SIGNUM FINANCE II PUBLIC LIMITED (the "Company")

REPORT AND FINANCIAL STATEMENTS FOR PERIOD E 2014

5731809

We confirm that the accounts of the Company, the Balance Sheet, Profit and Loss Account, Directors' Report and Auditor's Report thereon in the form attached are a true copy of the accounts of the Company, the Balance Sheet, Profit and Loss Account, Directors' Report and Auditor's Report thereon for the financial year ended 31 December 2014

Dated this 25 day of November, 2015

Derek Lawlor - Director

Lynda Ellis

For and on behalf of
Deutsche International Corporate Services (Ireland) Limited
Secretary

FEE PAID IN FULL
01 DEC 2015
Companies Registration Office

Signum Finance II Public Limited Company

Directors' report and audited financial statements

For the financial year ended 31 December 2014

Registered number 352705

Signum Finance II Public Limited Company

Contents

Signum Finance II Public Limited Company

Directors' and other information

Directors	Derek Lawlor (Irish) (appointed on 12 October 2015) Lynda Ellis (Irish) Conor Blake (Irish) (resigned on 12 October 2015)	
Registered Office	*(As from 6 November 2014)* 6th Floor Pinnacle 2 Eastpoint Business Park Dublin 3 Ireland	*(Until 5 November 2014)* 5 Harbourmaster Place International Financial Services Centre Dublin 1 Ireland
Administrator & Company Secretary	Deutsche International Corporate Services (Ireland) Limited *(As from 20 October 2014)* 6th Floor Pinnacle 2 Eastpoint Business Park Dublin Ireland	 *(Until 19 October 2014)* 5 Harbourmaster Place International Financial Services Centre Dublin 1 Ireland
Arranger & Swap Counterparty	Goldman Sachs International Peterborough Court 133 Fleet Street London EC4A 2BB United Kingdom	
Trustee	BNY Corporate Trustee Services Limited One Canada Square London E14 5AL United Kingdom	Deutsche Trustee Company Limited Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom
Custodian	The Bank of New York Mellon One Canada Square London E14 5AL United Kingdom	Deutsche Trustee Company Limited Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom
Paying Agent	The Bank of New York Mellon (Luxembourg) SA Aerogolf Center 1 A Hoehenhof L-1736 Senningerberg Luxembourg	
Independent Auditor	Deloitte Chartered Accountants and Statutory Audit Firm Deloitte and Touche House Earlsfort Terrace Dublin 2 Ireland	
Solicitor	A&L Goodbody International Financial Services Centre North Wall Quay Dublin 1 Ireland	
Banker	Bank of Ireland Corporate Banking Block A 2nd Floor, Operations Centre, Cabinteely, Dublin 18, Ireland	The Bank of New York Mellon One Canada Square London E14 5AL United Kingdom

Signum Finance II Public Limited Company

Directors' report

The directors present the annual report and audited financial statements of Signum Finance II Public Limited Company (the "Company") for the financial year ended 31 December 2014.

Principal activities and business review

The Company is a limited Company incorporated in Ireland on 31 January 2002, registered number 352705. The Company commenced trading on 14 March 2002. The Company has been established as a special purpose vehicle (the "SPV"). The principal activities of the Company involves issuing debt securities that are backed by a segregated pool of collaterals and entering into various swap agreements with the Swap Counterparty, Goldman Sachs International.

The Company has been established to enter into structured finance transactions whereby it would establish a Programme for the issuance of Notes (the "Notes") arranged by Goldman Sachs International and approved by the Company's directors. The Company's activities are as set out in the relevant legal documents, as approved by the Company's directors. Under the terms of the Note issuance programme, the Company's directors have the authority to determine which transactions it enters into from those proposed for their review. The control of the Company remains with the Board who takes all of the decisions. All the parties forming part of the programme are listed on page 1 and agreements have been entered into with each of them.

The Company has established a USD 10,000,000,000 Multi-Issuance Programme (the "Programme") to issue Notes and/or other secured limited recourse indebtedness. Notes issued under the Programme are issued in series (each a "Series") and the terms and conditions of the Notes of each Series will be set out in a Supplemental Information Memorandum for such Series (each a "Supplemental Information Memorandum").

Each Series of Notes are secured as set out in the terms and conditions of the Notes, including a first fixed charge over certain collateral (the "Collateral") as set out in the relevant Offering Circular Supplement. Each Series may also be secured by an assignment of the Company's rights under a Swap Agreement and/or Option Agreement and/or Repurchase Agreement and/or Credit Support Document (each as defined in the terms and conditions of the Notes) and any additional security as may be described in the relevant Offering Circular Supplement.

The net proceeds of each Series are used by the Company to purchase the Collateral and to pay for or enter into any Swap Agreement or Credit Enhancement Agreement. The Swap agreements entered into include Interest Rate Swaps, Credit Default Swaps and other swaps such as Inflation-linked Swaps with Goldman Sachs International being the Swap Counterparty in each case. They will also be used in meeting certain expenses and fees payable in connection with the operations of the Company and the issue of the Notes as set out in the relevant Offering Circular Supplement relating to such Tranche.

Details of the Notes issued for each Series under the Programme are outlined in note 15 to the financial statements including the key terms. The related financial assets held under each Series are described in note 11 while description of the swaps entered into has been detailed under note 12 to the financial statements. A summary of the key risks regarding these financial instruments is outlined in note 21.

The Notes are listed on the main securities market of the Irish Stock Exchange.

At the reporting date, the Company's financial liabilities designated at fair value through profit or loss were concentrated in Inflation-linked Notes and Credit-linked Notes. Refer to note 15 for more details.

Key performance indicators

The Company is an SPV and its principal activity is to issue Notes, make investments and enter into derivative contracts. The best benchmark is prior financial year figures.

The directors confirm that the key performance indicators as disclosed below in the financial statements are those that are used to assess the performance of the Company.

During the financial year:

- the Company's net loss on financial liabilities amounted to EUR 71,966,689 (2013: net gain of EUR 2,033,047);
- the Company's net gain on financial assets amounted to EUR 94,584,887 (2013: net loss of EUR 31,400,621);
- the Company's net loss on derivative financial instruments amounted to EUR 22,651,428 (2013: net gain of EUR 21,580,023);
- the following Series of Notes matured:

Series 2007-03	EUR 20,000,000 Floating Rate Notes due 2014
Series 2007-07	EUR 45,000,000 Class A Variable Rate Notes due 2014
Series 2007-11	EUR 20,000,000 Class A Variable Rate Notes due 2014
Series 2007-12	SEK 200,000,000 Class A Variable Rate Notes due 2014

- the structure performed in accordance with the parameters set out in the multi-issuance programme and the performance is considered satisfactory; and
- the Company received interest income amounting to EUR 9,620,382 (2013: EUR 11,524,243).

As per the conditions specified in the Offering Circular Supplement, the Company has an option to redeem its Series of Notes early.

Directors' report (continued)

Key performance indicators (continued)

As at 31 December 2014:

- the fair value of the Company's total Notes issued was EUR 476,343,316 (2013: EUR 512,006,627);
- the net assets of the Company was EUR 63,230 (2013: EUR 63,230);
- the Company had the following Series of Notes in issue:

Series	Description	Type of Notes	Maturity date	CCY	Nominal
2007-06	Zero Coupon Notes Credit-linked to Siemens AG	Credit-linked Notes	31-Dec-19	EUR	100,000,000
2011-01	Notes linked to BTPei 2041 Inflation Linked Bonds	Inflation-linked Notes	15-Sep-41	EUR	150,000,000
2011-02	Notes Linked to BTPei 2019 Inflation Linked Bonds	Inflation-linked Notes	15-Sep-19	EUR	50,000,000
2012-01	Notes Linked to BTPEI 2019 Inflation Linked Bonds	Inflation-linked Notes	15-Sep-19	EUR	50,000,000
2012-02	Notes Linked to BTPEI 2019 Inflation Linked Bonds	Inflation-linked Notes	15-Sep-23	EUR	50,000,000
2012-03	Notes Linked to Obligations Assimilables du Trésor	Inflation-linked Notes	25-Apr-41	USD	50,000,000

- the investments that the Company has in respect of each Series are included in note 11; and
- for some Series, the nominal of the financial assets and the nominal of the financial liabilities are different due to margin calls on Notes, investments in eligible assets at a premium or discount or due to proceeds from the Notes issued being invested in derivative arrangements.

Credit events

No credit events occurred during the financial year.

Future developments

The directors expect that the present level of activity will be sustained for the foreseeable future. The Board will continue to seek new opportunities for the Company and will continue to ensure proper management of the current portfolio of Series of the Company. It is anticipated that while some Series will redeem or mature, it is also expected that new issuances will be made.

Going concern

The Company's financial statements for the financial year ended 31 December 2014 have been prepared on a going concern basis. Each asset and derivative transaction are referenced with a specific Note, and any loss derived from the asset or derivative will be ultimately borne by the Noteholders. The directors anticipate that the financial assets will continue to generate enough cash flow on an ongoing basis to meet the Company's liabilities as they fall due. The Notes in issue as at 31 December 2014 have maturities ranging between the years 2019 to 2041. For these reasons, the directors believe that the going concern basis is appropriate.

Business risks and principal uncertainties

The Company is subject to various risks. The key financial risks facing the Company are set out in note 21 to the financial statements.

Change in directors, secretary and registered office during the financial year

On 12 October 2015, Conor Blake resigned as director and on the same date Derek Lawlor was appointed as director. On 06 November 2014, the registered office of the Company changed its address from 5 Harbourmaster Place, IFSC, Dublin 1, Ireland to 6th Floor, Pinnacle 2, Eastpoint Business Park, Dublin 3, Ireland. There were no other changes in directors, secretary and registered office during the financial year.

Results and dividends for the financial year

The results for the year are set out on page 9. The directors do not recommend the payment of a dividend for the financial year (2013: nil).

Directors, secretary and their interests

Conor Blake and Deutsche International Corporate Services (Ireland) Limited, who held office at 31 December 2014, each held one share in the Company at 1 January 2014 and 31 December 2014. Lynda Ellis did not hold any share in the Company at either date. Conor Blake, as director of the Company, up to his date of resignation (12 October 2015), had an interest in the Administration agreement in his capacity as director of Deutsche International Corporate Serives (Ireland) Limited. Except for the Administration agreement entered into by the Company with Deutsche International Corporate Services (Ireland) Limited, there were no contracts of any significance in relation to the business of the Company in which the directors had any interest, as defined in the Section 309 of the Companies Act 2014, at any time during the financial year.

Directors' report (continued)

Shares and shareholders

The authorised share capital of the Company is EUR 40,000 which has been fully issued and partly paid. The issued shares are held in trust by Conor Blake, Carmel Naughton, David McGuinness, Adrian Bailie, Eimir McGrath and Deutsche International Corporate Services (Ireland) Limited each holding one share and Deutsche International Finance (Ireland) Limited holding 39,994 shares (the "Share Trustees") under the terms of a declaration of trust (the "Declaration of Trust") dated 21 February 2002 under which the Share Trustees hold the benefit of the shares in trust for charitable purposes. The Share Trustee has no beneficial interest in and derives no benefit from its holding of the shares. There are no other rights that pertain to the shares and the shareholders.

