

Company Number. 5702866

GS EUROPEAN INVESTMENT GROUP II LTD

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2010

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REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements for the 52 week period ended 31 December 2010

1. Principal activities

GS European Investment Group II Ltd ('the company') trades and invests in distressed credits, including loans and bonds within Europe

The company's principal business is transacted in the euro and accordingly the company's functional currency is the euro and these financial statements have been prepared in that currency

2. Review of business and future developments

The financial statements have been drawn up for the 52 week period ended 31 December 2010. Comparative information has been presented for the 57 week period ended 31 December 2009

The results for the period are shown in the profit and loss account on page 5. Profit on ordinary activities before taxation for the period was €47.0m (57 week period ended 31 December 2009: loss of €29.6m). The company has total assets of €309.8m (31 December 2009: €348.4m).

Strategy

The company seeks to maximise returns from its trading and investing activities

Future outlook

Although the company has net liabilities at the period end the directors consider that it is appropriate to prepare the financial statements on a going concern basis given the post balance sheet events stated below. As a result the directors consider the financial position of the company to be satisfactory and expect no significant change in the company's principal business activity.

Post balance sheet events

Subsequent to the period end the following post balance sheet events occurred

- On 23 May 2011, the company received a subordinated loan from GS European Opportunities Fund II L.P. and a senior loan from ELQ Investors, Ltd, a company incorporated in Great Britain and registered in England and Wales on 31 May 2011. On 1 June 2011, the proceeds from the loans together with proceeds from asset sales after the balance sheet date were used to repay in full the company's existing third party loan (see note 12). Subsequently the company was released from all its obligations under the loan agreement with its principal creditor.
- On 1 June 2011, the company issued 12,111,882 ordinary shares of €1 each at par to its immediate parent undertaking, GS European Opportunities Fund II L.P. On 6 June 2011, the company utilised the proceeds from the issuance and proceeds from additional asset sales after the balance sheet date and partially repaid its super senior loan from ELQ Investors, Ltd.
- On 7 June 2011, the company reorganised its share capital and cancelled 299 shares for every 300 shares of issued ordinary and redeemable shares, and further the company issued 151,483,984 ordinary shares of €1 each, at par value, to ELQ Investors, Ltd and 1,209,498 ordinary shares of €1 each, at a premium, to GS European Opportunities Fund II L.P. in full satisfaction of the outstanding senior loan and subordinated loan respectively.
- As a result of the above events, the company has no outstanding debt as at the date of approving the accounts and ELQ Investors, Ltd and GS European Opportunities Fund II L.P. own 99% and 1% respectively of the equity of the company and the company's immediate parent undertaking changed from GS European Opportunities Fund II L.P. to ELQ Investors, Ltd.

REPORT OF THE DIRECTORS (continued)**Financial risk management**

The company's risk management objectives and policies, as well as its risk exposures, are described in note 20 of the financial statements

3. Dividends

The directors do not recommend the payment of a dividend in respect of the 52 week period ended 31 December 2010 (57 week period ended 31 December 2009 €nil)

4. Exchange rate

The sterling / euro exchange rate at the balance sheet date was 1 17 (31 December 2009 1 13) The average rate for the 52 week period ended 31 December 2010 was 1 17 (57 week period ended 31 December 2009 1 13)

5. Directors

The directors of the company who served throughout the period and to the date of this report except where noted, were

Name	Appointed	Resigned
R Campbell		26 March 2010
C Dickens		7 May 2010
C Marte	27 May 2011	15 June 2011
G Minson		
G Olafson	15 June 2011	
J Salisbury	15 June 2011	
T Bauwens	15 June 2011	
T Cannell	15 June 2011	

No director had, at the period end, any interest requiring note herein

6 Disclosure of information to auditors

In the case of each of the persons who are directors of the company at the date when this report was approved

- so far as each of the directors is aware, there is no relevant audit information of which the company's auditors are unaware, and
- each of the directors has taken all the steps that he / she ought to have taken as a director to make himself / herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

REPORT OF THE DIRECTORS (continued)

7. Directors' responsibilities

Company law requires the directors to prepare accounts for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to

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

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

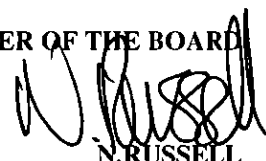
8 Auditors

Prior to 1 October 2007, the company passed an elective resolution under section 386 of the Companies Act 1985 to dispense with the annual reappointment of auditors. PricewaterhouseCoopers LLP will, accordingly, continue in office as auditors of the company pursuant to section 487(2) of the Companies Act 2006 and paragraph 44 of Schedule 3 to the Companies Act 2006 (Commencement No. 3 Consequential Amendment, Transitional Provisions and Savings) Order 2007.

