

**Natixis Corporate Solutions Limited  
(Formerly Nexgen Financial Solutions Limited)**

**Directors' Report and Financial Statements**

**For the year ended 31 December 2007**

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**NEXGEN GROUP PROFILE**

Natixis Corporate Solutions Ltd (NCSL) is an Irish incorporated company with branches in Paris and Milan and a subsidiary based in Singapore (Nexgen Corporate Solutions Asia Ltd) (see Group Corporate Structure on page 5).

The Company's ultimate parent company IXIS Corporate & Investment Bank was merged with and into its own parent company Natixis S.A. ("NATIXIS") with effect from midnight on 31 December 2007, thus making the Company an indirect subsidiary of Natixis from that date. Nexgen is part of the Corporate Solutions division of NATIXIS BFI ('NATIXIS CORPORATE SOLUTIONS').

NATIXIS CORPORATE SOLUTIONS and Nexgen offer risk based tailor-made financial solutions to corporations, insurance companies, banks and other financial services organisations, and high net worth individuals, principally resident in Europe and Asia. The Group provides its clients with creative and robust solutions and executes transactions as principal counterparty, actively managing the risks assumed.

The principal subsidiaries of the Group are Nexgen Reinsurance Limited ('NRL'), a reinsurance company authorised by the Financial Regulator in Ireland under the European Communities (Reinsurance) Regulations 2006, and Nexgen Capital Limited ('NCL') and Natixis Corporate Solutions Limited ('NCSL') which are both authorised by the Financial Regulator in Ireland under the European Communities (Markets in Financial Instruments) Regulations 2007 to conduct regulated businesses as investment firms.

NCSL participates in the sourcing and structuring of transactions, products and services on behalf of the risk taking entities of the Group (NCL, NRL and NATIXIS CORPORATE SOLUTIONS). Natixis Corporate Solutions (Asia) Pty Ltd (NCSA), a subsidiary undertaking of NCSL, acts as the Singaporean marketing and structuring unit of the Nexgen Group. It also provides trading support, in the Singaporean time zone, to the Group. NCSA holds a Capital Markets Services Licence granted by the Monetary Authority of Singapore. NCSL also carries out research and development of IT systems for the Nexgen Group.

NRL underwrites Nexgen's reinsurance business. This comprises structured transactions for insurance or reinsurance companies, helping such organisations to meet efficient risk transfer or capital allocation objectives. NRL also provides finance and corporate services for the Nexgen Group.

NCL undertakes capital market transactions. NCL's role within the Group is to act as a principal for many of the client solutions involving financial instruments and to hedge or manage the resulting risks. The solutions offered include equity or credit derivative linked instruments designed to support mergers and acquisitions, treasury management, risk transfer, debt restructuring and private financing situations. Solutions may also include other derivative components. NCL is also the centre for active management of the risks assumed by the Group.

As at the 31 December 2007 Nexgen had 120 employees (90 at the end of 2006) and has established offices in Dublin, Singapore (NCSA), Paris (a branch of NCSL) and Milan (a branch of NCSL).

## Natixis Corporate Solutions Ltd

### DIRECTORS

#### Board of Directors as at 31 December 2007

Mr Xavier Daudin	Executive	Co Managing Director	French
Mr John Donnelly	Non-Executive	Chairman	Irish
Mr Luc Giraud	Executive		French
Mr Ravi Viswanathan	Executive	Co Managing Director	French

#### Other information

##### Office Address (Dublin)

Natixis Corporate Solutions  
Ormonde House  
12 Lower Leeson Street  
Dublin 2  
Ireland

##### Registered Number

336712

##### Office Address (Paris)

Natixis Corporate Solutions, Paris Branch  
30 Avenue George V  
75008 Paris  
France

##### Office Address (Milan)

Natixis Corporate Solutions, Milan Branch  
Via Landolfo 1  
20121 Milan  
Italy

##### Company Secretary and Registered Office

Nicola O'Connell  
Ormonde House  
12 Lower Leeson Street  
Dublin 2  
Ireland

##### Bankers

BNP Paribas London  
10 Harewood Avenue  
London NW1 6AA  
UK

##### External Auditors

PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
One Spencer Dock  
North Wall Quay  
Dublin 1  
Ireland

