



NAMA QUARTERLY REPORT

(Section 55 NAMA Act 2009)

30 September 2012

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Gníomhaireacht Náisiúnta um Bhainistíocht Sócmhainní
National Asset Management Agency

14 December 2012

Mr. Michael Noonan T.D.,
Minister for Finance,
Department of Finance,
Upper Merrion Street,
Dublin 2.

Section 55 Quarterly Report - NAMA Act 2009

Dear Minister,

Please find attached the Quarterly Report for the third quarter of 2012 which is submitted to you pursuant to Section 55 of the NAMA Act 2009. NAMA acquired eligible assets from the participating institutions with a nominal value of €74 billion. Consideration of €31.8 billion was paid to the participating institutions in the form of senior and subordinated debt. The report covers the period from 1 July to 30 September 2012.

In accordance with the Act, the Report deals with the National Asset Management Agency (NAMA) and the entities within the NAMA Group. It is accompanied by the Unaudited Quarterly Accounts for the third quarter, which report in detail on the activities of the Agency and each NAMA Group entity. To assist in your review of the Quarterly Report and Accounts, we would draw your attention to the following matters:

- Net profit for Quarter 3 of 2012 was €141 million and €363 million to end September.
- Below sets out some of the key milestones and achievements since the Agency was established in December 2009:
 - By end September 2012, NAMA had generated **€9.4 billion** in cash receipts from borrowers since inception, comprising €6.2 billion relating to disposal activity and €3.2 billion relating to non-disposal activity. As of the date of this letter, NAMA has received over **€10 billion** in cash from borrowers since inception, reflecting the continued strong performance of NAMA in maximising the cash receipts on the portfolio.
 - Working and development capital of €1.57 billion had been approved by NAMA to end September 2012 of which €0.9 billion had been drawn.



- The 'NAMA value' of the Debtor loan portfolio as at 30 September 2012, being the carrying value, was €24 billion.
- Since inception, the carrying value of the loan portfolio has reduced from €31.5 billion to €24 billion (net of cumulative impairment of €2.88 billion) as at 30 September 2012. The table below details this movement;

	€m
Loan Movements	
Loans acquired (Note 1)	31,528
Valuation adjustments	(350)
Cash received (Note 1)	(9,181)
Funds advanced to borrowers	751
Interest income	2,522
Impairment charges (Note 2)	(2,880)
Profit on disposal of loans and surplus income	681
Foreign exchange movements	558
Other	381
Closing loan balance at 30 September 2012	24,010

Note 1: This table is based on movements in the loan balance since acquisition to the reporting date. It does not include the value of acquired borrower derivatives or cash received on performing borrower derivatives since inception.

Note 2: Impairment is assessed as at 31 December and 30 June only.

- By the 30 September 2012, National Asset Management Ltd (the Master SPV) had €26.96 billion in NAMA Government Guaranteed Floating Rate Notes (senior debt) and €1.59 billion in NAMA Callable Perpetual Subordinated Bonds. Since inception NAMA bonds have provided an injection of over €30 billion of liquidity into the Irish Banking system.
- Being conscious of NAMA's ongoing cost of capital, it is the intention of the Board, in consultation with you as Minister for Finance, to redeem NAMA's senior debt on a regular basis from available cash balances.
- To date, NAMA has reduced its liabilities by almost €3.6 billion – comprised of some €3.25 billion of NAMA senior bonds which have been repaid by the Agency and €299m in advances repaid to the Minister for Finance.
- The financial information presented in the Accounts shows items of income and expenditure for the quarter from 1 July 2012 to 30 September 2012. The Balance Sheets are presented as at 30 September 2012 and 30 June 2012. The Cash Flow Statement is presented for all cash movements from 1 January to 30 September 2012 and from 1 July to 30 September 2012.



- NAMA has generated significant cash flow since inception (March 2010) and this is illustrated in the table below.

	1 Jul to 30 Sep 2012	Inception to Sep 2012
	€m	€m
Cash flow from operating activities		
Receipts from borrowers	1,305	9,408
Advances to borrowers	(63)	(751)
Net cash used in derivatives	(233)	(266)
Payments to suppliers of services (Note 1)	(30)	(308)
Interest expense on debt securities & other funding costs	(180)	(806)
Interest received	2	26
IBRC repurchase agreement fee and other income	0	15
Amounts pledged as collateral with NTMA	(300)	(1,150)
Net cash generated from operating activities	501	6,168
Cash and cash equivalents at the beginning of the period	2,220	0
Cash placed as collateral with the NTMA at the beginning of the period	850	0
Redemption of senior debt securities	0	(3,250)
Cash placed as collateral with the NTMA during the period	300	1,150
Net cash (used in) / provided by investing activities & impact of FX	1	(196)
Total cash, cash equivalents and NTMA collateral at the end of the period	3,872	3,872

Note 1: 'Payment to suppliers of services' includes NAMA overhead costs reimbursable to the NTMA and due diligence costs relating to the acquisition of bank assets.

- The underlying performance of the loan portfolio on a weighted average cashflow basis of fully performing and part performing loans is 34% at 30 September 2012 (30 June 2012 – 35%). The Board believes that this new measure represents a more accurate reflection of the performance of the NAMA loan portfolio as it aligns actual non disposal cash receipts with income recognised in the Income Statement. The traditional measure (which measures fully performing loans only by reference to original par debt) is also presented in the Quarterly Report.
- On 16 July 2012, NAMA established a new subsidiary National Asset Residential Property Services Limited (NARPSL). The Company is a wholly owned subsidiary of NAPML, and is established to acquire residential properties and to lease these properties to approved housing bodies for social housing purposes.
- The Quarterly Report contains a number of 'Nil Returns'. It is anticipated that these returns will be populated with information as NAMA moves through its life cycle.

We trust the Quarterly Report and Accounts meet the requirements of Section 55 of the Act and any specific direction or guidelines issued by you as Minister for Finance. If you have any queries in this regard please do not hesitate to contact us.

Yours sincerely,

Mr. Frank Daly,
Chairman

Mr. Brendan McDonagh,
Chief Executive Officer

2. BOARD AND OTHER INFORMATION

Board

Frank Daly (Chairman)

Brendan McDonagh, Chief Executive Officer NAMA

John Corrigan, Chief Executive Officer NTMA

Eilish Finan (non-executive)

Brian McEnery (non-executive)

John Mulcahy (appointed 7 March 2012) (Head of Asset Management NAMA)

Steven Seelig (non-executive)

Willie Soffe (non-executive)

Registered Office

Treasury Building
Grand Canal Street
Dublin 2

Bankers

Central Bank of Ireland
Dame Street
Dublin 2

Citibank
IFSC
Dublin 1

3. INTRODUCTION AND GENERAL INFORMATION

Introduction and general information

The National Asset Management Agency (NAMA) was established by the Minister for Finance in November 2009. NAMA is a separate statutory body, with its own Board and Chief Executive, and operates in accordance with the National Asset Management Agency Act 2009 (the Act).

Under Section 10 of the Act, NAMA's purposes are to contribute to the achievement of the purposes of the Act by:

- (a) acquiring bank assets from the Participating Institutions;
- (b) dealing expeditiously with the acquired assets;
- (c) protecting and enhancing the value of assets acquired by it in the interests of the State.

The original Participating Institutions were: Allied Irish Banks, p.l.c. ('AIB'), Anglo Irish Bank Corporation Limited ('Anglo'), Bank of Ireland ('BOI'), Irish Nationwide Building Society ('INBS') and EBS Building Society ('EBS').

On 1 July 2011 AIB merged with EBS. On 1 July 2011 the business of INBS transferred to Anglo and on 14 October 2011 the latter's name was changed to Irish Bank Resolution Corporation ('IBRC').