9 Date of authorisation of issue

The financial statements were authorised for issue by the Board of Directors on 11 August 2011.

BY ORDER OF THE BOARD



N. RUSSELL

Secretary

**Independent auditors' report to the members of
GS EUROPEAN INVESTMENT GROUP II LTD**

We have audited the financial statements of GS European Investment Group II Ltd for the period ended 31 December 2010 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

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

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements.

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit and cash flows for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

Vassilios Vrachimis (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

11 August 2011

GS EUROPEAN INVESTMENT GROUP II LTD

PROFIT AND LOSS ACCOUNT

for the 52 week period ended 31 December 2010

		52 week period ended 31 December 2010	57 week period ended 31 December 2009
	Note	EUR	EUR
Revenue		70,372,014	7,190,598
Interest payable and similar charges	3	(16,343,852)	(29,533,874)
Administrative expenses		(7,108,923)	(7,591,824)
OPERATING PROFIT / (LOSS)	4	46,919,239	(29,935,100)
Interest receivable and similar income	6	66 908	325,233
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		46,986,147	(29,609,867)
Tax on profit / loss on ordinary activities	8	153,860	3,095,900
PROFIT / (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE PERIOD		47,140,007	(26,513,967)

The operating profit / (loss) of the company is derived from continuing operations in the current and prior period

There is no difference between the profit / (loss) on ordinary activities before taxation and the profit / (loss) for the period as stated above and their historical cost equivalents

The company has no recognised gains and losses other than those included in the profit / (loss) for the period shown above, and therefore no separate statement of total recognised gains and losses has been presented

The notes on pages 8 to 17 form an integral part of these financial statements

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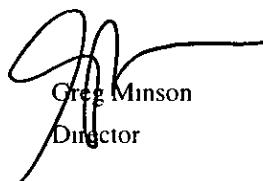
GS EUROPEAN INVESTMENT GROUP II LTD

BALANCE SHEET

as at 31 December 2010

		31 December 2010 EUR	31 December 2009 EUR
	Note		
CURRENT ASSETS			
Financial instruments owned		283,141,389	334,474,639
Debtors	9	24,700,393	13,857,791
Cash at bank and in hand		45,765	41,264
Other current assets	10	1,924,795	-
		309,812,342	348,373,694
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	11	(22,468,918)	(16,141,779)
NET CURRENT ASSETS		287,343,424	332,231,915
TOTAL ASSETS LESS CURRENT LIABILITIES		287,343,424	332,231,915
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	12	(556,393,319)	(648,421,817)
NET LIABILITIES		(269,049,895)	(316,189,902)
CAPITAL AND RESERVES			
Called up share capital	13	82,949,882	82,949,882
Profit and loss account	14	(351,999,777)	(399,139,784)
TOTAL SHAREHOLDER'S DEFICIT		(269,049,895)	(316,189,902)

The financial statements were approved by the Board of Directors on 11 August 2011 and signed on its behalf by


Greg Minson
Director

The notes on pages 8 to 17 form an integral part of these financial statements
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GS EUROPEAN INVESTMENT GROUP II LTD

CASH FLOW STATEMENT

for the 52 week period ended 31 December 2010

		52 week period ended 31 December 2010	57 week period ended 31 December 2009
	Note	EUR	EUR
Net cash inflow from operating activities	16	103,951,010	(5,496,480)
Interest received		66,908	325,233
Net cash inflow from returns on investments and servicing of finance		66,908	325,233
Taxation		-	-
CASH INFLOW BEFORE MANAGEMENT OF LIQUID RESOURCES AND FINANCING		104,017,918	(5,171,247)
Decrease in liquid resources		1,925,659	34,861,810
Net cash inflow / (outflow) from management of liquid resources		1,925,659	34,861,810
Decrease in long term financing		(105 939,075)	(29,985 239)
Net cash outflow from financing		(105,939,075)	(29,985,239)
INCREASE / (DECREASE) IN CASH IN THE PERIOD	17	4,502	(294,676)

