

Mare Baltic PCC Ltd. – 2006-1 Cell

ScandiNotes® IV

Investor Report

June 30, 2011

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1) General Information on Notes

Series	ScandiNotes® IV Senior	ScandiNotes® IV Mezzanine	ScandiNotes® IV Junior
Issuer	Mare Baltic PCC Ltd. – 2006-1 Cell	Mare Baltic PCC Ltd. – 2006-1 Cell	Mare Baltic PCC Ltd. – 2006-1 Cell
Moody's Rating	B1	Ca	Not rated
ISIN codes	DK0030039573	DK0030039656	DK0030039730
Issue date	17 November 2006	17 November 2006	17 November 2006
Expected maturity	17 November 2011	17 November 2011	17 November 2011
Legal maturity	17 November 2014	17 November 2014	17 November 2014
Call feature	Mare Baltic has the right, but not the obligation, to call the notes at par on 17 November 2011 and hereafter semi-annually	Mare Baltic has the right, but not the obligation, to call the notes at par on 17 November 2011 and hereafter semi-annually	Mare Baltic has the right, but not the obligation, to call the notes at par on 17 November 2011 and hereafter semi-annually
Coupon	3M Euribor + 0.25 % p.a., each 17 February, 17 May, 17 August and 17 November, i.e. quarterly, (act/360)	3 % p.a. on 17 November, i.e. annually, (act/act)	3 % p.a. on 17 November, i.e. annually, (act/act)
Step-up margin	If the notes are not redeemed at the expected maturity date (17 November 2011), an additional Step Up Margin will be added to the Coupon. This step-up margin will be minimum 0 % p.a.	If the notes are not redeemed at the expected maturity date (17 November 2011), an additional Step Up Margin will be added to the Coupon. This step-up margin will be minimum 0 % p.a.	If the notes are not redeemed at the expected maturity date (17 November 2011), an additional Step Up Margin will be added to the Coupon. This step-up margin will be minimum 0 % p.a.
Latest Indicative Price levels (bid) Prices have been determined by FinE Analytics	Price: 54,14	Price: 6,28	Price: 0
Original Nominal Amount	EUR 170,011,000.00	DKK 879,571,000.00	DKK 300,135,000.00

2) Portfolio events since last report

Default of Fjordbank Mors A/S:

On 1 November 2010 Morsø Sparekasse and Morsø Bank A/S merged to Fjordbank Mors A/S. Fjordbank Mors A/S has signed an agreement with the state company Financial Stability effective on 24 June 2011. As a consequence all assets and liabilities except for subordinated capital and equity were transferred to a newly formed subsidiary bank under Financial Stability. Fjordbank Mors A/S is participating with a nominal loan amount of DKK 30 million in ScandiNotes® IV.

Default of Amagerbanken:

On 06 February 2011 Amagerbanken A/S announced that it will file a bankruptcy petition. Amagerbanken A/S is participating with a nominal loan amount of DKK 200 million in ScandiNotes® IV. In case Amagerbanken A/S is not able to honour its obligations in relation to the underlying loan agreement this will negatively affect the owners of the ScandiNotes® IV notes, primarily the owners of class B notes (ISIN DK0030039656) and Class A notes (ISIN DK0030039573) since a lack in servicing of its debt by Amagerbanken A/S will lead to a proportionally smaller interest payment and also to a proportional loss of principal of the notes unless sufficient profit to cover all of Amagerbanken A/S debt and obligations is generated in the insolvency proceedings.

3) Net results of portfolio events since issue date

Mezzanine Tranche

The principal of the Class B Notes has been reduced from an original notional amount of DKK 879,571,000 to DKK 498,843,898 being the amount on which the Issuer can ensure that it will pay an ongoing rate of interest equal to 3 per cent. per annum. The reduction in principal will be shared on a pro-rata basis by the Class B Note holders. This means that there has been a reduction of interest and principal on the Class B Notes of 43.45 per cent.

The loss for the Mezzanine Note holders is thus, subject to any potential recoveries from the above mentioned banks, 43.45% of the investment.

Junior Tranche

The principal of the Class C Notes has been reduced from an original notional amount of DKK 300,135,000 to DKK 0, which means that there will be no payment of interest and principal on this class of notes.

The loss for the junior Note holders is thus, subject to any potential recoveries from the above mentioned banks, 100% of the investment.