Corporate Governance Statement

Introduction

The Company is subject to and complies with Irish Statute comprising the Companies Act 2014 and the Listing Rules of the Irish Stock Exchange. The Company does not apply additional requirements in addition to those required by the above. Each of the service providers engaged by the Company is subject to their own corporate governance requirements.

Financial Reporting Process

The Board of Directors (the "Board") is responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of failure to achieve the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has established processes regarding internal control and risk management systems to ensure its effective oversight of the financial reporting process. These include appointing the Administrator, Deutsche International Corporate Services (Ireland) Limited, to maintain the accounting records of the Company independently of Goldman Sachs International (the "Arranger"), The Bank of New York Mellon (the "Custodian") and BNY Corporate Trustee Services Limited (the "Trustee"). The Administrator is contractually obliged to maintain proper books and records as required by the Corporate Administration agreement. To that end the Administrator performs reconciliations of its records to those of the Arranger and the Custodian. The Administrator is also contractually obliged to prepare for review and approval by the Board the annual report including financial statements intended to give a true and fair view.

The Board evaluates and discusses significant accounting and reporting issues as the need arises. From time to time, the Board also examines and evaluates the Administrator's financial accounting and reporting routines and monitors and evaluates the external auditor's performance, qualifications and independence. The Administrator has operating responsibility for internal control in relation to the financial reporting process and the Administrator's report to the Board.

The fair values of financial assets are derived from an active market. The fair values of the derivatives are obtained independently from Goldman Sachs International. Goldman Sachs International has its own internal controls and risk management processes in place. A reasonableness check is carried out on the fair values provided and any significant variances from prior years are queried.

Risk Assessment

The Board is responsible for assessing the risk of irregularities whether caused by fraud or error in financial reporting and ensuring the processes are in place for the timely identification of internal and external matters with a potential effect on financial reporting. The Board has also put in place processes to identify changes in accounting rules and recommendations and to ensure that these changes are accurately reflected in the Company's financial statements. More specifically;

- The Administrator has a review procedure in place to ensure errors and omissions in the financial statements are identified and corrected.
- Regular training on accounting rules and recommendations is provided to the accountants employed by the Administrator.
- Accounting bulletins, issued by Deutsche Bank AG, London, an entity related to Deutsche International Corporate Services (Ireland) Limited, are distributed monthly to all accountants employed by the Administrator.

Control Activities

The Administrator is contractually obliged to design and maintain control structures to manage the risks which the Board judges to be significant for internal control over financial reporting. These control structures include appropriate division of responsibilities and specific control activities aimed at detecting or preventing the risk of significant deficiencies in financial reporting for every significant account in the financial statements and the related notes in the Company's annual report.

Monitoring

The Board has an annual process to ensure that appropriate measures are taken to consider and address the shortcomings identified and measures recommended by the independent auditor.

Given the contractual obligations on the Administrator, the Board has concluded that there is currently no need for the Company to have a separate internal audit function in order for the Board to perform effective monitoring and oversight of the internal control and risk management systems of the Company in relation to the financial reporting process.

Signum Finance II Public Limited Company

Directors' report (continued)

Corporate Governance Statement (continued)

Capital Structure

The principal shareholder in the Company is Deutsche International Finance (Ireland) Limited holding 39,994 shares. Other than that, no person has a significant direct or indirect holding of securities in the Company. No person has any special rights of control over the Company's share capital.

The directors confirm that share trustees have entered into a share trust agreement whereby they have agreed not to exercise their voting rights.

With regard to the appointment and replacement of directors, the Company is governed by its Articles of Association, Irish Statute comprising the Companies Act 2014 and the Listing Rules of the Irish Stock Exchange. The Articles of Association themselves may be amended by special resolution of the shareholders.

Powers of directors

The Board is responsible for managing the business affairs of the Company in accordance with the Articles of Association. The directors may delegate certain functions to the Administrator and other parties, subject to the supervision and direction by the directors. The directors have delegated the day to day administration of the Company to the Administrator.

Audit committee

Statutory audits in Ireland are regulated by the European Communities Regulations, 2012 (S.I. 220 of 2010). According to the regulations, if the sole business of the Irish SPV relates to the issuing of asset backed securities, the SPV is exempt from the requirement to establish an audit committee (under Regulation 91(9) (d) of the Regulations). In this respect, the Company is not required to establish an audit committee.

Accounting records

The directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records by appointing an Administrator that employs an accounting personnel with the appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at 6th floor, Pinnacle 2, Eastpoint Business Park, Dublin 3, Ireland.

Political donations

The Electoral Act, 1997 (as amended by the Electoral Amendment Political Funding Act, 2012) requires companies to disclose all political donations over €200 in aggregate made during a financial year. The directors, on enquiry, have satisfied themselves that no such donations in excess of this amount have been made by the Company during the financial year to 31 December 2014.

Subsequent events

Subsequent events have been disclosed in note 24 to the financial statements.

Independent auditor

Deloitte, Chartered Accountants and Statutory Audit Firm, has signified its willingness to continue in office in accordance with Section 383(2) of the Companies Act 2014.

On behalf of the board

Derek Lawlor	**Lynda Ellis**
Director	**Director**

Date: 24/11/2015

Directors' responsibilities statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with the Companies Act 2014 and the applicable regulations.

Irish Company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union ("relevant financial reporting framework"). Under Company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Deloitte

Deloitte
Chartered Accountants &
Statutory Audit Firm

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SIGNUM FINANCE II PUBLIC LIMITED COMPANY

We have audited the financial statements of Signum Finance II Public Limited Company for the financial year ended 31 December 2014 which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity, the Statement of cash flows and the related notes 1 to 25. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and International Financial Reporting Standards (IFRSs) as adopted by the European Union ("relevant financial reporting framework").

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors
As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with the Companies Act 2014 and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report and audited financial statements for the financial year ended 31 December 2014 to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements
In our opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2014 and of the result for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

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Deloitte.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SIGNUM FINANCE II PUBLIC LIMITED COMPANY

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements and, based on the work undertaken in the course of the audit, the description in the Corporate Governance Statement of the main features of the internal control and risk management systems in relation to the financial reporting process is consistent with the financial statements, and has been prepared in accordance with section 1373 Companies Act 2014. Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in this information.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

B O'Callaghan

Brian O'Callaghan
For and on behalf of Deloitte
Chartered Accountants and Statutory Audit Firm
Dublin

Date: 24/4/15

Signum Finance II Public Limited Company

Statement of comprehensive income
For the financial year ended 31 December 2014

	Notes	Financial year ended 31-Dec-14 EUR	Financial year ended 31-Dec-13 EUR
Interest income		9,620,382	11,524,243
Interest expense		(15,817,628)	(17,012,216)
Net derivative income		6,228,408	13,277,399
Net gain/(loss) on financial assets designated at fair value through profit or loss	5	94,584,887	(31,400,621)
Net (loss)/gain on financial liabilities designated at fair value through profit or loss	6	(71,966,689)	2,033,047
Net (loss)/gain on derivative financial instruments	7	(22,651,428)	21,580,023
Operating (loss)/gain		(2,068)	1,875
Other income	8	2,079	721
Other expenses	9	(11)	(2,596)
Result before tax		-	-
Income tax expense	10	-	-
Net result for the financial year		-	-
Other comprehensive income		-	-
Total comprehensive income for the financial year		-	-

The notes on pages 13 to 38 form an integral part of the financial statements.

Signum Finance II Public Limited Company

Statement of financial position
As at 31 December 2014

	Notes	31-Dec-14 EUR	31-Dec-13 EUR
Assets			
Financial assets designated at fair value through profit or loss	11	431,302,011	458,475,860
Derivative financial assets	12	48,227,328	45,225,201
Other receivables	13	37,191,152	15,688,850
Cash and cash equivalents	14	243,313	31,215,364
Total assets		516,963,804	550,605,275
Liabilities and equity			
Liabilities			
Financial liabilities designated at fair value through profit or loss	15	476,343,316	512,006,627
Derivative financial liabilities	12	35,855,657	21,798,248
Other payables	16	4,701,601	16,737,170
Total liabilities		516,900,574	550,542,045
Equity			
Called up share capital presented as equity	17	40,000	40,000
Retained earnings		23,230	23,230
Total equity		63,230	63,230
Total liabilities and equity		516,963,804	550,605,275

The financial statements were approved by the board of directors and authorised for issue on ………………………………

On behalf of the board

Derek Lawlor
Director

Lynda 21/1/15

Lynda Ellis
Director

Date: 24/11/2015

Signum Finance II Public Limited Company

Statement of changes in equity
For the financial year ended 31 December 2014

	Share capital EUR	Retained earnings EUR	Total equity EUR
Balance as at 1 January 2013	40,000	23,230	63,230
Total comprehensive income for the financial year			
Net profit or loss	-	-	-
Total comprehensive income for the financial year	-	-	-
Balance as at 31 December 2013	40,000	23,230	63,230
Balance as at 1 January 2014	40,000	23,230	63,230
Total comprehensive income for the financial year			
Net profit or loss	-	-	-
Total comprehensive income for the financial year	-	-	-
Balance as at 31 December 2014	40,000	23,230	63,230

The notes on pages 13 to 38 form an integral part of the financial statements.

Signum Finance II Public Limited Company

Statement of cash flows
For the financial year ended 31 December 2014

	Notes	Financial year ended 31-Dec-14 EUR	Financial year ended 31-Dec-13 EUR
Cash flows from operating activities			
Result before tax		-	-
Adjustments for:			
Interest income		(9,620,382)	(11,524,243)
Interest expense		15,817,628	17,012,216
Net derivative income		(6,228,408)	(13,277,399)
Net (gain)/loss on financial assets designated at fair value through profit or loss	5	(94,584,887)	31,400,621
Net loss/(gain) on financial liabilities designated at fair value through profit or loss	6	71,966,689	(2,033,047)
Net loss/(gain) on derivative financial instruments	7	22,651,428	(21,580,023)
Movements in working capital			
Decrease in other receivables		-	25,716
(Decrease)/increase in other payables		(11,905,355)	9,532,197
Net cash used in operating activities		(11,903,287)	9,556,038
Cash flows from investing activities			
Disposal of financial assets designated at fair value through profit or loss	11	100,157,382	45,449,729
Cash movement on swap counterparty	12	(11,596,146)	(13,970,967)
Interest received		8,590,977	9,092,502
Derivative interest received		15,800,231	16,463,134
Net cash generated from investing activities		112,952,444	57,034,398
Cash flows from financing activities			
Redemption of financial liabilities designated at fair value through profit or loss	15	(107,630,000)	(28,210,472)
Interest paid		(15,916,680)	(16,463,134)
Derivative interest paid		(8,474,528)	(9,092,501)
Net cash used in financing activities		(132,021,208)	(53,766,107)
(Decrease)/increase in cash and cash equivalents		(30,972,051)	12,824,329
Cash and cash equivalents at start of the financial year		31,215,364	18,391,035
Cash and cash equivalents at end of the financial year	14	243,313	31,215,364

The notes on pages 13 to 38 form an integral part of the financial statements.