The notes on pages 8 to 17 form an integral part of these financial statements
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NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2010

1. ACCOUNTING POLICIES

a Accounting convention

The financial statements have been prepared under the historical cost convention, the accounting policies set out below, and in accordance with the Companies Act 2006 and applicable accounting standards

b. Going concern

As at 31 December 2010 the company has net liabilities, however subsequent to the period end, the company repaid all its third party debt and was released from all its obligations under the loan agreement with its principal creditor and given the post balance sheet events (see note 22) the directors continue to adopt the going concern basis in preparing the financial statements

c. Foreign currencies

Transactions denominated in foreign currencies are translated into euros at rates of exchange ruling on the date the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are translated into euros at rates of exchange ruling at the balance sheet date. Foreign exchange gains and losses are recognised in operating profit.

d. Revenue recognition

Revenue has been disclosed instead of turnover as this more meaningfully reflects the nature and results of the company's activities.

Revenue from financial instruments owned comprises interest income, dividends, impairment to net realisable value of investments and gains and losses from sale of such investments. Interest is recognised on an accruals basis when earned. Dividends receivable are recognised as revenue when the right to receive payment has been established.

e. Financial instruments owned

Financial instruments owned comprises bank loans and corporate bonds and are stated at the lower of cost and net realisable value. Any impairment to net realisable value is recognised in the profit and loss account.

f. Derivative financial instruments

The company uses derivatives, primarily interest rate caps, to reduce exposure to interest rate risk. The company does not hold or issue derivative financial instruments for speculative purposes. They are held off balance sheet with interest payments, receipts and accruals being recognised in the financial statement over the period of the contract.

g. Other financial assets and liabilities

Other financial assets and liabilities are initially recognised at fair value and are subsequently remeasured at amortised cost with finance income and expense recognised on an accruals basis. All finance income and expense, including any impairment caused by the changes in the expected cashflows are recognised in the profit and loss account.

1. Offsetting financial assets and liabilities

Financial assets and liabilities are offset and the net amount presented in the balance sheet where there is

- (i) currently a legally enforceable right to set off the recognised amounts, and

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2010

1. ACCOUNTING POLICIES (continued)

1 Offsetting financial assets and liabilities (continued)

(ii) intent to settle on a net basis or to realise the asset and settle the liability simultaneously

Where these conditions are not met financial assets and liabilities are presented on a gross basis in the balance sheet

h. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events have occurred at that date that will result in an obligation to pay more tax in the future or a right to pay less tax in the future. Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. SEGMENTAL REPORTING

The directors manage the company's activities as a single business in the same geographical region and accordingly no segmental analysis has been provided.

3. INTEREST PAYABLE AND SIMILAR CHARGES

	52 week period ended 31 December 2010	57 week period ended 31 December 2009
	EUR	EUR
Interest expense on third party loan	8,284,429	20,568,620
Interest expense on subordinated loan with parent undertaking	8,045,676	8,965,254
Other interest expense	13,747	-
	<u>16,343,852</u>	<u>29,533,874</u>

Interest expense that relates to the funding of operating activities has been charged against operating profit

4. OPERATING PROFIT / (LOSS)

	52 week period ended 31 December 2010	57 week period ended 31 December 2009
	EUR	EUR
Operating profit / (loss) is stated after charging:		
Amortisation of interest rate cap	262,472	-
Management fees payable to group undertaking	6,261,617	7,276,227
Auditor's remuneration - audit services	23,243	22,257

5. STAFF COSTS

The company has no employees (2009: nil). All persons involved in the company's operations are employed by a group undertaking. The charges for services provided to the company are included in the management fees payable to group undertaking (see note 4).

