

Moody's takes rating action on nine CDOs arranged by KBC

Approximately EUR 2.94 billion of debt securities affected

Moody's Investors Service today took rating action on approximately EUR 2.94 billion of CDO tranches.

These rating actions are a response to credit deterioration in the underlying portfolios. The transactions, managed by KBC Financial Products, all have underlying portfolios which consist of corporate names, US RMBS, CMBS, and CDO of ABS among other assets.

Moody's announced on February 04, 2008 that it is revising its expected loss assumptions which are used for surveillance of ratings of ABS CDOs holding subprime RMBS, specifically of the 2006 vintage. Moody's stated that for purposes of monitoring its ratings of ABS CDOs with exposure to 2006 subprime RMBS, it will rely on certain projections of the lifetime average cumulative losses for 2006's quarterly vintages of RMBS set forth in a recent Moody's Special Report, "Moody's Updates Loss Projections for 2006 Subprime Loans." This report illustrates average loss results for the 2006 quarterly vintages under five distinct loss projection scenarios. Moody's explained that it will utilise the range of loss projections set forth in Scenarios 2 and 3 based on deal performance and quarterly vintage to modify its prior assumptions of the expected loss inputs when monitoring ABS CDO ratings.

Moody's will continue to monitor all deals with exposure to US subprime RMBS, and will take further actions in respect of all CDOs placed under review for downgrade once the extent of actual downgrades to US RMBS vintages becomes known.

Today's rating actions are as follows:

Baker Street Finance Limited:

- (1) EUR 90,200,000 Class A2 Floating Credit Linked Notes
Current Rating: Aa1, on review for downgrade
Prior Rating: Aaa
- (2) EUR 89,100,000 Class B Floating Credit Linked Notes
Current Rating: Aa2, on review for downgrade
Prior Rating: Aa1
- (3) EUR 68,750,000 Class C Floating Rate Credit-Linked Notes
Current Rating: A2, on review for downgrade
Prior Rating: Aa2, on review for downgrade
- (4) EUR 55,000,000 Class D Floating Rate Credit-Linked Notes
Current Rating: Baa3, on review for downgrade
Prior Rating: Aa3, on review for downgrade
- (5) EUR 39,600,000 Class E Floating Rate Credit-Linked Notes
Current Rating: Ba2, on review for downgrade
Prior Rating: A2, on review for downgrade
- (6) EUR 24,200,000 Class F Floating Rate Credit-Linked Notes,
Current Rating: B1, on review for downgrade

Prior Rating: A3, on review for downgrade

(7) EUR 22,000,000 Class G Floating Rate Credit-Linked Notes
Current Rating: B2, on review for downgrade
Prior Rating: Baa2, on review for downgrade

(8) EUR 19,250,000 Class H Floating Rate Credit-Linked Notes
Current Rating: B3, on review for downgrade
Prior Rating: Ba1, on review for downgrade

Baker Street USD Finance Limited:

(1) USD 8,200,000 Class A2-USD Floating Credit-Linked Notes
Current Rating: Aa1, on review for downgrade
Prior Rating: Aaa

(2) USD 8,100,000 Class B-USD Floating Credit-Linked Notes
Current Rating: Aa2, on review for downgrade
Prior Rating: Aa1

(3) USD 6,250,000 Class C-USD Floating Credit-Linked Notes
Current Rating: A2, on review for downgrade
Prior Rating: Aa2, on review for downgrade

(4) USD 5,000,000 Class D-USD Floating Credit-Linked Notes
Current Rating: Baa3, on review for downgrade
Prior Rating: Aa3, on review for downgrade

(5) USD 3,600,000 Class E-USD Floating Credit-Linked Notes
Current Rating: Ba2, on review for downgrade
Prior Rating: A2, on review for downgrade

(6) USD 2,200,000 Class F-USD Floating Credit-Linked Notes
Current Rating: B1, on review for downgrade
Prior Rating: A3, on review for downgrade

(7) USD 2,000,000 Class G-USD Floating Credit-Linked Notes
Current Rating: B2, on review for downgrade
Prior Rating: Baa2, on review for downgrade

(8) USD 1,750,000 Class H-USD Floating Credit-Linked Notes
Current Rating: B3, on review for downgrade
Prior Rating: Ba1, on review for downgrade

Clifton Street Finance Limited:

(1) EUR 53,250,000 Class A-1 Floating Rate Credit Linked Notes
Current Rating: Aaa, on review for downgrade
Prior Rating: Aaa, on review for downgrade

(2) EUR 48,750,000 Class A-2 Floating Rate Credit Linked Notes
Current Rating: Aa1, on review for downgrade
Prior Rating: Aaa, on review for downgrade

(3) EUR 37,500,000 Class B Floating Rate Credit-Linked Notes
Current Rating: Aa3, on review for downgrade