Signum Finance II Public Limited Company

Notes to the financial statements
For the financial year ended 31 December 2014

1 General information

The Company is a limited Company incorporated in Ireland on 31 January 2002, registered number 352705. The Company commenced trading on 14 March 2002. The Company has been established as a special purpose vehicle (the "SPV"). The principal activities of the Company involves issuing debt securities that are backed by a segregated pool of collaterals and entering into various swap agreements with the Swap Counterparty, Goldman Sachs International.

The Company has been established to enter into structured finance transactions whereby it would establish a Programme for the issuance of Notes (the "Notes") arranged by Goldman Sachs International and approved by the Company's directors. The Company's activities are as set out in the relevant legal documents, as approved by the Company's directors. Under the terms of the Note issuance programme, the Company's directors have the authority to determine which transactions it enters into from those proposed for their review. The control of the Company remains with the Board who takes all of the decisions. All the parties forming part of the programme are listed on page 1 and agreements have been entered into with each of them.

The Company has established a USD 10,000,000,000 Multi-Issuance Programme (the "Programme") to issue Notes and/or other secured limited recourse indebtedness. Notes issued under the Programme are issued in series (each a "Series") and the terms and conditions of the Notes of each Series will be set out in a Supplemental Information Memorandum for such Series (each a "Supplemental Information Memorandum").

Each Series of Notes are secured as set out in the terms and conditions of the Notes, including a first fixed charge over certain collateral (the "Collateral") as set out in the relevant Offering Circular Supplement. Each Series may also be secured by an assignment of the Company's rights under a Swap Agreement and/or Option Agreement and/or Repurchase Agreement and/or Credit Support Document (each as defined in the terms and conditions of the Notes) and any additional security as may be described in the relevant Offering Circular Supplement.

The net proceeds of each Series are used by the Company to purchase the Collateral and to pay for or enter into any Swap Agreement or Credit Enhancement Agreement. The Swap agreements entered into include Interest Rate Swaps, Credit Default Swaps and other swaps such as Inflation-linked Swaps with Goldman Sachs International being the Swap Counterparty in each case. They will also be used in meeting certain expenses and fees payable in connection with the operations of the Company and the issue of the Notes as set out in the relevant Offering Circular Supplement relating to such Tranche.

Details of the Notes issued for each Series under the Programme are outlined in note 15 to the financial statements including the key terms. The related financial assets held under each Series are described in note 11 while description of the swaps entered into has been detailed under note 12 to the financial statements. A summary of the key risks regarding these financial instruments is outlined in note 21.

The Notes are listed on the main securities market of the Irish Stock Exchange.

At the reporting date, the Company's financial liabilities designated at fair value through profit or loss were concentrated in Inflation-linked Notes and Credit-linked Notes. Refer to note 15 for more details.

2 Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") and its interpretations as adopted by the EU and as applied in accordance with the Companies Act 2014.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 31 December 2014, the comparative information presented in these financial statements are for the year ended 31 December 2013.

These financial statements have been prepared on a going concern basis as defined in the Directors' report.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following:

- Derivative financial instruments are measured at fair value;
- Financial assets designated at fair value through profit or loss are measured at fair value; and
- Financial liabilities designated at fair value through profit or loss are measured at fair value.

The methods used to measure fair values are discussed further in note 4.

2 Basis of preparation (continued)

(c) Functional and presentation currency

These financial statements are presented in Euro (EUR) which is the Company's functional currency. Functional currency is the currency of the primary economic environment in which the entity operates. The issued share capital of the Company is denominated in EUR and the financial liabilities are also primarily denominated in EUR. The directors of the Company believe that EUR most faithfully represents the economic effects of the underlying transactions, events and conditions of the Company.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Details of material judgements and estimates have been further described in accounting policy 3(i) "Financial instruments", note 4 and note 21 to the financial statements.

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

- **Designating investments purchased and notes issued at fair value through profit or loss**

  Note 3(i) to the financial statements describes that the directors have designated the investments purchased and notes issued at fair value through profit or loss. In making their judgement, the directors have considered the requirements of IAS 39 Financial Instruments: Recognition and Measurement. Directors consider that such designating will significantly reduce an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

- **Fair value of derivatives and other financial instruments**

  The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The fair values of the derivatives are obtained independently from Goldman Sachs International. This judgement is based on the type of financial instruments held, associated risks and cost of fair valuing such instruments.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

- **Fair value of derivatives and other financial instruments**

  The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. In applying the variety of the valuation techniques, the Company makes assumptions that are mainly based on market conditions existing at the end of each reporting period, some of which are observable as outlined in note 21 to the financial statements.

  The fair value of derivative financial instruments is obtained from the Swap Counterparty which uses its proprietary valuation model that takes into accounts the notional amount, maturity date and any early redemption clause.

  Because on limited recourse, the fair value of Notes issued by the Company (financial liabilities designated at fair value through profit or loss) is determined by reference to the fair value of associated financial assets designated at fair value through profit or loss and the fair of derivative financial instruments. Any future change in the fair value of financial assets and derivatives will have an equal but opposite impact on the fair value of financial liabilities.

(e) New and amended standards applied for first time

(i) Effective for annual periods beginning on 1 January 2014

A number of new standards and interpretations are effective for annual periods beginning on or after 1 January 2014. Of these, the following were of relevance to the Company and were adopted:

2 Basis of preparation (continued)

(e) New and amended standards applied for first time (continued)

(i) Effective for annual periods beginning on 1 January 2014 (continued)

The amendments to IAS 32 Financial Instruments: Presentation (Offsetting Financial Assets and Financial Liabilities) clarify the offsetting criteria in IAS 32 by revising the guidance on when an entity currently has a legally enforceable right to set-off and when gross settlement is considered to be equivalent to net settlement. Based on the new requirements, the Company assessed that at this time no revisions to its previous approach to offsetting of financial assets and financial liabilities arises in the statement of financial position.

IFRS 10 Consolidated Financial Statements establishes a new control-based model for consolidation that replaces the existing requirements of both IAS 27 and SIC-12 Consolidation - Special Purpose Entities. Under the new standard, an investor controls an investee when (i) it has exposure to variable returns from that investee (ii) it has the power over relevant activities of the investee that affect those returns and (iii) there is a link between that power and those variable returns. The standard includes specific guidance on the question of whether an entity is acting as an agent or principal in its involvement with an investee. The assessment of control is based on all facts and circumstances and is reassessed if there is an indication that there are changes in those facts and circumstances.

The directors have assessed that IFRS 10 did not have an impact on the Company as it is a stand-alone entity with no interests that could potentially qualify as a subsidiary interest. Therefore, based on the new requirements, the Company assessed that at this time there were no implications for the financial statements.

IFRS 12 Disclosure of Interests in Other Entities is a consolidated disclosure standard requiring a wide range of disclosures about an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated 'structured entities'. The Directors have assessed that IFRS 12 did not have any impact on the Company as the Company does not hold any Interest in Other Entities.

(ii) Effective for annual periods beginning after 1 January 2014

The directors have set out below both the upcoming EU endorsed and un-endorsed accounting standards, amendments or interpretations.

Standards and interpretation		**Effective date**
IFRS 13 Amendment	Fair Value Measurement - Amended by Annual Improvements to IFRSs 2011–2013 Cycle. Clarifies that the scope of the portfolio exception defined in paragraph 52 of IFRS 13 includes all contracts accounted for within the scope of IAS 39 Financial Instruments: Recognition and Measurement or IFRS 9 Financial Instruments, regardless of whether they meet the definition of financial assets or financial liabilities as defined in IAS 32 Financial Instruments: Presentation.	Annual financial periods beginning on or after 1 July 2014
IAS 24 Amendment	Related Party Disclosures - Amended by Annual Improvements to IFRSs 2010–2012 Cycle. Clarifies that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a related party of the reporting entity.	Annual financial periods beginning on or after 1 July 2014
IFRS 1 Amendment	First-time Adoption of International Financial Reporting Standards - Annual Improvements to IFRSs 2011–2013 Cycle issued. Clarifies that an entity, in its first IFRS financial statements, has the choice between applying an existing and currently effective IFRS or applying early a new or revised IFRS that is not yet mandatorily effective, provided that the new or revised IFRS permits early application. An entity is required to apply the same version of the IFRS throughout the periods covered by those first IFRS financial statements.	Annual financial periods beginning on or after 1 July 2014
IFRS 11 Amendment	Amended by Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11)	Annual financial periods beginning on or after 1 January 2016

2 Basis of preparation (continued)

(e) New and amended standards applied for first time (continued)

(ii) Effective for annual periods beginning after 1 January 2014 (continued)

IAS 27 Amendment	Equity method in separate financial statements. The amendments reinstate the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements.	Annual financial periods beginning on or after 1 January 2016
IFRS 10 Amendment	Amended by Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Annual financial periods beginning on or after 1 January 2016
IFRS 9	Financial instruments on the classification, measurement and recognition of financial assets and financial liabilities. Early adoption is permitted. The Company is yet to assess IFRS 9's full impact on the Company's financial statements.	Annual financial periods beginning on or after 1 January 2018

The Company has not adopted any other new standards or interpretations that are not mandatory. The directors anticipate that the adoption of those standards or interpretations, other than IFRS 9, will have no material impact on the financial statements of the Company in the period of initial adoption.

(f) Changes in accounting policies

There were no changes to accounting policies which had an impact on the Company's financial statements during the financial year.

3 Significant accounting policies

(a) Net gain/(loss) on financial assets designated at fair value through profit or loss

Net gain/(loss) on financial assets designated at fair value through profit or loss relates to investments and includes all realised and unrealised fair value changes and foreign exchange differences. Any gains and losses arising from changes in fair value of the financial assets designated at fair value through profit or loss are recorded in the Statement of comprehensive income. Details of recognition and measurement of financial assets are disclosed in the accounting policy of financial instruments (note 3(i)).

Realised gains and losses are recognised on disposal of financial assets, when the disposal price is not equal to the carrying value of the asset.

(b) Net (loss)/gain on financial liabilities designated at fair value through profit or loss

Net (loss)/gain on financial liabilities designated at fair value through profit or loss relates to notes issued and includes all realised and unrealised fair value changes and foreign exchange differences. Any gains and losses arising from changes in fair value of the financial liabilities designated at fair value through profit or loss are recorded in the Statement of comprehensive income. Details of recognition and measurement of financial liabilities are disclosed in the accounting policy of financial instruments (note 3(i)).

Realised gains and losses are recognised on redemption of the financial liabilities when the redemption price is not equal to the carrying value of the financial liabilities.

(c) Net (loss)/gain on derivative financial instruments

Net (loss)/gain on derivative financial instruments relates to the fair value movements on swaps held by the Company and includes realised and unrealised fair value movements and foreign exchange differences. Any gains and losses arising from changes in fair value of the derivative financial instruments are recognised in the Statement of comprehensive income. Details of recognition and measurement of derivative financial instruments are disclosed in the accounting policy of financial instruments (note 3(i)).

Realised gains and losses are recognised on the termination of the swap when the termination price is not equal to the carrying value of the financial liabilities.

(d) Interest income and interest expense

Interest income relates to coupon receipts on financial assets and interest expense relates to coupon payments on financial liabilities. Interest income and expense are recognised using the effective interest rate method and recognised in the Statement of comprehensive income.

