National Asset Management Agency

NAMA QUARTERLY REPORT and ACCOUNTS (Section 55 NAMA Act 2009) 31 March 2022

29 June 2022

Mr. Paschal Donohoe T.D.,
Minister for Finance,
Department of Finance,
Upper Merrion Street,
Dublin 2.

Section 55 Quarterly Report and Accounts - NAMA Act 2009

Dear Minister,

Please find attached the Quarterly Report and Accounts for the first quarter of 2022 ('Q1 2022 Section 55 Accounts') which are submitted to you pursuant to Section 55 of the NAMA Act 2009 ('the Act'). In accordance with the Act, the Quarterly Report deals with the National Asset Management Agency (NAMA) and the entities within the NAMA Group.

The war in Ukraine has amplified global economic uncertainty and increased market volatility in international and domestic capital markets. The war has also exacerbated construction cost inflationary pressures and supply chain disruption, both of which pose a significant challenge to the viability and delivery of new homes across Ireland. In an environment of heightened uncertainty, the potential for continued price pressures and the impact this may have on the planned delivery of new homes from NAMA secured sites is an increasing source of concern.

The Board will continue to monitor developments in the economic and financial environment as they evolve and keep the impact on NAMA's financial position under review.

To assist in your review of the Q1 2022 Section 55 Accounts, we also present for your information Financial Highlights and Key Performance Indicators for Q1 2022 with Full Year 2021 information as comparatives.

Financial Highlights	Year to 31 Mar 2022 €m	Full year 2021 €m	Inception to 31 Mar 2022 €m
Total cash generated	**77**	**671**	**46,980**
Cash proceeds from property collateral and loan sales	60	619	40,494
Non-disposal cash receipts from borrowers	17	52	6,486
Transfer of Surplus to the Exchequer (Prior to €250m transferred 28 June 2022)	-	1,000	3,000
Cash and cash equivalents and liquid assets balance	789	748	
Debtor loans measured at fair value through profit or loss	713	715	
Operating profit before tax	36	211	
Tax (including impact of deferred tax credits)	(3)	(16)	
Profit for the period after tax	**33**	**195**	

Key Performance Indicators

1. Cash generation

Cash generation is a critical measure of the progress being made by NAMA in meeting its stated objectives. NAMA continues to generate significant cash through disposals of assets and loans and the receipt of non-disposal income.

NAMA generated €0.1bn in cash in the quarter ended 31 March 2022, bringing total cash generation from inception to 31 March 2022 to €47.0bn. NAMA generated a further €0.2bn in cash in the period from 31 March 2022 to 24 June 2022, bringing cumulative cash generated since inception to €47.2bn. Cash, cash equivalent and liquid asset balances held at 31 March 2022 were €789m.

2. Trading position

NAMA recorded a profit after tax of €33m for the quarter ended 31 March 2022 (Q1 2021: €20m).

3. Transfer of Surplus to the Exchequer

NAMA completed a payment of €250m to the Exchequer on 28 June 2022, representing the sixth transfer from NAMA's projected lifetime surplus. The Agency has now transferred a cumulative €3.65 billion cash to the State; €3.25 billion from its lifetime surplus and a further €0.4bn in corporation tax payments. NAMA's continued strong performance has enabled the Board to revise the projected lifetime surplus upward from €4.25 billion to €4.5 billion. Accordingly, NAMA's expected lifetime contribution to the Exchequer, between the projected surplus of €4.5 billion and projected total tax payments, will be in the region of €4.9 billion.

4. Residential Delivery

To date, NAMA has funded and facilitated the delivery of over 25,204 new homes, including over 20,000 units delivered since 2015 thus exceeding the Board-set residential delivery target. Of these, 13,425 were directly funded by NAMA either though the provision of funding directly to debtors and receivers or facilitating development via licence agreement or joint venture. A further 11,779 were delivered were delivered on former NAMA-secured sites which benefitted from NAMA asset management and/or funding prior to their sale or refinance.

NAMA-secured sites have a residential pipeline of circa 21,500 additional units, of which 2,900 units are potentially deliverable by NAMA (600 units currently under construction and 2,300 units with NAMA-funding approved). The remaining pipeline of 18,600 units is comprised of; 1,300 units that have been granted planning permission and will be sold or refinanced by debtors; 6,800 units in the planning system either with planning applications lodged (5,900 units) or being prepared (900 units); 8,500 units on long-term residential zoned land on which NAMA is funding pre-planning and feasibility work and 2,000 units on unzoned land with long term residential development potential. It should be noted that the development of some of the sites secured to NAMA may be currently inhibited by one or more constraints relating to commercial viability, infrastructure and / or suitable planning permission. Accordingly, much of the delivery potential of the remaining portfolio can only occur over the medium to long term. Recognising this, NAMA aims to advance sites through the planning system to maximise the number of sites that are ready for future development.

5. Dublin Docklands & Poolbeg West SDZ

One of the objectives set by the NAMA Board is to facilitate the delivery of grade A office accommodation in the Dublin Docklands SDZ. NAMA has continued to make significant progress in this regard. On completion, the projects in which NAMA had an interest will deliver 4.2 million square feet of commercial space and 2,183 residential units across 15 sites. By March 2022, just 5% of NAMA's original interests in the Dublin Docklands remained under construction, all of which are due for completion in 2022. The remaining 95% of sites in which NAMA had an interest are construction completed and / or sold, or have been sold with the benefit of planning permission or will be sold for future development. While the timing and cost of the delivery of some of these projects has been impacted by factors such as supply chain pressures and the Covid-19 pandemic, every effort continues to be made to mitigate the impact using measures within NAMA's control.

Poolbeg West SDZ has the potential to provide up to 3,800 homes (including 10% Part V and 15% social and affordable homes) and approximately 1 million sq. ft. of commercial space, as well as educational facilities, public open spaces, civic spaces and other community amenities. In June 2021, a consortium consisting of Ronan Group Real Estate, Oaktree Capital Management, L.P. and Lioncor Developments Limited acquired an 80% shareholding in PV and. NAMA retains a minority 20% shareholding in PV. The consortium has received planning permission from Dublin City Council for the first 570 residential units with construction on site currently expected to commence in 2022. Additional planning applications have been lodged with Dublin City Council for a further 872 residential units.

6. Social housing

Up to March 2022, NAMA had identified 7,355 residential units as potentially suitable for social housing from its secured portfolio and offered these to local authorities. Many of these units were not required at the time, deemed unsuitable or subsequently became unavailable. 2,687 social housing homes had been delivered or committed by NAMA, excluding those delivered under Part V arrangements on NAMA-funded residential developments.

We trust the Q1 2022 Section 55 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,

Brendan McDonagh
Digitally signed by Brendan McDonagh
Date: 2022.06.29 15:53:16 +01'00'

Aidan Williams
Chairman

Brendan McDonagh
Chief Executive Officer

Unaudited Consolidated Accounts of the National Asset Management Agency

For the quarter ended 31 March 2022

National Asset Management Agency Group

Quarter to 31 March 2022

Contents of Unaudited Consolidated Accounts

Board and other information

Board

Aidan Williams (Chairman)
Brendan McDonagh, Chief Executive Officer NAMA[1]
Conor O'Kelly, Chief Executive Officer NTMA[1]
Oliver Ellingham (non-executive)
Mari Hurley (non-executive)
Eileen Maher (non-executive)
Davina Saint (non-executive)
Charlotte Sheridan (non-executive)
Michael Wall (non-executive)

Office

Treasury Dock
North Wall Quay
Dublin 1
D01 A9T8

Principal Bankers

Central Bank of Ireland
North Wall Quay
Dublin 1
D01 F7X3

Citibank
North Wall Quay
Dublin 1
D01 T8Y1

Allied Irish Banks, p.l.c.
Baggot Street Lower
Dublin 2
D02 X342

[1] The Chief Executives of the NTMA and NAMA are ex-officio Board members of NAMA.

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 Officer, 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.

Group structure

In accordance with the Act and to achieve its objectives, the Agency has set up certain special purpose vehicles (SPVs). These are designated as NAMA Group entities within the meaning of Section 4 of the Act. The relationship between the NAMA Group entities is summarised in Chart 1.

On 18 December 2014, National Asset Leisure Holdings Limited (in Voluntary Liquidation) (NALHL) was placed into liquidation by its members. As the liquidator has assumed the rights of the shareholder and now controls NALHL and its subsidiaries, NALHL (in Voluntary Liquidation) and its subsidiaries, RLHC and RLHC II, are not consolidated into the results of the NAMA Group.

The SPVs established are as follows:

National Asset Management Agency Investment D.A.C. (NAMAI)

NAMAI was incorporated on 27 January 2010. NAMAI is the company through which private investors had invested in the Group.

