

Company Registration Number: 06652476

ANDROMEDA LEASING I PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

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ANDROMEDA LEASING I PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECMEBER 2010

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ANDROMEDA LEASING I PLC

OFFICERS AND PROFESSIONAL ADVISERS

| | |
|-----------------------------|--|
| Directors | Mr M H Filer Mr S Masson Wilmington Trust SP Services (London) Limited |
| Company secretary | Wilmington Trust SP Services (London) Limited |
| Company number | 06652476 |
| Registered office | c/o Wilmington Trust SP Services (London) Limited Third Floor 1 King's Arms Yard London EC2R 7AF |
| Independent auditors | PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 7 More London Riverside London SE1 2RT |

ANDROMEDA LEASING I PLC

THE DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2010

The directors present their report and the audited financial statements of Andromeda Leasing I PLC (the "Company" or the "Issuer") for the year ended 31 December 2010. Comparative amounts relate from the period on incorporation on 22 July 2008 to 31 December 2009. In accordance with IFRSs, and particularly SIC 12 - Consolidation - Special purpose entities, the Company is considered to be controlled by EFG Eurobank Ergasias Leasing S A (the "Transferor" or the "Originator" or the "Servicer"), a bank incorporated in Greece. The Company was incorporated in England and Wales together with Andromeda Leasing I Holdings Limited (the "Holdings") to take part in the Andromeda Leasing I 2009 securitisation transaction (the "Securitisation Transaction") as described below. In addition to the information below regarding the Securitisation Transaction, the directors manage the Company's affairs in accordance with the Offering Circular dated 26 January 2009 (the "Offering Circular") which can be obtained from the Originator at www.eurobank.gr.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is set by the Offering Circular and is that of a special purpose company to facilitate the securitisation of a portfolio of receivables (the "Receivables"). The Receivables consist of real estate, equipment and vehicle lease receivables entered into by the Originator.

The Offering Circular sets out the details of the Securitisation Transaction.

On 26 January 2009

- The Company issued €504,000,000 Class A Asset backed Floating Rate Notes due 2038 (the "Class A Notes"), and €336,000,000 Class B Asset Backed Floating Rate Notes due 2038 (the "Class B Notes", and together with the Class A Notes, the "Notes") and used the entire proceeds to purchase the Receivables. The Notes are listed on the Irish Stock Exchange.
- Interest on the Notes is payable quarterly in arrears on the 10th day of January, April, July and October subject to adjustment for non-business days. The interest rate for the Class A Notes is 0.75 per cent per annum above the three month EURIBOR rate and for the Class B Notes is 0.95 per cent per annum above the three month EURIBOR rate.
- The Notes amortisation period, prior to which no Notes capital repayments are made, is scheduled to start on 10th April 2009 and their scheduled final maturity date is the interest payment date falling in April 2038. The Company used the entire proceeds from the issue of the Notes to purchase the Receivables.
- The sale of the Receivables to the Company is considered to fail the derecognition criteria of IAS 39 Financial Instruments: Recognition and Measurement, and therefore they are retained on the statement of financial position of the Originator. The Company records in its statement of financial position a receivable from the Originator (the "Deemed Loan to the Originator"), rather than the Receivables it has legally purchased.

In accordance with the Offering Circular, the Company will retain a profit of £7,000 per quarter in relation with interest payment dates prior to 10 October 2009, and £250 in relation with interest payment dates from and after 10 October 2009.

The Company has entered into a swap agreement with the Originator. Under the terms of the swap agreement the Originator effectively covers any potential shortfall in the cash flows of the Company which may arise as a result of the Notes bearing interest at a variable rate while some of the securitised assets bearing interest at a fixed rate.

Following the de-recognition rules of IAS 39 the swap agreement is not recognised on the statement of financial position of the Company.

ANDROMEDA LEASING I PLC

THE DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2010

RESULTS AND DIVIDENDS

The results for the period and the Company's financial position at the end of the period are shown in the attached financial statements. The profit on ordinary activities after taxation for the year was €827 (2009 €16,881). At the year end, the Company had net assets of €31,948 (2009 €31,121). The directors have not recommended a dividend (2009 €nil).

The Company's only sources of funds for the payment of principal and interest due on the Notes are the principal and interest collections which the Company will be entitled to receive from the Receivables.

Credit enhancement is provided to the Notes mainly through a reserve fund account funded through a subordinated loan of €42,000,000 from the Originator. The Class B Notes are subordinated to the Class A Notes.

The directors have reviewed data and information relating to the credit quality of the Real estate equipment and vehicle lease receivables underlying the deemed loan to the Originator up to the date of approval of the financial statements and are satisfied that the level of impairment does not exceed the amount of credit enhancement supplied to the Company by the Originator.