3 Significant accounting policies (continued)

(e) Derivative income and expense

Derivative income and expense include cash flows under derivative transactions, are recognised in the Statement of comprehensive income and are accounted for on an effective interest rate basis.

(f) Other income and expenses

All other income and expenses are accounted for on an accruals basis.

(g) Income tax expense

The Company meets the criteria for a "Section 110 vehicle" under the Tax Consolidation Act, 1997 and is therefore subject to a special tax regime which potentially allows the Company to be tax neutral. The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on the taxable profit for the period as calculated in accordance with Irish Tax Laws. Taxable profit may differ from profit before tax as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are not taxable or deductible. The Company's liability for current tax is calculated using tax rate that has been enacted or substantively enacted by the reporting date.

(h) Cash and cash equivalents

Cash and cash equivalents includes cash held at banks which are subject to insignificant risk of changes in their fair value and are used by the Company in the management of its short term commitments.

Cash and cash equivalents are carried at amortised cost in the Statement of financial position.

(i) Financial instruments

The financial instruments held by the Company include the following:

- Financial assets designated at fair value through profit or loss;
- Financial liabilities designated at fair value through profit or loss; and
- Derivative financial instruments classified as held for trading.

Categorisation

A financial asset or financial liability at fair value through profit or loss is a financial asset or liability that is classified as held-for-trading or designated at fair value through profit or loss upon initial recognition (investment securities, debt securities issued and derivative financial instruments).

Designation at fair value through profit or loss upon initial recognition

The Company has designated financial assets and liabilities at fair value through profit or loss when either:

- The assets or liabilities are managed, evaluated and reported internally on a fair value basis;
- The designation eliminates or significantly reduces an accounting mismatch which would otherwise arise; or
- The asset or liability contains an embedded derivative that significantly modifies the cash flows that would otherwise be required under the contract.

These include financial assets and financial liabilities that are not held for trading, such as collaterals purchased and the Notes issued. These financial instruments are designated on the basis that their fair value can be reliably measured and their performance has been evaluated on a fair value basis in accordance with the risk management and/or investment strategy as set out in the Company's offering document.

The Company has designated its financial assets and financial liabilities issued at fair value through profit or loss. Derivative financial instruments that are not designated and effective as hedging instruments are classified as held for trading.

Financial assets designated at fair value through profit and loss

All financial assets held by the Company are designated at fair value through profit and loss upon initial recognition when they eliminate or significantly reduce an accounting mismatch, which would otherwise arise in relation to financial liabilities as explained below.

Derivative financial instruments

Derivative financial instruments include all derivative assets and liabilities that are not classified as trading assets or liabilities. When a derivative is not held for trading and is not designated in a qualifying hedge relationship, all changes in its fair value are recognised immediately in the Statement of comprehensive income as a component of net income on derivative financial instruments carried at fair value.

3 Significant accounting policies (continued)

(i) Financial instruments (continued)

Financial liabilities designated at fair value through profit or loss

The financial liabilities are initially measured at fair value and are designated as liabilities at fair value through profit or loss when they either eliminate or significantly reduce an accounting mismatch or contain an embedded derivative that significantly modifies the cash flows that would otherwise be required under the contract.

Initial recognition

The Company initially recognises all financial assets and liabilities on the trade date at which the Company becomes a party to the contractual provisions of the instruments at fair value. Any transaction costs are accounted for in the Statement of Comprehensive income. From the trade date, any gains and losses arising from changes in fair value of the financial assets or financial liabilities at fair value through profit or loss are recorded in the Statement of comprehensive income.

Subsequent measurement

After initial measurement, the Company measures financial instruments, which are classified at fair value through profit or loss, at their fair value. Subsequent changes in the fair value of financial instruments designated at fair value through profit or loss are recognised directly in the Statement of comprehensive income. In certain cases, the fair value of financial instruments is based on proprietary models of the arranger, which usually are developed from recognised valuation models. Some or all of the inputs into these models may not be market observable and are derived from market prices or rates or are estimated based on assumptions. Further details are provided in note 4 to the financial statements.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Offsetting

Financial assets and liabilities are set off and the net amount presented in the Statement of financial position when, and only when, the Company has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions.

(j) Equity instruments

Equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of issue costs.

(k) Share capital

Share capital is issued in Euro (EUR). Dividends are recognised as a liability in the period in which they are approved by the Board.

(l) Other receivables

Other receivables do not carry any interest and are short-term in nature and have been reviewed for any evidence of impairment. Other receivables are accounted for at amortised cost.

(m) Other payables

Other payables are measured at amortised cost.

(n) Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity). The Company's business involves the repackaging of bonds and other debt instruments, on behalf of investors, which are bought in the market and subsequently securitised to avail of potential market opportunities and risk return asymmetries. The Company has only one business unit and all administrating and operating functions are carried out and reviewed by the Administrator and Company Secretary, Deutsche International Corporate Services (Ireland) Limited.

3 Significant accounting policies (continued)

(n) Segment reporting (continued)

The Company's principal activity is to invest in financial instruments, which are the revenue generating segment of the Company. The Chief Operating Decision Maker (CODM) of the operating segment is the Board. The Company is a special purpose vehicle whose principal activities are the issuance of Notes and investment in securities. The CODM does not consider each underlying Series of Notes as a separate segment, rather they look at the structure as a whole. Based on that fact, the directors confirm that there is only one segment.

(o) Foreign currency transaction

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in the Statement of comprehensive income.

4 Determination of fair values

The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of valuation techniques as described in note 21 to the financial statements. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

For more complex instruments, the Company relies on proprietary models of the arranger, which usually are developed from recognised valuation models. Some or all of the inputs into these models may not be market observable and are derived from market prices or rates or are estimated based on assumptions.

Critical accounting judgements in applying the Company's accounting policies

Critical accounting judgements made in applying the Company's accounting policies in relation to valuation of financial instruments is further described in note 2(d) and note 21 to the financial statements.

Fair value measurement principles

The following methodologies have been applied in determining the fair values of each class of Notes:

Credit-linked Notes in Series 2007-06

Investment- The methodology applied to fair value the investments is to use the values provided on Bloomberg.

Credit Default Swap- The methodology applied to fair value the Credit Default Swap is to use prices obtained from the Swap Counterparty, Goldman Sachs International, who may use a variety of different valuation techniques including use of relevant credit spreads, arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, propriety valuation models, credit spreads, recovery rates or any other valuation technique that provides a reliable estimate of prices obtainable should the instrument be traded.

Interest Rate Swap - The methodology applied to fair value the Interest Rate Swap in place is by projecting the future cash flows for each payment date using the contracted interest rate. The future cash flows are discounted to the valuation date using a discount factor interpolated off a zero coupon yield curve of the respective currency, while also taking into account expectations regarding any underlying indices that may be applicable.

Notes- Due to the limited recourse aspects of the Notes, the value will be equal to the value of the underlying collateral and Swap.

Details of the Credit-linked Notes are included in note 15.

Inflation-linked Notes in Series 2011-01, 2011-02, 2012-01, 2012-02 and 2012-03

Investment- The methodology applied to fair value the investments is to use the values provided on Bloomberg.

Interest Rate Swap and Index Swap- The methodology applied to fair value the Interest Rate Swap in place is by projecting the future cash flows for each payment date using the contracted interest rate. The future cash flows are discounted to the valuation date using a discount factor interpolated off a zero coupon yield curve of the respective currency, while also taking into account expectations regarding any underlying indices that may be applicable.

4 Determination of fair values (continued)

Notes- The methodology applied to value the Inflation-linked Notes is the residual amount of the investments and derivatives. It is the residual amount that is owed to the Noteholders. The key assumption used is the limited recourse nature of each Series of Notes issued by the Company which implies the balance is owed to the Noteholders.

Details of the Inflation-linked Notes are included in note 15.

5 Net gain/(loss) on financial assets designated at fair value through profit or loss

	Financial year ended 31-Dec-14 EUR	Financial year ended 31-Dec-13 EUR
Net gain/(loss) on investment securities	94,584,887	(31,400,621)

6 Net (loss)/gain on financial liabilities designated at fair value through profit or loss

	Financial year ended 31-Dec-14 EUR	Financial year ended 31-Dec-13 EUR
Net (loss)/gain on debt securities issued	(71,966,689)	2,033,047

7 Net (loss)/gain on derivative financial instruments

	Financial year ended 31-Dec-14 EUR	Financial year ended 31-Dec-13 EUR
Net (loss)/gain on derivative financial instruments	(22,651,428)	21,580,023

8 Other income

	Financial year ended 31-Dec-14 EUR	Financial year ended 31-Dec-13 EUR
Bank interest	2,038	721
Foreign exchange loss	41	-
	2,079	721

9 Other expenses

	Financial year ended 31-Dec-14 EUR	Financial year ended 31-Dec-13 EUR
Bank charges	(11)	(11)
Foreign exchange loss	-	(2,585)
	(11)	(2,596)

Auditor's remuneration in respect of the financial year (excluding VAT):	**EUR**	**EUR**
Audit of individual company accounts	12,000	12,000
Other assurance services	-	-
Tax advisory services	4,000	4,000
Other non-audit services	-	-
	16,000	16,000

The Company is administered by Deutsche International Corporate Services (Ireland) Limited and accordingly has no employees. The costs associated with the Company are paid by Goldman Sachs International, including the audit fee of EUR 12,000 (excluding VAT) (2013: EUR 12,000) and tax advisory fees of EUR 4,000 (excluding VAT) (2013: EUR 4,000). No fees are paid to the directors (2013: Nil).

10 Income tax expense

	Financial year ended 31-Dec-14 EUR	Financial year ended 31-Dec-13 EUR
Result before tax	-	-
Current tax at 25%	-	-
Current tax charge	-	-

The Company will continue to be taxed at 25% (2013: 25%) in accordance with Section 110 of the Taxes Consolidation Act, 1997.

11 Financial assets designated at fair value through profit or loss

	31-Dec-14 EUR	31-Dec-13 EUR
Financial assets	431,302,011	458,475,860

Financial assets have upon initial recognition been designated at fair value through profit or loss in accordance with the accounting policies set out in note 3.

Maturity analysis of financial assets	31-Dec-14 EUR	31-Dec-13 EUR
Within 1 year	-	62,570,889
More than 1 year and less than 5 years	174,404,080	-
More than 5 years	256,897,931	395,904,971
	431,302,011	458,475,860

Movement in financial assets	31-Dec-14 EUR	31-Dec-13 EUR
At beginning of the financial year	458,475,860	502,610,413
Cash transactions		
Disposals during the financial year	(100,157,382)	(45,449,729)
Non cash transactions		
Additions during the financial year	409,148,531	68,467,570
Disposals during the financial year	(428,051,020)	(35,751,773)
Net changes in fair value during the financial year	91,886,022	(31,400,621)
At end of the financial year	431,302,011	458,475,860

All non-cash additions of financial assets were set off against the issuance value to the Noteholders or Swap Counterparty. In accordance with the repurchase agreements, the redemption value of the investment securities disposed of were set off against the redemption value payable to the redeeming Noteholders or Swap Counterparty. The financial assets acquired during the financial year included an amount of EUR 409,148,531 (2013: EUR 30,247,114) relating to margin call accounts and the financial assets disposed of during the financial year included an amount of EUR 428,051,020 (2013: EUR 7,281,346) relating to margin call accounts.