NAMA invested €49m in NAMAI, receiving 49m A ordinary shares. The remaining €51m was invested in NAMAI by private investors, each receiving an equal share of 51m B ordinary shares. Under the terms of a shareholders' agreement between NAMA and the private investors, NAMA could exercise a veto over decisions taken by NAMAI. As a result of this veto, the private investors' ability to control the financial and operating policies of the entity was restricted and NAMA had effective control of the company. By virtue of this control, NAMA consolidated NAMAI and its subsidiaries and the 51% external investment in NAMAI was reported as a non-controlling interest in the financial statements. On 26 May 2020, NAMA exercised an option to purchase the private investors' 51% shareholding in NAMAI. From this date, NAMA held a 100% shareholding in NAMAI.

During 2021, NAMAI advanced a loan to a project in which NAMA has an economic interest.

National Asset Management D.A.C. (NAM)

NAM was incorporated on 27 January 2010. NAM is responsible for issuing the government guaranteed debt instruments and the subordinated debt, which were used as consideration in acquiring loan assets. The government guaranteed debt securities issued by NAM were listed on the Irish Stock Exchange prior to their full redemption in 2017. By March 2020, all the subordinated debt had been fully redeemed.

After NAM was incorporated, the government guaranteed debt instruments and the subordinated debt instruments were transferred to NAMGS and by NAMGS to NALM. The latter used these debt instruments as part consideration for the loan assets acquired from the Participating Institutions.

NAM has ten subsidiaries at the reporting date.

NAMGS

NAMGS was incorporated on 27 January 2010. NAMGS acquired certain debt instruments issued by NAM under a profit participating loan (PPL) agreement, and in turn, made these debt instruments available to NALM on similar terms. NAMGS is wholly owned by NAM.

NAMGS acts as the holding company for its nine subsidiaries as at the reporting date: NALM, National Asset Management Services D.A.C. (NAMS), National Asset JVA D.A.C. (NAJVA), National Asset Property Management D.A.C. (NAPM), National Asset North Quays D.A.C. (NANQ), National Asset Residential Property Services D.A.C. (NARPS), NALHL (in Voluntary Liquidation), RLHC and RLHC II.

NAMGS recognised a 20% equity investment in Pembroke Ventures D.A.C. (PV) from 4 June 2021.

NALM

NALM was incorporated on 27 January 2010. The purpose of NALM is to acquire, hold, and manage the loan assets acquired from the Participating Institutions.

NALM has one subsidiary, NANQ.

NANQ

NANQ was incorporated on 8 April 2015. NANQ is a 100% wholly owned subsidiary of NALM and was established to hold the freehold lands acquired by NAMA at 72-80 North Wall Quay, Dublin 1 in February 2015 and to receive proceeds from a secure income stream from the lands in the form of a licence fee. The licence was granted to a third party for a period of six years to enable the development of the site for long-term commercial benefit. In addition to the secure income stream, a fixed percentage of rents and a percentage of sales proceeds of any completed development built on the lands are due to NANQ. This development is now complete.

NAMS

NAMS was incorporated on 27 January 2010. Previously a non-trading entity, NAMS acquired a 20% shareholding in a general partnership associated with the NAJVA investment during 2013. The liquidation of the general partnership completed on 22 April 2022.

NAJVA

On 4 July 2013, NAMA established a subsidiary, NAJV A. NAJV A is a wholly owned subsidiary of NAMGS. NAMA entered an arrangement with a consortium whereby a 20% interest in a limited partnership was acquired and NAJV A was established to facilitate this transaction. Since its incorporation, NAJV A has invested in other arrangements with third parties where it has taken a minority, non-controlling equity interest in an investee to facilitate the delivery of commercial and residential real estate.

NAPM

NAPM was incorporated on 27 January 2010. The purpose of NAPM is to take direct ownership of property assets if and when required.

NAPM has four subsidiaries at the reporting date; NARPS, NALHL (in Voluntary Liquidation), RLHC and RLHC II.

NARPS

On 18 July 2012, NAMA established a subsidiary, National Asset Residential Property Services. NARPS is a wholly owned subsidiary of NAPM, and was established to acquire residential properties and to lease and ultimately sell these properties to approved housing bodies for social housing purposes. On 28 September 2019, the Minister for Finance issued a direction to NAMA to retain ownership of NARPS. NARPS is to remain in State ownership and the value attributable may form part of any potential transfer of assets as part of the lifetime surplus transfer.

A total of 2,687 residential properties were delivered to the social housing sector by NAMA debtors from inception to the reporting date, of which 2,621 were completed and contracts on a further 66 properties (for direct sale) were exchanged by the reporting date. Completed units delivered since inception include the direct sale of 1,160 properties by NAMA debtors and receivers to various approved housing bodies and/or local authorities, the direct leasing of 89 properties by NAMA debtors and receivers and the acquisition by NARPS of 1,372 properties for lease to approved housing bodies. During 2021, 6 properties were sold and at the reporting date 1,366 properties are held by NARPS. These figures do not include those units delivered under Part V arrangements on NAMA-funded residential developments.

NALHL (in Voluntary Liquidation)

On 10 January 2014, NAMA established a subsidiary, NALHL. NALHL (in Voluntary Liquidation) is a wholly owned subsidiary of NAPM and was established to acquire 100% of the share capital of two Portuguese entities, RLHC and RLHC II.

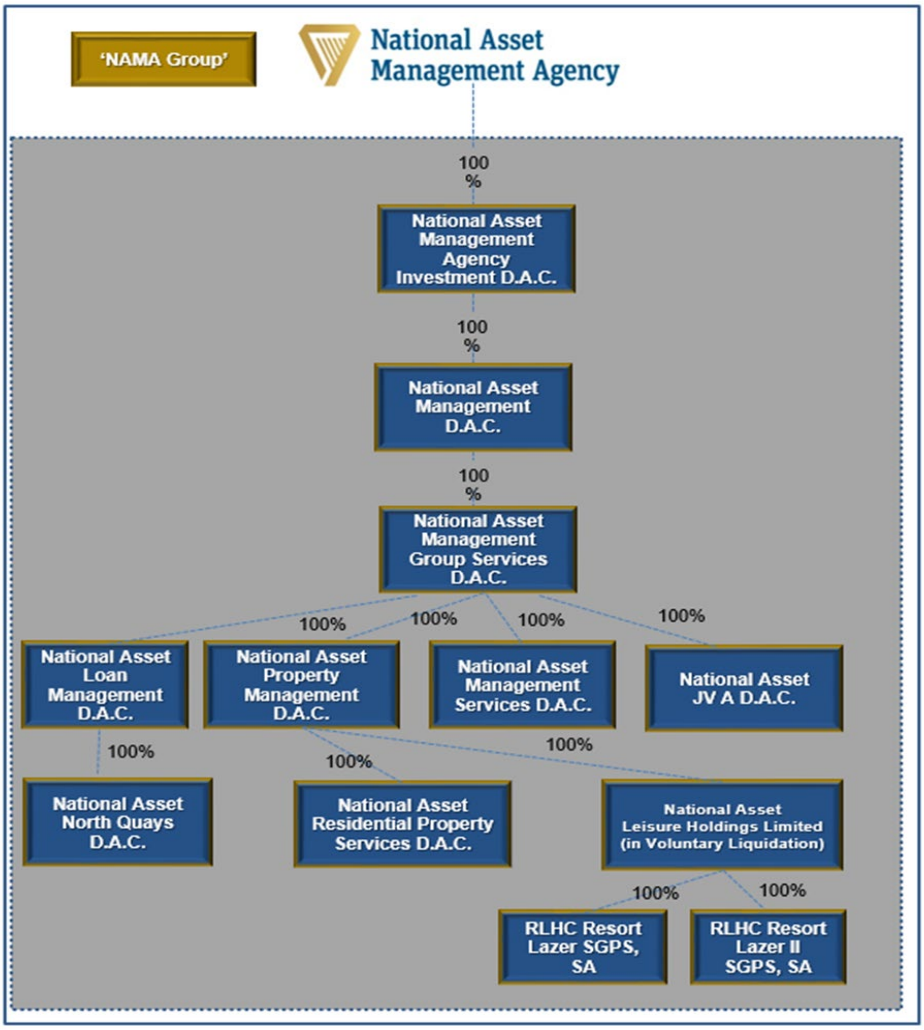
The establishment of these entities was required to facilitate the legal restructure of a number of entities with Portuguese property assets. Following the completion of the legal restructure, NALHL (in Voluntary Liquidation) was placed into voluntary liquidation on 18 December 2014. The control of NALHL (in Voluntary Liquidation) is with the liquidator who will realise the assets of NALHL (in Voluntary Liquidation).

RLHC Resort Lazer SGPS, S.A. (RLHC), RLHC Resort Lazer II SGPS, S.A. (RLHC II)

On 5 February 2014, NAMA established two subsidiaries, RLHC Resort Lazer SGPS, S.A. (RLHC) and RLHC Resort Lazer II SGPS, S.A. (RLHC II). RLHC and RLHC II are wholly owned subsidiaries of NALHL (in Voluntary Liquidation) and acquired 90% and 10% respectively of the share capital of a number of Portuguese entities, following the legal restructure of the debt owed by these entities.