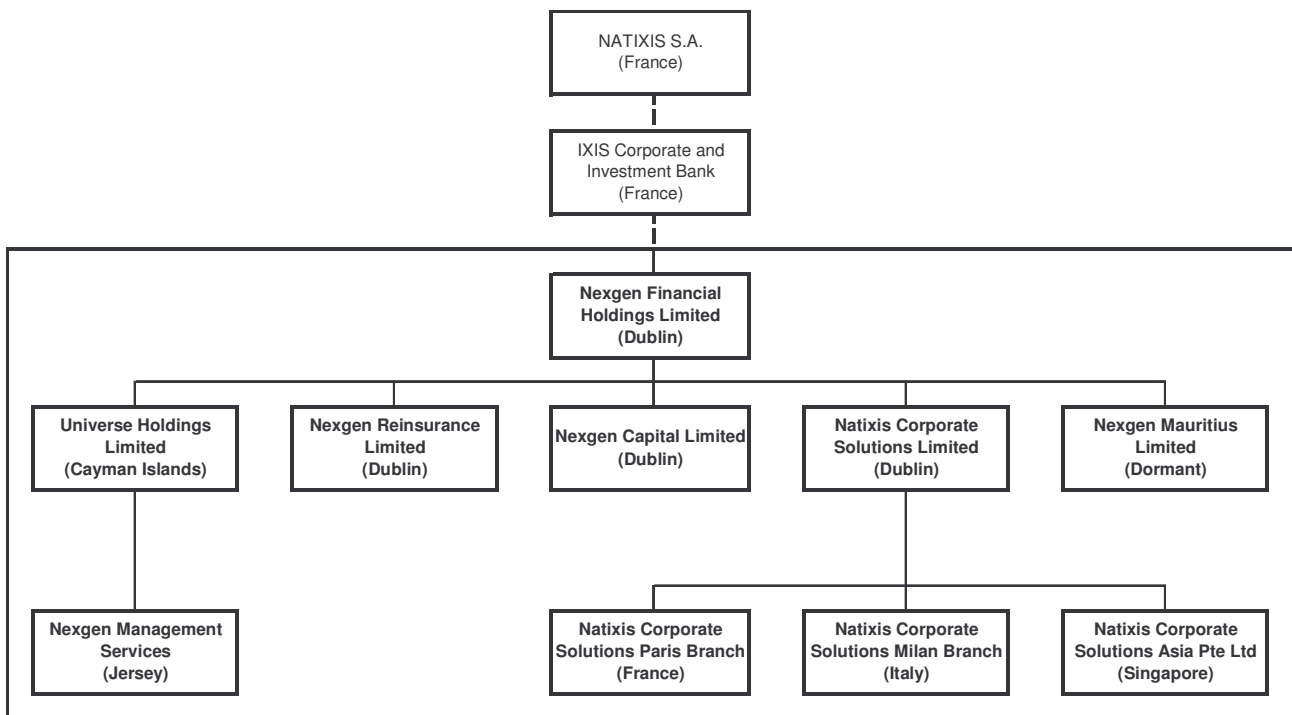
Credit Lyonnais  
Direction Regional Entreprises Paris  
61, Rue Lafayette  
75009 Paris  
France

##### Internal Auditors

Deloitte  
Deloitte & Touche House  
Earlsfort Terrace  
Dublin 2  
Ireland

Intesa Sanpaolo S.p.A  
156 Piazza San Carlo  
10121 Torino  
Italy

**GROUP CORPORATE STRUCTURE**



The Company's ultimate parent company IXIS Corporate & Investment Bank was merged with and into its own parent company Natixis S.A. with effect from midnight on 31 December 2007, thus making the Company an indirect subsidiary of Natixis S.A. from that date.

Nexgen Financial Solutions Limited was renamed Natixis Corporate Solutions Limited with effect from 14 March 2007. This name change applies to both branches in Paris and Milan as well as the company's subsidiary in Singapore.

Similarly Nexgen Re Limited was renamed Nexgen Reinsurance Limited with effect from 22 October 2007.