Group structure

In accordance with the Act and to achieve its objectives, the Agency has set up certain special purpose vehicles (SPV). These are known as NAMA Group Entities. The relationship between the NAMA Group entities is summarised in Chart 1 on page 6. The SPVs established are as follows;

National Asset Management Agency Investment Limited (NAMAIL)

NAMAIL is the company through which private investors have invested in the Group. NAMA holds 49% of the shares of the company. The remaining 51% of the shares of the company are held by private investors.

NAMA has invested €49m in NAMAIL, receiving 4,900 A ordinary shares. The remaining €51m was invested in NAMAIL by private investors, each receiving an equal share of 5,100 B ordinary shares. Under the terms of a shareholders' agreement between NAMA, the private investors and NAMAIL, NAMA can exercise a veto over decisions taken by NAMAIL. As a result of this veto, the private investors' ability to control the financial and operating policies of the entity is restricted and NAMA has effective control of the company.

National Asset Management Limited (NAML)

NAML is responsible for issuing the Government guaranteed debt instruments, and the subordinated debt, which are used as consideration in acquiring loan assets from the Participating Institutions. The Government guaranteed debt securities issued by NAML are listed on the Irish Stock Exchange. Both the Government guaranteed debt instruments and the subordinated debt instruments are transferred to National Asset Management Group Services Limited (NAMGSL) and by it to National Asset Loan Management Limited (NALML). The latter uses these debt instruments as consideration for the loan assets acquired from the Participating Institutions.

NAML has five subsidiaries. These are referred to as the NAML Group or the Group:

National Asset Management Group Services Limited (NAMGSL)

NAMGSL acts as the holding company for its three subsidiaries, National Asset Loan Management Limited, National Asset Property Management Limited and National Asset Management Services Limited.

NAMGSL acquires the debt instruments issued by NAML under a profit participating loan (PPL) agreement, and in turn, makes these debt instruments available to NALML on similar terms.

NAMGSL is wholly owned by NAML.

National Asset Loan Management Limited (NALML)

The purpose of NALML is to acquire, hold, and manage the loan assets acquired from the Participating Institutions.

National Asset Property Management Limited (NAPML)

The purpose of NAPML is to take direct ownership of real property assets if and when required. During the year, certain land and development sites were acquired as consideration for guarantees held by NALML. At the reporting date these properties are held in NALML.

National Asset Residential Property Services Limited (NARPSL)

On 16 July 2012 NAMA established a new subsidiary National Asset Residential Property Services Limited (NARPSL). The Company is a wholly owned subsidiary of NAPML, and is established to acquire residential properties and to lease these properties to approved housing bodies for social housing purposes.

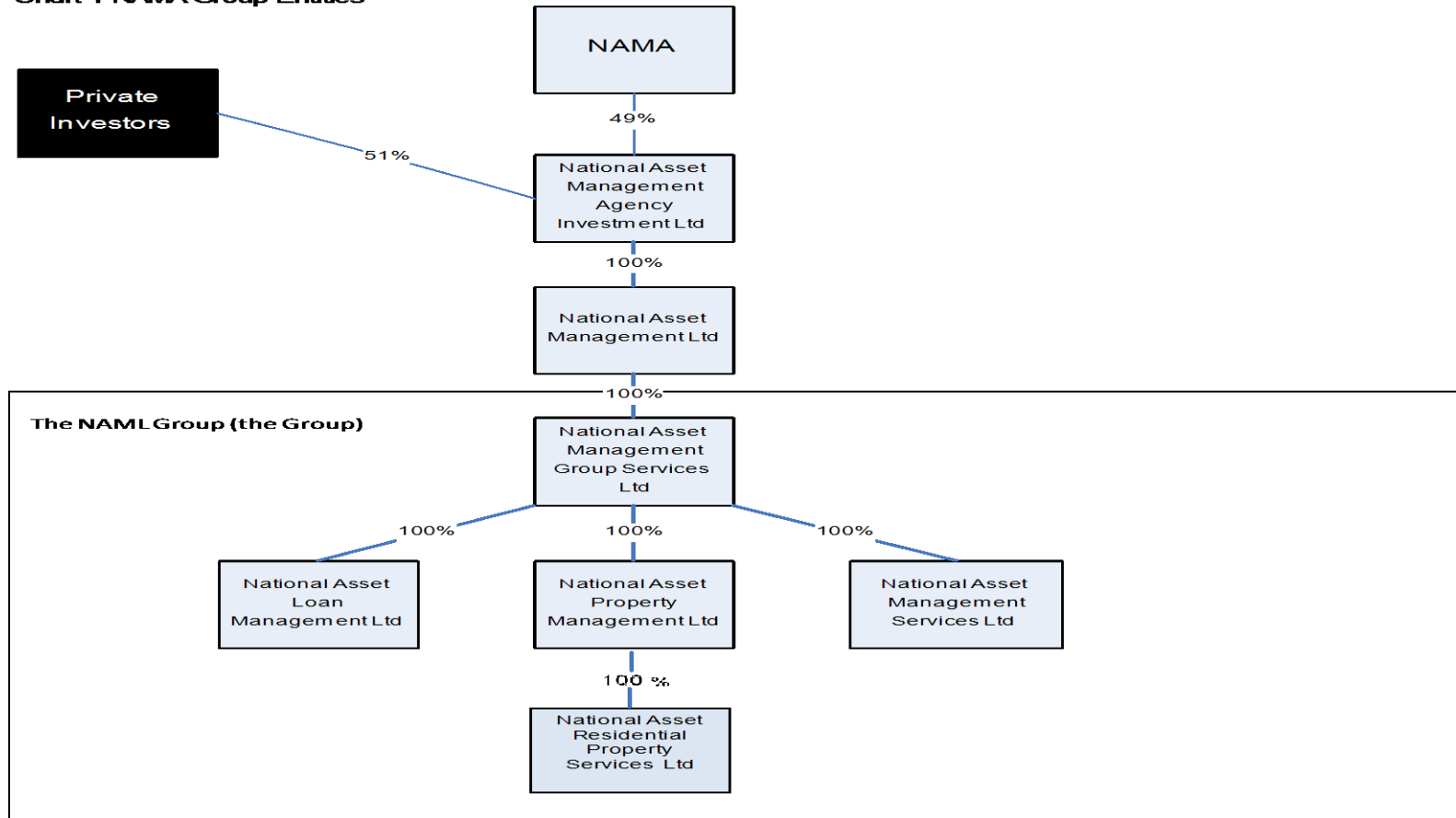
National Asset Management Services Limited (NAMSL)

NAMSL is a non-trading entity and has no activity at present.

The address of the registered office of each company is Treasury Building, Grand Canal Street, Dublin 2. Each company is incorporated and domiciled in the Republic of Ireland.

4. SHAREHOLDING STRUCTURE

Chart 1 NAMA Group Entities



National Treasury Management Agency (NTMA)

The NTMA provides NAMA with business and support services, and will assign staff to NAMA as deemed necessary. NAMA reimburses the NTMA for the costs of staff and services provided.

