bear the losses.

The concentration risk is the risk that the portfolio of collateral is concentrated in one issuer, industry, region or country as a result of the increased potential for correlated defaults in respect of a single issuer or with a single industry, region or country as a result of downturns relating generally to such issuer, such industry, region or country. This risk is mitigated by the diversification of the portfolio.

Furthermore, financial derivatives involve the Company entering into contracts with counterparties. Pursuant to such contracts, the counterparties agree to make payments to the Company under certain circumstances as described therein. The counterparty risk is the risk that the Company will be exposed to the risk that these counterparties will not be able to meet their obligations to the Company. However, this risk is similarly mitigated, as in case of counterparty default, the noteholders will ultimately bear the losses.

Notes to the semi-annual accounts for the six months ended 30 June, 2019 - Continued

Currency exchange rate risk
The financial statements are presented in Euro, which is the functional and presentation currency of the Company. Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions; gains and losses resulting from the settlement of such transactions and from the conversion of monetary assets and liabilities denominated in foreign currencies to closing rate, are recognized in the income statement.

Monetary assets and liabilities denominated in foreign currencies are converted into the functional currency at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates are recognised in the income statement.

Liquidity risk
Liquidity risk is the risk that the Company will be unable to meet its payment obligations towards the Noteholders as they become due. Liquidity risk on interest payments to be made by the Company to its Noteholders arises from mismatches on both the interest frequency on the Notes versus the Collateral portfolio, as well as from the outstanding par of the Notes compared to the Collateral portfolio. Liquidity risk on principal payments arises from mismatches in the maturity of the Notes compared to the maturity of the assets, as well from the par value outstanding of the Notes versus the par value of the portfolio.

Matching maturities of assets and liabilities and related cash flows is fundamental to the management of the Company. This risk is addressed and mitigated by an agreement with Credit Suisse to secure any mismatch.

f. Critical accounting estimates and judgments
Application of the accounting policies in the preparation of the financial statements requires the management of the Company to exercise judgment involving assumptions and estimates concerning future results or other developments, including the likelihood, timing or amount of future transactions or events. There can be no assurance that actual results will not differ materially from those estimates. Accounting policies that are critical to the financial statement presentation and that require complex estimates or significant judgment are described below.

Fair value estimation of financial instruments
The Company discloses the fair value of the financial instruments in the notes to the financial statements. The fair value of financial assets and financial derivatives traded in active markets, if available, are based on market prices at the balance sheet date.

In the absence of quoted prices in active markets, considerable judgment is required in developing estimates of fair value. Estimates are not necessarily indicative of the amounts the Company could realise in a current market transaction. The Company obtains the fair valuations for (derivative) financial instruments from the investment manager, the swap counterparty or other third parties. The following methods and assumptions were used to estimate fair values:

Collateral
The fair value of the financial instruments is disclosed in the notes to the financial statements. Fair value is the amount for which an asset could be exchanged, or a liability settled, between

Notes to the semi-annual accounts for the six months ended 30 June, 2019 - Continued

knowledgeable, willing parties in an arm's length transaction. If no fair value can be readily and reliably established, fair value is approximated by deriving it from the fair value of components or of a comparable financial instrument, or by approximating fair value using valuation models and valuation techniques. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models, making allowance for Company-specific inputs.

Notes
Fair value of Notes is derived from deducting the value adjustment of the portfolio and the amount of value diminution from the notes.

Revaluation estimate of Collateral
The Company applies the method allowed under RJ290 537 a. Under this method the Company recognises a revaluation loss which equals the difference between the costs and the lower market value. For the estimates and judgement with respect to the fair values reference is made to the above paragraph 'fair value estimation of Collateral'. If, in a subsequent period, the fair value increases, the previously recognised revaluation loss is reversed. The reversal shall not result in a carrying amount of the financial assets that exceeds what the amortised cost would have been had the revaluation not been recognised.

g. Corporate Income Tax

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

Balance sheet as at 30 June, 2019

		30-Jun-19 EUR	31-Dec-18 EUR
1	**Collateral**		
	Balance as per 1 January	618,590,577	2,073,932,475
	Disposals	(21,587,632)	(1,383,443,415)
	Revaluation	5,175,216	(73,683,549)
	Amortisation (premium/discount)	419,574	1,785,066
	Balance as per 31 December	602,597,735	618,590,577
	Amount of bonds falling due within 1 year	18,425,631	20,326,741
	Amount of bonds falling due between 1 and 5 years	53,117,890	63,209,902
	Amount of bonds falling due after 5 years	531,054,214	535,053,934
		602,597,735	618,590,577
	Collateral	1,384,640,852	1,531,009,061
	Impairment	(782,043,117)	(912,418,484)
	Balance as at 31 December	602,597,735	618,590,577

The fair value of the Collateral as per 30 June, 2019 estimated at EUR 680,546,237 (2018: EUR 705,574,908).

The fair value of the Collateral is measured on an item level. The revaluation analysis is also made on an item level. Where the fair value of a certain item is below the carrying amount, revaluation is taken. If the fair value increases after the revaluation is taken on an item, the revaluation is reversed to a maximum of the original carrying amount. Based on this methodology, a revaluation amounting to EUR 5,175,216 (2018: EUR 73,683,549) is recognized.

The cumulative revaluation amount as per 30 June, 2019 amounts to approximately EUR 917 million (2018: EUR 912 million) and relates to Series 16, 20, 24, 86, 97, 98 105, 115, 125, 127 and 132. As the notes issued are limited recourse, this revaluation loss is also included in the valuation of the Notes. The decrease of the revaluation is caused by fx revaluation.