4) Underlying obligors in ScandiNotes® IV and nominal amounts

ScandiNotes® IV	Domicile	DKK	%	
Amagerbanken	Denmark	200.000.000	8,7%	Caused RA-Event
Diba Bank	Denmark	75.000.000	3,3%	
Djurslands Bank EUR	Denmark	100.658.700	4,4%	
ebh-bank	Denmark	75.000.000	3,3%	Caused RA-Event
Fionia Bank	Denmark	150.000.000	6,5%	Caused RA-Event
Nykredit (Forstædernes Bank)	Denmark	200.000.000	8,7%	
Max Bank	Denmark	100.000.000	4,3%	
Fjordbank Mors (Morsø Bank)	Denmark	30.000.000	1,3%	Caused RA-Event
Nordfyns Bank	Denmark	50.000.000	2,2%	
Roskilde Bank	Denmark	200.000.000	8,7%	Caused RA-Event
Max Bank (Skælskør Bank)	Denmark	25.000.000	1,1%	
Sparbank (Sparbank Vest)	Denmark	200.000.000	8,7%	
Sparekassen Farsø	Denmark	50.000.000	2,2%	
Sparekassen Sjælland	Denmark	200.000.000	8,7%	
Sydbank (SparTrelleborg)	Denmark	200.000.000	8,7%	
Sparekassen Østjylland	Denmark	50.000.000	2,2%	
Spar Nord Bank	Denmark	200.000.000	8,7%	
Totalbanken	Denmark	25.000.000	1,1%	
Tønder Bank	Denmark	50.000.000	2,2%	
Vestfynsk Bank	Denmark	50.000.000	2,2%	
Østjydsk Bank	Denmark	75.000.000	3,3%	
Total:		2.305.658.700	100,0%	

5) Key Figures of the Underlying Obligors I

Country	Obligors	Total Assets			Shareholders Equity			Subordinated Debt			Tier 2 ratio %			Loans and advances		
		2009	2010	Δ Pct.	2009	2010	Δ Pct.	2009	2010	Δ Pct.	2009	2010	Δ Pct.	2009	2010	Δ Pct.
Denmark																
Amounts in DKK mill.	Amagerbanken ¹⁾	33.638	n.a.	n.a.	1.888	n.a.	n.a.	2.529	n.a.	n.a.	17,2	n.a.	n.a.	22.164	n.a.	n.a.
	Bank Trelleborg ²⁾	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
	Diba Bank	7.072	7.161	1%	534	487	-9%	484	485	0%	16,7	16,7	0%	3.952	3.604	-9%
	Djurslands Bank	6.295	6.550	4%	636	681	7%	176	151	-14%	14,2	15,7	11%	3.893	3.820	-2%
	ebh bank ³⁾	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
	Fionia Bank ⁴⁾	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
	Fjordbank Mors ⁵⁾	8.765	13.194	51%	711	766	8%	437	841	92%	10,8	11,9	10%	6.509	8.852	36%
	Max Bank ⁶⁾	7.053	9.781	39%	320	472	48%	604	830	37%	15,4	14,8	-4%	4.435	6.304	42%
	Nordfyns Bank	2.006	2.269	13%	181	184	2%	113	98	-13%	16,9	14,4	-15%	1.185	1.260	6%
	Nykredit Bank ⁷⁾	215.209	210.422	-2%	12.374	13.769	11%	1.169	813	-30%	12,3	15,9	29%	72.884	71.992	-1%
	Roskilde Bank ⁸⁾	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
	Spar Nord Bank	64.529	67.436	5%	4.143	4.374	6%	2.681	2.477	-8%	14,2	13,4	-6%	38.315	39.952	4%
	Sparbank	17.859	15.104	-15%	1.265	1.281	1%	977	939	-4%	13,1	16,7	27%	11.495	8.093	-30%
	Sparekassen Farsø	4.156	5.018	21%	354	305	-14%	370	371	0%	15,8	14,6	-8%	2.932	3.002	2%
	Sparekassen Sjælland	13.692	15.376	12%	1.930	2.029	5%	632	818	29%	20,6	21,8	6%	8.694	8.643	-1%
	Sparekassen Østjylland	7.172	6.558	-9%	607	619	2%	558	532	-5%	16,8	18,2	8%	4.423	4.428	0%
	Totalbanken	3.146	3.197	2%	328	337	3%	213	168	-21%	18,3	17,8	-3%	2.058	2.025	-2%
	Tønder Bank	2.724	2.803	3%	265	271	2%	200	200	0%	17,8	17,2	-3%	1.974	1.817	-8%
	Vestfyns Bank	1.904	2.034	7%	212	217	2%	100	100	0%	16,9	18,9	12%	1.260	1.233	-2%
	Østjydsk Bank	6.134	6.979	14%	632	649	3%	560	560	0%	17,7	17,7	0%	4.672	4.911	5%
	Sydbank	157.821	150.843	-4%	9.118	9.554	5%	3.124	2.329	-25%	15,2	15,4	1%	87.474	83.752	-4%