Prior Rating: Aa1, on review for downgrade

(4) EUR 32,000,000 Class C Floating Rate Credit-Linked Notes
Current Rating: A2, on review for downgrade
Prior Rating: Aa2, on review for downgrade

(5) EUR 30,000,000 Class D Floating Rate Credit-Linked Notes
Current Rating: Baa3, on review for downgrade
Prior Rating: Aa3, on review for downgrade

(6) EUR 17,500,000 Class E Floating Rate Credit-Linked Notes,
Current Rating: Ba2, on review for downgrade
Prior Rating: A2, on review for downgrade

(7) EUR 15,000,000 Class F Floating Rate Credit-Linked Notes
Current Rating: B1, on review for downgrade
Prior Rating: A3, on review for downgrade

(8) EUR 15,000,000 Class G Floating Rate Credit-Linked Notes
Current Rating: B3, on review for downgrade
Prior Rating: Baa2, on review for downgrade

(9) EUR 12,000,000 Class H Floating Rate Credit-Linked Notes
Current Rating: Caa1, on review for downgrade
Prior Rating: Ba1, on review for downgrade

Dorset Street Finance Limited:

(1) EUR 45,000,000 Class A1 Floating Rate Credit-Linked Notes
Current Rating: Aaa, on review for downgrade
Prior Rating: Aaa, on review for downgrade

(2) EUR 75,000,000 Class A2 Floating Rate Credit-Linked Notes
Current Rating: Aa1, on review for downgrade
Prior Rating: Aaa, on review for downgrade

(3) EUR 98,250,000 Class B Floating Rate Credit-Linked Notes
Current Rating: Aa2, on review for downgrade
Prior Rating: Aa1, on review for downgrade

(4) EUR 91,500,000 Class C Floating Rate Credit-Linked Notes
Current Rating: A1, on review for downgrade
Prior Rating: Aa2, on review for downgrade

(5) EUR 75,000,000 Class D Floating Rate Credit-Linked Notes
Current Rating: A2, on review for downgrade
Prior Rating: Aa3, on review for downgrade

(6) EUR 60,000,000 Class E Floating Rate Credit-Linked Notes
Current Rating: Baa1, on review for downgrade
Prior Rating: A2, on review for downgrade

(7) EUR 37,500,000 Class F Floating Rate Credit-Linked Notes
Current Rating: Baa3, on review for downgrade
Prior Rating: A3, on review for downgrade

(8) EUR 33,750,000 Class G Floating Rate Credit-Linked Notes
Current Rating: Ba2, on review for downgrade
Prior Rating: Baa2, on review for downgrade

(9) EUR 30,000,000 Class H Floating Rate Credit-Linked Notes
Current Rating: B2, on review for downgrade
Prior Rating: Ba1, on review for downgrade

Hanover Street Finance Limited:

(1) EUR 80,500,000 Class A2 Floating Rate Credit-Linked Notes
Current Rating: Aaa, on review for downgrade
Prior Rating: Aaa

(2) EUR 80,500,000 Class B Floating Rate Credit-Linked Notes
Current Rating: Aa2, on review for downgrade
Prior Rating: Aa1

(3) EUR 70,000,000 Class C Floating Rate Credit-Linked Notes
Current Rating: Aa3, on review for downgrade
Prior Rating: Aa2

(4) EUR 50,400,000 Class D Floating Rate Credit-Linked Notes
Current Rating: A3, on review for downgrade
Prior Rating: Aa3

(5) EUR 30,450,000 Class E Floating Rate Credit-Linked Notes
Current Rating: Baa2, on review for downgrade
Prior Rating: A1

(6) EUR 29,400,000 Class F Floating Rate Credit-Linked Notes
Current Rating: Ba2, on review for downgrade
Prior Rating: A2, on review for downgrade

(7) EUR 28,000,000 Class G Floating Rate Credit-Linked Notes
Current Rating: B2, on review for downgrade
Prior Rating: A3, on review for downgrade

(8) EUR 24,500,000 Class H Floating Rate Credit-Linked Notes,
Current Rating: Caa1, on review for downgrade
Prior Rating: Baa2, on review for downgrade

(9) EUR 18,200,000 Class I Floating Rate Credit-Linked Notes
Current Rating: Caa2, on review for downgrade
Prior Rating: Ba1, on review for downgrade

Oxford Street Finance Limited

(1) EUR 80,000,000 Class A2 Floating Rate Credit-Linked Notes
Current Rating: Aaa, on review for downgrade
Prior Rating: Aaa, on review for downgrade

(2) EUR 64,000,000 Class B Floating Rate Credit-Linked Notes
Current Rating: Aa2, on review for downgrade
Prior Rating: Aa1, on review for downgrade

(3) EUR 43,000,000 Class C Floating Rate Credit-Linked Notes
Current Rating: Aa3, on review for downgrade
Prior Rating: Aa2, on review for downgrade