5. SECTION 55 (5) - GUIDELINES & DIRECTIONS ISSUED BY THE MINISTER OF FINANCE

Compliance with Guidelines Issued by the Minister under Section 13 as at 30 September 2012

No guidelines issued

Compliance with Directions Issued by the Minister under Section 14 as at 30 September 2012

- (1) 14th May 2010 - Direction (Ref 513/43/10) - Pricing of government guaranteed debt issued by NAMA.
No such debt was issued by NAMA as at 30 September 2012.
The Direction can be found in Appendix 2, page 31.
- (2) 22nd October 2010 - Expeditious Transfer of Eligible Assets.
All transfers completed since 22 October 2011 have complied with this Direction.
The Direction can be found in Appendix 3, page 32.
- (3) 11th May 2011 - Direction (Ref 513/43/10) - Amendment to Senior Notes Terms & Conditions
All senior notes have been amended in accordance with this Direction.
This direction can be found in Appendix 4, page 33
- (4) 7th March 2012 - NAMA Advisory Group
A NAMA Advisory Group has been set up in accordance with this Direction
This direction can be found in Appendix 4, page 34
- (5) 29th March 2012 - Irish Bank Resolution Corporation - Short Term Financing
NAMA adopted all reasonable measures to facilitate the short-term financing of IBRC.
This direction can be found in Appendix 4, page 36

6. SECTION 55 (6) (A) - NUMBER AND CONDITION OF OUTSTANDING LOANS

Weighted average loan performance metric

Weighted Average Loan Performance - 9 months to 30/09/2012			
Income Statement			
	€m		
EIR Income	929		
EIR cash received*	865		
Cash Flow			
	Cash received	Par Debt at 30/09/12	Weighted Average Performance
Non Disposal Income	€m	€m	
Full performing loans	458	12,520	
Partially and non-performing loans (including enforced loans)	428	59,521	
Total recurring non-disposal cash receipts	<u>886</u>	<u>72,041</u>	34%
€886m income equates to a weighted average performance level of 34%			
* Excludes debtor derivative cash receipts			

One of NAMA's key objectives is to manage its assets so as to optimise, and capture for debt servicing purposes, their income producing potential (e.g. rental income). The capturing of such income was not a common feature prior to NAMA's acquisition of the loans and NAMA has undertaken significant steps to design and implement new structures so as to achieve this objective.

NAMA measures its performance on the extent to which it captures such income on an on-going basis and not wholly on the extent to which a debtor is in compliance with the terms of its legacy loan facility arrangements which predated NAMA.

At 30 September 2012, NAMA has generated cash receipts of €9.4 billion since inception, of which €6.2 billion relates to disposal activity (properties and loan sales) and €3.2 billion relates to non-disposal activity. This capturing of this €3.2 billion is an important measure of NAMA's performance.

6. SECTION 55 (6) (A) - CONTINUED

Legacy loan facility loan performance metric

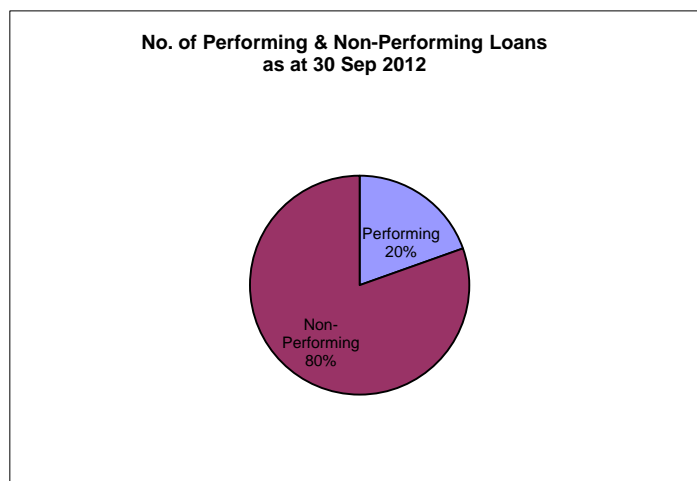
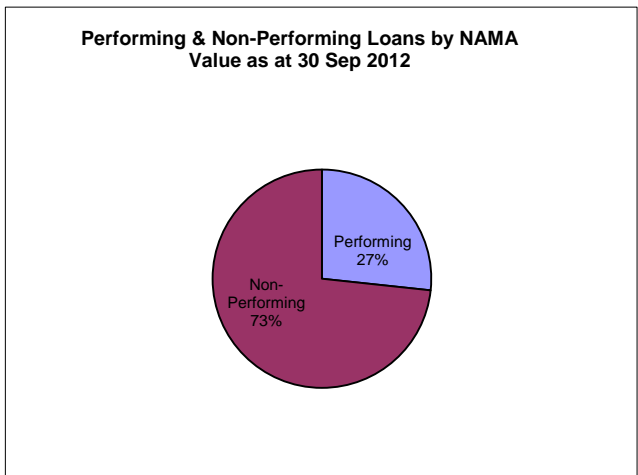
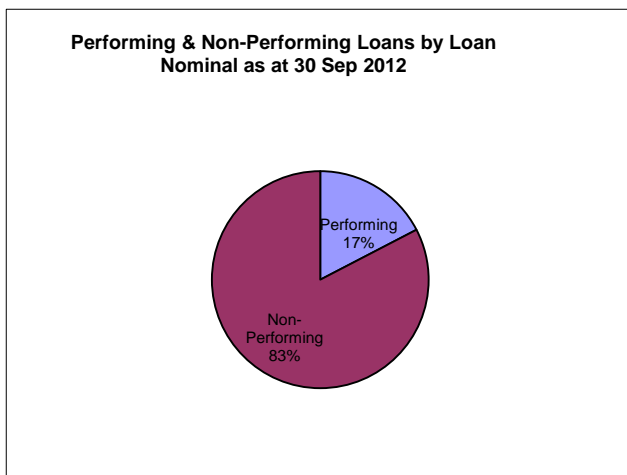
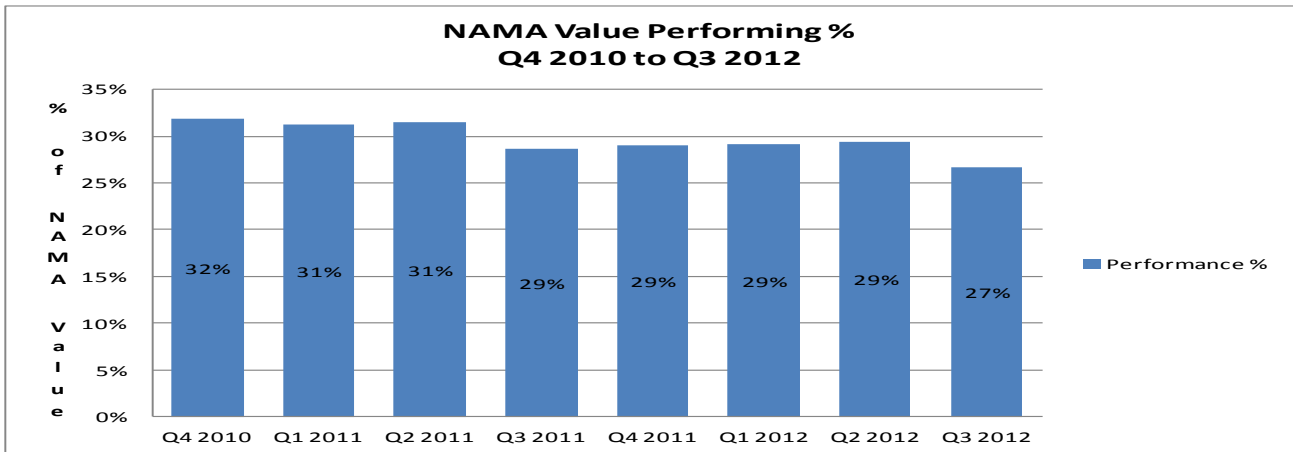
Classification	Number	Loan Nominal (Par Debt) €m	NAMA Value less Impairment* €m
Performing	2,592	12,520	6,409
Non-Performing	10,659	59,521	17,600
Total**	13,251	72,041	24,010

*The cumulative impairment recognised to 30 September 2012 was €2,880 million

**The total loan count has increased since 30 June 2012 due to the agreed reclassification of IBRC fee accounts as loans

Another measure of loan performance is the Loan Payment Status. The Loan Payment Status is a measurement of loan performance based on cash receipts with regard to the contractual obligations of the legacy loan facility.

The definition of Loan Payment Status is detailed in Appendix 1.