## **DIRECTORS' REPORT**

The directors submit their annual report for together with the audited financial statements for the year ended 31 December 2007. The financial statements refer to Natixis Corporate Solutions Limited including the Paris and Milan branches but excluding the Singapore subsidiary.

### **Principal activities and review of the business**

Natixis Corporate Solutions Limited (NCSL or the Company), an Irish incorporated company, is authorised by the Financial Regulator<sup>1</sup> under the European Communities (Markets in Financial Instruments) Regulations.

Nexgen, through its offices in Paris, Dublin, Milan and Singapore, offers risk based tailor-made financial solutions to corporations, insurance companies, banks and other financial services firms, and high net worth individuals, principally in Europe and Asia. The Group provides its clients with creative and robust solutions and executes transactions as principal counterparty. The risks assumed by Nexgen, after hedging in the market place, are actively managed and supported by the capital base of the Group.

The Company, together with its branches in Paris and Milan, carries out the sourcing and structuring of transactions, products and services on behalf of the risk taking entities of the Nexgen Group (Nexgen Capital Limited and Nexgen Reinsurance Limited). Natixis Corporate Solutions (Asia) Pte Limited (NCSA), a subsidiary undertaking of NCSL, acts as the Singaporean marketing and structuring unit of the Group and provides trading support, in the Singaporean time zone, to related corporations. NCSA holds a Capital Markets Services Licence granted by the Monetary Authority of Singapore. NCSL also carries out research and development of IT systems for the Group.

The Company (and its subsidiary) employs the majority of the marketing and structuring staff of the Nexgen Group and is therefore primarily responsible for the generation of new clients and transactions. The transactions are proposed to, decided upon by and then managed in other entities within the NATIXIS group, primarily being Nexgen Capital Ltd and Nexgen Reinsurance Ltd. The Company's primary source of income is fee income from its affiliated companies.

The total number of employees in the NCSL Group at 31 December 2007 was 86 (31 December 2006: 61), of whom 23 were based in the subsidiary in Singapore, 52 in the branch in Paris and 3 in the branch in Milan.

### **Results for the year and state of affairs at 31 December 2007**

The profit for the year was €19,267k (2006: €8,448k). The increase in the sourcing of new transactions has resulted in an increase in profits and accordingly to larger marketing fee income. Total income for the year was €94.5m (2006: €31.3m). Total expenses have also increase significantly to €65.2m (2006: €18.5m) due to an increase in variable staff costs as a result of the growth in profits.

The Company's net assets at 31 December 2007 amounted to €22,485k (2006: €12,218k).

The income statement for the period ended 31 December 2007 and the balance sheet at that date are set out on pages 11 to 13. A dividend of €9m was approved by the Board of Directors and paid to Nexgen Financial Holdings Limited on 25 June 2007 (in 2006, the company paid a dividend of €2.5m to Nexgen Reinsurance Limited, NCSL's former parent company, in October 2006).

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<sup>1</sup> "Financial Regulator" is the operating name of the Central Bank and Financial Services Authority of Ireland

## Natixis Corporate Solutions Ltd

### Directors

The names of the persons who were directors at any time during the year ended 31 December 2007 are set out on page 4.

### Directors' and secretary's interests

The beneficial interests of the directors and company secretary, in office at 31 December 2007, in the ordinary share capital of the Company at 31 December 2007 and 31 December 2006 was nil.

As at 31 December 2007, the directors listed below held the following warrants to subscribe for ordinary shares in Nexgen Financial Holdings Limited.

	Number of Warrants		
	Number	Maturity date	Subscription price
As at 31 December 2007			
Xavier Daudin	750,000	31st December 2008	EUR 1.00
John Donnelly	Nil	-	-
Luc Giraud	1,911,750	31st December 2008	EUR 1.00
Ravi Viswanathan	1,911,750	31st December 2008	EUR 1.00
As at 31 December 2006			
Xavier Daudin	750,000	31st December 2008	EUR 1.00
John Donnelly	Nil	-	-
Luc Giraud	1,911,750	31st December 2008	EUR 1.00
Ravi Viswanathan	1,911,750	31st December 2008	EUR 1.00

### Branches Outside the State

The Company has branches, within the meaning of Regulation 25 of the European Communities (Accounts) Regulations, 1993 (which gave effect to EU Council Directive 89/666/EEC), in France and Italy.