With the exception of RLHC and RLHC II, the address of the registered office of each company is Treasury Dock, North Wall Quay, Dublin 1. Each Company is incorporated and domiciled in the Republic of Ireland, except for RLHC and RLHC II which are incorporated and domiciled in Portugal. The address of the registered office of RLHC and RLHC II is Rua Garrett, no. 64, 1200-204 Lisbon, Portugal.

Chart 1 NAMA Group entities as at 31 March 2022



Quarterly financial information

In accordance with Section 55 of the Act, NAMA is required every three months to report to the Minister on its activities and the activities of each NAMA Group entity, referred to in the Act as the 'quarterly report' or 'the accounts'. Section 55 of the Act sets out certain financial and other information to be provided in each quarterly report.

The financial statements present the consolidated results of the NAMA Group for the quarter ended 31 March 2022. For the purposes of these accounts, the 'NAMA Group' comprises the results of all entities presented in Chart 1, excluding those in liquidation.

The financial information for all entities is presented showing items of income and expenditure for the quarter from 1 January 2022 to 31 March 2022.

The statement of financial position is presented as at 31 March 2022 and 31 December 2021. The cash flow statement for the NAMA Group is presented for all cash movements for the quarter from 1 January 2022 to 31 March 2022.

The income statement and statement of financial position for each NAMA Group Entity are provided on pages 25 to 27.

Consolidated Income Statement
For the quarter from 1 January 2022 to 31 March 2022

	Note	For the quarter from 1 Jan 2022 to 31 Mar 2022 €'000
Net gains on debtor loans measured at FVTPL	3	42,912
Interest and similar expense	4	(147)
Other income	5	3,681
Profit on disposal and refinancing of loans	6	5
Profit on disposal of property assets	7	12
Total operating income		**46,463**
Administration expenses	8	(10,777)
Foreign exchange losses	9	(31)
Operating profit		**35,655**
Tax charge	10	(2,928)
Profit for the period		**32,727**

The accompanying notes 1 to 20 form an integral part of these accounts.

Consolidated Statement of Financial Position
As at 31 March 2022

	Note	31 Mar 2022 €'000	31 Dec 2021 €'000
Assets			
Cash and cash equivalents	11	298,507	748,396
Exchequer Notes	11	490,000	-
Debtor loans measured at FVTPL	12	713,481	714,861
Other assets	13	7,280	14,234
Investments in equity instruments	16	23,785	21,879
Inventories - trading properties	14	100	100
Investment properties	15	314,000	314,000
Total assets		**1,847,153**	**1,813,470**
Liabilities			
Other liabilities	18	28,728	27,796
Tax payable	19	1,689	606
Deferred tax	17	5,179	6,238
Total liabilities		**35,596**	**34,640**
Equity			
Retained earnings	20	1,811,557	1,778,830
Total equity		**1,811,557**	**1,778,830**
Total equity and liabilities		**1,847,153**	**1,813,470**

The accompanying notes 1 to 20 form an integral part of these accounts.

Consolidated Statement of Cash Flows
For the quarter from 1 January 2022 to 31 March 2022

	For the quarter from 1 Jan 2022 to 31 Mar 2022 €'000
Cash flows from operating activities	
Debtor Loans	
Receipts from loans	73,550
Funds advanced to borrowers	(28,962)
Net cash provided by debtor loans	**44,588**
Foreign Currency Spots	
Cash inflow on foreign currency spots	1,235
Cash outflow on foreign currency spots	(1,241)
Net cash used in foreign currency spots	**(6)**
Other operating cashflows	
Payments to suppliers of services	(8,037)
Interest paid on cash, cash equivalents	(10)
Rental income received	3,579
Net cash used in other operating activities	**(4,468)**
Net cash provided by operating activities	**40,114**
Cash flows from investing activities	
Funds paid to acquire Exchequer Notes	(490,000)
Net cash used in investing activities	**(490,000)**
Cash and cash equivalents at the beginning of the period	**748,396**
Net cash provided by operating activities	40,114
Net cash used in investing activities	(490,000)
Effects of exchange-rate changes on cash and cash equivalents	(3)
Cash and cash equivalents at the end of the reporting period	**298,507**

1 General Information

For the purposes of these accounts, the 'NAMA Group' comprises the parent entity NAMA (the Agency) and all entities shown in Chart 1 on page 9.

With the exception of RLHC and RLHC II, the address of the registered office of each company is Treasury Dock, North Wall Quay, Dublin 1. Each Company is incorporated and domiciled in the Republic of Ireland, except for RLHC and RLHC II which are incorporated and domiciled in Portugal. The address of the registered office of RLHC and RLHC II is Rua Garrett, nº. 64, 1200-204 Lisbon, Portugal.

2 Summary of significant accounting policies

2.1 Basis of preparation

The Group's consolidated accounts for the period to 31 March 2022 are presented in accordance with its accounting policies for the purposes of complying with the requirements of Section 55 of the Act.

The preparation of these accounts requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Group's accounting policies. Changes in assumptions may have a significant impact on the accounts in the period the assumptions change. Management believes that the underlying assumptions are appropriate and that the Group's accounts therefore present the financial position and results fairly. The Group's principal critical estimates and judgments include determining the fair value of financial instruments, the fair value of investment properties, the carrying value of trading properties and the assessment of control and significant influence in equity investments.

2.2 Basis of measurement

The consolidated accounts were prepared under the historical cost convention, except for equity instruments, investment properties and debtor loans which were measured at fair value.

The consolidated accounts are presented in euro (or €), which is the Group's presentational currency. The figures shown in the consolidated accounts are stated in (€) thousands.

The consolidated statement of cash flows shows the changes in cash and cash equivalents arising during the period from operating activities, investing activities and financing activities. The cash flows from operating activities are determined using the direct method, whereby major classes of gross cash receipts and gross payments are disclosed.

Cash flows from investing and financing activities are reported on a gross basis. The Group's assignment of the cash flows to operating, investing and financing categories depends on the Group's business model.

In accordance with IAS 1, assets and liabilities are presented in order of liquidity.

2.3 Basis of consolidation

The consolidated financial statements of the Group comprise the financial statements of the parent entity, NAMA and its subsidiaries, with the exception of NALHL (in voluntary liquidation), RLHC and RLHC II. Consolidation of subsidiaries ceases on the date that the parent loses control of the subsidiary. Income and expenses of a subsidiary are included in the consolidated financial statements until the date that control ceases. The financial statements of the subsidiaries used to prepare the consolidated financial statements were prepared as of the same reporting date as that of the parent.

The Group consolidates all entities which it controls. Control is considered to be achieved when the Group
- has power over the entity;
- is exposed to, or has rights to, variable returns from its involvement with the entity; and
- has the ability to use its power to affect its return.

Investments in subsidiaries are accounted for at cost less impairment. Accounting policies of the subsidiaries and the Agency are consistent with the Group's accounting policies.

Inter-group transactions and balances and gains on transactions between Group companies are eliminated. Inter-group losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

The consolidated financial statements are presented in euro, which is the Group's presentation currency.

(b) Transactions and balances

Transactions denominated, or that require settlement, in a foreign currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary items denominated in foreign currency are translated using the closing rate as at the reporting date. Non-monetary items that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items measured at historical cost denominated in a foreign currency are translated using the exchange rate as at the date of initial recognition.

All foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement.

All foreign exchange gains and losses recognised in the income statement are presented as a separate line item in the consolidated income statement.

2.5 Financial assets

Recognition and initial measurement

The Group recognises financial assets in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial assets are measured initially at fair value. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit & loss (FVTPL) are recognised immediately in profit or loss. Other than financial assets and financial liabilities at FVTPL, transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition.

Classification and Subsequent Measurement

Subsequent to initial recognition, a financial asset is classified and subsequently measured at:
(a) Amortised cost
(b) Fair value through other comprehensive income (FVOCI)
(c) Fair value through profit & loss (FVTPL).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

• The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
• The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At initial recognition, the Group may irrevocably designate an equity instrument as FVOCI unless it is held for trading. The election to designate an investment in equity instrument at FVOCI is made on an instrument-by instrument basis. The Group has not designated any equity instrument as FVOCI.

Any financial asset that does not qualify for amortised cost measurement or measurement at FVOCI must be measured subsequent to initial recognition at FVTPL except if it is an investment in an equity instrument designated at FVOCI. The Group may irrevocably elect on initial recognition to designate a financial asset at FVTPL if the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise if the financial asset had been measured at amortised cost or FVOCI or recognising the gains and losses on them on different bases.

Contractual cash flows are solely payments of principal and interest assessment

For the purpose of the solely payments of principal and interest "SPPI" assessment, principal is the fair value of the financial asset at initial recognition. However, that principal amount may change over the life of the financial asset. Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as profit margin.