GS EUROPEAN INVESTMENT GROUP II LTD

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2010

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	52 week period ended 31 December 2010	57 week period ended 31 December 2009
	EUR	EUR
Bank interest income	3	1,614
Interest on money market investments	66,905	323,619
	<u>66,908</u>	<u>325,233</u>

7. DIRECTORS' EMOLUMENTS

	52 week period ended 31 December 2010	57 week period ended 31 December 2009
	EUR	EUR
Directors:		
Aggregate emoluments	756	1,877
Company pension contributions to money purchase schemes	6	12
	<u>762</u>	<u>1,889</u>

In accordance with the Companies Act 2006, directors' emoluments above represent the proportion of total emoluments paid or payable in respect of qualifying services only. Directors also receive emoluments for non-qualifying services which are not required to be disclosed.

During the period two directors were members of the defined contribution pension scheme and two directors were members of the defined benefit pension scheme. Two directors have been granted shares in respect of a long term incentive scheme. No directors have exercised options.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2010

8 TAX ON ORDINARY ACTIVITIES

(a) Analysis of tax credit for the period.

	52 week period ended 31 December 2010	57 week period ended 31 December 2009
	EUR	EUR
Current tax:		
UK corporation tax at 28% (2009 28%)	-	-
Adjustments in respect of prior periods	(153,860)	(3,095,900)
Total current tax (see note (b) below)	(153,860)	(3,095,900)

(b) Factors affecting tax credit for the period

The current tax assessed for the period differs from the standard rate of corporation tax in the UK at 28% (31 December 2009 28%) The differences are explained below

	52 week period ended 31 December 2010	57 week period ended 31 December 2009
	EUR	EUR
Profit / (loss) on ordinary activities before tax	46,986,147	(29,609,867)
Profit / (loss) on ordinary activities at the standard rate in the UK 28% (2009 28%)	13,156,121	(8,290,763)
Utilisation of tax losses brought forward	(13,156,121)	-
Unutilised tax losses carried forward	-	8,290,763
Adjustment to tax in respect of prior periods	(153,860)	(3,095,900)
Current tax credit for the period	(153,860)	(3,095,900)

During the current period the company surrendered group relief relating to prior periods of €11,766,768 to a group undertaking for nil consideration

A potential deferred tax asset of €73,845,718 (31 December 2009 €109,132,813) has not been recognised in the financial statements as there is uncertainty whether the company will generate suitable taxable profits in the future against which the deferred tax asset can be recovered

GS EUROPEAN INVESTMENT GROUP II LTD

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2010

9. DEBTORS

Debtors, all of which are due within one year of the balance sheet date, comprise

	31 December 2010	31 December 2009
	EUR	EUR
Interest receivable on financial instruments owned	600,482	1,829,597
Money market investments	6,245,584	8,171,243
Group tax relief receivable	3,943,750	3,789,890
Other receivables from group undertaking	13,910,577	30,161
Other debtors	-	36,900
	<u>24,700,393</u>	<u>13,857,791</u>

10. OTHER CURRENT ASSETS

	31 December 2010	31 December 2009
	EUR	EUR
Interest rate cap	2,187,267	-
Amortisation of interest rate cap	(262,472)	-
	<u>1,924,795</u>	<u>-</u>

At 31 December 2010 the fair value of the interest rate cap was €825,563 (31 December 2009 €nil)

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2010	31 December 2009
	EUR	EUR
Accrued interest payable to parent undertaking (see note 12)	20,698,250	12,508,455
Management fee payable to group undertaking	605,927	736,202
Other payables to group undertakings	-	30,160
Accrued interest payable to third parties (see note 12)	774,157	1,861,498
Other creditors and accruals	390,584	1,005,464
	<u>22,468,918</u>	<u>16,141,779</u>

GS EUROPEAN INVESTMENT GROUP II LTD

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2010

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 December 2010	31 December 2009
	EUR	EUR
Loan payable to third party	375,555,424	482,180,380
Subordinated loan payable to parent undertaking	166,927,318	166,241,437
Other payables to group undertakings	13,910,577	-
	<u>556,393,319</u>	<u>648,421,817</u>

Subsequent to the balance sheet date the loan payable to third party and accrued interest payable to third party was fully repaid and the company issued shares to GS European Opportunities Fund II L P, its immediate parent undertaking in full satisfaction of the subordinated loan payable and accrued interest payable to parent undertaking and the company was released from all obligations under the respective loan agreements (see note 22)

