

Boats Investments (Netherlands) B.V.
Amsterdam

Annual report and accounts
for the year 2006

0669522



KPMG Audit
the Appendix pertaining to the letter of

- 1 FEB 2008

Initials for identification purposes
KPMG Accountants N.V.

11-02-2008

Boats Investments (Netherlands) B.V., Amsterdam

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Boats Investments (Netherlands) B.V., Amsterdam

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 2006.

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.

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.

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 93 Secured Repackaged Notes due 2026.

Series 94 Credit Linked Secured Pass-Through Notes due 2021.

Series 95 Secured Amortising Credit Linked Variable Interest Notes due 2036.

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

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

Series 30 Secured Credit-linked Zero Coupon Notes due 2006.

Series 72 Principal Protected DANO notes due 2017.

Series 78 Secured Credit-Linked Notes due 2006

Series 80 Romania Credit-Linked Secured Floating Rate Notes due 2013.

Series 84 Secured Repackaged Notes due 2006.

Series 93 Secured Repackaged Notes due 2006.

None of these repurchases were caused by credit defaults.



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Boats Investments (Netherlands) B.V., Amsterdam

Report of the management (continued)

Results

The net asset value of the Company as at 31 December 2006 amounts to EUR 18.151 (2005: EUR 18.151).
The result for the year 2006 is nil, due to the fact that all expenses are reimbursed.

As per 31 December 2006, an impairment loss amounting to EUR 1.432.500 is recognised with respect to the asset collateral of series 72. As per 30 July 2007, this series is redeemed at a price of 85%.
Although there are no payment defaults yet, this impairment is based on a market price which is significantly below the nominal value of this specific asset.

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 2007 and amended its structure into a depository receipt structure.

During the year 2007 the company has issued Series 98, 99, 100, 101, 102, 104 and 105.

Amsterdam, 31 January 2008

Fortis Intertrust (Netherlands) B.V.



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Boats Investments (Netherlands) B.V., Amsterdam

Balance sheet as at 31 December 2006

(Before the proposed appropriation of the result and expressed in euros)

	Notes	2006	2005
Fixed assets			
Financial fixed assets			
Bonds	1	1,693,399,015	2,079,616,125
<i>Total fixed assets</i>		<u>1,693,399,015</u>	<u>2,079,616,125</u>
Current assets			
Debtors			
Amounts owed by group entities	2	133	517
Prepayments and accrued income	3	27,473,175	6,838,180
Cash at banks	4	1,197,364	12,450
<i>Total current assets</i>		<u>28,670,671</u>	<u>6,851,147</u>
Current liabilities (due within one year)			
Taxation	5	(2,114)	0
Accruals and deferred income	6	28,654,634	6,832,995
<i>Total current liabilities</i>		<u>28,652,520</u>	<u>6,832,995</u>
Current assets less current liabilities		<u>18,151</u>	<u>18,151</u>
Total assets less current liabilities		1,693,417,166	2,079,634,276
Long term liabilities (due after one year)			
Floating rate secured notes	7	1,693,399,015	2,079,616,125
Net asset value		<u><u>18,151</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		0	0
<i>Total shareholder's equity</i>		<u><u>18,151</u></u>	<u><u>18,151</u></u>

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



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Boats Investments (Netherlands) B.V., Amsterdam

Profit and loss account for the year 2006

	Notes	2006	2005
(Expressed in euros)			
Repackaging activities			
Interest income	9	270,810,246	109,214,704
Interest expenses	10	(270,810,246)	(109,214,704)
<i>Result repackaging activities</i>		<u>0</u>	<u>0</u>
Other financial income and expenses			
Other income	11	221	0
Other charges	12	-	(10,958)
<i>Total other financial income and expenses</i>		<u>221</u>	<u>(10,958)</u>
Other income and expenses			
General and administrative expenses	13	(175,623)	(137,969)
Recharged expenses	14	177,298	156,571
<i>Total other income and expenses</i>		<u>1,675</u>	<u>18,602</u>
Result before taxation		<u>1,896</u>	<u>7,644</u>
Corporate income tax	15	(1,896)	(7,644)
Result after taxation		<u><u>0</u></u>	<u><u>0</u></u>

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



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Boats Investments (Netherlands) B.V., Amsterdam