Business Model Assessment

The Group determines the business models at a level that reflects how groups of financial assets are managed to achieve a particular business objective. The Group's business models determine whether cash flows will result from collecting contractual cash flows, selling financial assets or both. The Group considers the following information when making the business model assessment:

• how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel; and
• the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed.

At initial recognition of a financial asset, the Group determines whether newly recognised financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Group reassesses its business models each reporting period to determine whether the business models have changed since the preceding period.

(a) Amortised Cost
The Group has classified and measured cash and cash equivalents, Exchequer Notes and other assets at amortised cost less any expected credit loss allowance.

(b) Fair value through profit & loss (FVTPL)
Due to their cash flow characteristics and the business model for managing the asset, the Group has classified and measured debtor loans at FVTPL. These assets are measured at fair value, with any gains/losses arising on re-measurement recognised in the income statement. Fair value is determined in the manner described in note 2.21.

Other financial instruments that are classified and measured at FVTPL include equity investments.

Equity Instruments
An equity instrument is any contract that results in a residual interest in the assets of an entity after deducting all of its liabilities. An equity instrument has no contractual obligation to deliver cash or another financial asset. Equity instruments are measured at FVTPL. The fair value of equity instruments is measured based on the net asset value of the entity at the reporting date. Changes in fair value are recognised in the income statement as part of other income/(expenses). Equity instruments are separately disclosed in the statement of financial position.

2.6 Financial liabilities

The Group recognises financial liabilities in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are measured initially at fair value. The Group classifies and subsequently measures its financial liabilities at amortised cost with the exception of derivatives classed as FVTPL, with any difference between the proceeds net of transaction costs and the redemption value recognised in the income statement using the effective interest method.

Where financial liabilities are classified as FVTPL, gains and losses arising from subsequent changes in fair value are recognised directly in the income statement.

2.7 De-recognition of financial assets and financial liabilities

Financial assets are derecognised when the contractual rights to receive the cash flows from these assets have ceased to exist or the assets have been transferred and substantially all the risks and rewards of ownership of the assets have also been transferred. Financial liabilities are derecognised when they have been redeemed or otherwise extinguished.

2.8 Fair value gains/(losses) on debtor loans at fair value through profit and loss (FVTPL)

Fair value gains/ (losses) on debtor loans at FVTPL includes all gains and losses from changes in the fair value of debtor loans at FVTPL. The Group has elected to present the full fair value movement in this line, including the impact of net cash collections in the period.

2.9 Interest income and interest expense

Interest income and interest expense for all interest-bearing financial instruments other than debtor loans at FVTPL are recognised as interest income and interest expense in the income statement using the effective interest (EIR) method.

The EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of a financial asset or the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than impaired assets, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not expected credit losses. For purchased or originated impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the financial asset except for impaired financial assets or to the amortised cost of the financial liability. For financial assets that have become impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer impaired, then the calculation of interest income reverts to the gross basis. For financial assets that were impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

2.10 Fee income

Fee income is income associated with debtor connections that is not considered as a reduction in the debt obligations of the debtor. Fee income is recognised in the income statement.

2.11 Profit/(loss) on the disposal and refinancing of loans

Profits and losses on the disposal and refinancing of loans are calculated as the difference between the carrying value of the loans and the contractual sales price at the date of sale, less related loan sale costs. The contractual sales price includes any deferred consideration where NAMA has the contractual right to receive any deferred cash flow. Profits and losses on the disposal and refinancing of loans are recognised in the income statement when the transaction occurs. In a small number of instances, when an individual loan account is sold, the profit/loss on disposal is only recognised when the entire connection/loan pack related to that account is sold.

2.12 Impairment of financial assets

The Group assesses, on a regular basis, the impairment of financial assets measured at amortised cost and at FVOCI on an expected credit loss (ECL) basis. The measurement of ECL is based on a three-stage approach:

Stage 1 : where financial instruments have not had a significant increase in credit risk since initial recognition, a provision for 12-month ECL is recognised, being the ECL that result from default events that are possible within 12 months of the reporting date;

Stage 2 : where financial instruments have had a significant increase in credit risk since initial recognition but does not have objective evidence of impairment, a lifetime ECL is recognised, being the ECL that result from all possible default events possible over the lifetime of the financial asset;

Stage 3 : where financial assets show objective evidence of impairment, a lifetime ECL is recognised.

There are a variety of approaches that could be used to assess whether the credit risk on a financial instrument has increased significantly since initial recognition. In some cases, detailed quantitative information about the probability of default of a financial instrument or formal credit rating will be available which is used to compare changes in credit risk. The Group monitors financial assets that are subject to impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition on a regular basis.

The measurement of the loss allowance is based on the present value of the applicable financial assets expected cash flows using the financial asset's effective interest rate.

The general approach for recognising and measuring a loss allowance is the same for financial instruments measured at amortised cost and those instruments that are measured at FVOCI. However, unlike amortised cost, the loss allowance on instruments at FVOCI are recognised in other comprehensive income and do not reduce the carrying amount of the financial asset in the statement of financial position.

2.13 Impairment of non-financial assets

The carrying amount of the Group's non-financial assets is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. An impairment loss is recognised in the income statement if the carrying amount exceeds its recoverable amount.

2.14 Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash equivalents include Short-Term Exchequer Notes held through the NTMA where time to maturity on the date of acquisition is three months or less.

2.15 Inventories - trading properties

Trading properties include property assets which are held for resale in accordance with IAS 2 Inventories. They are recognised initially on the statement of financial position at the point at which the purchase contract has been signed with the vendor. Subsequent to initial recognition, trading properties are stated at the lower of cost and net realisable value. Costs are determined on the basis of specific identification of individual costs relating to each asset. Net realisable value ('NRV') represents the estimated selling price for properties less all estimated costs of completion and costs necessary to make the sale. Revisions to the carrying value of trading properties are recognised in the income statement.

Profits and losses on the disposal of trading properties are recognised in the income statement when the transaction occurs.

2.16 Investment Properties

Investment properties are initially measured at cost at the point at which the contract has been signed and subsequently at fair value with any change recognised in the income statement. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount) is recognised in the income statement when the transaction occurs. Rental income from investment properties is recognised in the income statement.

2.17 Taxation

Income tax comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised in other comprehensive income, in which case it is recognised in other comprehensive income.

(a) Current income tax

Current income tax is the expected tax payable on the taxable income for the financial year using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Current income tax payable on profits, based on the applicable tax law in the relevant jurisdiction, is recognised as an expense in the period in which the profits arise.

The tax effects of current income tax losses available for carry forward are recognised as an asset when it is probable that future taxable profits will be available against which these losses are utilised.

An entity shall offset current tax assets and current tax liabilities if, and only if, the entity: has a legally enforceable right to set off the recognised amounts: and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(b) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and tax laws) that have been enacted or substantially enacted by the date of the statement of financial position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised when it is probable that future taxable profit will be available against which these temporary differences can be utilised.

Deferred income tax related to FVOCI reserves is recognised in equity and subsequently in the consolidated income statement together with the associated gain or loss.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The Group assesses, on an annual basis only, the deferred tax relating to unutilised tax losses.

2.18 Provisions, contingent assets and liabilities

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period.

Contingent liabilities

A contingent liability is a possible obligation depending on whether some uncertain future events occurs, or a present obligation but payment is not probable, or the amount cannot be measured reliably. Contingent liabilities are not recognised by the Group but are disclosed unless the probability of theirContingent liabilities are not recognised by the Group but are disclosed unless the probability of their occurrence is remote.

Contingent assets

Contingent assets are not recognised by the Group but are disclosed where an inflow of economic benefits is probable. If the realisation of income becomes virtually certain then the related asset is recognised.

Contingent assets and liabilities are assessed continually to ensure that they are appropriately reflected in the financial statements.

2.19 Exchequer Notes

Exchequer Notes are liquid, interest bearing notes held through the NTMA where time to maturity on date of acquisition is greater than three months. Exchequer Notes are recognised in the statement of financial position. Any interest payable or receivable on Exchequer Notes is recorded in interest expense or interest income respectively.

2.20 Leases

As lessee
At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. If this arises, the Group recognises a right of use asset and a lease liability at the lease commencement date.

The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentives received. The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease. The right of use asset is assessed for impairment if there are indicators of impairment and if any is reduced. The right of use asset may be adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. Lease interest expense is recognised on the lease liability. The lease liability is remeasured when there is a change in future lease payments. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset.

As lessor
Properties acquired by NARPS for the purposes of social housing are investment properties and are accounted for in line with IAS 40. Rental income arising from operating leases on investement properties is accounted for on a straight line basis over the lease term.

2.21 Determination of fair value

The Group measures fair values in accordance with IFRS 13 which defines fair value as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date in the principal market, or in its absence, the most advantageous market to which the Group has access at that date, regardless of whether that price is directly observable or estimated using another valuation technique.