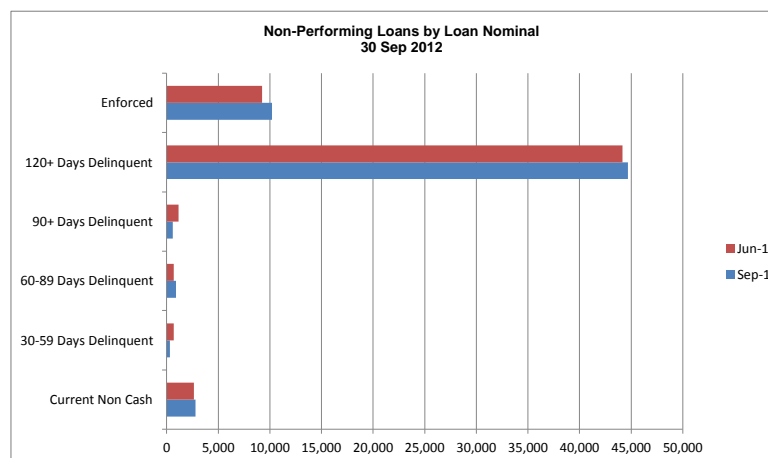
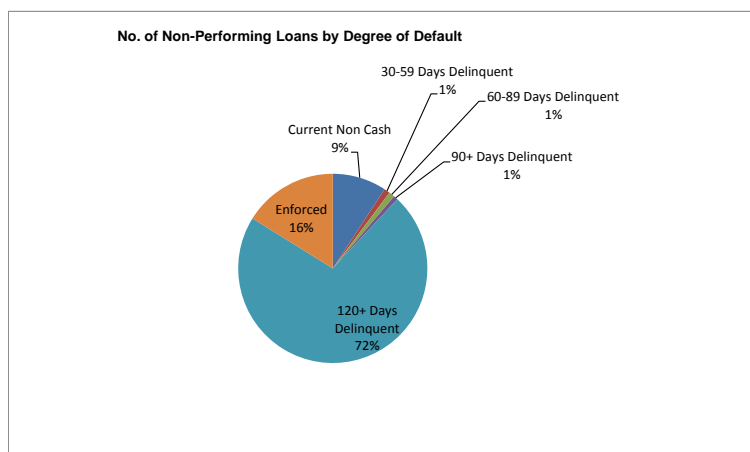
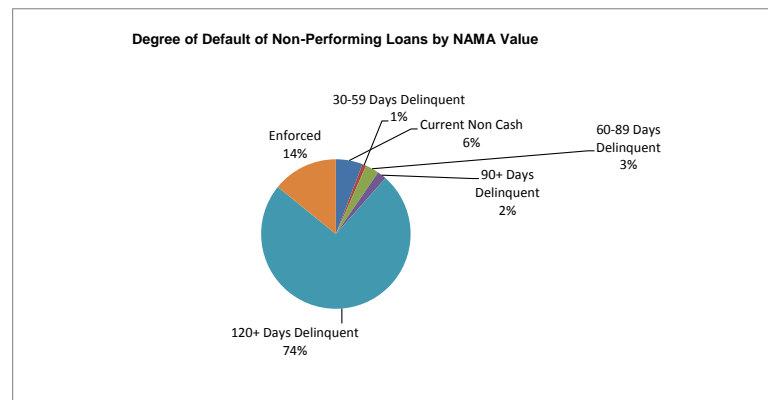
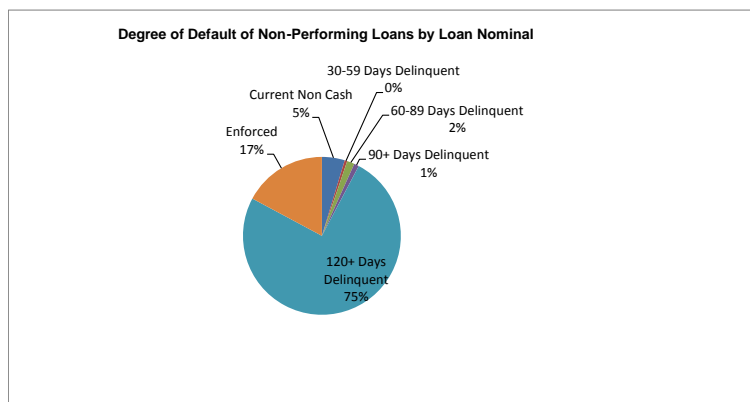


7. SECTION 55 (6) (B) - CATEGORISATION OF NON-PERFORMING AS TO THE DEGREE OF DEFAULT

Categorisation of non performing loans in accordance with the Loan Payment Status as at 30 September 2012

Loan Payment Status	Degree of Default	Number	Loan Nominal €m	NAMA Value less Impairment €m
9	Current Non Cash	984	2,783	1,019
1	30-59 Days Delinquent	107	311	150
2	60-89 Days Delinquent	105	914	516
3	90+ Days Delinquent	79	598	352
4	120+ Days Delinquent	7,663	44,692	13,070
7 & 8	Enforced	1,721	10,223	2,493
	Total	10,659	59,521	17,600

An analysis of the non-performing profile of the loan book indicates significant volume in the '120+ Days Delinquent' classifications. NAMA is addressing this issue in part by insisting, as part of any ongoing consensual support provided by NAMA to the debtor, that all income produced by the underlying secured assets is paid to NAMA. The extent to which debtors do not comply with this, and other key milestones set by NAMA, will determine whether these delinquent loans will be enforced. In some cases, the delinquent loans may be re-financed on new terms set by NAMA. The sole driver of NAMA's decisions in this regard is the maximisation of the return to the taxpayer.



8. SECTION 55 (6) (C) - NUMBER OF LOANS BEING FORECLOSED OR OTHERWISE ENFORCED

Number of loans foreclosed in the quarter to 30 September 2012

Classification	Number	Loan Nominal €m	NAMA Value €m
Enforced	319	1,452	410

Note: Section 55 6 (B) on page 10 contains a category of default called 'Enforced' where 1,721 loans have been classified. This includes enforcements that were instigated by the Participating Institutions prior to transfer of the loans to NAMA. This section deals with the number of loans being enforced by NAMA.

9. SECTION 55 (6) (D) - NUMBER OF CASES WHERE LIQUIDATORS AND RECEIVERS HAVE BEEN APPOINTED

Number of cases where receivers and liquidators have been appointed in the quarter to 30 September 2012

Classification	Number	Loan Nominal €m	NAMA Value €m
Liquidators	-	-	-
Receivers	319	1,452	410
Total	319	1,452	410

10. SECTION 55 (6) (E) - NUMBER OF LEGAL PROCEEDINGS COMMENCED BY NAMA AND EACH NAMA GROUP ENTITY IN THE QUARTER

List of all legal proceedings (except any proceeding in relation to which a rule of law prohibits publication)

Proceeding	Title	Parties to the proceeding	Relief sought by NAMA or the NAMA group entity
United States of America			
(i)	Superior Court action CV12-5013922-S	National Asset Loan Management v. Sean Dunne and others	Fraudulent transfer and injunctive relief
Ireland			
(ii)	High Court 2012 No. 7029P	NAMA & NALM v Elaine Flynn, James Flynn, John Flynn Senior, John Flynn Junior, Merlin O'Reilly, Patrick O'Reilly, Rita O'Reilly, Sarah O'Reilly, Michael O'Reilly, Peter Wilson and Philip Dinkel	Rectification of Mortgage and Charge
(iii)	High Court 2012/2880 S (Dublin)	National Asset Loan Management Limited v Thomas McFeely	Summary summons for STGE20m due to NALM under 2 personal guarantees granted by Thomas McFeely for the liabilities of Inis Developments Limited Costs and court interest also sought by NALM
(iv)	Summary Proceedings High Court 2012/2762 S	National Asset Loan Management Limited v Cyril Barden	€10,072,865.01, contractual interest, such further orders as the courts deem necessary and costs.
(v)	High Court 2012 3264 S	NALM v Sandyford Forum Developments Limited (IN RECEIVERSHIP), Blackthorn Securities Plc (IN RECEIVERSHIP), Maycombe Developments Limited (IN RECEIVERSHIP), Reginald Tuthill and Derek O'Leary	Judgment against the First, Second and Third Named Defendants in the sum of €90,400,097.64 Judgment against the Fourth Named Defendant in the sum of €25,170,878.17

11. SECTION 55 (6) (F) - SCHEDULE OF FINANCE RAISED BY NAMA AND EACH NAMA GROUP ENTITY IN THE QUARTER

Schedule of finances raised by NAMA & each NAMA group entity in the quarter to 30 September 2012

Description	Date	€m
None		Nil

12. SECTION 55 (6) (G) - SUMS RECOVERED FROM PROPERTY SALES IN THE QUARTER

Amount of money recovered by sale of property up to 30 September 2012

Description	Date	€m
None	None	Nil
Total		Nil

National Asset Loan Management Limited holds €7.2 million in property assets acquired in settlement of guarantees. NAMA or it's group entities did not dispose of property assets in the quarter.