Cash flow statement for the year 2006

	Notes	2006	2005
(Expressed in euros)			
Net result		0	0
Changes in working capital			
Increase/(decrease) current receivables		(20,634,610)	0
(Increase)/decrease current liabilities		21,819,524	0
		<u>1,184,914</u>	<u>0</u>
Cash flow from investing activities			
Redemption of bonds		207,494,812	0
Redemption of notes		(207,494,812)	0
		<u>0</u>	<u>0</u>
Cash flows from financing activities			
Issued share capital		0	0
Issued notes		0	0
		<u>0</u>	<u>0</u>
Net change in cash during the year		<u>1,184,914</u>	<u>0</u>
Initial cash balance		12,450	0
Cash at year-end		<u><u>1,197,364</u></u>	<u><u>0</u></u>

The cash flow statement is drawn up by the indirect method, in which the movements in liquidity are determined on the basis of the operational results as shown in the income statement. Transactions, which have not yet led to cash, are not taken into account in drawing up the cash flow statement. This means that the cash flows as shown do not need to directly correspond to the movements stated in the balance sheet.

Since the Company was considered to be a so called "small company" in 2005, no comparative cash flow accounts are available.



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Boats Investments (Netherlands) B.V., Amsterdam

Notes to the annual accounts for the year ended 31 December 2006

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). The stichting is a Foundation incorporated under the laws of the Netherlands on 3 February 1998. The objectives of the foundation 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 foundation is also established in Amsterdam. The foundation has issued depositary receipts in respect the shares to Fortis Intertrust Depositary Receipts B.V, which therefor 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 euros 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. Recognition of income

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

d. 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.



2006	2005
EUR	EUR

Notes to the annual accounts for the year ended 31 December 2006 (continued)

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.

e. Corporate income tax

Provisions for taxation have been made in accordance with the cost plus ruling practice in the Netherlands.

Balance sheet**1 Bonds**

Balance as per 1 January	2,079,616,125	1,502,365,896
Net Acquisitions/Disposals	(207,494,812)	0
Other movements	(165,505,294)	577,250,229
Shortfall in collateral regarding series 72	(1,432,500)	0
Amortisation (premium/discount)	(11,784,504)	0
Balance as per 31 December	<u>1,693,399,015</u>	<u>2,079,616,125</u>
Amount of bonds falling due within 1 year	0	149,661,114
Amount of bonds falling due between 1 and 5 year:	404,209,736	275,778,000
Amount of bonds falling due within 1 year	<u>1,289,189,279</u>	<u>1,654,177,011</u>
	<u>1,693,399,015</u>	<u>2,079,616,125</u>

The fair value of the collateral portfolio is estimated at EUR 1.580.100.000.

As per 31 December 2006, an impairment loss amounting to EUR 1.432.500 is recognised with respect to the asset collateral of series 72. As per 30 July 2007, this series is redeemed at a price of 85%.

Although there are no payment defaults yet, this impairment is based on a market price which is significantly below the nominal value of this specific asset.

All bonds are taken up under the USD 10.000.000.000 Secured Note Programme.

2 Amounts owed by group entities

Stichting Boats Investments (Netherlands)	133	517
	<u>133</u>	<u>517</u>

3 Prepayments and accrued income

Credit Suisse International (recharged expenses)	25,237	29,026
Interest receivable Collaterals	21,421,363	0
Swap Interest receivable	6,017,731	6,809,153
Withholding tax receivable	8,844	0
	<u>27,473,175</u>	<u>6,838,179</u>



Boats Investments (Netherlands) B.V., Amsterdam

	Notes	2006 EUR	2005 EUR
4 Cash at banks			
Current account Fortis Bank		4,128	11,733
Current account BNP Paribas		6,283	717
Current account JP Morgan	USD 1,007,874	764,409	0
Current account JP Morgan	EUR	422,543	0
		<u>1,197,364</u>	<u>12,450</u>

5 Taxation

Corporate income tax 2004		0	0
Corporate income tax 2005		0	0
Corporate income tax 2006		(2,114)	0
		<u>(2,114)</u>	<u>0</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>
2000	0	13	(13)	0
2002	0	434	(434)	0
2003	0	(58)	58	0
2004	(485)	(4,783)	5,268	0
2005	0	(3,636)	3,636	0
2006	0	(4,003)	1,889	(2,114)
Total	<u>(485)</u>	<u>(12,033)</u>	<u>10,404</u>	<u>(2,114)</u>

6 Accruals and deferred income

Management and Administration		0	9,446
Interest payable on Bonds issued		7,210,249	6,809,153
Interest expenses Swap Collaterals		21,421,363	0
Tax advisory fees		0	5,065
Audit fee payable		23,000	0
Other payable		23	9,331
		<u>28,654,634</u>	<u>6,832,995</u>

7 Notes

Balance as per 1 January	2,079,616,125	1,502,365,896
Net Acquisitions/Disposals	(207,494,812)	0
Other movements	(165,505,294)	577,250,229
Shortfall in collateral regarding series 72	(1,432,500)	0
Amortisation (premium/discount)	(11,784,504)	0
Balance as per 31 December	<u>1,693,399,015</u>	<u>2,079,616,125</u>

Amount of bonds falling due within 1 year	0	149,661,114
Amount of bonds falling due between 1 and 5 year:	404,209,736	275,778,000
Amount of bonds falling due within 1 year	<u>1,289,189,279</u>	<u>1,654,177,011</u>
	<u>1,693,399,015</u>	<u>2,079,616,125</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 and credit events as defined in de loan agreements.