Source: Annual reports 2009/2010

For footnotes and comments, please see page 9

5) Key Figures of the Underlying Obligors II

Country	Obligors	Operating Income **)			Provisions/Total Loan and Guarantees		Loan Loss Reserves/ Total Loans and guarantees		Cost/Income ratio		
		2009	2010	Δ Pct.	2009	2010	2009	2010	2009	2010	Δ Pct.
Denmark											
Amounts in DKK mill.	Amagerbanken ¹⁾	1.139	n.a.	n.a.	4,2%	n.a.	9,6%	n.a.	142,9%	n.a.	n.a.
	Bank Trelleborg ²⁾	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
	Diba Bank	374	321	-14%	4,6%	2,7%	5,8%	8,3%	135,1%	119,1%	-12%
	Djurslands Bank	225	218	-3%	0,9%	0,7%	2,9%	3,6%	82,6%	82,6%	0%
	ebh bank ³⁾	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
	Fionia Bank ⁴⁾	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
	Fjordbank Mors ⁵⁾	256	261	2%	5,1%	2,2%	7,9%	7,3%	212,8%	151,5%	-29%
	Max Bank ⁶⁾	270	326	21%	1,9%	1,3%	6,0%	5,9%	116,3%	111,1%	-4%
	Nordfyns Bank	115	115	0%	1,3%	1,0%	4,1%	3,8%	90,9%	100,0%	10%
	Nykredit Bank ⁷⁾	3.334	3.783	13%	6,3%	1,6%	10,7%	8,5%	232,6%	87,7%	-62%
	Roskilde Bank ⁸⁾	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
	Spar Nord Bank	2.449	2.313	-6%	1,5%	1,2%	2,50%	2,6%	94,3%	94,3%	0%
	Sparbank	890	875	-2%	2,6%	3,2%	5,6%	9,1%	112,4%	97,1%	-14%
	Sparekassen Farsø	172	140	-19%	2,2%	3,0%	3,7%	6,3%	117,6%	153,8%	31%
	Sparekassen Sjælland	580	515	-11%	2,1%	1,9%	6,5%	8,0%	97,1%	95,2%	-2%
	Sparekassen Østjylland	344	290	-16%	3,4%	1,1%	6,7%	5,0%	133,3%	100,0%	-25%
	Totalbanken	152	139	-9%	1,9%	1,6%	3,8%	3,5%	91,7%	91,7%	0%
	Tønder Bank	145	155	7%	2,4%	2,8%	3,6%	3,8%	87,7%	92,6%	6%
	Vestfyns Bank	105	104	-1%	1,7%	1,4%	3,2%	4,2%	99,0%	94,3%	-5%
	Østjydsk Bank	272	305	12%	1,7%	2,2%	3,5%	5,6%	92,6%	96,1%	4%
	Sydbank	4.842	4.620	-5%	1,3%	1,7%	1,7%	2,0%	80,6%	88,5%	10%

Source: Annual reports 2009/2010

For footnotes and comments, please see page 9

5) Key Figures of the Underlying Obligors III

Country	Obligors	Net Profit after tax			Net Commission & interest income			Income/Cost ratio			Total impairments of loans and advances			Excess liquidity cover %		
		2009	2010		2009	2010		2009	2010		2009	2010		2009	2010	
Denmark																
Amounts in DKK mill.	Amagerbanken ¹⁾	-469	n.a.	n.a.	1.162	n.a.	n.a.	0,7	n.a.	n.a.	1.180	n.a.	n.a.	209	n.a.	n.a.
	Bank Trelleborg ²⁾	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
	Diba Bank	-97	-41	-58%	343	308	-10%	0,7	0,8	14%	246	127	-48%	276	293	6%
	Djurslands Bank	40	37	-8%	255	254	0%	1,2	1,2	0%	47	39	-17%	195	212	9%
	ebh bank ³⁾	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
	Fionia Bank ⁴⁾	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
	Fjordbank Mors ⁵⁾	-254	-127	-50%	274	269	-2%	0,5	0,7	40%	438	243	-45%	117	154	31%
	Max Bank ⁶⁾	-42	-28	-33%	258	303	17%	0,8	0,9	13%	111	107	-4%	202	209	3%
	Nordfyns Bank	5	3	-40%	106	105	-1%	1,1	1,0	-9%	21	17	-19%	252	281	12%
	Nykredit Bank ⁷⁾	-3.938	395	-110%	3.675	3.624	-1%	0,4	1,1	171%	6.571	1.494	-77%	324	251	-23%
	Roskilde Bank ⁸⁾	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
	Spar Nord Bank	118	105	-11%	2.203	2.126	-3%	1,1	1,1	0%	692	550	-21%	157	109	-31%
	Sparbank	-90	17	-119%	838	543	-35%	0,9	1,0	11%	483	414	-14%	150	271	81%
	Sparekassen Farsø	-24	-64	167%	170	158	-7%	0,9	0,7	-22%	100	123	23%	161	233	45%
	Sparekassen Sjælland	13	18	38%	560	553	-1%	1,0	1,1	10%	264	188	-29%	208	340	63%
	Sparekassen Østjylland	-135	-13	-90%	282	268	-5%	0,8	1,0	33%	243	70	-71%	160	116	-28%
	Totalbanken	8	10	25%	145	134	-8%	1,1	1,1	0%	60	45	-25%	121	158	31%
	Tønder Bank	16	8	-50%	143	145	1%	1,1	1,1	0%	58	64	10%	191	236	24%
	Vestfyns Bank	1	5	400%	100	102	2%	1,0	1,1	6%	31	21	-32%	175	249	42%
	Østjyds Bank	18	9	-50%	285	295	4%	1,1	1,0	-9%	111	144	30%	174	244	40%
	Sydbank	781	411	-47%	4.399	4.386	0%	1,2	1,1	-8%	1.368	1.556	14%	94	106	13%