At 30 September 2012, NAMA had received amounts in the order of €4.97 billion relating to the disposal of Debtor owned properties.

13. SECTION 55 (6) (H) - OTHER INCOME FROM INTEREST-BEARING LOANS OWNED BY NAMA AND EACH NAMA GROUP ENTITY IN THE QUARTER

Other income from interest bearing loans up to 30 September 2012

Description	Date	€m
National Asset Management Agency (NAMA)	N/A	Nil
National Asset Management Agency Investment Limited	N/A	Nil
National Asset Management Limited (Master SPV - Consolidated) - NOTE 1	1 July - 30 September 2012	20

NOTE 1 - Breakdown of Consolidated Master SPV by NAMA Group Entity

Description	Date	€m
National Asset Loan Management Limited	1 July - 30 September 2012	20
National Asset Property Management Limited	N/A	Nil
National Asset Residential Property Services Limited	N/A	Nil
National Asset Management Services Limited	N/A	Nil
National Asset Management Group Services Limited	N/A	Nil
National Asset Management Limited	N/A	Nil

14. SECTION 55 (6) (I) - ABRIDGED BALANCE SHEET OF NAMA AND EACH NAMA GROUP ENTITY

Abridged Balance Sheet as at 30 September 2012

National Asset Management Agency (NAMA)		€'000
Assets		
Cash		1,631
Other receivables		12,038
Property, plant and equipment		814
Investments		49,000
Total assets		63,483
Liabilities		
Interest Bearing Loans		53,235
Other liabilities		12,999
Total liabilities		66,234
Equity		
Retained losses		(2,751)
Total equity and liabilities		63,483

National Asset Management Agency Investment Limited		€'000
Assets		
Investment in subsidiary		-
Loans receivable from group entity		118,989
Total assets		118,989
Liabilities		
Amounts due to group entities		10,787
Current tax liability		50
Total liabilities		10,837
Equity		
Share Capital		10,000
Share premium		90,000
Retained earnings		8,152
Total equity		108,152
Total equity and liabilities		118,989

National Asset Management Limited (Master SPV - Consolidated) - NOTE 1		€'000
Assets		
Cash and cash equivalents		2,722,449
Cash placed as collateral with the NTMA		1,150,000
Financial assets available for sale		259,972
Receivable from Participating Institutions		136,760
Derivative financial instruments		359,885
Loans and receivables		24,009,593
Other assets		105,842
Trading properties		7,232
Deferred tax asset		287,937
Total assets		29,039,670
Liabilities		
Payable to Participating Institutions		38,042
Derivative financial instruments		1,333,305
Debt Securities in Issue		26,957,000
Other liabilities		194,833
Total liabilities		28,523,180
Equity		
Share Capital		-
Other equity instruments		1,594,000
Retained earnings		(578,298)
Other reserves		(499,212)
Total equity		516,490
Total equity and liabilities		29,039,670

Note: Share Capital in National Asset Management Limited (Master SPV - Consolidated) is €100

14. SECTION 55 (6) (I) - CONTINUED

NOTE 1 - Breakdown of Consolidated Master SPV by NAMA Group Entity

National Asset Loan Management Limited		€'000
Assets		
Cash		2,722,449
Cash placed as collateral with the NTMA		1,150,000
Financial assets available for sale		259,972
Receivable from Participating Institutions		136,760
Derivative financial instruments		359,885
Loans and receivables		24,009,593
Deferred tax asset		242,356
Other assets		258,077
Trading properties		7,232
Total assets		29,146,324
Liabilities		
Payable to participating institutions		38,042
Derivative financial instruments		1,333,305
Other liabilities		28,715,565
Total liabilities		30,086,912
Equity		
Share Capital		-
Subordinated equity instrument		-
Retained earnings		(441,376)
Other reserves		(499,212)
Total equity		(940,588)
Total equity and liabilities		29,146,324

National Asset Property Management Limited		
Assets		Nil
Total assets		Nil
Liabilities		Nil
Total liabilities		Nil
Equity		Nil
Total equity and liabilities		Nil

Note: Share Capital in the National Asset Management Limited (Master SPV - Consolidated) subsidiaries is €100

14. SECTION 55 (6) (I) - CONTINUED

National Asset Residential Services Limited	€'000
Assets	
Cash	-
Financial assets available for sale	-
Receivable from Participating Institutions	-
Derivative financial instruments	-
Loans and receivables	-
Other assets	-
Total assets	0
Liabilities	
Amounts due to participating institutions	-
Derivative financial instruments	-
Debt Securities in Issue	-
Other liabilities	180
Total liabilities	180
Equity	
Share Capital	-
Subordinated equity instrument	-
Retained earnings	(180)
Total equity	(180)
Total equity and liabilities	0

National Asset Management Services Limited	€'000
Assets	
Cash	-
Financial assets available for sale	-
Receivable from Participating Institutions	-
Derivative financial instruments	-
Loans and receivables	-
Other assets	-
Total assets	0
Liabilities	
Amounts due to participating institutions	-
Derivative financial instruments	-
Debt Securities in Issue	-
Other liabilities	-
Total liabilities	0
Equity	
Share Capital	-
Subordinated equity instrument	-
Retained earnings	-
Total equity and liabilities	0

Note: Share Capital in the National Asset Management Limited (Master SPV - Consolidated) subsidiaries is €100

14. SECTION 55 (6) (I) - CONTINUED

National Asset Management Group Services Limited	€'000
Assets	
Cash	-
Financial assets available for sale	-
Receivable from Participating Institutions	-
Derivative financial instruments	-
Loans and receivables	-
Other assets	28,703,236
Total assets	28,703,236
Liabilities	
Amounts due to participating institutions	-
Derivative financial instruments	-
Debt Securities in Issue	-
Other liabilities	28,703,235
Total liabilities	28,703,235
Equity	
Share Capital	-
Subordinated equity instrument	-
Retained earnings	1
Total equity	1
Total equity and liabilities	28,703,236

National Asset Management Limited	€'000
Assets	
Cash	-
Financial assets available for sale	-
Receivable from Participating Institutions	-
Derivative financial instruments	-
Deferred tax asset	-
Loans and receivables	-
Other assets	28,650,900
Deferred tax asset	45,581
Total assets	28,696,481
Liabilities	
Amounts due to participating institutions	-
Derivative financial instruments	-
Debt Securities in Issue	26,957,000.00
Other liabilities	282,224
Total liabilities	27,239,224
Equity	
Share Capital	-
Other equity instrument	1,594,000
Retained earnings	(136,743)
Total equity	1,457,257
Total equity and liabilities	28,696,481

Note: Share Capital in the National Asset Management Limited (Master SPV - Consolidated) subsidiaries is €100