Financial instruments are initially recognised at fair value and, with the exception of financial assets at fair value through profit or loss, the initial carrying amount is adjusted for direct and incremental transaction costs. In the normal course of business, the fair value on initial recognition is the transaction price (fair value of consideration given or received).

Subsequent to initial recognition, fair values are determined using valuation techniques. These valuation techniques seek to maximise the use of publically available relevant observable inputs and minimise the use of unobservable inputs. The valuation techniques used incorporate the factors that management believe market participants would take into account in pricing a transaction. Valuation techniques may include the use of recent orderly transactions between market participants, reference to other similar instruments, option pricing models, discounted cash flow analysis and other valuation techniques commonly used by market participants.

Valuation techniques

In the case of debtor loans measured at FVTPL, the fair value of these instruments is determined with input from management and using internally generated valuation models based on selected comparable market data points. The majority of the significant inputs into these models are not readily observable in the market and the inputs are therefore derived from market prices for similar assets or estimated based on certain assumptions. The determination of key inputs used such as the expected future cash flows on the financial asset, stratification of portfolio and the appropriate discount rates applicable require management judgement and estimation. The expected future cash flows represent NAMA’s best estimate of expected future cash flows include the disposal of property collateral and other non-disposal related cash flows (such as rental income).

The valuation methodology for debtor loans at FVTPL is to estimate the expected cash flows to be generated by the financial asset and then discount these values back to a present value. The assumptions involved in these valuation techniques include:

– determining suitable stratifications for the portfolio for assets with similar risk characteristics;

– the likelihood and expected timing of future cash flows; and

– selecting an appropriate discount rate for the financial asset or group of financial assets, based on management's assessment of the characteristics of the instrument and relevant market information.

In the case of investment properties, the fair value of these properties is determined by an external, independent property valuer on a regular basis. Outputs from valuers can be subject to management judgement. The valuer utilises the investment method of valuation using the discounted cash flow technique which can include assumptions for the likelihood of purchase options being exercised, exit yields and expected rent cash flows.

In the case of over-the-counter derivatives, fair value is calculated using valuation techniques. Fair value may be estimated using quoted market prices for similar instruments, adjusted for differences between the quoted instrument and the instrument being valued. Where the fair value is calculated using discounted cash flow analysis, the methodology is to use, to the extent possible, market data that is either directly observable or is implied from instrument prices, such as interest rate yield curves, equities and commodities prices, credit spreads, option volatilities and currency rates.

The valuation methodology is to calculate the expected cash flows under the terms of each specific contract and then discount these values back to a present value. The assumptions involved in these valuation techniques include:

– the likelihood and expected timing of future cash flows of the instrument. These cash flows are generally governed by the terms of the instrument, although management judgement may be required when the ability of the counterparty to service the instrument in accordance with the contractual terms is in doubt. In addition, future cash flows may also be sensitive to the occurrence of future events, including changes in market rates; and

– selecting an appropriate discount rate for the instrument, based on the interest rate yield curves including the determination of an appropriate spread for the instrument over the risk-free rate. The spread is adjusted to take into account the specific credit risk profile of the exposure.

Adjustments to the calculation of the present value of future cash flows are based on factors that management believe market participants would take into account in pricing the financial instrument.

Certain other financial instruments (both assets and liabilities) may be valued on the basis of valuation techniques that feature one or more significant inputs that are not observable in the market. When applying a valuation technique with unobservable data, estimates are made to reflect uncertainties in fair values resulting from a lack of market data. For these instruments, the fair value measurement is less reliable. Valuations based on non-observable data are inherently uncertain because there is little or no current market data available from which to determine the price at which an orderly transaction between market participants would occur under current market conditions.

The calculation of fair value for any financial instrument may require adjustment of the valuation technique output to reflect the cost of credit risk, if market participants would include one, where these are not embedded in underlying valuation techniques.

3. Net gains on debtor loans measured at FVTPL

	For the quarter from 1 Jan 2022 to 31 Mar 2022
	€'000
Fair value movements on debtor loans (note 12)	**42,912**

4. Interest and similar expense

	For the quarter from 1 Jan 2022 to 31 Mar 2022
	€'000
Negative interest expense on cash and cash equivalents	(146)
Lease interest expense	(1)
Total interest and similar expense	**(147)**

5. Other income

	For the quarter from 1 Jan 2022 to 31 Mar 2022
	€'000
Lease rental income	3,615
Other income	66
Total other income	**3,681**

Lease rental income is earned from the lease of residential properties to approved housing bodies for social housing purposes.

6. Profit on disposal and refinancing of loans

	For the quarter from 1 Jan 2022 to 31 Mar 2022
	€'000
Net profit on disposal and refinancing of loans	**5**

7. Profit on disposal of property assets

	For the quarter from 1 Jan 2022 to 31 Mar 2022
	€'000
Net profit on disposal of property assets	**12**

8. Administration expenses

	For the quarter from 1 Jan 2022 to 31 Mar 2022
	€'000
Costs reimbursable to the NTMA	6,320
Primary servicer fees	1,371
Finance, communication and technology costs	1,100
Legal fees	152
Portfolio management fees	487
Rent and occupancy costs	781
Master servicer fees	218
Internal audit fees	140
External audit remuneration	146
Board and Committee fees and expenses	62
Total administration expenses	**10,777**

Under Section 42 (4) of the Act, the Agency shall reimburse the NTMA for the costs incurred by the NTMA as a consequence of its assignment of staff to the NAMA Group Entities. See 8.1 below for further breakdown of such costs.

NAMA Board and Advisory Committee fees are paid to Board members and external members of Committees. Brendan McDonagh (CEO, NAMA) and Conor O'Kelly (CEO, NTMA) receive no payment as members of the NAMA Board.

8.1 Costs reimbursable to the NTMA

	For the quarter from 1 Jan 2022 to 31 Mar 2022
	€'000
Staff costs	4,893
Overheads and shared service costs	1,427
Total	**6,320**

9. Foreign exchange losses

	For the quarter from 1 Jan 2022 to 31 Mar 2022
	€'000
Foreign exchange losses on debtor loans at FVTPL (note 12)	(23)
Realised foreign exchange losses on spots	(5)
Foreign exchange losses on cash	(3)
Total foreign exchange losses	**(31)**

Foreign exchange translation gains and losses on debtor loans arise on the revaluation of foreign currency denominated debtor loans. Foreign currency translation amounts are recognised in accordance with accounting policy 2.4.

10. Tax charge

	For the quarter from 1 Jan 2022 to 31 Mar 2022
Current tax charge	**€'000**
Corporation tax	(3,987)
Deferred tax (charge)/credit	
On IFRS 9 transitional adjustments (note 17)	1,059
	1,059
Total taxation charge	**(2,928)**

11. Cash, cash equivalents and Exchequer Notes

	31 Mar 2022 €'000	31 Dec 2021 €'000
Balances with the Central Bank of Ireland	80,885	734,534
Balances with other banks	17,622	13,862
Short Rerm Exchequer Notes	200,000	-
Total cash and cash equivalents	**298,507**	**748,396**
Exchequer Notes	490,000	-
Total cash, cash equivalents and Exchequer Notes	**788,507**	**748,396**

Balances with other banks comprise balances held with Citibank and AIB.

Short term Exchequer Notes are interest bearing notes held through the NTMA with maturities of three months or less on the date of acquisition. These short term Exchequer Notes are classified as cash and cash equivalents.

Exchequer Notes are interest bearing notes held with the NTMA with maturities on the date of acquisition greater than three months.

No expected credit loss has been recognised on cash and cash equivalents.

12. Debtor loans measured at FVTPL

	For the quarter from 1 Jan 2022 to 31 Mar 2022 €'000
At the beginning of the period	**714,861**
Movements in period:	
Receipts on debtor loans measured at FVTPL	(70,795)
Advanced to borrowers	28,962
FX losses on debtor loans measured at FVTPL (note 9)	(23)
Profit on disposal and refinancing of loans measured at FVTPL	5
Other movements on debtor loans measured at FVTPL	(2,441)
Fair value gains on debtor loans at FVTPL (note 3)	42,912
Total debtor loans measured at FVTPL	**713,481**

13. Other assets

	31 Mar 2022 €'000	31 Dec 2021 €'000
Tax receivable	-	3,618
Right of Use Assets	5,193	5,694
Other assets	2,087	4,922
Total other assets	**7,280**	**14,234**

14. Inventories - trading properties

	31 Mar 2022 €'000	31 Dec 2021 €'000
Inventories - trading properties	**100**	**100**

The Group acquires trading properties either in settlement of debt or where the asset is deemed to be of strategic importance to the Group objectives. Trading properties are recognised in accordance with accounting policy 2.15. The remaining trading property at the reporting date is carried at cost of €100k. The Net Realisable Value ('NRV') of this property is significantly higher.