KEY PERFORMANCE INDICATORS

The performance of the Company is closely related to the performance of the Receivables. The key performance indicator of the Company is considered by its directors to be the compliance with the certain performance criteria as specified by the Offering Circular in order to avoid the trigger events that could lead to an early repayment of the Notes. The directors of the Company monitor compliance with the performance criteria on a quarterly basis.

DIRECTORS OF THE COMPANY

The directors who served the Company during the year and up to the date of signing the financial statements were as follows:

Mr M H Filer

Mr S Masson

Wilmington Trust SP Services (London) Limited

CREDITOR PAYMENT POLICY

The Company's policy concerning the payment of its trade creditors is to pay in accordance with its contractual and other legal obligations. All creditors are paid in accordance with the payment waterfalls set out in the Offering Circular on the respective quarterly interest payment dates.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the Company's strategy are subject to a number of risks.

The key business risks affecting the Company and its management are set out in Note 14 to the financial statements. Further, the directors acknowledge that the global macro-economic indicators and general business environment have deteriorated significantly during 2010 and into 2011. Market liquidity constraints, limited availability of credit and difficult trading conditions continue to pose significant challenges to all underlying businesses and borrowers with whom the Company has exposure through the deemed loan to the Originator. Conditions may deteriorate further due to the continued global financial and economic uncertainty in Greece. A detailed consideration of the risk factors relevant to the Securitisation Transaction is included in the section 'Risk Factors' of the Offering Circular.

The Greek Government's ongoing plan for fiscal consolidation and structural changes was dictated by the current critical conditions and contains austere but necessary measures. The strict implementation of the program, along with measures to revive economic growth, is critical for the rationalisation of the country's public finances and the de-escalation of its cost of borrowing, the restoration of the country's international credibility and to provide better prospects for the future. Now, it is critical to support this important effort and take additional stimulative measures that will help Greece come out of the recession and move towards more sustainable and competitive economic growth.

FUTURE DEVELOPMENTS

While the future performance of the Company is dependent, to a large degree, on the performance of the Receivables, the Company will continue to pursue the performance criteria as specified by the Offering Circular.

THE DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2010

DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. In preparing these financial statements, the directors have also elected to comply with IFRSs as issued by the International Accounting Standards Board (IASB). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable IFRSs as adopted by the European Union and IFRSs issued by IASB have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

Each of the directors confirms that

- so far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Signed by order of the Board



Martin McDermott for and on behalf of Wilmington Trust SP Services (London) Limited
Director
22 July 2011

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANDRÔMEDA LEASING I PLC

We have audited the financial statements of Andromeda Leasing I Plc for the year ended 31 December 2010 which comprise the statement of comprehensive income, the statement of changes in equity, the statement of financial position, the statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Respective responsibilities of directors and auditors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2010 and of its profit and cash flows for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of disclosure in note 1 regarding the Company's ability to continue as a going concern. The current conditions in Greece could result in significant disruption in the Greek economy which may impact the quality of the underlying assets and raise material uncertainties as to the future timing and levels of collections. There is therefore material uncertainty about the Company's ability to fully repay the Notes. Along with the other matters as set forth in note 1, these conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANDROMEDA LEASING I PLC (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



John Hitchins (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
25 July 2011

ANDROMEDA LEASING I PLC

STATEMENT OF COMPREHENSIVE INCOME

| | | Year ended 31 December 2010 | 22 July 2008 to 31 December 2009 |
|---------------------------------------|------|--------------------------------|--|
| CONTINUING OPERATIONS | Note | € | € |
| Interest income | 3 | 14,617,881 | 18,026,949 |
| Interest expense | 4 | <u>(13,991,442)</u> | <u>(17,634,420)</u> |
| Net interest income | | 626,439 | 392,529 |
| Administrative expenses | 5 | <u>(625,290)</u> | <u>(369,083)</u> |
| Profit before tax for the year/period | | 1,149 | 23,446 |
| Taxation | 6 | <u>(322)</u> | <u>(6,565)</u> |
| Profit after tax for the year/period | | <u>827</u> | <u>16,881</u> |

There is no comprehensive income other than the profit for the year

STATEMENT OF CHANGES IN EQUITY

| | Share Capital | Retained Earnings | Total |
|-----------------------------|---------------|----------------------|---------------|
| | € | € | € |
| At 22 July 2008 | - | - | - |
| Shares issued | 14,240 | - | 14,240 |
| Profit for the period | - | 16,881 | 16,881 |
| Balance at 1 January 2010 | 14,240 | 16,881 | 31,121 |
| Profit for the year | - | 827 | 827 |
| Balance at 31 December 2010 | <u>14,240</u> | <u>17,708</u> | <u>31,948</u> |