15. SECTION 55 (6) (J) - SCHEDULE OF INCOME AND EXPENDITURE OF NAMA AND EACH NAMA GROUP ENTITY

Income and Expenditure Statement from the 1 July to 30 September 2012

National Asset Management Agency (NAMA)	€'000
Income	
Interest Income	1
Costs reimbursed from NAML Group	11,588
Other income	194
	11,783
Expenditure	
Costs reimbursable to the NTMA	11,588
NAMA Board and Committee Fees	150
Rent Expense	196
Interest expense on inter-group loan	121
	12,055
Net expense for period	(272)

National Asset Management Agency Investment Limited	€'000
Income	
Interest income earned on inter-group loan	64
	64
Expenditure	
Tax expense	(8)
Dividend paid	0
Reserves brought forward	8,096
Retained earnings at 30 September 2012	8,152

National Asset Management Limited (Master SPV - Consolidated) - NOTE 1	€'000
Income	
Interest on loans and receivables	319,576
Interest on derivative financial instruments	20,343
Interest on cash and cash equivalents	9,054
Interest on financial assets held as available for sale	3,206
Interest on inter group loans	121
Fee Income on IBRC repurchase agreement	0
Fee Income	19,801
Profit on disposal of loans	16,375
Hedge ineffectiveness adjustment	1,819
FX gains on loans and receivables	90,222
Foreign exchange gain on cash	1,386
Other foreign exchange gains	128
	482,031
Expenditure	
Interest on debt securities in issue	73,438
Interest on other derivative financial instruments	7,366
Interest on interest bearing loans and borrowings	64
Interest on derivatives where hedge accounting is applied	29,505
Interest expense on borrower overdraft accounts	0
Fair value losses on acquired derivatives	22,093
Due diligence valuation adjustment	1,671
Fair value loss on other derivatives	11,877
Costs reimbursable to the NTMA	11,588
Primary servicer fees	14,007
Master servicer fees	804
Legal fees	695
Portfolio management fees	972
Accounting, audit and tax	601
Rent and occupancy costs	214
Derivative valuation costs and rating agency fees	26
IT Costs	504
Other administrative expenses	1,488
Unrealised FX loss on derivative financial instruments	50,232
Realised FX loss on derivative financial instruments	66,208
Impairment charges on loans and receivables	0
Tax charge	48,086
	341,439
Profit for the period after tax	140,592

15. SECTION 55 (6) (J) - CONTINUED

NOTE 1 - Breakdown of Consolidated Master SPV by NAMA Group Entity

National Asset Loan Management Limited	€'000
Income	
Interest on loans and receivables	319,576
Interest on derivative financial instruments	20,343
Interest on cash balances and cash equivalents	9,054
Interest on financial assets held as available for sale	3,206
Interest on inter group loans	121
Fee Income on IBRC repurchase agreement	0
Fee Income	19,801
Profit on disposal of loans	16,375
Hedge ineffectiveness adjustment	1,819
FX gains on loan and receivables	90,222
Foreign exchange gain on cash	1,386
Other foreign exchange gains	128
Tax credit/(expense)	21,050
	503,081
Expenditure	
Interest on other derivative financial instruments	7,366
Interest on derivatives where hedge accounting is applied	29,505
Interest expense on borrower overdraft accounts	0
Interest expense on profit participating loan	350,043
Fair value losses on acquired derivatives	22,093
Valuation adjustment	1,671
Fair value loss on other derivatives	11,877
Costs reimbursable to the NTMA	11,588
Primary servicer fees	14,007
Master servicer fees	804
Legal fees	633
Portfolio management fees	885
Accounting, audit and tax	570
Rent and occupancy costs	214
Derivative valuation costs and rating agency fees	26
IT Costs	504
Other administrative expenses	1,488
Unrealised FX loss on derivative financial instruments	50,232
Realised FX loss on derivative financial instruments	66,208
Impairment charges on loans and receivables	0
	569,714
Profit/(Loss) for the period	(66,633)
National Asset Property Management Limited	
None	
Nil	
National Asset Residential Services Limited	
Income	
Interest income on profit participating loan	0
Expenditure	
Legal fees	62
Portfolio management fees	87
Accounting, audit and tax	31
	180
Profit/(Loss) for the period	(180)
National Asset Management Services Limited	
None	
Nil	
National Asset Management Group Services Limited	
Income	
Interest income on profit participating loan	350,043
Expenditure	
Interest expense on profit participating loan	350,043
Profit/(Loss) for the period	0
National Asset Management Limited	
Income	
Interest income on profit participating loan	350,043
Expenditure	
Interest on debt securities in issue	73,438
Interest on Interest bearing loans and borrowings	64
Tax expense	69,136
	142,638
Profit/(Loss) for the period	207,405

16. UPDATED SCHEDULE OF ALL INFORMATION DESCRIBED IN SECTION 54 (2) AND (3)

(i) Section 54 (2) - Administration Fees and Expenses incurred by NAMA and each NAMA Group Entity

Administration fees & expenses period from 1 January to 30 September 2012

National Asset Management Agency (NAMA)	€'000
Administration Fees & Expenses:	
Costs reimbursable to the NTMA	27,046
NAMA Board and Committee Fees	386
Rent Expense	580
	28,012

National Asset Management Agency Investment Limited	€'000
Administration Fees & Expenses	Nil

National Asset Management Limited (Master SPV - Consolidated) - NOTE 1	€'000
Administration Fees & Expenses:	
Costs reimbursable to the NTMA	27,046
Primary Servicer Fees	44,163
Master Servicer Fees	2,350
Legal fees	1,605
Portfolio management fees	2,664
Accounting, audit and tax	1,724
Rent and occupancy costs	717
Derivative valuation costs and rating agency fees	177
IT Costs	1,074
Other administrative expenses	2,515
	84,035

NOTE 1 - Breakdown of Consolidated Master SPV by NAMA Group Entity

National Asset Loan Management Limited	€'000
Administration Fees & Expenses:	
Costs reimbursable to the NTMA	27,046
Primary Servicer Fees	44,163
Master Servicer Fees	2,350
Legal fees	1,543
Portfolio management fees	2,577
Accounting, audit and tax	1,693
Rent and occupancy costs	717
Derivative valuation costs and rating agency fees	177
IT Costs	1,074
Other administrative expenses	2,515
	83,855

National Asset Property Management Limited	€'000
Administration Fees & Expenses	Nil

National Asset Residential Services Limited	€'000
Administration Fees & Expenses	
Legal fees	62
Portfolio management fees	87
Accounting, audit and tax	31
	180

National Asset Management Services Limited	€'000
Administration Fees & Expenses	Nil

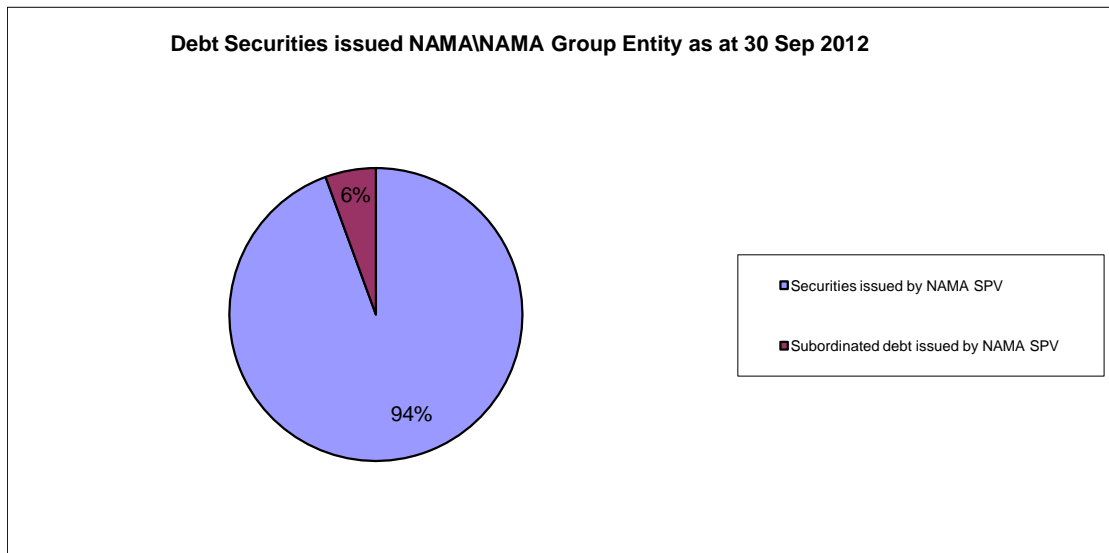
National Asset Management Group Services Limited	€'000
Administration Fees & Expenses	Nil