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2006	2005
EUR	EUR

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 Euros, the Company made use of article 2.178c BW.

	Share capital	Other reserves	Unappr. results
Balance as per 01.01.2005	18,151	0	0
Result for the period	0	0	0
Balance as per 01.01.2006	18,151	0	0
Dividend	0	0	0
Result for the period	0	0	0
Balance as per 31.12.2006	18,151	0	0

9 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.

Profit and loss account**10 Interest income**

Interest income on Assets	120,584,299	106,602,310
Swap interest income	135,449,872	0
Amortisation bonds discount	1,609,587	1,888,762
Amortisation on premium received	13,166,488	723,633
	<u>270,810,246</u>	<u>109,214,704</u>

11 Interest expenses

Interest on notes issued	135,449,872	106,602,310
Swap interest expenses	120,584,299	0
Amortisation paid premium	1,609,587	1,888,762
Amortisation notes discount	13,166,488	723,633
	<u>270,810,246</u>	<u>109,214,704</u>

12 Other income

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

13 Other charges

Withholding tax	0	10,958
	<u>0</u>	<u>10,958</u>



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Boats Investments (Netherlands) B.V., Amsterdam

	2006	2005
	EUR	EUR
14 General and administrative expenses		
Management and Administration	143,722	126,588
Tax advisory fees	8,515	10,967
Audit fee	23,000	0
Bank charges	93	117
General expenses	293	298
	<u>175,623</u>	<u>137,969</u>
15 Recharged expenses		
Recharged expenses	177,298	156,571
	<u>177,298</u>	<u>156,571</u>
16 Corporate income tax		
Corporate income tax 2003	7	1,048
Corporate income tax 2004	0	2,960
Corporate income tax 2005	0	3,636
Corporate income tax 2006	1,889	0
	<u>1,896</u>	<u>7,644</u>

Corporate Income Tax

The calculation of Corporate Income Tax is based on the cost plus ruling of the 16th of January 1998.
According to this ruling the minimum profit of the Company is agreed on to be 5% of the management fee of the Company.
This means the fiscal profit differs from the commercial profit.

Staff numbers and employment costs

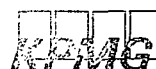
The Company has no employees and hence incurred no wages, salaries or related social security charges during the reporting period, nor during the previous year.

Directors

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

Amsterdam, 31 January 2008

Fortis Intertrust (Netherlands) B.V.



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Boats Investments (Netherlands) 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, 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.



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

AUDITOR'S REPORT

Report on the annual accounts

We have audited the accompanying annual accounts 2006 of Boats Investments (Netherlands) B.V., Amsterdam which comprise the balance sheet as at 31 December 2006, the profit and loss account for the year then ended and the notes. The annual accounts for the year 2005 are unaudited. The amounts included for comparative purposes have therefore not been audited.

Management's responsibility

Management is responsible for the preparation and fair presentation of the annual accounts 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 annual accounts 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 annual accounts 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 annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts, 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 annual accounts 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 annual accounts.

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

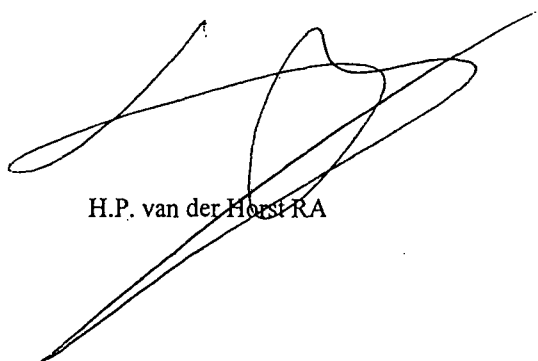
Opinion

In our opinion, the annual accounts give a true and fair view of the financial position of Boats Investments (Netherlands) B.V. as at 31 December 2006 and of its result for the year then ended 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 report of the management is consistent with the annual accounts as required by 2:391 sub 4 of the Netherlands Civil Code.

Utrecht, 31 January 2008
KPMG ACCOUNTANTS N.V.



H.P. van der Horst RA

11-02-2008