The notes on pages 10 to 21 form part of these financial statements

ANDROMEDA LEASING I PLC

STATEMENT OF FINANCIAL POSITION

| | | As at 31 December | |
|---|------|--------------------|--------------------|
| | Note | 2010 € | 2009 € |
| Non-current Assets | | | |
| Deemed loan to the Originator | 7 | <u>476,026,407</u> | <u>621,195,159</u> |
| Total non-current assets | | <u>476,026,407</u> | <u>621,195,159</u> |
| Current Assets | | | |
| Other Receivables | 8 | 3,024,278 | 2,998,268 |
| Cash and cash equivalents | 9 | <u>364,013,387</u> | <u>217,639,684</u> |
| Total current assets | | <u>367,037,665</u> | <u>220,637,952</u> |
| Total assets | | <u>843,064,072</u> | <u>841,833,111</u> |
| Equity | | | |
| Issued capital | 10 | 14,240 | 14,240 |
| Retained earnings | | <u>17,708</u> | <u>16,881</u> |
| Total equity | | <u>31,948</u> | <u>31,121</u> |
| Non-current Liabilities | | | |
| Liabilities evidenced by paper held at amortised cost | 11 | <u>838,948,151</u> | <u>838,527,411</u> |
| Total non-current liabilities | | <u>838,948,151</u> | <u>838,527,411</u> |
| Current Liabilities | | | |
| Other liabilities | 12 | 4,083,651 | 3,268,014 |
| Tax payable | | <u>322</u> | <u>6,565</u> |
| Total current liabilities | | <u>4,083,973</u> | <u>3,274,579</u> |
| Total liabilities | | <u>843,032,124</u> | <u>841,801,990</u> |
| Total equity and liabilities | | <u>843,064,072</u> | <u>841,833,111</u> |

These financial statements of Andromeda Leasing I Plc, company registration number 06652476 were approved by the board of directors on 22 July 2011 and are signed on their behalf by



**Martin McDermott for and on behalf of Wilmington Trust SP Services (London) Limited
Director**

The notes on pages 10 to 21 form part of these financial statements

ANDROMEDA LEASING I PLC

STATEMENT OF CASH FLOWS

| | Year ended 31 December 2010 | 22 July 2008 to 31 December 2009 |
|--|--------------------------------|--|
| | € | € |
| Cash flows from operating activities | | |
| Profit before tax for the year/period* | 1,149 | 23,446 |
| <i>Adjustments for</i> | | |
| Amortisation of issue costs | 420,740 | 392,581 |
| Increase in other receivables | (26,010) | (2,998,268) |
| Increase in other payables | 815,637 | 3,268,014 |
| Principal receipts from securitised assets | <u>145,168,752</u> | <u>(621,195,159)</u> |
| Cash generated from operations | <u>146,380,268</u> | <u>(620,509,386)</u> |
| Income tax paid | <u>(6,565)</u> | <u>-</u> |
| Net cash generated from/(used in) operating activities | <u>146,373,703</u> | <u>(620,509,386)</u> |
| Cash flows from financing activities | | |
| Issue of loan notes | - | 840,000,000 |
| Issue costs | - | (1,865,170) |
| Share capital issued | - | <u>14,240</u> |
| Net cash generated used in financing activities | <u>-</u> | <u>838,149,070</u> |
| Net increase in cash and cash equivalents | 146,373,703 | 217,639,684 |
| Cash and cash equivalents at start of year/period | <u>217,639,684</u> | <u>-</u> |
| Cash and cash equivalents at end of year/period | <u>364,013,387</u> | <u>217,639,684</u> |

*The statement of cash flows was prepared under the indirect method. The interest received and paid during the period amounted to €14,552,978 (2009 €15,221,800) and €13,171,037 (2009 €14,199,337) respectively are included in arriving at the profit before tax for the year/period.

The notes on pages 10 to 21 form part of these financial statements

ANDROMEDA LEASING I PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

1. PRINCIPAL ACCOUNTING POLICIES

Andromeda Leasing I PLC is a public limited company incorporated and domiciled in the United Kingdom with registered number 06652476.

The principal activity of the Company is set by the Offering Circular and is that of a special purpose company to facilitate the securitisation of a portfolio of Receivables. The Receivables consist of real estate, equipment and vehicle lease receivables entered into by the Originator.

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and IFRIC interpretations as adopted by the European Union, and with the parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared on a going concern basis under the historical cost convention.

The preparation of financial statements in conformity with IFRS 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. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The Company mainly transacts in euros ("€"), therefore, the euro is its functional and presentational currency.