National Asset Management Limited	€'000
Administration Fees & Expenses	Nil

(ii) Section 54 (3) (a) - List of Debt Securities Issued for the Purposes of the Act

List of debt securities issued by NAMA or a NAMA Group Entity at 30 September 2012

Description	€m
Securities issued by NAMA SPV	26,957
Subordinated debt issued by NAMA SPV	1,594
Total	28,551



Note: NAMA issued senior and subordinated debt to the participating institutions as consideration for the acquisition of eligible bank assets. 95% of the acquisition value was settled through the issuance of senior government guaranteed debt and 5% in the form of subordinated debt. To date, NAMA has redeemed senior debt of €3.25 billion, as a consequence of which, senior debt now accounts for 94% of the total debt in issue at 30 September 2012.

(iii) Section 54 (3) (b) - List of Debt Securities Issued to Redeemed by Participating Institution

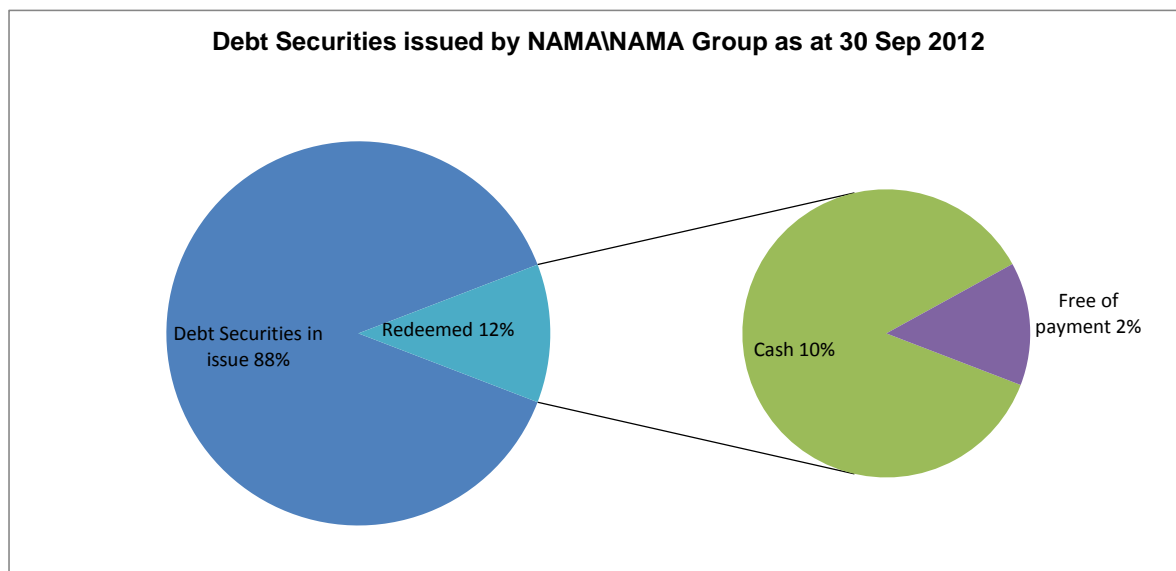
List of debt securities issued by NAMA or a NAMA Group Entity per participating institution at 30 September 2012

Participating Institution bonds originally issued to:	Issued €m
AIB	9,288
BOI	5,678
IBRC (Anglo)*	13,545
IBRC (INBS)*	3,424
EBS	388
Total Debt Securities issued	32,323
Redeemed for cash	(3,250)
Redeemed for zero consideration	(522)
Debt Securities in issue	28,551

The table above details the participating institutions that were originally issued with NAMA securities as consideration for eligible assets acquired under the NAMA Act 2009. It does not reflect the transfer in February 2011 of NAMA senior bonds from IBRC (Anglo) and IBRC (INBS) to AIB and Irish Life & Permanent respectively, made under part 5 of the Credit Institutions (Stabilisation) Act 2010 by the previous Minister for Finance or any other transfer of ownership since issuance.

Bonds repurchased free of payment reflects NAMA's clawback of the original acquisition price paid following the completion of the due diligence exercise.

* Note that the Participating Institutions formerly known as Anglo Irish Bank (Anglo) and Irish Nationwide Building Society (INBS) have merged into one entity. On the 14th of October 2011, the merged entity was renamed the Irish Bank Resolution Corporation (IBRC).



(iv) Section 54 (3) (c) - Advances made to NAMA from the Central Fund

Advances made to NAMA from the Central Fund until 30 September 2012

Description	Date	€m
None		Nil
Total		Nil

(v) Section 54 (3) (d) - Advances made by NAMA and each NAMA Group Entity

Advances made by NAMA and each NAMA group entity at 30 September 2012

National Asset Management Agency (NAMA)	Date	€m
Advances:		
Other receivables	30 September 2012	0
		<u>0</u>

National Asset Management Agency Investment Limited	Date	€m
Advances:		
Loan receivable from NAML	30 September 2012	100
Total		<u>100</u>

National Asset Management Limited (Master SPV - Consolidated) - NOTE 1	Date	€m
Advances:		
Loans and receivables	30 September 2012	24,010
Total		<u>24,010</u>

NOTE 1 - Breakdown of Consolidated Master SPV by NAMA Group Entity

National Asset Loan Management Limited	Date	€m
Advances:		
Loans and receivables	30 September 2012	24,010
Total		<u>24,010</u>

National Asset Property Management Limited	Date	€m
Advances	N/A	Nil

National Asset Residential Services Limited	Date	€m
Advances	N/A	Nil

National Asset Management Services Limited	Date	€m
Advances	N/A	Nil

National Asset Management Group Services Limited	Date	€m
Advances	N/A	Nil

National Asset Management Limited	Date	€m
Advances	N/A	Nil

(vi) Section 54 (3) (e) - List of Asset Portfolios held by NAMA and each NAMA Group Entity

List of asset portfolios held by NAMA and each NAMA group entity as at 30 September 2012

Entity	Description	€m
National Asset Management Agency (NAMA)	Investments - 49,000,000 ordinary A shares in National Asset Management Agency Investment Limited	49.0
	Cash	1.6
	Costs reimbursable from NAML	11.9
	Other receivables	0.1
	Property, plant and equipment	0.8
	Total	63.5

Entity	Description	€m
National Asset Management Agency Investment Limited	Investment in NAML	0.0
	Loan receivable from NAML	99.9
	Accrued interest on inter-group loan	19.1
	Total	119.0

Entity	Description	€m
National Asset Management Limited (Master SPV - Consolidated) - NOTE 1	Cash and cash equivalents	2,722.4
	Cash placed as collateral with the NTMA	1,150.0
	Receivable from Participating Institutions	136.8
	Derivative financial instruments	359.9
	Financial assets available for sale	260.0
	Loans and receivables	24,009.6
	Other assets	105.8
	Trading properties	7.2
	Deferred tax asset	287.9
	Total	29,039.7

(vi) Section 54 (3) (e) - CONTINUED

NOTE 1 - Breakdown of Consolidated Master SPV by NAMA Group Entity

Entity	Description	€m
National Asset Loan Management Limited		
	Cash and cash equivalents	2,722.4
	Cash placed as collateral with the NTMA	1,150.0
	Receivables from Participating Institutions	136.8
	Derivative financial instruments	359.9
	Financial assets available for sale	260.0
	Loans and receivables	24,009.6
	Other assets	258.1
	Trading properties	7.2
	Deferred tax asset	242.4
	Total	29,146.3