### Political Donations

There were no political contributions which require disclosure under the Electoral Act 1997.

### Subsequent Events

There were no significant events affecting the Company since the end of the financial year.

### Books of Account

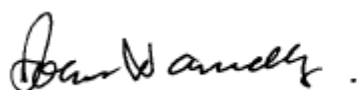
The directors comply with the Company's obligation to keep proper books of account by using appropriate systems and procedures and employment of competent persons. The books of account are kept at the following address:

Ormonde House  
12 Lower Leeson Street  
Dublin 2  
Ireland

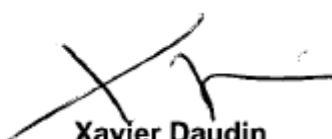
### Regulator

The Company is authorised by the Financial Regulator under the European Communities (Markets in Financial Instruments) Regulations 2007. The Paris and Milan branches of the Company were established under Article 17 of the Investment Services Directive, 1993.

On behalf of the Board



**John Donnelly**  
Director



**Xavier Daudin**  
Director

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with International Financial Reporting Standards ("IFRS") and IFRIC interpretations endorsed by the European Union and with those parts of the Companies Act, 1963 to 2006 applicable to companies reporting under IFRS and Article 4 of the IAS Regulation.

Irish company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state that the financial statements comply with IFRS.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements are prepared in accordance with IFRS and IFRIC interpretations endorsed by the European Union and with those parts of the Companies Act, 1963 to 2006 applicable to companies reporting under IFRS and Article 4 of the IAS Regulation.

The directors are responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board



**John Donnelly**



**Xavier Daudin**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIXIS CORPORATE SOLUTIONS LIMITED**

We have audited the financial statements (the "financial statements") of Natixis Corporate Solutions Limited for the year ended 31 December 2007 which comprise the Income Statement, the Balance Sheet, the Cash Flow Statement, the Statement of Change in Equity, Significant Accounting Policies and the related notes to the financial statements. These financial statements have been prepared under the accounting policies set out therein.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements, in accordance with applicable Irish law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 193 of the Companies Act, 1990 and for no other purpose. We do not, in giving this opinion, 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.

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union. We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union as applied in accordance with the provisions of the Companies Acts 1963 to 2006. We also report to you whether the financial statements have been properly prepared in accordance with Irish statute comprising the Companies Acts, 1963 to 2006 and Article 4 of the IAS Regulation. We state whether we have obtained all the information and explanations we consider necessary for the purposes of our audit, and whether the financial statements are in agreement with the books of account. We also report to you our opinion as to:

- whether the company has kept proper books of account;
- whether the directors' report is consistent with the financial statements; and
- whether at the balance sheet date there existed a financial situation which may require the company to convene an extraordinary general meeting of the company; such a financial situation may exist if the net assets of the company, as stated in the company balance sheet, are not more than half of its called-up share capital.

We also report to you if, in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not disclosed and, where practicable, include such information in our report.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. The other information comprises only the Nexgen Group Profile, Directors' Report and Directors Responsibility Statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

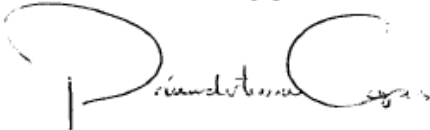
In our opinion:

- the financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the company's affairs as at 31 December 2007 and of its profit and cash flows for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Acts, 1963 to 2006 and Article 4 of the IAS Regulation.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit. In our opinion proper books of account have been kept by the company. The balance sheet is in agreement with the books of account.

In our opinion the information given in the directors' report is consistent with the financial statements.

The net assets of the company, as stated in the balance sheet are more than half of the amount of its called-up share capital and, in our opinion, on that basis there did not exist at 31 December 2007 a financial situation which under Section 40 (1) of the Companies (Amendment) Act, 1983 would require the convening of an extraordinary general meeting of the company.



PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
Dublin, Ireland

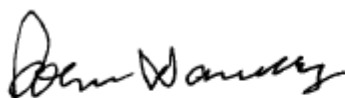
**4 April 2008**

**INCOME STATEMENT**

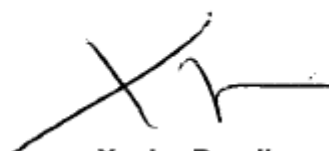
	Notes	Year ended 31 December 2007 EUR'000	Year ended 31 December 2006 EUR'000
Interest receivable		337	178
Fees and commission receivable	3	94,199	31,102
		<u>94,536</u>	<u>31,280</u>
Operating expenses	4	(65,225)	(18,544)
<b>Profit on ordinary activities before taxation</b>		<u>29,311</u>	<u>12,736</u>
Taxation	6	(10,044)	(4,288)
<b>Profit after tax</b>		<u>19,267</u>	<u>8,448</u>

The above results relate exclusively to continuing operations. There are no recognised gains or losses other than those dealt with in the profit and loss account.

On behalf of the Board



**John Donnelly**



**Xavier Daudin**

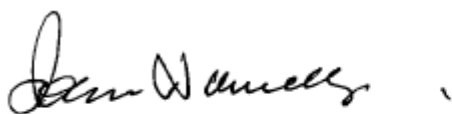
**STATEMENT OF CHANGES IN EQUITY**

	Year ended 31 December 2007 EUR'000	Year ended 31 December 2006 EUR'000
Profit attributable to equity shareholders	19,267	8,448
Dividend paid to parent company during the year	13 <u>(9,000)</u>	<u>(2,500)</u>
Movement in shareholder's funds	10,267	5,948
Balance at the beginning of the year	12,218	6,270
Balance at the end of the year	<u><u>22,485</u></u>	<u><u>12,218</u></u>

**BALANCE SHEET**

	Notes	Year ended 31 December 2007 EUR'000	Year ended 31 December 2006 EUR'000
<b>Assets</b>			
Investment in Subsidiary	12	940	940
Tangible fixed assets	7	994	479
Amounts due from Group undertakings	8	54,871	17,565
Other Debtors	8	1,723	1,596
Cash at bank and in hand		1,749	772
Total Assets		<u>60,277</u>	<u>21,352</u>
<b>Liabilities</b>			
Creditors	9	31,918	5,148
Corporation Tax due	9	5,874	3,986
Total Liabilities		<u>37,792</u>	<u>9,134</u>
<b>Net Assets</b>		<u><u>22,485</u></u>	<u><u>12,218</u></u>
<b>Capital and reserves</b>			
Share Capital	10	-	-
Capital contribution	11	2,112	2,112
Share premium	11	2,112	2,112
Profit and loss account		18,261	7,994
<b>Equity shareholder's funds</b>		<u><u>22,485</u></u>	<u><u>12,218</u></u>

On behalf of the Board



**John Donnelly**



**Xavier Daudin**

**CASH FLOW STATEMENT**

	Notes	Year ended 31 December 2007 EUR'000	Year ended 31 December 2006 EUR'000
<b>Cash flows from operating activities</b>			
Operating Profit		29,311	12,736
Depreciation and amortisation	7	299	128
Changes in operating assets and liabilities			
-net (increase)/decrease in other assets		(127)	1,142
-net increase/(decrease) in other liabilities		26,770	2,416
		<u>56,253</u>	<u>16,422</u>
Taxation paid		(8,156)	(327)
Net cash inflow from operating activities		<u>48,097</u>	<u>16,095</u>
<b>Investing activities</b>			
Additions to tangible fixed assets	7	(814)	(185)
Proceeds from disposal of fixed assets	7	-	13
<b>Financing activities</b>			
Dividends Paid	13	(9,000)	(2,500)
<b>Increase/(decrease) in cash and cash equivalents</b>		<u>38,283</u>	<u>13,423</u>
<b>Opening cash and cash equivalents</b>		<u>18,337</u>	<u>4,914</u>
<b>Closing cash and cash equivalents</b>	14	<u>56,620</u>	<u>18,337</u>

## Natixis Corporate Solutions Ltd

### 1 General Information

Natixis Corporate Solutions Limited (NCSL) is a 100% subsidiary of Nexgen Financial Holdings Limited.