Going concern

The current economic conditions in Greece, including the recently announced possibility for a Greek sovereign debt reprofiling, could result in significant disruption in the Greek economy which may impact the quality of the underlying Receivables and raise material uncertainties on the future timing and levels of collections. There is therefore significant doubt about the Company's ability to fully repay the Notes and continue to operate on a going concern basis. After reviewing all the information available to them, including regarding the ongoing negotiations at the European Union, European Central Bank and International Monetary Fund regarding a plan to help Greece overcome its current economic crisis, the directors are satisfied that it is appropriate for the financial statements to be prepared on a going concern basis. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

Comparatives

Comparatives are restated where necessary to be consistent with the current year amounts and disclosures or to correct prior year errors.

Standards affecting presentation and disclosure

The directors consider that there are no new and revised standards relevant to the Company which should be adopted and reported in the 2010 Financial Statements.

Early adoption of standards

The directors consider that there are no standards relevant to the Company which should be adopted early.

A summary of the more important accounting policies which have been used for the preparation of these financial statements is set out below.

Financial assets

The Company classifies its financial assets into two categories: financial assets at fair value through profit or loss and carried at amortised cost using the effective interest method as explained below.

The deemed loan to the Originator and cash and cash equivalents are carried at amortised cost using the effective interest method as explained below.

ANDROMEDA LEASING I PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Deemed loan to the Originator

Under IAS 39 Financial instruments Recognition and Measurement, if a transferor retains substantially all the risks and rewards associated with the transferred assets, the transaction is accounted for as a financing transaction, notwithstanding that it is a sale transaction from a legal perspective. The directors of the Company have concluded that the Originator has retained substantially all the risks and rewards of the securitised Receivables and as a consequence, the Company does not recognise the Receivables on its Statement of financial position but rather a deemed loan to the Originator.

This deemed loan to the Originator initially represents the consideration paid by the Company in respect of the acquisition of the securitised Receivables and is subsequently adjusted due to repayments made by the Originator to the Company. The deemed loan is carried at amortised cost using the effective interest method. The reserve fund subordinated loan provided by the Originator to the Company, as the main form of credit enhancement for the Notes, the subordinated expenses loan and the subordinated rate conversion loan are deducted from the deemed loan outstanding balance as the Company has the right to net-off.

Deferred consideration payable to the Originator, representing the excess of the Company's collections regarding the Receivables above the Company's payments as determined by the Offering Circular, is also netted off against the deemed loan since it is due to and from the same counterparty, and there is the ability and intention to settle on a net basis. In the statement of comprehensive income the deferred consideration charge is netted off against interest income as it represents income that the Company is not entitled to retain.

The Company regularly reviews the underlying collateral in relation to the deemed loan to the Originator to assess for impairment. The methodology applied is further discussed in Note 2.

Swap agreement between the Company and the Originator

The Company has entered into a swap agreement with the Originator. Under the terms of the swap agreement the Originator effectively covers any potential shortfall in the cash flows of the Company which may arise as a result of the Notes bearing interest at a variable rate while some of the securitised assets bearing interest at a fixed rate.

Following the de-recognition rules of IAS 39 the swap agreement is not recognised on the Statement of Financial Position of the Company.

Liabilities evidenced by paper held at amortised cost

Liabilities evidenced by paper comprise the Notes issued by the Company through the Offering Circular dated 26 January 2009. The Notes were initially recognised at the fair value of the issue proceeds net of transaction costs incurred and are subsequently stated at amortised cost using the effective interest method.

In the event that impairment losses exceed the credit enhancement provided by the Originator, some loss may be borne by the Noteholders. According to the waterfall process as defined in the Offering Circular, the Company is entitled to write down the principal value of the Notes starting with the Class B Notes.

ANDROMEDA LEASING I PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Liabilities evidenced by paper held at amortised cost (continued)

The terms and conditions of the Notes state that the Company is entitled to an optional early redemption of the Notes. This option was exercisable in full on any interest payment date on or after April 2009 if the outstanding principal amount of the Notes falls below 10% of the amount originally issued or if it becomes unlawful for the Issuer to perform its obligations under the Notes or any of the Securitisation Transaction documents. The directors of the Company have concluded that the economic characteristics and risks of this prepayment option are closely related to the economic characteristics and risks of the Notes. As such, the option is not separately accounted for as an embedded derivative.

Subordinated loan

The subordinated loan is netted off against the deemed loan to the Originator since it is due to and from the same counterparty, and there is the ability and intention to settle on a net basis.

Cash and cash equivalents

Cash and cash equivalents comprise balances with less than 3 months maturity from the date of acquisition. All withdrawals from the Company's bank accounts are restricted by the detailed priority of payments set out in the Offering Circular and as such the cash and cash equivalents are not freely available to be used for any other purposes.

Share capital

Ordinary shares are classified as equity.