(4) EUR 33,000,000 Class D Floating Rate Credit-Linked Notes
Current Rating: A2, on review for downgrade
Prior Rating: Aa3, on review for downgrade

(5) EUR 28,000,000 Class E Floating Rate Credit-Linked Notes
Current Rating: Baa1, on review for downgrade
Prior Rating: A2, on review for downgrade

(6) EUR 17,000,000 Class F Floating Rate Credit-Linked Notes
Current Rating: Baa3, on review for downgrade
Prior Rating: A3, on review for downgrade

(7) EUR 16,000,000 Class G Floating Rate Credit-Linked Notes
Current Rating: Ba2, on review for downgrade
Prior Rating: Baa2, on review for downgrade

(8) EUR 14,000,000 Class H Floating Rate Credit-Linked Notes
Current Rating: B1, on review for downgrade
Prior Rating: Ba1, on review for downgrade

Pembridge Square Finance Limited

(1) EUR 80,000,000 Class A2 Floating Rate Credit-Linked Notes
Current Rating: Aaa, on review for downgrade
Prior Rating: Aaa

(2) EUR 70,000,000 Class B Floating Rate Credit-Linked Notes
Current Rating: Aa1, on review for downgrade
Prior Rating: Aa1

(3) EUR 60,000,000 Class C Floating Rate Credit-Linked Notes
Current Rating: Aa3, on review for downgrade
Prior Rating: Aa2

(4) EUR 50,000,000 Class D Floating Rate Credit-Linked Notes
Current Rating: A2, on review for downgrade
Prior Rating: Aa3

(5) EUR 40,000,000 Class E Floating Rate Credit-Linked Notes
Current Rating: Baa2, on review for downgrade
Prior Rating: A2

(6) EUR 25,000,000 Class F Floating Rate Credit-Linked Notes
Current Rating: Ba2, on review for downgrade
Prior Rating: A3, on review for downgrade

(7) EUR 22,000,000 Class G Floating Rate Credit-Linked Notes
Current Rating: B2, on review for downgrade
Prior Rating: Baa2, on review for downgrade

(8) EUR 16,000,000 Class H Floating Rate Credit-Linked Notes

Current Rating: B3, on review for downgrade
Prior Rating: Ba1, on review for downgrade

Regent Street Finance Limited:

(1) EUR 82,500,000 Class D Floating Rate Credit-Linked Notes
Current Rating: Aa3, on review for downgrade
Prior Rating: Aa3

(2) EUR 67,500,000 Class E Floating Rate Credit-Linked Notes
Current Rating: A3, on review for downgrade
Prior Rating: A2

(3) EUR 40,000,000 Class F Floating Rate Credit-Linked Notes
Current Rating: Ba1, on review for downgrade
Prior Rating: A3, on review for downgrade

(4) EUR 37,500,000 Class G Floating Rate Credit-Linked Notes
Current Rating: B2, on review for downgrade
Prior Rating: Baa2, on review for downgrade

(5) EUR 30,000,000 Class H Floating Rate Credit-Linked Notes
Current Rating: Caa1, on review for downgrade
Prior Rating: Ba1, on review for downgrade

Sydney Street Finance Limited:

(1) EUR 70,000,000 Class A-1 Floating Rate Credit-Linked Notes
Current Rating: Aaa, on review for downgrade
Prior Rating: Aaa, on review for downgrade

(2) EUR 66,700,000 Class A-2 Floating Rate Credit-Linked Notes
Current Rating: Aa1, on review for downgrade
Prior Rating: Aaa, on review for downgrade

(3) EUR 60,000,000 Class B Floating Rate Credit-Linked Notes
Current Rating: Aa2, on review for downgrade
Prior Rating: Aa1, on review for downgrade

(4) EUR 46,700,000 Class C Floating Rate Credit-Linked Notes
Current Rating: A1, on review for downgrade
Prior Rating: Aa2, on review for downgrade

(5) EUR 44,000,000 Class D Floating Rate Credit-Linked Notes
Current Rating: A2, on review for downgrade
Prior Rating: Aa3, on review for downgrade

(6) EUR 26,700,000 Class E Floating Rate Credit-Linked Notes
Current Rating: Baa1, on review for downgrade
Prior Rating: A2, on review for downgrade

(7) EUR 21,350,000 Class F Floating Rate Credit-Linked Notes
Current Rating: Baa3, on review for downgrade
Prior Rating: A3, on review for downgrade

(8) EUR 21,350,000 Class G Floating Rate Credit-Linked Notes,
Current Rating: Ba2, on review for downgrade
Prior Rating: Baa2, on review for downgrade

(9) EUR 20,000,000 Class H Floating Rate Credit-Linked Notes
Current Rating: B3, on review for downgrade
Prior Rating: Ba1, on review for downgrade