Nexgen Financial Holdings and its subsidiaries, as part of NATIXIS Corporate Solutions, offer risk based tailor-made financial solutions to corporations, insurance companies, banks and other financial services organisations, and high net worth individuals, principally resident in Europe and Asia. The Nexgen Group has operations in 4 countries and employs 120 people including those seconded from related NATIXIS Group companies.

The consolidated financial statements of Natixis Corporate Solutions Ltd's parent, Nexgen Financial Holdings Ltd were approved by the Board of Directors on 20 February 2007. Nexgen Financial Holdings Limited is the only group company for which group financial statements are prepared and of which the company is a member.

As part of the integration within NATIXIS, Nexgen Financial Solutions Ltd was renamed NATIXIS Corporate Solutions Limited on 14<sup>th</sup> March 2007 and Nexgen Financial Solutions (Asia) Pty Ltd was renamed NATIXIS Corporate Solutions (Asia) Pte Ltd on 3<sup>rd</sup> April 2007.

### 2 Significant Accounting Policies

A summary of the principal accounting policies is set out below.

#### 2.1 Basis of Preparation

The Financial Statements have been prepared in accordance with International Financial Reporting Standards for the year ended 31 December 2007.

Assets and liabilities are recorded at settlement date. For those items recorded at fair value, income is recognised on a trade date basis.

The following prospective accounting policy changes have not been applied:

#### New and Amended Standards

##### ***Amendment to IFRS 2, Share based payments***

Effective date: annual periods beginning on or after 1 January 2009.

##### ***IFRS 3 (Revised), Business combinations***

Effective: annual periods beginning on or after 1 January 2009.

##### ***IAS 27 (Revised), Consolidated and separate financial statements***

Effective: annual periods beginning on or after 1 January 2009.

##### ***Revised IAS 1, Presentation of financial statements***

Effective date: Annual periods beginning on or after 1 January 2009

##### ***Revised IAS 23, Borrowing costs***

Effective date: Annual periods beginning on or after 1 January 2009 (prospective application).

##### ***IFRS 8, Operating segments***

Effective date: Annual periods beginning on or after 1 January 2009.

#### IFRIC interpretations issued but not yet effective

##### ***IFRIC 14, IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction***

Effective date: Annual periods beginning on or after 1 January 2008.

##### ***IFRIC 13, Customer loyalty programmes relating to IAS 18, Revenue***

Effective date: Annual periods beginning on or after 1 July 2008

##### ***IFRIC 12, Service concession arrangements***

Effective date: Annual periods beginning on or after 1 January 2008.

## **2.2 Cash and cash equivalents**

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with less than or equal to three months' maturity from the date of acquisition, including cash and non-restricted balances with central banks, treasury bills and other eligible bills, loans and advances to financial institutions, amounts due from financial institutions and short-term government securities.

## **2.3 Foreign currencies**

Monetary assets, liabilities and commitments denominated in other currencies are reported at the rates of exchange or forward rates prevailing at the reporting date. Gains or losses arising from changes in exchange rates are included in the profit and loss account. Revenue, costs and non-monetary assets are translated at the exchange rates prevailing at the dates of the respective transactions.

## **2.4 Taxation**

Corporation tax is provided on taxable profits based on the year to date profit in EUR.

Deferred income tax is provided in full, using the liability method, on all material temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax is not discounted.

## **2.5 Pension costs**

Employees may be members either of the Nexgen Group pension plan or of a personal pension plan. The Nexgen Group pension plan is a defined contribution scheme. NCSL contributes directly to the appropriate pension plans.

The amount charged to the profit and loss account in respect of pension costs is the sum of contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown either as accruals or prepayments in the balance sheet.

## **2.6 Tangible fixed assets**

Tangible fixed assets are stated at cost or valuation net of depreciation and any provisions for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write-off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Computer Software	3 years
Computer Equipment	3 years
Office Equipment	3 years

## **2.7 Functional Currency**

The functional currency of the Company is Euro.