Interest income and interest expense

Interest income and expense for all interest-bearing financial instruments are recognised on an accruals basis within 'interest income' and 'interest expense' in the statement of comprehensive income using the effective interest rate method.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into Euros at the rates of exchange ruling at the reporting date. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Effective interest rates

The effective interest rate method calculates the amortised cost of a financial asset or financial liability (or a group of financial assets or liabilities) and allocates the interest income or interest expense over the expected life of the asset or liability. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. Calculation of the effective interest rate takes into account early redemption fees and transaction costs. All contractual terms of a financial instrument are considered when estimating future cash flows.

In order to determine the effective interest rate applicable to loans an estimate must be made of the expected life of the loans and hence the cash flows relating to them. These estimates are based on historical data from historical patterns and are updated regularly. The accuracy of the effective interest rate would therefore be affected by any differences between the actual borrower behaviour and that predicted.

ANDROMEDA LEASING I PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Taxation

The Company has elected to be taxed under The Taxation of Securitisation Companies Regulations 2006 (the "permanent tax regime") under which the Company is taxed by reference to its net cash flows during the period

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Certain estimates in the financial statements are based wholly or in part on estimates or assumptions made by the directors. There is, therefore, a potential risk that they may be subject to change in future periods. The most significant of these are as follows

Impairment losses on deemed loan to the Originator

The recoverability of the deemed loan to the Originator is dependent on the collections from underlying Receivables. Receivables are considered impaired when it is probable that the Company will be unable to collect all amounts due according to the relevant contractual terms. The key assumptions for recoverability relate to estimates of the probability of any account going into default, cash flows from borrowers' accounts, their timing and expected proceeds from the sale of repossessed collateral. These key assumptions are based on observed data from historical patterns and are updated regularly as new data becomes available.

In addition, the directors consider how appropriate past trends and patterns could impact the current economic climate and may make any adjustments they believe are necessary to reflect the current economic and market conditions.

The accuracy of impairment calculations would therefore be affected by unexpected changes to the economic situation, variances between the models used and the actual results, or assumptions which differ from the actual outcomes.

Credit enhancement is provided to the securitisation structure mainly through a reserve fund account funded through a €42,000,000 subordinated loan from the Originator. The income from the Receivables is expected to exceed the interest payable on the Notes issued by the Company. This excess spread is available to make good any reductions in the principal balance of the Receivables as a result of defaults by borrowers.

As explained in note 7 the deemed loan to the Originator was not impaired as at 31 December 2010 as the balance of the reserve fund account was higher than the impairment losses on the Receivables.

Fair values

A majority of the fair values of Company's financial instruments are not based on observable prices quoted in active markets, but are arrived at using valuation techniques. These valuation techniques (for example, models) are validated and periodically reviewed by qualified personnel independent of the personnel that created them. All models are checked before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use only observable data.

ANDROMEDA LEASING I PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

3. INTEREST INCOME

Interest income represents the interest income on deemed loan to the Originator together with interest on bank deposits, as analysed below

| | Year ended 31 December 2010 | 22 July 2008 to 31 December 2009 |
|--|--------------------------------|-------------------------------------|
| | € | € |
| Interest income on deemed loan to the Originator | 13,655,825 | 12,971,452 |
| Net swap interest receivable | 305,068 | 4,304,806 |
| Bank interest income | <u>656,988</u> | <u>750,691</u> |
| | <u>14,617,881</u> | <u>18,026,949</u> |

4. INTEREST EXPENSE

| | Year ended 31 December 2010 | 22 July 2008 to 31 December 2009 |
|--|--------------------------------|-------------------------------------|
| | € | € |
| Interest on liabilities evidenced by paper | 13,570,702 | 17,241,840 |
| Amortisation of issue costs | <u>420,740</u> | <u>392,580</u> |
| | <u>13,991,442</u> | <u>17,634,420</u> |

5. ADMINISTRATIVE EXPENSES

| | Year ended 31 December 2010 | 22 July 2008 to 31 December 2009 |
|---|--------------------------------|-------------------------------------|
| | € | € |
| Auditors' remuneration – audit fees | 15,000 | 15,000 |
| Auditors' remuneration – audit fees for related companies | 5,000 | 5,000 |
| Other fees | 4,300 | 4,300 |
| Accountancy fees | 5,520 | 5,405 |
| Servicing fees | 317,804 | 307,741 |
| Other expenses | 277,766 | 31,502 |
| Exchange (gains)/losses recognised | <u>(100)</u> | <u>135</u> |
| | <u>625,290</u> | <u>369,083</u> |

Apart from the directors, the Company has no employees and, other than the fees paid to Wilmington Trust SP Services (London) Limited as set out in note 13, the directors received no remuneration during the year (2009 €nil)