Entity	Description	€m
National Asset Property Management Limited		Nil

Entity	Description	€m
National Asset Residential Services Limited		Nil

Entity	Description	€m
National Asset Management Services Limited		Nil

Entity	Description	€m
National Asset Management Group Services Limited		
	Other Assets	28,703.2
	Total	28,703.2

Entity	Description	€m
National Asset Management Limited		
	Other Assets	28,650.9
	Deferred tax asset	45.6
	Total	28,696.5

(vii) Section 54 (3) (f) - List of Government Support Measures received by NAMA and each NAMA Group Entity

Government support measures received by NAMA & NAMA Group Entity as at 30 September 2012

Entity	Description	Amount Issued €m
National Asset Management Agency (NAMA)	None	Nil
National Asset Management Agency Investment Limited	None	Nil
National Asset Loan Management Limited	None	Nil
National Asset Property Management Limited	None	Nil
National Asset Management Services Limited	None	Nil
National Asset Management Group Services Limited	None	Nil
National Asset Management Limited	On the 26th of March 2010, the Minister of Finance guaranteed Senior Notes issued by NAMA as provided for under Section 48 of the NAMA Act 2010. The maximum aggregate principal amount of Senior Notes to be issued at any one time is €51,300,000,000	26,957
Total		26,957

17. APPENDIX 1 - Definition of Loan Payment Status

CodeID	CultureValue	Description	Comment
0	Current Cash	Performing	Accounts not in arrears due to cash receipts or where the arrears are outstanding less than 30 days. It includes matured loans that are still producing cash in accordance with their contractual terms
9	Current Non Cash	Non Performing	Accounts not in arrears because arrears are capitalized or account has a zero interest rate applying.
1	30-59 Days Delinquent	Non Performing	Accounts in arrears where the amounts due are between 30 and 59 days outstanding
2	60-89 Days Delinquent	Non Performing	Accounts in arrears where the amounts due are between 60 and 89 days outstanding
3	90+ Days Delinquent	Non Performing	Accounts in arrears where the amounts due are between 90 and 119 days outstanding
4	120+ Days Delinquent	Non Performing	Accounts in arrears where the amounts due are 120 days or more outstanding
7 & 8	Enforced	Non Performing	Accounts subject to enforcement

17. APPENDIX 2 - Ministerial Direction - Pricing of government guaranteed debt issued by NAMA



An Roinn Airgeadais
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Our Reference: 513/43/10

National Asset Management Agency
Treasury Building
Grand Canal Street
Dublin 2

14 May, 2010

Directions to the National Asset Management Agency pursuant to Section 14 of the National Asset Management Agency Act 2009

This direction is issued pursuant to Section 14 of the National Asset Management Agency Act 2009 in order to achieve the purpose of that Act.

I hereby direct that all short-term government guaranteed debt issued by NAMA or a NAMA group entity up to 1 year maturity should not exceed the pricing of equivalent government guaranteed issuance of the Housing Finance Agency.

I also direct that for government guaranteed NAMA debt issuance (including issuance by a NAMA group entity) with duration of greater than 1 year, the margin over Irish Government Bonds of equivalent maturity, listed on the Irish Stock Exchange will not exceed 20 basis points. This is intended to reflect the normalised spread between the yield on Irish Government bonds and that required for government guaranteed paper of similar duration.

Yours faithfully


Brian Lenihan TD

Minister for Finance



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NATIONAL ASSET MANAGEMENT AGENCY ACT 2009

Direction under section 14

I, BRIAN LENIHAN, Minister for Finance, in exercise of the power conferred on me by section 14(1) of the National Asset Management Agency Act 2009 (No. 34 of 2009) ("the Act"), direct the National Asset Management Agency, having regard to the immediate and urgent necessity of completing acquisitions of eligible assets from participating institutions to that Agency in order to achieve the purposes specified in section 2 of the Act, to complete those acquisitions as expeditiously as possible, in accordance with Part 6 of the Act.

In my opinion this Direction is necessary to achieve the purposes of the Act.

22 October 2010.


BRIAN LENIHAN,
Minister for Finance



**An Roinn Airgeadais
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<http://www.finance.gov.ie>

Our Reference: 513/43/10

National Asset Management Agency
Treasury Building
Grand Canal Street
Dublin 2

ii May, 2011

Direction to the National Asset Management Agency pursuant to Section 14 of the National Asset Management Agency Act 2009

This direction is issued pursuant to Section 14 of the National Asset Management Agency Act 2009 (the "Act") in order to achieve the purposes of that Act.

I hereby direct that the terms and conditions of the National Asset Management Limited Senior Notes guaranteed by the Minister for Finance issued under section 48 of the Act (the "Notes") to provide 95% of the total acquisition value of eligible bank assets acquired from participating institutions in accordance with the Act (including those Notes maturing 1st March 2012), be amended, as appropriate:

- (i) to remove the Extension Option; and
- (ii) to remove the option of the Issuer to physically settle all or some only of the Notes at maturity.

The change in the terms and conditions of the Notes (including those issued and maturing on 1st March 2012) is necessary to retain the current valuation of the Notes as 1 year instruments to support the stability of those credit institutions that hold the Notes.

This Direction is necessary for the purposes of the Act in Section 2.

Yours faithfully

Michael Noonan TD

Minister for Finance



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Section 14 Direction Order

Mr Frank Daly
Chairman
National Asset Management Agency
Treasury Building
Grand Canal Street
Dublin 2

7 March, 2012

Direction to the National Asset Management Agency pursuant to Section 14 of the National Asset Management Agency Act 2009

This direction is issued pursuant to Section 14 of the National Asset Management Agency Act 2009 (the "Act") in order that NAMA should achieve the purposes specified in Section 2 – including section 2(b) (ii) to resolve the problems created by the financial crisis in an expeditious and efficient manner and achieve a recovery in the economy; section 2(b) (iv) to protect the interest of tax payers and section 2(b) (viii) to contribute to the social and economic development of the State

I hereby direct that the Board of NAMA adopt all reasonable measures to facilitate the operation of a NAMA Advisory Group, which I am establishing to deal with the following matters:

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1. Advise the Minister on NAMA's strategy as proposed by the Board of NAMA.
2. Advise the Minister regarding appointments to the NAMA Board so that membership continues to reflect the expertise and experience provided for in section 19(2) of the Act.
3. Advise the Minister on the remuneration of the senior executives of NAMA.
4. To advise the Minister on other matters as he considers appropriate.

The advisory group will not have decision making powers under the Act.

I also direct that NAMA provide access to papers and information required by the Advisory Group with the exception of specific client information, to understand NAMA business strategy.

This Direction is necessary for the purposes of the Act in Section 2.

Yours faithfully



Michael Noonan TD
Minister for Finance



**An Roinn Airgeadais
Department of Finance**

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Mr Brendan McDonagh
Chief Executive Officer
National Asset Management Agency
Treasury Building
Grand Canal Street,
Dublin 2

29 March 2012

**Direction to the National Asset Management Agency
pursuant to Section 14 of the National Asset Management Agency Act 2009**

This direction is issued pursuant to Section 14 of the National Asset Management Agency Act 2009 (the "Act") in order to achieve the purposes of the Act.

I hereby direct that the Board of NAMA adopt all reasonable measures to facilitate the short-term financing, in the amount of circa Euro 3.060 billion, of Irish Bank Resolution Corporation Limited, by entering a transaction on appropriate commercial terms, collateralised by an appropriate Irish Government bond, under section 12(2)(r), with a maximum duration of 90 days.

This Direction is necessary for the achievement of the purposes of the Act set out in Section 2.

Yours faithfully

Michael Noonan TD
Minister for Finance