## **2.8 Comparatives**

Comparative figures are presented in Euro.

**Natixis Corporate Solutions Ltd**

	Year ended 31 December 2007 EUR'000	Year ended 31 December 2006 EUR'000
<b>3 Fees and commissions</b>		
Fees and commissions receivable comprise:		
Intercompany service income (see note 5)	94,166	31,136
Other income/expense	<u>33</u>	<u>(34)</u>
	<u><u>94,199</u></u>	<u><u>31,102</u></u>
<b>4 Operating Expenses</b>	Year ended 31 December 2007 EUR'000	Year ended 31 December 2006 EUR'000
Operating expenses comprise:		
Staff Costs	39,044	7,623
Audit Fee	27	66
Depreciation	299	128
Intercompany service expense (see note 5)	16,588	4,251
Deal related fees and expenses	499	644
Other administrative expenses		
- Professional fees	4,705	2,863
- Non Executive directors fees	23	23
- Travel and hotels	1,107	841
- Office rental	937	899
- Other administrative fees	<u>1,996</u>	<u>1,206</u>
	<u><u>65,225</u></u>	<u><u>18,544</u></u>
Staff costs comprise:		
Wages and salaries	33,582	4,889
Social welfare costs	3,062	1,316
Pension costs	802	508
Other staff costs	<u>1,598</u>	<u>910</u>
	<u><u>39,044</u></u>	<u><u>7,623</u></u>

The average number of persons employed by the Company during 2007 was 55 (2006:39), 7 of whom were seconded employees.

	31 December 2007 EUR'000	31 December 2006 EUR'000
Directors' emoluments	<u>430</u>	<u>404</u>

In 2007, fees for directors' services and auditors' remuneration were paid by Nexgen Reinsurance Limited and recharged back to the Company.

**5 Intercompany Services**

The Nexgen Group operates a policy to allocate part of the profit of certain transactions to NCSL where NCL/NRL acts as counterparty. A proportion of the profit embedded in the transaction is transferred to the relevant NCSL branch/subsidiary in order to recognise the contribution of that branch/subsidiary in that country based on the location of Nexgen or Natixis staff involved. This is shown in the fees and commission line of the income statement.

Intercompany service expenses represent billing by other Group companies for staff seconded to the Company. It also includes the fee income payable to the Singaporean subsidiary NCSA.

<b>6 Taxation</b>	Year ended 31 December 2007 EUR'000	Year ended 31 December 2006 EUR'000
Corporation tax in the Republic of Ireland: Current tax on income for the year	151	81
Foreign tax Current tax on income for the year	9,893	4,207
	<u>10,044</u>	<u>4,288</u>
Effective tax rate	<u>34%</u>	<u>34%</u>

The reconciliation of current tax on profit on ordinary activities at the standard Irish corporation tax rate to the Company's actual current tax charge for the year ended 31 December 2007 is shown as follows:

	2007 EUR'000	2006 EUR'000
Profit on ordinary activities before taxation	<u>29,311</u>	<u>12,736</u>
Profit on ordinary activities multiplied by the standard rate of Corporation tax in Ireland of 12.5% (2006: 12.5%)	3,664	1,592
Effects of:		
Expenses not deductible for tax purposes	15	11
Foreign tax	6,379	2,695
Capital allowances in excess of depreciation	<u>(14)</u>	<u>(10)</u>
Current tax charge for year	<u>10,044</u>	<u>4,288</u>

<b>7 Tangible fixed assets</b>	<b>Computer Equipment EUR'000</b>	<b>Office Equipment EUR'000</b>	<b>Computer Software EUR'000</b>	<b>Total EUR'000</b>
<b>Cost</b>				
At 31 Dec 2006	501	563	70	1,134
Additions	<u>186</u>	<u>114</u>	<u>514</u>	<u>814</u>
At 31 Dec 2007	<u>687</u>	<u>677</u>	<u>584</u>	<u>1948</u>
<b>Accumulated Depreciation</b>				
At 31 Dec 2006	337	251	67	655
Charge for the period	<u>92</u>	<u>68</u>	<u>139</u>	<u>299</u>
At 31 Dec 2007	<u>429</u>	<u>319</u>	<u>206</u>	<u>954</u>
<b>Net Book Value</b>				
At 31 Dec 2006	<u>164</u>	<u>312</u>	<u>3</u>	<u>479</u>
At 31 Dec 2007	<u>258</u>	<u>358</u>	<u>378</u>	<u>994</u>