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

6. TAXATION

(a) Analysis of charge in the year/period:

| | Year ended 31 December 2010 | 22 July 2008 to 31 December 2009 |
|---|--------------------------------|--|
| | € | € |
| Current tax: | | |
| Corporation tax charge for the year/period | <u>322</u> | <u>6,565</u> |
| Total current tax charge in the Statement of comprehensive income | <u>322</u> | <u>6,565</u> |

(b) Reconciliation of effective tax rate

| | Year ended 31 December 2010 | 22 July 2008 to 31 December 2009 |
|--|--------------------------------|--|
| | € | € |
| Profit before tax | <u>1,149</u> | <u>23,446</u> |
| Profit before tax multiplied by the standard rate of corporation tax in the UK of 28% (2009 28%) | <u>322</u> | <u>6,565</u> |
| Total current tax charge | <u>322</u> | <u>6,565</u> |

The Finance Act 2005 ("Act") provided that corporation tax for a 'securitisation company' within the meaning of the Act would be calculated with reference to UK GAAP as applicable up to 31 December 2004 for accounting periods ending by 1 January 2008

Under the powers conferred by Finance Act 2005, secondary legislation was enacted in 2006 which ensures that, subject to certain conditions being met and an election being made, for periods commencing on or after 1 January 2007, corporation tax for a 'securitisation company' will be calculated by reference to the profit of the securitisation company required to be retained in accordance with the relevant capital market arrangement

The directors are satisfied that this Company meets the definition of a 'securitisation company' as defined by both The Finance Act 2005 and the subsequent secondary legislation and that no incremental unfunded tax liabilities will arise

The directors have elected that this Company be taxed by reference to the profit required to be retained in accordance with the applicable capital market arrangement

As at 31 December 2010, there are no tax-related contingent assets or contingent liabilities in accordance with International Accounting Standard No 37 'Provisions, Contingent Liabilities and Contingent Assets' (IAS37)

ANDROMEDA LEASING I PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

7. DEEMED LOAN TO THE ORIGINATOR

| | 2010 | 2009 |
|--|--------------------|--------------------|
| | € | € |
| At 1 January | 670,857,622 | - |
| Originations | - | 840,712,165 |
| Repayments | (147,344,948) | (169,854,543) |
| At 31 December | 523,512,674 | 670,857,622 |
| Subordinated loans due to the Originator | (26,934,760) | (38,017,196) |
| Deferred consideration due to the Originator | (20,551,507) | (11,645,267) |
| | <u>476,026,407</u> | <u>621,195,159</u> |

The deemed loan to the Originator was not impaired as at 31 December 2010 as the balance of the reserve fund account was higher than the impairment losses on the underlying Receivables

The credit quality of the underlying Receivables is summarised as follows

| | 31 December 2010 | 31 December 2009 |
|-------------------------------|---------------------|---------------------|
| | € | € |
| Neither past due nor impaired | 518,975,552 | 664,216,760 |
| Past due but not impaired | 4,537,122 | 6,640,862 |
| Impaired | - | - |
| | <u>523,512,674</u> | <u>670,857,622</u> |
| Less allowance for impairment | - | - |
| | <u>523,512,674</u> | <u>670,857,622</u> |

The fair value of collateral at 31 December 2010 amounted to €425,093,273 (2009 €536,590,036)

8. OTHER RECEIVABLES

| | 2010 | 2009 |
|--------------------------------|------------------|------------------|
| | € | € |
| Prepayments and accrued income | <u>3,024,278</u> | <u>2,998,268</u> |

9. CASH AND CASH EQUIVALENTS

All withdrawals from the bank accounts are restricted by the detailed priority of payments set out in the securitisation agreements

| | 2010 | 2009 |
|--------------------------------|--------------------|--------------------|
| | € | € |
| Cash and bank current accounts | <u>364,013,387</u> | <u>217,639,684</u> |

ANDROMEDA LEASING I PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

10. ISSUED SHARE CAPITAL

Authorised share capital

50 000 (2009 50 000) ordinary shares at £1 each

| | 2010 | 2009 |
|--|---------------|---------------|
| | € | € |
| 2 fully paid ordinary shares at £1 each | 2 | 2 |
| 49,998 partly paid ordinary shares at £1 | <u>14,238</u> | <u>14,238</u> |
| | <u>14,240</u> | <u>14,240</u> |

There are 50,000 authorised ordinary shares of £1 each (2009 50,000). The issued share capital consists of 2 (2009 2) fully paid ordinary shares and 49,998 (2009 49,998) partly paid ordinary shares. The issued share capital is reflected in the financial statements as €14,240 based on the prevailing exchange rate at 10 December 2008 (€/\$ 0.878) being the date the Company changed its functional and presentational currency from Sterling to Euros. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

11. LIABILITIES EVIDENCED BY PAPER HELD AT AMORTISED COST

| | 2010 | 2009 |
|--------------------------------|--------------------|--------------------|
| | € | € |
| Non-current liabilities | | |
| Floating rate loan notes | 840,000,000 | 840,000,000 |
| Unamortised issue costs | <u>(1,051,849)</u> | <u>(1,472,589)</u> |
| | <u>838,948,151</u> | <u>838,527,411</u> |

The Notes are listed on the Irish Stock Exchange, and are secured over a portfolio of mortgage loans secured by first charges over residential properties in Greece.