15. Investment properties

	31 Mar 2022 €'000	31 Dec 2021 €'000
Investment properties	**314,000**	**314,000**

In September 2019, the Minister for Finance issued a direction to NAMA to retain ownership of NARPS. NARPS is to remain in State ownership and the value attributable may form part of any potential transfer of assets as part of the surplus transfer. Investment properties are valued at fair value.

16. Investments in equity instruments

	31 Mar 2022 €'000	31 Dec 2021 €'000
Investments in equity instruments measured at fair value	**23,785**	**21,879**

The Group may invest in equity instruments to maximise value and to facilitate the effective delivery of commercial or residential developments.

17. Deferred tax

	Deferred tax		Deferred tax on IFRS 9 transition adjustment	Total
	Assets €'000	(Liabilities) €'000	(Liabilities) €'000	€'000
Balance at 1 Jan 2022	1,137	(3,136)	(4,239)	**(6,238)**
Amortisation of transition adjustment	-	-	1,059	**1,059**
Balance at 31 Mar 2022	**1,137**	**(3,136)**	**(3,180)**	**(5,179)**

	For the quarter from 1 Jan 2022 to 31 Mar 2022 €'000
Movement recognised on IFRS 9 transitional adjustment:	
Amortisation through income statement (note 10)	1,059
Net movement in deferred tax	**1,059**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same fiscal authority.

A deferred tax liability has been recognised on the fair value adjustment to retained earnings following the Group's adoption of IFRS 9. This liability will be recognised as a charge to the income statement over a five year period following initial adoption.

18. Other liabilities

	31 Mar 2022 €'000	31 Dec 2021 €'000
Interest payable on cash and cash equivalents	263	125
Accrued expenses	22,574	22,053
VAT payable	423	74
Other liabilities	446	524
Lease Liabilities	5,022	5,020
Total other liabilities	**28,728**	**27,796**

Interest is payable on cash and cash equivalents as a result of negative Euribor interest rates.

19. Tax payable

	31 Mar 2022 €'000	31 Dec 2021 €'000
Professional services withholding tax and other taxes payable	1,321	606
Current tax liability	368	-
Total tax payable	**1,689**	**606**

20. Retained earnings

	For the quarter from 1 Jan 2022 to 31 Mar 2022 €'000
At the beginning of the period	1,778,830
Profit for the period	32,727
At the end of the period	**1,811,557**

NAMA Group

Section 55 (6) (j): Income Statement by NAMA group entity

For the quarter from 1 January 2022 to 31 March 2022

	National Asset Loan Management	National Asset North Quays	National Asset JVA	National Asset Property Management	National Asset Residential Property Services	National Asset Management Services	National Asset Management Group Services	National Asset Management	National Asset Management Agency Investment	NAMA	Consolidation Adjustments	NAMA Group Consolidated Total
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Net gains on debtor loans measured at FVTPL	42,284	-	628	-	-	-	-	-	-	-	-	42,912
Interest income	264	-	-	-	-	-	12,352	-	60	-	(12,676)	-
Other income	66	-	-	-	3,615	-	-	-	-	6,320	(6,320)	3,681
Profit on disposal and refinancing of loans	5	-	-	-	-	-	-	-	-	-	-	5
Profit on disposal of property assets	12	-	-	-	-	-	-	-	-	-	-	12
Interest and similar expense	(12,546)	(9)	(264)	(1)	(3)	-	-	(67)	-	67	12,676	(147)
Total operating income/(expenses)	**30,085**	**(9)**	**364**	**(1)**	**3,612**	**-**	**12,352**	**(67)**	**60**	**6,387**	**(6,320)**	**46,463**
Administration expenses	(10,679)	(3)	(5)	(4)	(24)	-	-	-	-	(6,382)	6,320	(10,777)
Foreign exchange losses	(31)	-	-	-	-	-	-	-	-	-	-	(31)
Operating profit/(loss)	**19,375**	**(12)**	**359**	**(5)**	**3,588**	**-**	**12,352**	**(67)**	**60**	**5**	**-**	**35,655**
Tax charge	(2,913)	-	-	-	-	-	-	-	(15)	-	-	(2,928)
Profit/(loss) for the quarter	**16,462**	**(12)**	**359**	**(5)**	**3,588**	**-**	**12,352**	**(67)**	**45**	**5**	**-**	**32,727**

NAMA Group

Section 55 (6) (i): Statement of Financial Position by NAMA group entity as at 31 March 2022

	National Asset Loan Management	National Asset North Quays	National Asset JVA	National Asset Property Management	National Asset Residential Property Services	National Asset Management Services	National Asset Management Group Services	National Asset Management	National Asset Management Agency Investment	NAMA	Consolidation Adjustments	NAMA Group Consolidated Total
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Assets												
Cash and cash equivalents	279,888	6,302	231	674	5,829	-	197	5,000	151	235	-	298,507
Exchequer Notes	490,000	-	-	-	-	-	-	-	-	-	-	490,000
Debtor loans measured at FVTPL	692,704	-	16,457	-	-	-	-	-	4,320	-	-	713,481
Other assets	378,858	-	-	-	1,377	-	1,203,283	1,185,282	96,807	530,378	(3,388,705)	7,280
Investments in equity instruments	5,044	-	18,741	-	-	-	-	-	-	105,696	(105,696)	23,785
Inventories - trading properties	-	-	-	100	-	-	-	-	-	-	-	100
Investment properties	-	-	-	-	314,000	-	-	-	-	-	-	314,000
Total assets	**1,846,494**	**6,302**	**35,429**	**774**	**321,206**	**-**	**1,203,480**	**1,190,282**	**101,278**	**636,309**	**(3,494,401)**	**1,847,153**
Liabilities												
Other liabilities	1,214,597	6,385	36,969	148	290,716	-	1,186,119	610,982	-	71,510	(3,388,698)	28,728
Tax payable	1,459	3	-	183	16	-	-	-	28	-	-	1,689
Deferred tax	3,675	-	1,504	-	-	-	-	-	-	-	-	5,179
Total liabilities	**1,219,731**	**6,388**	**38,473**	**331**	**290,732**	**-**	**1,186,119**	**610,982**	**28**	**71,510**	**(3,388,698)**	**35,596**
Equity												
Share capital	-	-	-	-	-	-	-	-	10,000	-	(10,000)	-
Share premium	-	-	-	-	-	-	-	-	90,000	-	(90,000)	-
Retained earnings	626,763	(86)	(3,044)	443	30,474	-	17,361	579,300	1,250	564,799	(5,703)	1,811,557
Total equity and reserves	**626,763**	**(86)**	**(3,044)**	**443**	**30,474**	**-**	**17,361**	**579,300**	**101,250**	**564,799**	**(105,703)**	**1,811,557**
Total equity & liabilities	**1,846,494**	**6,302**	**35,429**	**774**	**321,206**	**-**	**1,203,480**	**1,190,282**	**101,278**	**636,309**	**(3,494,401)**	**1,847,153**

NAMA Group

Section 55 (6) (i): Statement of Financial Position by NAMA group entity as at 31 December 2021

	National Asset Loan Management	National Asset North Quays	National Asset JVA	National Asset Property Management	National Asset Residential Property Services	National Asset Management Services	National Asset Management Group Services	National Asset Management	National Asset Management Agency Investment	NAMA	Consolidation Adjustments	NAMA Group Consolidated Total
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Assets												
Cash and cash equivalents	733,555	6,300	231	675	2,253	-	198	5,000	151	33	-	748,396
Debtor loans measured at FVTPL	693,095	-	17,446	-	-	-	-	-	4,320	-	-	714,861
Other assets	385,276	3	-	-	1,366	-	1,190,931	1,185,282	96,746	530,077	(3,375,447)	14,234
Investments in equity instruments	5,044	-	16,835	-	-	-	-	-	-	105,458	(105,458)	21,879
Inventories - trading properties	-	-	-	100	-	-	-	-	-	-	-	100
Investment properties	-	-	-	-	314,000	-	-	-	-	-	-	314,000
Total assets	**1,816,970**	**6,303**	**34,512**	**775**	**317,619**	**-**	**1,191,129**	**1,190,282**	**101,217**	**635,568**	**(3,480,905)**	**1,813,470**
Liabilities												
Other liabilities	1,201,329	6,374	36,411	144	290,717	-	1,186,120	610,915	-	70,774	(3,374,988)	27,796
Tax payable	606	3	-	183	16	-	-	-	12	-	(214)	606
Deferred tax	4,734	-	1,504	-	-	-	-	-	-	-	-	6,238
Total liabilities	**1,206,669**	**6,377**	**37,915**	**327**	**290,733**	**-**	**1,186,120**	**610,915**	**12**	**70,774**	**(3,375,202)**	**34,640**
Equity												
Share capital	-	-	-	-	-	-	-	-	10,000	-	(10,000)	-
Share premium	-	-	-	-	-	-	-	-	90,000	-	(90,000)	-
Retained earnings	610,301	(74)	(3,403)	448	26,886	-	5,009	579,367	1,205	564,794	(5,703)	1,778,830
Total equity and reserves	**610,301**	**(74)**	**(3,403)**	**448**	**26,886**	**-**	**5,009**	**579,367**	**101,205**	**564,794**	**(105,703)**	**1,778,830**
Total equity & liabilities	**1,816,970**	**6,303**	**34,512**	**775**	**317,619**	**-**	**1,191,129**	**1,190,282**	**101,217**	**635,568**	**(3,480,905)**	**1,813,470**

Supplementary information required under Section 54 of the Act

In accordance with the requirements of Section 54 (2) and (3) and Section 55 (6) (k) of the NAMA Act 2009 the following additional information is provided, in respect of NAMA and each of its Group entities for the quarter.