The carrying value of the assets of the Company represents their maximum exposure to the credit risk. The credit risk is eventually transferred to the Swap Counterparty or the Noteholders through the individual terms of each Series in issue.

The financial assets are held as collateral for each Series of debt securities issued by the Company as per note 15.

Refer to note 21 for a description of the credit risk, concentration risk and currency risk disclosures relating to financial assets.

Notes to the financial statements (continued)
For the financial year ended 31 December 2014

11 Financial assets designated at fair value through profit or loss (continued)

Details of the nominal values and terms of each Series is disclosed below:

Series	Description	Interest Rate Basis	Maturity Date	CCY	31-Dec-14 Nominal Source CCY	31-Dec-13 Nominal Source CCY
Credit-linked Notes						
2007-06	Floating Rate Notes issued by The Goldman Sachs Group, Inc.	Floating - 0.4175% + 3m Euribor	31-Dec-19	EUR	53,000,000	53,000,000
2007-03	The Goldman Sachs Group Floating Rate Notes	Floating - 0.315% + 3m	20-Mar-14	EUR	-	20,000,000
2007-07	Class A Senior Secured Floating Rate Notes issued by Nash Point CLO	Floating - 0.24% + 6m Euribor	22-Jul-22	EUR	-	29,867,356
2007-07	Class A-1 First Priority Senior Secured Floating Rate Notes issued by Duchess V CLO B.V	Floating - 0.25% + 3m Euribor	25-May-21	EUR	-	7,648,214
2007-07	Class A7 Floating Rate Notes issued by Granite Master	Floating - 1m Euribor	20-Dec-54	EUR	-	747,210
2007-11	Euro Medium Term notes due 2014 issued by the Goldman Sachs Group	Floating - 0.42% + 3m Euribor	20-Mar-14	EUR	-	20,000,000
2007-12	Swedish Covered Bond Corp	Floating -0.05% + 3m SEK Libor	20-Mar-14	SEK	-	200,000,000
Inflation-linked Notes						
2011-01	Buoni del Tesoro Poliennali Inflation Linked Bonds issued by the Republic of Italy	Variable - 2.55% x Inflation Index Ratio where Index Initial: 107.91533	15-Sep-41	EUR	124,478,000	150,000,000
2011-02	Buoni del Tesoro Poliennali Inflation Linked Bonds issued by the Republic of Italy	2.35% x Inflation Index Ratio where Index Initial: 105.91677	15-Sep-19	EUR	50,000,000	50,000,000
2012-01	Buoni del Tesoro Poliennali Inflation Linked Bonds issued by the Republic of Italy	Variable - 2.35% x Inflation Index Ratio where Index Initial: 105.91677	15-Sep-19	EUR	52,195,000	51,267,000
2012-02	Buoni del Tesoro Poliennali Inflation Linked Bonds issued by the Republic of Italy	Variable - 2.6% x Inflation Index Ratio where Index Initial: 102.69806	15-Sep-23	EUR	49,819,000	47,121,000
2012-03	Obligations Assimilables du Trésor Obligations Assimilables du Trésor issued by Republic of France	Fixed - 4.5%	25-Apr-41	EUR	26,594,095	23,134,095

12 **Derivative financial instruments**

Movement in derivative financial instruments

	31-Dec-14	31-Dec-13
	EUR	EUR
At beginning of the financial year	23,426,953	(11,969,016)
Cash movement on swap transactions	11,596,146	13,970,967
Non-cash movement on swap transactions	-	(155,021)
Net changes in fair value during the financial year	(22,651,428)	21,580,023
At end of the financial year	12,371,671	23,426,953

	31-Dec-14	31-Dec-13
	EUR	EUR
Derivative financial assets	48,227,328	45,225,201
Derivative financial liabilities	(35,855,657)	(21,798,248)
	12,371,671	23,426,953

	31-Dec-14	31-Dec-13
	EUR	EUR
Interest rate swaps	-	(11,042,725)
Credit-linked derivative contracts	42,915,395	34,956,378
Inflation-linked derivative contracts	(30,543,724)	(486,700)
	12,371,671	23,426,953

The table above relates to the fair value of the derivative financial instruments as at financial year end, excluding any collateral postings as at 31 December 2014.

The Company enters into a derivative contract for each Series issued either to reduce a mismatch between the amounts payable in respect of the debt securities and return from the investment securities held as collateral, to create a risk profile appropriate for the investor or to mitigate its exposure to market risk (interest rate risk and currency risk) within the Company. The rationale behind entering into these instruments is to provide an asset risk profile which is suited to the needs of the investors (the holders of debt securities).

Goldman Sachs International (the "Arranger") also provides funding to meet expenses incurred by the Company.

Swap transactions

The derivatives entered into by the Company can be grouped into two categories, those that create a risk profile appropriate to the investor and those that mitigate exposure to market risk.

The following derivatives have been entered into by the Company and may, in certain cases, create exposure to risk as opposed to mitigating risk.

Credit Default Swaps

As part of certain Series programmes, the Company has entered into Credit Default Swap Agreements with Goldman Sachs International. In exchange for the receipt of premium income for the relevant Series, the Company has sold credit protection on a number of reference entities, (the "Reference Obligations"). By entering into the Credit Default Swap Agreements, the Company is exposed to the risk that the Reference Portfolio underperforms resulting in the default of the underlying entities (the "Reference Entities").

The Noteholders are exposed to the performance of the reference entities in the portfolio (the "Reference Portfolio"). That is, the ability of the Company to meet its obligations under the Notes will depend on the receipt by it of payments of interest and principal under the Collateral Assets, as well as payments owed to the Company by the Swap Counterparty under the terms of the Swap. Consequently, an investor is exposed not only to the occurrence of Credit Events in relation to any of the Reference Entities comprised in the Reference Portfolio to which the investor is linked (the "Specified Portfolio"), but also to the ability of the Company issuing the investments (the "Asset Issuer") and the Swap Counterparty to perform their respective obligations to make payments to the Company.

The aggregate liability of the Company under the Credit Default Swap Agreements for individual Series shall not exceed the aggregate of the eligible investment securities for those Series. No payment calls under the Credit Default Swap were made during the financial year.

In the event of an issuance of a credit event notice with respect to the Reference Portfolio, the Company will pay an amount as defined in the Credit Default Swap Agreements from the assets of that Series to which the Credit Default Swap Agreement relates. As a consequence of defaults in reference obligations, the nominal is proportionally reduced by the relevant debt securities.

12 Derivative financial instruments (continued)

Swap transactions (continued)

Credit Default Swaps (continued)

Credit Events

There were no credit events that occurred during the financial year.

The Company has entered into credit default swap arrangements for the following Series: Series 2007-06.

During the financial year to 31 December 2014, the Swap arrangements in respect of Series 2007-03, 2007-11 and 2007-12 have been terminated following the maturity of the Series' Notes.

Inflation-linked Swaps

An Inflation-linked Swap is a hedging arrangement in which one party exchanges one cash flow with another party's cash flow on specified dates for a specified period. These cash flows are associated with an index (debt index, equity index or a price risk). An Index Swap is a variant of the conventional Fixed Rate Swap and its terms may range from three months to a year or more.

In these Series, the Noteholders are exposed to the performance of the Index, and also to the ability of the Swap Guarantor and the Swap Counterparty to perform their obligations to make payments to the Company. The ability of the Company to meet its obligations under the Notes will depend on the receipt by it of payments of interest and principal owed to the Company by the Swap Counterparty. The Index is a Custom Index calculated by the "Index Sponsor".

Details of the Inflation-linked Swap for each series is detailed as follows:

Series	CCY	Notional	Maturity date	Exposure
2011-01	EUR	150,000,000	15-Sep-41	Linked to BTPei 2041 Inflation Linked Bonds
2011-02	EUR	50,000,000	15-Sep-19	Linked to BTPei 2019 Inflation Linked Bonds
2012-01	EUR	50,000,000	15-Sep-19	Linked to BTPei 2019 Inflation Linked Bonds
2012-02	EUR	50,000,000	15-Sep-23	Linked to BTPei 2023 Inflation Linked Bonds
2012-03	USD	50,000,000	25-Apr-41	Linked to BTPei 2041 Inflation Linked Bonds

Interest Rate Swap

Under the Interest Rate Swap, any difference between the interest rate from interest expense on debt securities and interest income from financial assets will be borne by the Swap Counterparty, Goldman Sachs International.

During the financial year, the Interest Rate Swap and Credit Default Swap arrangements in respect to Series 2007-07 has been terminated following the maturity of the Notes.

13 Other receivables

	31-Dec-14	31-Dec-13
	EUR	EUR
Collateral margin calls	32,669,634	11,068,280
Accrued interest	3,140,895	3,212,329
Net swap receivable	1,350,623	1,378,241
Unpaid share capital	30,000	30,000
	37,191,152	15,688,850

14 Cash and cash equivalents

	31-Dec-14	31-Dec-13
	EUR	EUR
Cash at bank	243,313	31,215,364
	243,313	31,215,364

The Company's cash at bank is held with The Bank of New York Mellon (79%) and Bank of Ireland Corporate Banking (21%). Refer to note 21(b) for credit risk disclosure relating to cash and cash equivalents.

Most of the cash balance is held as margin calls for the Company amounting to EUR 191,955 (2013: EUR 12,146,600).

Signum Finance II Public Limited Company

Notes to the financial statements (continued)
For the financial year ended 31 December 2014

15	**Financial liabilities designated at fair value through profit or loss**	**31-Dec-14**	**31-Dec-13**
		EUR	**EUR**
	Financial liabilities	476,343,316	512,006,627

Debt securities issued for a particular Series are designated at fair value through profit or loss when the related investment securities and derivatives are fair valued or when they contain embedded derivatives that significantly modify cash flows that otherwise would be required to be separated.

The Company's obligations under the debt securities issued and related derivative financial instruments are secured by the investment securities as per note 11. The investors' recourse per Series is limited to the assets of that particular Series. The Noteholders have an option for early redemption.

In the event that accumulated losses under a particular Series collateral prove not to be recoverable during the life of the Series, then this will reduce the obligation to the holders of the debt securities for that Series by an equivalent amount.

Movement in financial liabilities	**31-Dec-14**	**31-Dec-13**
	EUR	**EUR**
At beginning of the financial year	512,006,627	524,155,512
Cash transactions		
Redemption payments	(107,630,000)	(28,210,472)
Non-cash transactions		
Issue of financial liabilities	-	37,900,000
Redemption payments	-	(19,805,366)
Net changes in fair value during the financial year	71,966,689	(2,033,047)
At end of financial year	476,343,316	512,006,627

Maturity analysis	**31-Dec-14**	**31-Dec-13**
	EUR	**EUR**
Within 1 year	-	107,869,616
More than 1 year and less than 2 years	-	-
More than 2 years and less than 5 years	222,388,439	-
More than 5 years	253,954,877	404,137,011
	476,343,316	512,006,627

Refer to note 21 for a description of the key risks regarding the issue of these instruments.