The exposure of the Company's borrowings to interest rate changes and contractual re-pricing dates at the reporting date are as follows:

| | 2010 | 2009 |
|------------------|--------------------|--------------------|
| | € | € |
| 3 months or less | <u>840,000,000</u> | <u>840,000,000</u> |

Interest on the floating rate loan notes is payable on a quarterly basis at the three month EURIBOR plus the following margins: 0.75% for the Class A Notes and 0.95% for the Class B Notes. All of the floating rate loan notes are due to be repaid by April 2038 and are secured by means of a fixed and floating charge over the Company's assets.

The Company has not had any defaults on principal, interest or any other breaches with respect to their liabilities during the period.

12. OTHER LIABILITIES

| | 2010 | 2009 |
|------------------------------|------------------|------------------|
| | € | € |
| Interest payable | 3,442,168 | 3,324,557 |
| Accruals and deferred income | <u>641,483</u> | <u>33,457</u> |
| | <u>4,083,651</u> | <u>3,268,014</u> |

ANDROMEDA LEASING I PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

13. RELATED PARTY TRANSACTIONS

The Company has identified the following transactions which are required to be disclosed under the terms of IAS 24 "Related Party Disclosures"

During the year, administration and accounting services were provided by Wilmington Trust SP Services (London) Limited for which Wilmington Trust SP Services (London) Limited earned €20,244 (2009, €23,912) including irrecoverable value added tax. Mr M H Filer, a director of the Company is also a director of Wilmington Trust SP Services (London) Limited. Mr S Masson, who is a director of the Company, is an employee of Wilmington Trust SP Services (London) Limited.

During the year, EFG Eurobank Ergasias Leasing S A repaid to the Company amounts of principal on the deemed loan of €147,344,948 (2009 €169,854,543). The interest income earned on the deemed loan to the Originator for the year was €23,346,240 (2009 €25,737,633).

EFG Eurobank Ergasias Leasing S A administers the Receivables on behalf of the Company and earned €317,804 (2009 €307,741) during the year.

EFG Eurobank Ergasias Leasing S A earned €8,906,240 (2009 €11,645,267), with respect to deferred consideration during the year and was owed €20,551,507 (2009 €11,645,267) at the end of the year, which is included within the deemed loan to the Originator at amortised cost above.

The notes held by EFG Eurobank group entities at 31 December 2010 amounted to €840,000,000 (2009 €840,000,000).

14. FINANCIAL RISK MANAGEMENT

The Originator manages the Receivables under the servicer agreement with the Company. In managing the Receivables, the Originator applies its own formal risk management infrastructure for managing risk, including established risk limits, reporting lines, mandates and other control procedures. This structure is reviewed regularly by the Originator's Assets and Liabilities Committee (ALCO), which is charged with the responsibility for managing and controlling the statement of financial position exposures of the Originator.

Interest rate risk

The Company is exposed to movements in interest rates and manages this exposure using interest rate swaps. More specifically, the Company is exposed to basis risk due to the timing difference in interest payment dates on the Notes and the deemed loan to the Originator. This is hedged using an interest rate 'basis' swap that is taken out on inception of the securitisation transaction.

After taking into consideration the Company's derivative instruments, the administered interest rate nature of the Company's deemed loan to the Originator, the regular re-pricing of the Company's floating rate notes, together with the nature of the Company's other assets and liabilities, the directors do not believe that the Company has any significant interest rate re-pricing exposure.

ANDROMEDA LEASING I PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

14. FINANCIAL RISK MANAGEMENT (continued)

Interest rate sensitivity

The sensitivity analysis below has been determined based on the Company's exposure to interest rates for interest bearing assets and liabilities at the reporting date and has been based on management's assessment of the possible changes in interest rates

The sensitivity of the Company to interest rate changes, and the resulting changes in net assets attributable to equity shareholders, is limited as the Company only retains 0.01% of available revenue receipts from its interest in the mortgage portfolio with the resulting fluctuations being taken up by the deferred purchase consideration due to EFG Eurobank Ergasias S.A. If interest rates had been 25 basis points higher and all other variables held constant, net assets attributable to equity shareholders for the period ended 31 December 2010 would have been €3 higher (2009 €55 higher). If interest rates had been 25 basis points lower and all other variables held constant, net assets attributable to equity shareholders for the period ended 31 December 2010 would have been lower by €3 (2009 €55 lower).