3 (i) SECTION 54 (2) - ADMINISTRATION FEES AND EXPENSES INCURRED BY NAMA AND EACH NAMA GROUP ENTITY

Administration Expenses by NAMA group entity										
For the quarter from 1 January 2022 to 31 March 2022										
	NALM	NANQ	NAJVA	NAPM	NAMSL	NAMGS	NAML	NARPS	NAMA	NAMA Group Consolidated Total
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Costs reimbursable to the NTMA	6,320	-	-	-	-	-	-	-	-	6,320
Primary Servicer fees	1,371	-	-	-	-	-	-	-	-	1,371
Master servicer fees	218	-	-	-	-	-	-	-	-	218
Portfolio management fees	452	-	5	4	-	-	-	26	-	487
Finance, communication and technology costs	1,099	3	-	-	-	-	-	(2)	-	1,100
Legal fees	152	-	-	-	-	-	-	-	-	152
Rent and occupancy costs	781	-	-	-	-	-	-	-	-	781
Internal audit fees	140	-	-	-	-	-	-	-	-	140
Board and Committee fees and expenses	-	-	-	-	-	-	-	-	62	62
External audit remuneration	146	-	-	-	-	-	-	-	-	146
	10,679	**3**	**5**	**4**	**-**	**-**	**-**	**24**	**62**	**10,777**

3 (ii) SECTION 54 (3) (A) - DEBT SECURITIES ISSUED FOR THE PURPOSES OF THE ACT

There was no debt in issue during the period. All bonds issued were fully redeemed by the start of the quarter.

3 (iii) SECTION 54 (3) (B) - DEBT SECURITIES ISSUED AND REDEEMED IN THE PERIOD

Government guaranteed senior debt securities

There were no Senior bonds issued or redeemed in the period. All Senior bonds were redeemed by the start of the quarter.

Subordinated debt securities held

There were no Subordinated bonds issued or redeemed in the period. All Subordinated bonds were redeemed by the start of the quarter.

3 (iv) SECTION 54 (3) (C) - ADVANCES TO NAMA FROM THE CENTRAL FUND

There were no advances to NAMA from the Central Fund in the quarter.

3 (v) SECTION 54 (3) (D) - ADVANCES MADE BY NAMA TO DEBTORS IN THE QUARTER

Participating Institutions and Primary Servicer	For the quarter from 1 Jan 2022 to 31 Mar 2022 €'000
BCM Global ASI	1,444
AIB	27,227
Total	**28,671**

In addition to the above, cash advances of €290k were made by NAMA group entities by way of shareholder loans in Q1 2022.

3 (vi) SECTION 54 (3) (E) - ASSET PORTFOLIOS HELD BY NAMA AND EACH NAMA GROUP ENTITY

The assets held by NAMA and each NAMA Group entity are set out below. The assets include intergroup assets and liabilities and intergroup profit participating loans between NAMA Group entities.

National Asset Management Agency	31 Mar 2022 €'000
Investment in NAMAI	105,696
Cash and cash equivalents	235
Interest receivable on loan to NAM	514,173
Receivable from NALM	16,205
Total	**636,309**

National Asset Management Agency Investment	31 Mar 2022 €'000
Debtor loans measured at fair value through profit or loss	4,320
Receivable from NAM	96,702
Receivable from NAM - accrued interest	98
Cash and cash equivalents	151
Other assets	7
Total	**101,278**

National Asset Management	31 Mar 2022 €'000
Cash and cash equivalents	5,000
PPL receivable from NAMGS	994,969
PPL interest receivable	190,313
Total	**1,190,282**

National Asset Management Group Services	31 Mar 2022 €'000
Cash and cash equivalents	197
Loan receivable from NALM	1,001,869
Loan interest receivable from NALM	176,466
PPL receivable from NAJVA	6,054
PPL interest receivable from NAJVA	18,894
Total	**1,203,480**

3 (vi) SECTION 54 (3) (E) - ASSET PORTFOLIOS HELD BY NAMA AND EACH NAMA GROUP ENTITY - CONTINUED

National Asset Loan Management	31 Mar 2022 €'000
Investments in equity instruments	5,044
Cash and cash equivalents	279,888
Exchequer Notes	490,000
Debtor loans measured at FVTPL	692,704
Other assets	8,893
Inter-group receivable	369,965
Total	**1,846,494**

National Asset North Quays	31 Mar 2022 €'000
Cash and cash equivalents	6,302
Total	**6,302**

National Asset JV A	31 Mar 2022 €'000
Investments in equity instruments	18,742
Cash and cash equivalents	231
Debtor loans measured at fair value through profit or loss	16,456
Total	**35,429**

National Asset Property Management	31 Mar 2022 €'000
Cash and cash equivalents	674
Inventories - trading properties	100
Total	**774**

National Asset Residential Property Services	31 Mar 2022 €'000
Cash and cash equivalents	5,829
Other assets	1,377
Investment properties	314,000
Total	**321,206**

National Asset Leisure Holdings Limited (in Voluntary Liquidation)	31 Mar 2022 €'000
Investment in subsidiaries[1]	**338**

3 (vii) SECTION 54 (3) (F) - GOVERNMENT SUPPORT MEASURES INCLUDING GUARANTEES, RECEIVED BY NAMA AND EACH NAMA GROUP ENTITY

Entity	Description	Amount in issue at 31 Dec 2021 €'000
National Asset Management D.A.C.	On 26 March 2010, the Minister for Finance guaranteed Senior Notes issued by NAMA as provided for under Section 48 of the NAMA Act. The maximum aggregate principal amount of Senior Notes to be issued at any one time is €51,300,000,000.	Nil

1 This amount represents the investment of NALHL in RLHC I and RLHC II. The amount is as per 31 December 2020 final audited results.

Supplementary information required under Section 55 of the NAMA Act 2009

In accordance with Section 55 of the Act, the following additional information is provided in respect of NAMA and each of its Group entities:

4 (i) SECTION 55 (5) - GUIDELINES & DIRECTIONS ISSUED BY THE MINISTER FOR FINANCE

Compliance with Guidelines Issued by the Minister under Section 13 (NAMA Act 2009) as at 31 March 2022
No guidelines issued

Compliance with Directions Issued by the Minister under Section 14 (NAMA Act 2009) as at 31 March 2022	
(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 the reporting date.
(2)	22nd October 2010 - Expeditious Transfer of Eligible Assets. All transfers completed since 22 October 2011 have complied with this Direction.
(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.
(4)	7th March 2012 - NAMA Advisory Group. A NAMA Advisory Group has been set up in accordance with this Direction.
(5)	29th March 2012 - Irish Bank Resolution Corporation - Short Term Financing. NAMA adopted all reasonable measures to facilitate the short-term financing of IBRC.
(6)	31st July 2015 - Direction (513/43/10) - Effect of a potential negative interest rates on the NAMA Senior Note Programme. Pursuant to a direction issued by the Minister on 31 July 2015, on 28 January 2016 NAM D.A.C. and Citibank executed documentation to floor the coupon rate on the senior notes in issue at zero if the 6 month Euribor rate is negative. This resulted in €4.7bn of cashflow hedge relationships being derecognised on this date.
(7)	28th September 2019 - Direction to NAMA pursuant to Section 14 (2) of the NAMA Act 2009 regarding NARPS. NAMA to retain ownership of NARPS and for NARPS to continue its trading activity, subject to compliance with applicable company laws.