All Collateral is taken up under the USD 10,000,000,000 Secured Note Programme. The effective interest rate on the Collateral was 1.4163% (first six months of 2018: 2.4383%).

Balance sheet as at 30 June, 2019 - continued

		30-Jun-19 EUR	31-Dec-18 EUR
2	**Other receivables**		
	Stichting Boats Investments (Netherlands)	1,041	1,041
	Withholding tax receivable	0	0
	Credit Suisse (recharged expenses)	31,080	124,191
		32,121	125,232

3	**Interest receivable**		
	Interest receivable Collateral	7,941,065	8,837,924
	Swap interest receivable	2,084,651	2,220,023
		10,025,716	11,057,947

4	**Corporate income tax**		
	Corporate income tax 2018	6,732	0
	Corporate income tax 2019	12,591	6,732
	VAT	1,420	390
		20,743	7,122

Corp. income tax summary	01.01.19	paid/(received)	p/l account	30.6.19
2018	6,732	0	0	6,732
2019	0	18,675	(6,084)	12,591
Total	6,732	18,675	(6,084)	19,323

Final corporate income tax assessments have been received for the financial years through 2018.
The Company has been qualified as VAT entrepreneur by the Dutch Tax authorities.

5	**Cash**		
	Current account ABN AMRO	14,594	33,443
	Current accounts Bank of New York	1,911,367	1,911,328
		1,925,961	1,944,771

6 Shareholders' equity

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 of which 400 shares are issued and paid up.
For expressing the Dutch guilder capital in Euros, the Company made use of article 2.178c DCC.

	Issued share capital	Other reserves	Unappr. results
Balance as per 31.12.2017	18,151	0	56,018
Paid-in / (repaid)	0	0	0
Dividend	0	0	(56,018)
Interim dividend	0	0	0
Result for the period	0	0	50,790
Balance as per 31.12.2018	18,151	0	50,790
Paid-in / (repaid)	0	0	0
Dividend	0	0	(50,790)
Interim dividend	0	0	0
Result for the period	0	0	24,336
Balance as per 30.06.2019	18,151	0	24,336

Balance sheet as at 30 June, 2019 - continued

	30-Jun-19 EUR	31-Dec-18 EUR
7 Notes payable		
Balance as per 1 January	618,590,577	2,073,932,475
Net Acquisitions/Disposals	(21,587,632)	(1,383,443,415)
Attribution of revaluation collateral	5,175,216	(73,683,549)
Amortisation (premium/discount)	419,574	1,785,066
Balance as per 31 December	602,597,735	618,590,577
Amount of Notes falling due within 1 year	18,425,631	20,326,741
Amount of Notes falling due between 1 and 5 years	53,117,890	63,209,902
Amount of Notes falling due after 5 years	531,054,214	535,053,934
	602,597,735	618,590,577
Notes	1,384,640,852	1,531,009,061
Value diminution	(782,043,117)	(912,418,484)
Balance as at 31 December	602,597,735	618,590,577

Attribution of revaluation on collateral to Noteholders.
In order to present the actual payment obligation to the Noteholders, an estimated value diminution of the Notes has been included in the amount payable. The revaluation of collateral is attributed to the Notes, since the collateral risk is borne by the Noteholders. Since Collateral is intended to be held till maturity, it should be noted the revaluation is not definitive but reflects the change in value of the collateral portfolio at balance sheet date. Changes in the estimated value diminution of the Notes are directly charged or credited to the income statement.

The total fair value of the Notes is estimated at EUR 680,546,237 (2018: EUR 705,574,908).

The effective interest rate on the Notes was 1.4781% (first six months of 2018: 1.4347%).

During the first six months of 2019, the Company issued no new Series.

8 Other payables		
Other fees	9,721	5,857
Audit fee payable	91,000	91,000
	100,721	96,857

9 Interest payable		
Interest payable on Notes issued	2,084,651	2,220,023
Interest payable Swap Collaterals	9,776,682	10,749,251
	11,861,333	12,969,274

Profit and loss account for the first six months ended 30 June, 2019

	Six months ended 30 June 2019 EUR	Six months ended 30 June 2018 EUR
10 Interest income		
Interest income on Collateral	27,841,632	33,834,193
Swap interest income	28,152,680	29,768,540
Amortisation Collateral discount/premium	419,574	1,785,066
	56,413,886	65,387,799

11 Interest expenses		
Interest expenses on Notes	28,152,680	29,768,540
Swap interest expense	27,841,632	33,834,193
Amortisation Notes discount/premium	419,574	1,785,066
	56,413,886	65,387,799

12 Operational income and expenses		
Revaluation of the portfolio of financial assets	5,175,216	15,675,354
Attribution of revaluation collateral to Noteholders	(5,175,216)	(15,675,354)
	0	0

The revaluation of the portfolio of financial assets is attributable to the Noteholder.

13 General and administrative expenses		
Bank charges	1,322	1,248
General expenses	18,675	16,833
	19,997	18,081

14 Recharged expenses		
Recharged expenses	19,997	18,081
	19,997	18,081

The Company has an agreement with Credit Suisse International to recharge all expenses made.

15 Repackaging income		
Repackaging income	30,420	31,744
	30,420	31,744

The Company is entitled to make a certain amount of profit that is based on the number of series outstanding.

16 Income tax expense		
Corporate income tax current year	6,084	6,349
	6,084	6,349