Credit risk

The maximum exposure to Credit risk is considered by the Directors to be the carrying value of the deemed loan to the Originator, and bank deposits (see note 7).

Liquidity risk

The Company's responsibility to make cash payments is limited to the funds available and accordingly, the Company is insulated from liquidity risk as experienced in the financial markets during the period.

Currency risk

All of the Company's assets and liabilities are denominated in Euros ("€"), and therefore there is no foreign currency risk.

Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for the shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company is not subject to any external capital requirements except for the minimum requirement under the Companies Act 2006. The Company has not breached the minimum requirement. The gearing ratio at 31 December 2010 and 2009 was 99.99% and 99.99% respectively.

Financial instruments

The Company's financial instruments, other than derivatives, comprise of a deemed loan to the Originator, cash, interest-bearing borrowings and various receivables and payables that arise directly from its operations. The Company also enters into derivative transactions (principally interest rate swaps). The purpose of such transactions is to manage the interest rate risks arising from the Company's operations and its sources of finance.

It is and has been throughout the period under review, the Company's policy that no trading in financial instruments is undertaken.

ANDROMEDA LEASING I PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

14. FINANCIAL RISK MANAGEMENT (continued)

Fair values

The approximate fair values together with the carrying amounts shown in the statement of financial position are as follows

| | Note | Carrying amount 2010 € | Approximate fair value 2010 € | Carrying amount 2009 € | Restated fair value 2009 € |
|--------------------------------|------|---------------------------------|--|---------------------------------|-------------------------------------|
| Deemed loan to the Originator | 7 | 476,026,407 | 184,177,333 | 621,195,159 | 620,887,727 |
| Other assets | 8 | 3,024,278 | 3,024,278 | 2,998,268 | 2,998,268 |
| Cash and cash equivalents | 9 | <u>364,013,387</u> | <u>364,013,387</u> | <u>217,639,684</u> | <u>217,639,684</u> |
| | | <u>843,064,072</u> | <u>551,214,998</u> | <u>841,833,111</u> | <u>841,525,679</u> |
| Liabilities evidenced by paper | 11 | (838,948,151) | (548,190,720) | (838,527,411) | (838,527,411) |
| Other liabilities | 12 | (4,083,651) | (4,083,651) | (3,268,014) | (3,268,014) |
| Tax payable | | <u>(322)</u> | <u>(322)</u> | <u>(6,565)</u> | <u>(6,565)</u> |
| | | <u>(843,032,124)</u> | <u>(552,274,693)</u> | <u>(841,801,990)</u> | <u>(841,801,990)</u> |

Please see Note 2 for information on calculation of fair values

For consistency in the valuation approach with the current valuation, the 2009 fair values have been restated

Fair value hierarchy

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset or liability as follows

Level 1 - valued using quoted prices in active markets for identical assets or liabilities

Level 2 - valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1

Level 3 - valued by reference to valuation techniques using inputs that are not based on observable market data
The valuation techniques used by the company are explained in the accounting policies note

During the year none of the financial assets were measured at fair value through profit or loss account

15. SEGMENTAL REPORTING

The principal asset of the Company is the deemed loan to the Originator which is originated in Greece, funded by the Notes issued and listed in the Irish Stock Exchange. Cash is held mainly in the UK. The directors do not use any other segments for the purpose of managing the Company.

ANDROMEDA LEASING I PLC

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16. ULTIMATE CONTROLLING PARTY

The shares in the Company are held by Wilmington Trust SP Services (London) Limited and under Declarations of Trust for charitable purposes. EFG Eurobank Ergasias Leasing S A has no direct ownership interest in the Company. However, in accordance with IFRS, and particularly SIC 12, the Originator considers the Company to be controlled by it and the results of the Company are included in the consolidated financial statements of EFG Eurobank Ergasias Leasing S A, which are available online at www.eurobank.gr

EFG Eurobank Ergasias S A is a member of the worldwide EFG Group, which consists of credit institutions, financial services and financial holding companies. The operating parent company of the EFG Group is European Financial Group EFG (Luxembourg) S A, whilst its ultimate parent company is Private Financial Holdings Limited (PFH), which is owned and controlled indirectly by members of the Latsis family. As at 31 December 2010, the EFG Group held 44.8% of the ordinary shares and voting rights of the Bank through wholly owned subsidiaries of the ultimate parent company, the remaining ordinary shares and voting rights being held by institutional and retail investors, none of which, to the knowledge of the Bank, holds 5% or more.