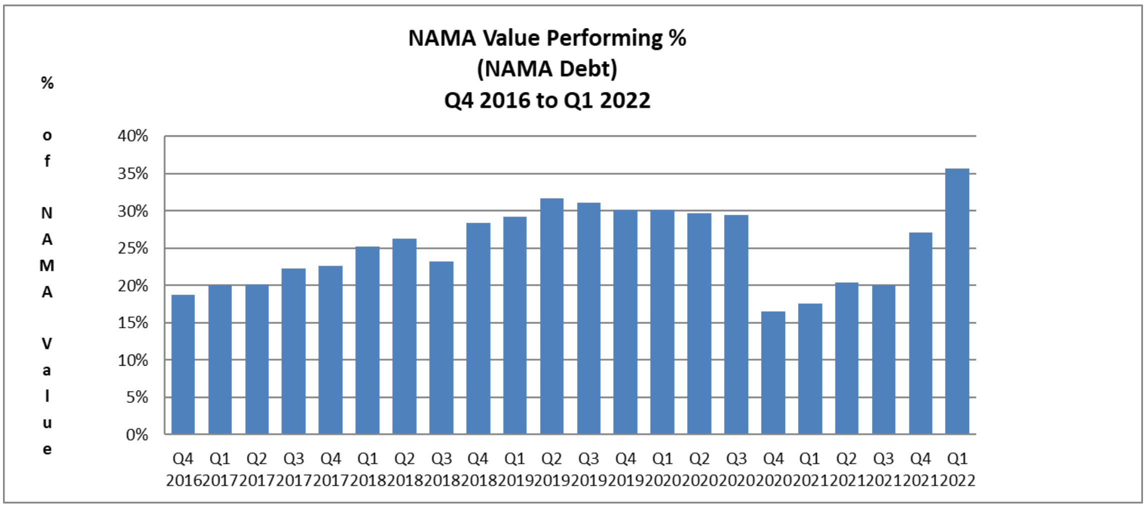
Compliance with Directions Issued by the Minister under Section 13 (IBRC Act 2013) as at 31 March 2022	
(1)	7th February 2013 - Irish Bank Resolution Corporation - Deed of Assignment and Transfer NAMA complied with this direction.
(2)	7th February 2013 - Irish Bank Resolution Corporation - Bid for Assets of IBRC NAMA adopted all reasonable measures to bid for the assets of IBRC.
(3)	7th February 2013 - Irish Bank Resolution Corporation - Short-term facility to the Special Liquidators NAMA adopted all reasonable measures to provide short-term facility to the Special Liquidators of IBRC.
(4)	20th February 2013 - Irish Bank Resolution Corporation - Deed of Assignment and Transfer NAMA complied with this direction.

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

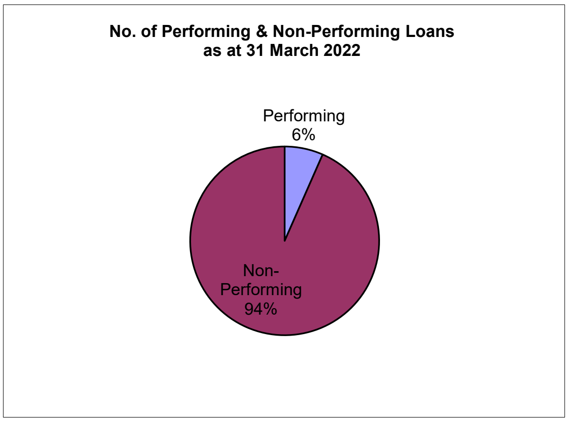
Legacy loan facility loan performance metric

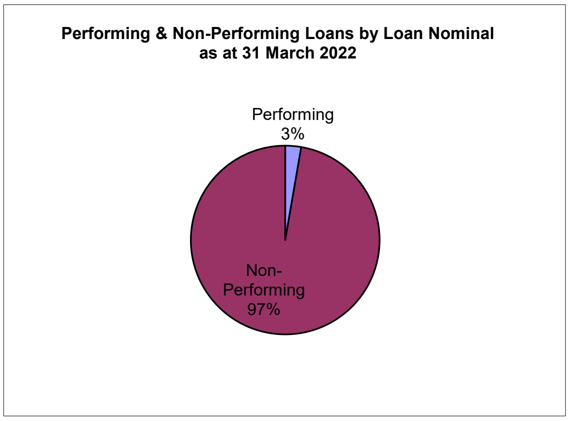
Classification	Number	Loan Nominal €m	NAMA Value (post Fair Value adjustments) €m
Performing	181	419	254
Non-Performing	2,638	13,778	459
Total	**2,819**	**14,197**	**713**

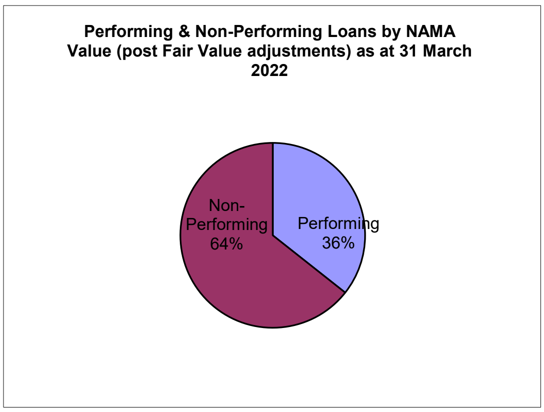
A measure of loan performance is the Loan Payment Status. The Loan Payment Status is a measurement of loan performance based on cash receipts with regard to the contractual obligations of the legacy loan facility. With effect from January 1 2018, all loans have moved from being measured at amortised cost to fair value models. The degree of default measurement is based on the default of the original PAR debt acquired by NAMA from the participating institutions.



* 2018 - 2022 analysis prepared based on fair value as opposed to amortised cost following adoption of IFRS 9.





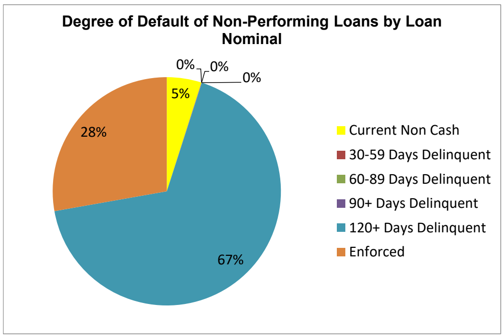


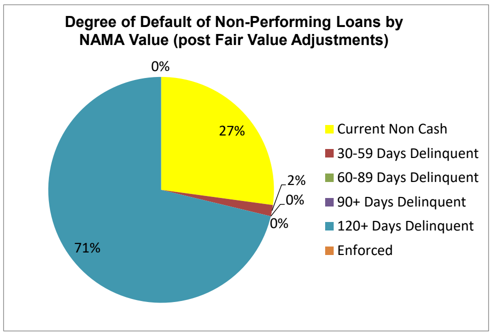
4 (iii) SECTION 55 (6) (B) - CATEGORISATION OF NON-PERFORMING AS TO THE DEGREE OF DEFAULT

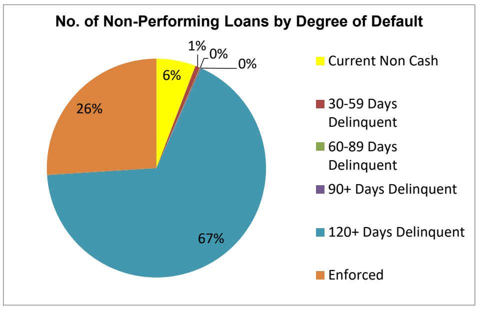
Categorisation of non performing loans in accordance with the Loan Payment Status as at 31 March 2022

Loan Payment Status	Degree of Default	Number	Loan Nominal €m	NAMA Value (post Fair Value Adjustments) €m
9	Current Non Cash	153	678	125
1	30-59 Days Delinquent	18	3	7
2	60-89 Days Delinquent	3	-	-
3	90+ Days Delinquent	3	6	-
4	120+ Days Delinquent	1,775	9,263	327
7 & 8	Enforced	686	3,828	-
	Total	**2,638**	**13,778**	**459**

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. The degree of default measurement is based on the default of the original PAR debt acquired by NAMA from the participating institutions. NAMA value is provided for information purposes and is not measured for degree of default under the same terms as the PAR debt.







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

4 (iv) SECTION 55 (6) (C) - NUMBER OF LOANS BEING FORECLOSED OR OTHERWISE ENFORCED

Number of loans foreclosed in the quarter to 31 March 2022

There were no loans foreclosed in the quarter to 31 March 2022.

Note: Section 55 6 (B) contains a category of default called 'Enforced' where 686 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 only.

4 (v) 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 31 March 2022

There were no receivers or liquidators appointed in the quarter to 31 March 2022.

4 (vi) SECTION 55 (6) (E) - 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)

There were no legal proceedings commenced by NAMA or a NAMA group entity in the quarter to 31 March 2022.

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

Schedule of finances raised by NAMA and each NAMA group entity in the quarter to 31 March 2022

There was no finances raised by NAMA or a NAMA group entity in the quarter to 31 March 2022.

4 (viii) SECTION 55 (6) (G) - SUMS RECOVERED FROM PROPERTY SALES IN THE QUARTER

Amount of money recovered by sale of property in the quarter to 31 March 2022

No money was recovered by the sale of property in the quarter to 31 March 2022.

4 (ix) 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 in the quarter to 31 March 2022

No fee income was earned on interest bearing loans in the quarter to 31 March 2022.