The financial liabilities in issue at 31 December 2014 and 31 December 2013 are as follows:

Series	**Type of Notes**	**Interest Rate Basis**	**Maturity Date**	**CCY**	**31-Dec-14 Nominal Source CCY**	**31-Dec-13 Nominal Source CCY**
2007-06	Credit-linked Notes	Zero coupon	31-Dec-19	EUR	100,000,000	100,000,000
2011-01	Inflation-linked Notes	3.2048% + 6m Euribor	15-Sep-41	EUR	150,000,000	150,000,000
2011-02	Inflation-linked Notes	Fixed - 7.794%	15-Sep-19	EUR	50,000,000	50,000,000
2012-01	Inflation-linked Notes	Fixed - 6.62%	15-Sep-19	EUR	50,000,000	50,000,000
2012-02	Inflation-linked Notes	Fixed - 5.82%	15-Sep-23	EUR	50,000,000	50,000,000
2012-03	Inflation-linked Notes	Zero coupon	25-Apr-41	USD	50,000,000	50,000,000
2007-03	Credit-linked Notes	0.5% + 3m Euribor	20-Mar-14	EUR	-	20,000,000
2007-07	Credit-linked Notes	0.5% + 3m Euribor	20-Mar-14	EUR	-	45,000,000
2007-11	Credit-linked Notes	2.05% + 3m Euribor	20-Mar-14	EUR	-	20,000,000
2007-12	Credit-linked Notes	1.30% + 3m SEK Libor	20-Mar-14	SEK	-	200,000,000

15 Financial liabilities designated at fair value through profit or loss (continued)

During the year ended 31 December 2014, Series 2007-03, 2007-07, 2007-11 and 2007-12 matured and their corresponding collaterals disposed and Swap terminated accordingly.

At the reporting date, the Company's financial liabilities designated at fair value through profit or loss were concentrated in the following types:

	31-Dec-14	31-Dec-13
Types of financial liabilities	%	%
Inflation-linked Notes	80	61
Credit-linked Notes	20	39
	100	100

A description of the principal types of financial liabilities in issue is as follows:

Credit-linked Notes

Under these Series, the Company uses the nominal amount of the Notes issued to enter into Credit Default Swap agreements with Goldman Sachs International. Goldman Sachs then used the Notes proceeds to invest in the respective collaterals for each specified Series. The Company will pay any income received from the collateral to the Swap Counterparty under the derivative agreements in place. In return, the Swap Counterparty undertakes to pay the Company amounts equal to the interest payable on the Notes issued, including any premium payable on the Credit Default Swap.

Inflation-linked Notes

The Company issued Inflation-linked Notes in respect of Series 2011-01, 2011-02, 2012-01, 2012-02 and 2012-03. Under such Notes, the Noteholders are exposing themselves to changes in the inflation rates. Therefore, the return on these Notes will highly depend on the performance of the Inflation-linked Index to which the Notes are linked.

16 Other payables

	31-Dec-14	31-Dec-13
	EUR	EUR
Accrued interest	4,491,518	4,590,570
Cash margin calls	191,955	12,146,600
Other swap payables	18,128	-
	4,701,601	16,737,170

17 Called up share capital presented as equity

		31-Dec-14	31-Dec-13
Authorised:		EUR	EUR
40,000 ordinary shares of EUR1 each		40,000	40,000

		31-Dec-14	31-Dec-13
Issued:		EUR	EUR
39,993 ordinary shares of EUR 1 each	- EUR 0.75 each unpaid	29,995	29,995
	- EUR 0.25 each paid	9,998	9,998
7 ordinary shares of EUR1 each - fully paid		7	7
		40,000	40,000

18 Ownership of the Company

The issued shares are held in trust by Conor Blake, Carmel Naughton, David McGuinness, Adrian Bailie, Eimir McGrath and Deutsche International Corporate Services (Ireland) Limited each holding one share and Deutsche International Finance (Ireland) Limited holding 39,994 shares (the 'Share Trustees'). The Share Trustees hold the issued shares of the Company in trust for charity.

The share Trustees have appointed a Board of Directors to run the day to day activities of the Company. The Board of Directors have considered the issue as to who is the ultimate Controlling Party. It has been determined that the control of the day to day activities of the Company rests with the Board. The Board consists of two independent directors.

19 Transactions with related parties

Transactions with administrator

During the financial year, USD 16,000 (2013: USD 16,000) relating to administration services were paid Goldman Sachs International to Deutsche International Corporate Services (Ireland) Limited. As at 31 December 2014, no amount is due to the administrator of the Company (2013: EUR Nil).

Transactions with arranger

Goldman Sachs International is the Arranger and Swap Counterparty of the Company. Goldman Sachs International, as Arranger for each Series, paid the Company EUR 500 for each new Series issued. All payments to and from the Swap Counterparty have been disclosed on the Statement of comprehensive income and the notes to the financial statements in the year of issuance. In addition, all costs associated with the Company are paid by the Arranger. During the financial year, a fee of USD 16,000 (2013: USD 16,000) relating to administration services, EUR 12,000 (excluding VAT) (2013: EUR 12,000) relating to audit fees and EUR 4,000 (excluding VAT) (2013: EUR 4,000) relating to tax advisory fees were paid by the arranger.

The Company has also entered into various Swap agreements with Goldman Sachs International, as Swap Counterparty. Details of the Swap are disclosed in note 12 to the financial statements.

Net swap income recognised by the Company during the year amounts to EUR 6,228,408 (2013: EUR 13,277,399).

There were no other transactions with the related parties that require disclosure in the financial statements.

20 Charges

The Notes issued by the Series are secured by way of a charge over the collateral purchased by the respective Series and by an assignment of a fixed first charge of the Company's rights, title and interest under respective Swap agreements for the Series. All of the financial assets designated at fair value through profit or loss on the Statement of financial position are held as collateral under each Series. The Charged Assets may comprise bonds, notes, securities, covered bonds, commodities, the benefit of loans, equity interests (including shares and participating income notes), indices, other assets or contractual or other rights, carbon credits, insurance policies, partnership interests, swap rights or credit derivative products all as more particularly specified in the relevant Supplemental Information Memorandum.

The Charged Assets comprise those financial assets and derivatives detailed in notes 11 and 12 respectively. Further details on the profile of both are included in note 21.

21 Financial risk management

Introduction and overview

The Company has Credit-linked Notes and Inflation-linked Notes issued to investors and has entered into Swap agreements with the Swap Counterparty. The proceeds from the issue of the Notes have been used to purchase various collaterals as disclosed in note 11.

The net proceeds of each Series will be used by the Company to purchase the Collateral, pay for or enter into any Swap Agreement or Credit Enhancement Agreement and in meeting certain expenses and fees payable in connection with the operations of the Company and the issue of the Notes as set out in the relevant Offering Circular Supplement relating to each Series.

The Company was set up as a segregated multi issuance SPV which ensures that if one Series defaults, the holders of that Series do not have the ability to reach other assets of the Company, resulting in the Company's bankruptcy and the default of the other Series of Notes. The segregation criteria include the following:

- The Company issues separate Series of debt obligations;
- Assets relating to any particular Series of debt securities are held separate and apart from the assets relating to any other Series;
- Any Swap transaction entered into by the Company for a Series is separate from any other swap transaction for any other Series;
- For each Series of debt securities, only the trustee is entitled to exercise remedies on behalf of the debt security holders; and
- Each Series of issued debt securities is reviewed by a rating agency prior to issuance regardless of whether it is to be rated or not.

The Company is not engaged in any other activities.

21 Financial risk management (continued)

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The risk profile of the Company is such that market, credit, liquidity and other risks of the investment securities and derivatives held for risk management purposes are borne fully by the holders of debt securities issued.

The Company has exposure to the following risks from its use of financial instruments:

(a) Market risk;
(b) Credit risk;
(c) Liquidity risk; and
(d) Operational risk.

The Company operates within the risk management framework agreed at the time of issuance of the Notes and included in the prospectus of each series of Notes. The prospectus provides detailed information to the Noteholders regarding their exposure to different risks as well as how such risks will be managed going forward until the maturity of Notes. The Board of Directors has responsibility to ensure compliance with the prospectus and execute different legal documents as the need arises.

The Company has entered into a number of Series in the Programme. Each Series is governed by a separate Prospectus and consists of an investment in collateral from the proceeds of the issuance of debt securities.

The Company has, in all of its Series, entered into Swap Agreements with Goldman Sachs International. Refer to note 12 for a description of the different types of Swaps entered into by the Company.

The ultimate amount repayable to the Noteholders will be dependent upon the proceeds from the sale of the collateral and/ or payment/ receipt to/ from the Swap Counterparty.

This note presents information about the Company's exposure to each of the above risks and the Company's objectives, policies and processes for measuring and managing risk. The Company's management of capital is disclosed in note 23.

(a) Market risk

Market risk embodies the potential for both losses and gains and includes interest rate risk, currency risk and price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the returns on risk.

(i) Interest rate risk

Interest rate risk is the risk that the Company does not receive enough interest from the underlying investments to secure interest payments on the Notes. There may be a timing mismatch between payments of interest on the Notes and payments of interest on the financial assets and, in the case of floating rate financial assets, the rates at which they bear interest may adjust more or less frequently, and on different dates and based on different indices than the interest rate of the debt securities.

Interest Rate Swaps have been entered into, where necessary, to match the interest flows on the financial assets, financial liabilities and derivative financial instruments. The actual interest rates applicable to the financial assets and liabilities of each Series are detailed in notes 11 and 15, respectively.

21 Financial risk management (continued)

(a) Market risk (continued)

Interest received on the financial asset is passed on to the Swap Counterparty, in exchange for the required payments to the relevant Noteholders, therefore the Company does not bear interest rate risk. At the reporting date, the interest rate risk profile of the Company's interest bearing financial instruments was:

31-Dec-14	Floating rate	Fixed rate	Non-interest bearing	Total
	EUR	EUR	EUR	EUR
Financial assets designated at fair value through profit or loss	389,572,418	41,729,593	-	431,302,011
Derivative financial assets	48,227,328	-	-	48,227,328
Other receivables	-	-	37,191,152	37,191,152
Cash and cash equivalents	243,313	-	-	243,313
Total assets	438,043,059	41,729,593	37,191,152	516,963,804
Financial liabilities designated at fair value through profit or loss	(166,639,178)	(171,956,804)	(137,747,334)	(476,343,316)
Derivative financial liabilities	(35,855,657)	-	-	(35,855,657)
Other payables	-	-	(4,701,601)	(4,701,601)
Total liabilities	(202,494,835)	(171,956,804)	(142,448,935)	(516,900,574)
Net exposure	235,548,224	(130,227,211)	(105,257,783)	63,230

31-Dec-13	Floating rate	Fixed rate	Non-interest bearing	Total
	EUR	EUR	EUR	EUR
Financial assets designated at fair value through profit or loss	150,600,465	307,875,395	-	458,475,860
Derivative financial assets	45,225,201	-	-	45,225,201
Other receivables	-	-	15,688,850	15,688,850
Cash and cash equivalents	31,215,364	-	-	31,215,364
Total assets	227,041,030	307,875,395	15,688,850	550,605,275
Financial liabilities designated at fair value through profit or loss	(243,622,756)	(153,443,663)	(114,940,208)	(512,006,627)
Derivative financial liabilities	(21,798,248)	-	-	(21,798,248)
Other payables	-	-	(16,737,170)	(16,737,170)
Total liabilities	(265,421,004)	(153,443,663)	(131,677,378)	(550,542,045)
Net exposure	(38,379,974)	154,431,732	(115,988,528)	63,230

Sensitivity analysis

The sensitivity analysis below has been determined based on the Company's exposure to interest rates for interest bearing assets and liabilities (included in the interest rate exposure tables above) at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting year in the case of instruments that have floating rates.