13. SHARE CAPITAL

At 31 December 2010 and 31 December 2009 share capital comprised

	31 December 2010		31 December 2009	
	No.	EUR	No.	EUR
<u>Allotted, called up and fully paid</u>				
Ordinary shares of £1 each	1	1	1	1
Redeemable shares of €1 each	60,409,882	60,409,882	60,409,882	60,409,882
Redeemable shares of £1 each	5,882,900	8,659,287	5,882,900	8,659,287
Redeemable shares of \$1 each	17,788,289	13,880,712	17,788,289	13,880,712
		<u>82,949,882</u>		<u>82,949,882</u>

The redeemable shares issued to date are redeemable at par, there is no fixed expiry date on their redemption and they are redeemable at the option of the company. The redeemable shares have the same rights to dividends, voting rights and priority on winding up as ordinary shares.

Share capital issued is translated at the historic rates prevailing on the date of issuance.

14. PROFIT AND LOSS ACCOUNT

	31 December 2010
	EUR
At 31 December 2009	(399,139,784)
Profit for the period	47,140,007
At 31 December 2010	<u>(351,999,777)</u>

GS EUROPEAN INVESTMENT GROUP II LTD

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2010

15. RECONCILIATION OF MOVEMENT IN TOTAL SHAREHOLDER'S DEFICIT

	31 December 2010
	EUR
Profit for the financial period	47,140,007
Opening shareholder's deficit	(316,189,902)
Closing shareholder's deficit	<u>(269,049,895)</u>

16. RECONCILIATION OF OPERATING PROFIT / (LOSS) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	52 week period ended 31 December 2010	57 week period ended 31 December 2009
	EUR	EUR
Operating profit / (loss)	46,919,239	(29,935,100)
Decrease in financial instruments owned	52,562,364	31,061,073
Increase in debtors	(16,030,783)	(52,416)
Increase / (decrease) in creditors	13,135,264	(4,927,654)
Interest paid	7,102,454	(1,642,383)
Amortisation of interest rate cap	262,472	-
Net cash inflow from operating activities	<u>103,951,010</u>	<u>(5,496,480)</u>

GS EUROPEAN INVESTMENT GROUP II LTD

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2010

17. RECONCILIATION OF NET CASH TO MOVEMENT IN NET DEBT

	52 week period ended 31 December 2010 EUR	57 week period ended 31 December 2009 EUR
Increase / (decrease) in cash in the period	4,502	(294,676)
Cash outflow due to decrease in long term financing	105,939,075	29,985,239
Cash inflow due to decrease of liquid resources	(1,925,659)	(34,861,810)
Change in net debt resulting from cashflows	104,017,918	(5,171,247)
Increase / (decrease) in accrued interest	(7,102,454)	1,642,383
Change in net debt	96,915,464	(3,528,864)
Opening net debt	(654,579,264)	(651,050,400)
Closing net debt	(557,663,800)	(654,579,264)

18. ANALYSIS OF CHANGES IN NET DEBT

	31 December 2009 EUR	Cash Flows EUR	Accruals EUR	31 December 2010 EUR
Cash at bank and in hand	41,264	4,502	-	45,766
Money market investments	8,171,243	(1,925,659)	-	6,245,584
Long term borrowing	(662 791,771)	105,939,075	(7,102,454)	(563,955,150)
Net debt	(654,579,264)	104,017,918	(7,102,454)	(557,663,800)

19. RELATED PARTY DISCLOSURES

Goldman Sachs International and Archon Group France SAS, parties who, along with the company, are subject to common control by The Goldman Sachs Group, Inc., entered into the following transactions with the company for the 52 week period ended 31 December 2010

Goldman Sachs International provided the company with management services. Management fees charged for the period were €6,052,397 (57 week period ended 31 December 2009 €6 847,846) of which €498,952 (31 December 2009 €531,343) was outstanding at the period end. Goldman Sachs International entered into an interest rate cap with the company. Amortisation of interest rate cap for the period was €262,472 (57 week period ended 31 December 2009 €nil) of which €15,835,372 (31 December 2009 €30,161) was outstanding at the period end.