**Natixis Corporate Solutions Ltd**

		Year ended 31 December 2007 EUR'000	Year ended 31 December 2006 EUR'000
<b>8</b>	<b>Debtors - amounts falling due within one year</b>		
	Amounts due from group undertakings	54,871	17,565
	Other debtors	1,041	1,174
	Prepayments	682	422
		<u>56,594</u>	<u>19,161</u>

		Year ended 31 December 2007 EUR'000	Year ended 31 December 2006 EUR'000
<b>9</b>	<b>Creditors - amounts falling due within one year</b>		
	Amounts due to group undertakings	6,178	1,763
	Other creditors	<u>25,740</u>	<u>3,385</u>
		31,918	5,148
	Corporation Tax	<u>5,874</u>	<u>3,986</u>
		<u>37,792</u>	<u>9,134</u>

**10 Share Capital**

31 December 2007

**Authorised:**

1,000 ordinary shares of EUR 1 each

1,000

**Allotted, called up and fully paid:**

250 ordinary share of EUR 1 each

250

31 December 2006

**Authorised:**

1,000 ordinary shares of EUR 1 each

1,000

**Allotted, called up and fully paid:**

250 ordinary share of EUR 1 each

250

**11 Share Premium & Capital Contribution 31 December 2007**

		EUR'000
Share premium		2,112
Capital contribution		<u>2,112</u>
		<u>4,224</u>

**Share Premium & Capital Contribution 31 December 2006**

		EUR'000
Share premium		2,112
Capital contribution		<u>2,112</u>
		<u>4,224</u>

**12 Group companies**

Details of subsidiary undertakings are as follows:

Subsidiary	% Interest 31 December 2007	% Interest 31 December 2006	Amount of Investment	Country of incorporation and principal area of Operation	Nature of Business
Natixis Corporate Solutions (Asia) Pte Limited	100%	100%	SGD 2,000,000	Singapore	Marketing

**13 Dividends**

	31 December 2007 EUR'000	31 December 2006 EUR'000
Declared and paid: Interim Dividend	<u>9,000</u>	<u>2,500</u>

**14 Cash and Cash Equivalents**

For the purposes of the cash flow statement, cash and cash equivalents comprise the following balances:

	Year ended 31 December 2007 EUR'000	Year ended 31 December 2006 EUR'000
Cash and balances with Central Banks	1,749	772
Amounts due from Group undertakings	<u>54,871</u>	<u>17,565</u>
	<u>56,620</u>	<u>18,337</u>

**15 Transactions with Related Parties**

Transactions with other entities within the group are disclosed in Notes 8 & 9 above as due from or due to Group undertakings.

The amount of Key Management Personnel Compensation paid by the Group for the year was:

	Year ended 31 December 2007 EUR'000	Year ended 31 December 2006 EUR'000
Short term employee benefits	906	869
Post employment benefits (employer payments to pension scheme)	<u>15</u>	<u>16</u>
Total	<u>921</u>	<u>885</u>

**16 Ultimate Holding Company**

The Company's parent undertaking is Nexgen Financial Holdings Limited, a company incorporated in Ireland. Nexgen Financial Holdings Limited is the smallest group company for which group financial statements are prepared. Copies of the financial statements of Nexgen Financial Holdings Limited are available from the company secretary at Ormonde House, 12 Lower Leeson Street, Dublin 2.

Nexgen Financial Holdings is, as of midnight on 31 December, 2007, an 100% subsidiary of Natixis S.A., a bank listed on the Bourse de Paris, France. NATIXIS is the largest group company for which group accounts are prepared.

**17 Commitments and Guarantees**

There were no commitments or guarantees at 31 December 2007 or at 31 December 2006.

**18 Approval of Financial Statements**

The Directors approved the financial statements on 5th March 2008.