A 100 basis point increase or decrease represent management's assessment of a reasonably possible change in interest rates.

If interest rates had been 100 basis points higher and all other variables were held constant, the interest income on the financial assets would have increased by EUR 3,615,480 (2013: EUR 4,322,553) and the interest expense on the financial liabilities would have increased by EUR 1,500,000 (2013: EUR 2,576,045).

21 Financial risk management (continued)

(a) Market risk (continued)

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company also mitigates its exposure to currency mainly by matching the foreign currency assets with foreign currency liabilities and in cases of any net exposure, the Company has derivative financial instruments in place. The Company is exposed to movement in exchange rates between the EUR, its functional currency, and certain foreign currencies, namely US Dollars (USD) and Swedish Krona (SEK).

The risk has been mitigated by entering into Swap transactions and the impact of any fluctuations in the foreign currency rates will be passed onto the Swap Counterparty. The Company's exposure to foreign currency risk before and after the impact of derivatives is as follows:

31-Dec-14	USD EUR	Total EUR
Financial liabilities designated at fair value through profit or loss	(38,879,598)	(38,879,598)
Total liabilities	(38,879,598)	(38,879,598)
Net exposure	(38,879,598)	(38,879,598)

31-Dec-13	USD EUR	SEK EUR	Total EUR
Financial assets designated at fair value through profit or loss	-	22,601,288	22,601,288
Other receivables	-	6,092	6,092
Cash and cash equivalents	-	82,929	82,929
Total assets	-	22,690,309	22,690,309
Financial liabilities designated at fair value through profit or loss	(21,978,826)	(22,582,053)	(44,560,879)
Other payables	-	(15,416)	(15,416)
Total liabilities	(21,978,826)	(22,597,469)	(44,576,295)
Net exposure	(21,978,826)	92,840	(21,885,986)

The following significant exchange rates have been applied at financial year end:

	Closing rate	
	31-Dec-14	**31-Dec-13**
USD : EUR	0.8266	0.7277
SEK : EUR	0.1059	0.1130

Sensitivity analysis

The impact of any change in exchange rates is borne by the Noteholders.

At 31 December 2014, had the Euro strengthened against USD and SEK by 1% with all other variables held constant, the fair value of the financial assets would have decreased by EUR nil (2013: EUR 226,013) and the fair value of the financial liabilities would have decreased by EUR 388,796 (2013: EUR 445,609).

This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the reporting date. The analysis assumes that all other variables, in particular interest rates, remain constant.

The impact of any change in the exchange rates on the investment securities relating to any Series is offset by the foreign exchange rate changes on the debt securities issued under the Series. Any difference is borne by the Swap Counterparty and thus the exchange rate changes have no net impact on the equity or the profit or loss of the Company.

21 Financial risk management (continued)

(a) Market risk (continued)

(iii) Price risk

Price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its Company or all factors affecting all instruments traded in the market.

Other price risks may include risks such as equity price risk, commodity price risk, prepayment risk (i.e. the risk that one party to a financial asset will incur a financial loss because the other party repays earlier or later than expected) and residual value risk.

The Company is exposed to price risk by investing in a portfolio of investments and is also exposed under Swap agreements outlined in note 12. However, any fluctuation in the value of financial assets designated at fair value through profit or loss held by the Company will be borne by the Noteholders to the extent not borne by the Swap Counterparty.

The price risk is managed by monitoring the market prices of the financial instruments.

Investment securities	**31-Dec-14**	**31-Dec-13**
	%	**%**
Listed	100	80
Not listed	-	20
	100	100

Sensitivity analysis

Any changes in the prices of the financial assets designated at fair value through profit or loss would not have any effect on the equity or net profit or loss of the Company as any fair value fluctuations in prices are ultimately borne by the Noteholders. As at 31 December 2014, exposure to price risk relates directly to the value of financial assets amounting to EUR 431,302,011 (2013: EUR 458,475,860). Price risk is actively managed by investing in highly rated investments and ensuring that the Company has priority of payment.

An increase of 10% in the market prices of the financial assets and financial instruments at the reporting date would result in an equivalent increase in the fair values of the Notes of EUR 43,130,201 (2013: EUR 45,847,586). A decrease of 10% in the market prices of the financial assets and financial instruments at the reporting date would result in an equivalent decrease in the fair values of the notes of EUR 43,130,201 (2013: EUR 45,847,586). Price risk is actively managed by investing in highly rated investments in accordance with the terms of the prospectus.

(b) Credit risk

Credit risk is the risk of the financial loss to the Company if a Counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's credit-linked assets. The Company's principal financial assets are cash and cash equivalents, other receivables, derivative financial instruments and financial assets designated at fair value through profit or loss, which represents the Company's maximum exposure to credit risk.

The Company limits its exposure to credit risk by only investing with counterparties that have a credit rating defined in the documentation of the relevant Series. The risk of default on these assets and on the underlying reference entities is borne by the Counterparties of the assets, the Swap Counterparty, or the holders of the debt securities of the relevant Series that the Company has in issue.

The Company's maximum exposure to credit risk in the event that Counterparties fail to perform their obligations as at 31 December 2014 in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the Statement of financial position.

21 Financial risk management (continued)

(b) Credit risk (continued)

Credit quality of financial assets

Cash and cash equivalents

The Company held cash and cash equivalents of EUR 243,313 as at 31 December 2014 (2013: EUR 31,215,364), which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with different banks and financial institutions.

Cash balances are held with Bank of Ireland Corporate Banking which has the following ratings:

	Long term 2014	Short term 2014	Long term 2013	Short term 2013
Standard & Poor's	BB+	B	BB+	B
Moody's	Baa2	P-2	Ba2	N-P
Fitch	BB+	B	BBB	F2

Although Fitch's long term credit rating of Bank of Ireland Corporate Banking changed from BBB in 2013 to BB+ in 2014 and Fitch's short term credit rating of Bank of Ireland Corporate Banking changed from F2 in 2013 to B in 2014, the directors believe that Bank of Ireland Corporate Banking is still highly rated.

Cash balances and cash collateral are held with The Bank of New York Mellon which has the following ratings:

	Long term 2014	Short term 2014	Long term 2013	Short term 2013
Standard & Poor's	AA-	A-1+	AA-	A-1+
Moody's	Aa1	P1	Aa2	P1
Fitch	AA+	F1+	AA	F1+

Financial assets

With respect to the minimum credit rating requirements agreed at inception and defined in the Master Agreement, the minimum ratings of investment agreed at inception were no lower than P-1 from Moody's at the time such investment is made.

The credit quality of financial assets designated at fair value through profit and loss that are neither past due nor impaired can be assessed to external credit ratings from the rating agency Standard & Poor's (S&P). At the reporting date, the rating analysis of the financial assets designated at fair value through profit and loss was as follows:

	31-Dec-14	31-Dec-13
Credit-linked Notes	%	%
AAA	-	39
A-	-	27
Not rated	100	34
	100	100

	31-Dec-14	31-Dec-13
Inflation-linked notes	%	%
AAu	11	9
Not rated	89	91
	100	100

The credit quality of the collaterals which are not rated are believed to be recoverable with respect to the following measurements:
- ability to pay interest
- enhanced fair values

For all the Credit-linked Notes, the Company invested in Floating Rate Notes and for all Inflation-linked Notes in government bonds. The Noteholders will therefore be exposed to performance of the Floating Rate Notes and government bonds.

Other receivables

Other receivables mainly include income receivable from investment securities held by the Company and collateral margin calls at the financial year end. The credit rating and concentration of these investment securities at the reporting date are disclosed above.

21 Financial risk management (continued)

(b) Credit risk (continued)

Concentration risk

At the reporting date, the Company's financial assets designated at fair value through profit or loss were concentrated in the following asset types and geographical locations:

By industry	**31-Dec-14**	**31-Dec-13**
Types of collaterals	**%**	**%**
Credit-linked Notes		
Financial	100	100

	31-Dec-14	**31-Dec-13**
Inflation-linked notes	**%**	**%**
Government	100	100

By Geographical location	**31-Dec-14**	**31-Dec-13**
Country of origin	**%**	**%**
Credit-linked Notes		
USA	100	60
Ireland	-	19
Sweden	-	15
Luxembourg	-	5
UK	-	1
	100	100

	31-Dec-14	**31-Dec-13**
Inflation-linked notes	**%**	**%**
Italy	88	91
France	12	9
	100	100

Counterparty risk

With respect to derivative financial instruments, credit risk arises from the potential failure of the Counterparty to meet their obligations under the contract or arrangement.

Refer to note 12 for further details of the credit risk exposure from the Company's use of derivative financial instruments.

The debt securities issued in each Series are limited recourse to the assets in each particular Series and therefore the Noteholders are exposed to the credit risk of the Swap Counterparty and the issuers of the securities forming the portfolio of collateral of each Series.

The Company is exposed to the credit risk of the Swap Counterparty with respect to payments due under the Swap. This risk is borne by the Noteholders who are subject to risk of defaults by the Swap Counterparty as well as to the risk of defaults by the reference obligations. Goldman Sachs International is the Counterparty on all Swap transactions. The directors are satisfied with the current exposure and monitor ratings of Goldman Sachs International, as Swap Counterparty, and its ratings are as follows:

	Long term 2014	**Short term 2014**	**Long term 2013**	**Short term 2013**
Standard & Poor's	A	A-1	A	A-1
Moody's	A1	P-1	A2	P-1
Fitch	A	F1	A	F1

In respect of each relevant Series, the Swap Counterparty and the Company have agreed to enter into a Credit Support Agreement to enable the Swap Counterparty to post collateral with the Custodian in favour of the Company in the event it ceases to have the prescribed minimum ratings, in each case pursuant to, and in accordance with, the Minimum Rating Requirement Provision relevant to such Series.

21 Financial risk management (continued)

(b) Credit risk (continued)

Counterparty risk (continued)

In the Credit-linked Series, the credit risk relates primarily to the underlying reference entities of the investment assets held by the Company. Any default or "credit events" in the underlying portfolio of reference entities might trigger a reduction in the nominal amounts of the debt instrument which the Company holds depending on the headroom and the loss amounts as well as other terms and conditions on the debt. Because of the ring-fenced nature of the debt issued by the Company, any such losses would ultimately be borne by either the Swap Counterparty or the Noteholders.

Also, any default or "credit events" in the underlying portfolio of reference entities might require a specific amount of the collateral i.e. certain investment assets held by the Company to be delivered to the Swap Counterparty which have purchased the credit protection. However, due to the ring-fenced nature of the debt issued by the Company, any such losses on investment assets or reference entities would ultimately be borne by the Noteholders by way of corresponding reduction in the nominal amounts of the notes depending on the terms and conditions attached to Notes issued.