Archon Group France SAS provided the company with asset management services. Management fees charged for the period were €209 220 (57 week period ended 31 December 2009 €428,382) of which €106,975 (31 December 2009 €204,859) was outstanding at the period end.

The Goldman Sachs Group, Inc. provided the company with a short term loan facility. Interest expense charged for the period was €13,713 (57 week period ended 31 December 2009 €nil) of which €nil (31 December 2009 €nil) was outstanding at the period end. The balance of the loan principal outstanding at the period end was €nil (31 December 2009 €nil).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2010

20. FINANCIAL RISK MANAGEMENT

The company is exposed to financial risk through its financial assets and liabilities. Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet the most important components of financial risk the directors consider relevant to the company are interest rate risk, credit risk, liquidity risk and currency risk.

a. Interest rate risk

Interest rate risk primarily result from exposures to changes in interest rates. The company manages its interest rate risk by entering into interest rate cap contracts as appropriate to the circumstances of the company.

b. Credit risk

Credit risk represents the loss the company would incur if a counterparty or an issuer of securities or other instruments we hold fails to perform its contractual obligations. Credit risk is managed by reviewing the credit quality of counterparties and reviewing, if applicable, the underlying collateral against which the assets are secured.

c. Liquidity risk

The company's principal objective is to be able to fund itself and to enable its core business to generate revenue under adverse circumstances.

d. Currency risk

Foreign exchange risk results from exposures to changes in spot prices, forward prices and volatilities of currency rates. The company manages its currency risk by establishing economic hedges as appropriate to the circumstances of the company.

21. ULTIMATE AND IMMEDIATE PARENT UNDERTAKINGS

As at 31 December 2010, the immediate parent undertaking and the parent undertaking of the smallest group for which consolidated financial statements are prepared is GS European Opportunities Fund II L P, a partnership registered in England and Wales.

The ultimate parent undertaking and the parent company of the largest group for which consolidated financial statements are prepared is ELQ Investors, Ltd, a company incorporated in Great Britain and registered in England and Wales. Copies of its accounts can be obtained from Peterborough Court, 133 Fleet Street, London, EC4A 2BB, the group's principal place of business.

As a result of the events subsequent to the balance sheet date (see note 22) the company's immediate parent undertaking changed to ELQ Investors, Ltd, a company incorporated in Great Britain and registered in England and Wales and the ultimate parent undertaking changed to The Goldman Sachs Group Inc, a company incorporated within the United States of America. Copies of its accounts can be obtained from 200 West Street, New York, NY 10282, United States of America, the group's principal place of business.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2010

22. POST BALANCE SHEET EVENTS

Subsequent to the period end the following post balance sheet events occurred

- On 23 May 2011, the company received a subordinated loan from GS European Opportunities Fund II L P and a senior loan from ELQ Investors, Ltd , a company incorporated in Great Britain and registered in England and Wales on 31 May 2011. On 1 June 2011, the proceeds from the loans together with proceeds from asset sales after the balance sheet date were used to repay in full the company's existing third party loan (see note 12). Subsequently the company was released from all its obligations under the loan agreement with its principal creditor.
- On 1 June 2011, the company issued 12,111,882 ordinary shares of €1 each at par to its immediate parent undertaking, GS European Opportunities Fund II L P. On 6 June 2011, the company utilised the proceeds from the issuance and proceeds from additional asset sales after the balance sheet date and partially repaid its super senior loan from ELQ Investors, Ltd.
- On 7 June 2011, the company reorganised its share capital and cancelled 299 shares for every 300 shares of issued ordinary and redeemable shares, and further the company issued 151,483,984 ordinary shares of €1 each, at par value, to ELQ Investors, Ltd and 1,209,498 ordinary shares of €1 each, at a premium, to GS European Opportunities Fund II L P in full satisfaction of the outstanding senior loan and subordinated loan respectively.
- As a result of the above events, the company has no outstanding debt as at the date of approving the accounts and ELQ Investors, Ltd and GS European Opportunities Fund II L P own 99% and 1% respectively of the equity of the company and the company's immediate parent undertaking changed from GS European Opportunities Fund II L P to ELQ Investors, Ltd.