The above mentioned linking of the debt instruments to the underlying portfolio of reference entities is achieved by entering into Credit Default Swap agreements with the Swap Counterparty. The Credit Default Swap is a leveraged arrangement. The aggregate reference portfolio notional amounts are usually substantially higher than the notional amounts of the Credit Default Swap and the nominal amounts of the debt securities issued. This leverage increases the risk of loss to the Company and, therefore, to the Noteholders.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset and thus, the Company will not be able to meet its financial obligations as they fall due.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's obligation to the Noteholders is limited to the net proceeds upon realisation of the collateral of the Series and should the net proceeds be insufficient to make all payments due in respect of a particular Series of Notes, the other assets of the Company are not contractually required to be made available to meet payment and the deficit is instead borne by the Noteholders and the Swap Counterparty according to the priority of payments mentioned in the agreements.

The timing and amounts from realising the collateral of each Series is subject to market conditions. There were no liquidity issues experienced by the Company or the Swap Counterparty in respect to meeting obligations to Noteholders or to the Swap Counterparty. The Company or the Swap Counterparty did not default on any of its contractual commitments during the financial year.

The following are the contractual maturities of financial liabilities including undiscounted interest payments and excluding the impact of netting agreements:

31-Dec-14	Carrying amount	Gross contractual cash flows	Less than one year	Between one to five years	More than five years
	EUR	EUR	EUR	EUR	EUR
Financial liabilities designated at fair value through profit or loss	(476,343,316)	(639,351,608)	(15,206,200)	(259,203,225)	(364,942,183)
Derivative financial liabilities*	(35,855,657)	(35,855,657)	(35,855,657)	-	-
Other payables	(4,701,601)	(4,701,601)	(4,701,601)	-	-
Net amount	(516,900,574)	(679,908,866)	(55,763,458)	(259,203,225)	(364,942,183)

21 Financial risk management (continued)

(c) Liquidity risk (continued)

31-Dec-13	Carrying amount	Gross contractual cash flows	Less than one year	Between one to five years	More than five years
	EUR	EUR	EUR	EUR	EUR
Financial liabilities designated at fair value through profit or loss	(512,006,627)	(764,207,097)	(123,367,291)	(61,742,800)	(579,097,006)
Derivative financial liabilities*	(21,798,248)	(21,798,248)	(21,798,248)	-	-
Other payables	(16,737,170)	(16,737,170)	(16,737,170)	-	-
Net amount	(550,542,045)	(802,742,515)	(161,902,709)	(61,742,800)	(579,097,006)

*The derivative financial instruments are included at their fair values.

(d) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

Operational risk arises from all of the Company's operations. The Company was incorporated with the purpose of engaging in those activities outlined in the preceding paragraphs. All management and administration functions are outsourced to Deutsche International Corporate Services (Ireland) Limited which has years of experience in this field.

(e) Fair values

The fair value of a financial asset and financial liability is 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.

The carrying amounts of all the Company's financial assets and financial liabilities at the reporting date approximated their fair values.

The Company's financial instruments carried at fair value are analysed below by valuation method. The different levels have been defined as follows:

- Level 1: Quoted market price in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect the differences between the instruments.

Refer to accounting policy in note 4 for more details on how the different Series in issue are valued.

At the reporting date, the carrying amounts of financial assets designated at fair value through profit or loss, derivative financial instruments and financial liabilities designated at fair value through profit or loss issued by the Company, for which fair values were determined directly, in full or in part, by reference to published price quotations and determined using valuation techniques are as follows:

	31-Dec-14			
	Level 1	Level 2	Level 3	Total
	EUR	EUR	EUR	EUR
Financial assets designated at fair value through profit or loss	-	431,302,011	-	431,302,011
Financial liabilities designated at fair value through profit or loss	-	-	(476,343,316)	(476,343,316)
Collateral margin calls	-	32,669,634	-	32,669,634
Derivative financial assets	-	48,227,328	-	48,227,328
Derivative financial liabilities	-	(35,855,657)	-	(35,855,657)
	-	476,343,316	(476,343,316)	-

21 Financial risk management (continued)

(e) Fair values (continued)

	31-Dec-13			
	Level 1	Level 2	Level 3	Total
	EUR	EUR	EUR	EUR
Financial assets designated at fair value through profit or loss	-	421,895,807	36,580,053	458,475,860
Financial liabilities designated at fair value through profit or loss	-	-	(512,006,627)	(512,006,627)
Collateral margin calls	-	11,068,280	-	11,068,280
Derivative financial assets	-	45,225,201	-	45,225,201
Derivative financial liabilities	-	(10,706,917)	(11,091,331)	(21,798,248)
	-	467,482,371	(486,517,905)	(19,035,534)

Financial assets measured at Fair Value based on Level 3

	31-Dec-14	31-Dec-13
	EUR	EUR
Balance at beginning of financial year	36,580,053	73,508,500
Redemptions during the financial year	(36,783,569)	-
Net changes in fair value during the financial year	203,516	3,379,984
Transfers out of Level 3	-	(40,308,431)
Balance at end of financial year	-	36,580,053

Financial liabilities measured at Fair Value based on Level 3

	31-Dec-14	31-Dec-13
	EUR	EUR
Balance at beginning of financial year	512,006,627	524,155,512
Issue of financial liabilities	-	37,900,000
Redemption payments	(107,630,000)	(48,015,838)
Net changes in fair value during the financial year	71,966,689	(2,033,047)
Balance at end of financial year	476,343,316	512,006,627

Due to the limited recourse nature of the structure, the fair value of the financial liabilities is based on the fair values of the respective financial assets and derivative financial instruments for each individual Series and is sensitive to the changes to the underlying balances.

Derivatives measured at Fair Value based on Level 3

	31-Dec-14	31-Dec-13
	EUR	EUR
Balance at beginning of financial year	(11,091,331)	(11,969,016)
Cash movement on swap transactions	11,596,146	1,957,426
Net changes in fair value during the financial year	(504,815)	(6,492,467)
Transfers out of Level 3	-	5,412,726
Balance at end of financial year	-	(11,091,331)

The total amount of gain/(loss) estimated using a valuation technique based on significant unobservable data (Level 3) that was recognised in the Statement of comprehensive income is as follows:

	31-Dec-14	31-Dec-13
	EUR	EUR
Net fair value gain on financial assets	203,516	3,379,984
Net fair value loss on financial liabilities	71,966,689	(2,033,047)
Net fair value gain on derivative financial instruments	(504,815)	(6,492,467)
	71,665,390	(5,145,530)

21 Financial risk management (continued)

(e) Fair values (continued)

During the financial year, due to market conditions for investment securities, the significant inputs used in their fair value measurement was based on observable rather than unobservable inputs. The values attributable to these investments are derived from a number of valuation techniques. In turn, these valuation techniques incorporate a number of assumptions including discount rates, default rates and interest rate curves, all of which impact on fair value. As outlined in the section above, it has been determined not to include details of techniques and assumptions at an individual series level due to the number of series in issue, the complexities included and the proprietary nature of the techniques used.

Although the directors believe that their estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value as fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement e.g. interest rates, volatility, credit spreads, probability of defaults, estimates of cash flows etc and therefore, cannot be determined with precision.

For recognised fair values measured using significant unobservable inputs, changing one or more assumptions used to reasonably possible alternative assumptions would not have any effect on the profit or loss or on equity as any change in fair value will be borne by the Noteholders due to the limited recourse nature of the debt issued by the Company.

Fair value measurement sensitivity analysis - level 3

Financial assets designated at fair value through profit or loss

The estimated fair value would increase/decrease if there are changes within the prices provided by external Counterparty and Bloomberg. If the price of level 3 investments was to increase by 10%, this would increase financial assets designated through profit or loss by EUR nil (2013: EUR 3,658,005).

Financial liabilities designated at fair value through profit or loss

The estimated fair value would increase/decrease if there are changes within the fair value of the financial assets through profit or loss and derivatives.

Derivative financial instruments

The estimated fair value would increase/decrease if there are changes within the interest rates. If the price of level 3 derivative financial instruments were to increase by 10%, this would increase derivative financial instruments by EUR nil (2013: EUR 4,861).

(f) Profile of Series of financial liabilities designated at fair value through profit or loss issued by the Company

The following are the broad categories as at 31 December 2014:

Type of transactions	**No of Series**	**%**	**Debt securities issued EUR**	**%**	**Financial assets EUR**
Credit-linked Notes	1	20	94,801,335	12	51,885,940
Inflation-linked Notes	5	80	381,541,981	88	379,416,071
		100	476,343,316	100	431,302,011

The following are the broad categories as at 31 December 2013:

Type of transactions	**No of Series**	**%**	**Debt securities issued EUR**	**%**	**Financial assets EUR**
Credit-linked Notes	5	40	204,617,932	33	150,600,464
Inflation-linked Notes	5	60	307,388,695	67	307,875,396
		100	512,006,627	100	458,475,860

22 Fair value of financial assets and financial liabilities that are not measured at fair value

The directors consider the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

	Carrying value	Fair value	Carrying value	Fair value
At amortised cost	EUR	EUR	EUR	EUR
Financial assets	31-Dec-14	31-Dec-14	31-Dec-13	31-Dec-13
Cash and cash equivalents	243,313	243,313	31,215,364	31,215,364
Other receivables	4,521,518	4,521,518	4,620,570	4,620,570
Financial liabilities				
Other payables	(4,701,601)	(4,701,601)	(16,737,170)	(16,737,170)
	63,230	63,230	19,098,764	19,098,764

The directors' make the assumptions that the Company's financial assets and financial liabilities that are not accounted for at fair value through profit and loss are short term financial assets and financial liabilities whose carrying amounts approximate fair values. The different levels have been defined in note 21 to the financial statements.

	Fair value hierarchy as at 31-Dec-2014			
At amortised cost	Level 1	Level 2	Level 3	Total
Financial assets	EUR	EUR	EUR	EUR
Cash and cash equivalents	-	243,313	-	243,313
Other receivables	-	4,521,518	-	4,521,518
Financial liabilities				
Other payables	-	(4,701,601)	-	(4,701,601)
	-	63,230	-	63,230

	Fair value hierarchy as at 31-Dec-2013			
At amortised cost	Level 1	Level 2	Level 3	Total
Financial assets	EUR	EUR	EUR	EUR
Cash and cash equivalents	-	31,215,364	-	31,215,364
Other receivables	-	4,620,570	-	4,620,570
Financial liabilities				
Other payables	-	(16,737,170)	-	(16,737,170)
	-	19,098,764	-	19,098,764

23 Capital management

The directors view the share capital of the Company as its capital. The Company is a special purpose vehicle set up to issue debt for the purpose of making investments as defined under the programme memorandum and in each of the Series memorandum agreements. Share capital of EUR 40,000 was issued in line with Irish Company Law and is not used for financing the investment activities of the Company. The Company is not subject to any other externally imposed capital requirements.

24 Subsequent events

The following Notes issued on 17 June 2015:
Series 2015-01 EUR 90,500,000 Variable Coupon Notes due 2037

There were no other significant events after financial year end up to the date of signing this report that require disclosure and/or adjustment in the financial statements.

Credit events
No credit events occurred after the financial year end.

25 Approval of financial statements

The Board of directors approved these financial statements on 24/11/2015