Source: Annual reports 2009/2010

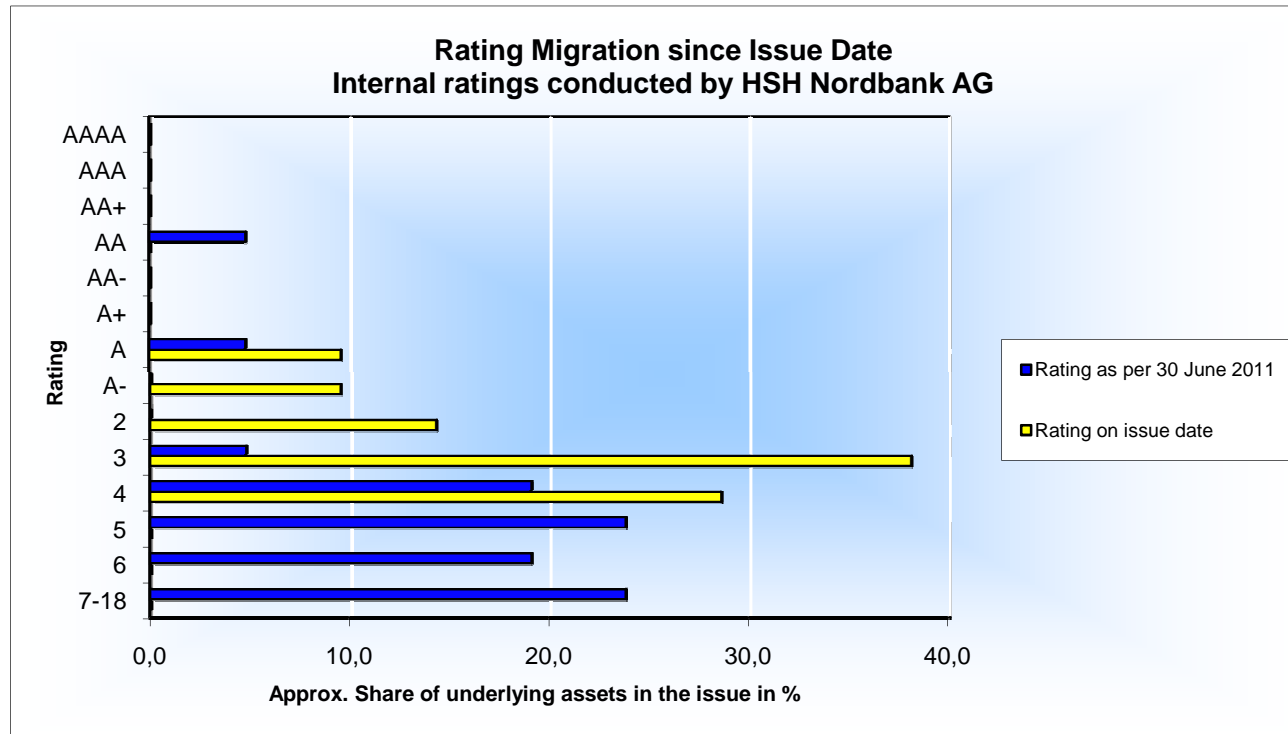
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5) Key Figures of the Underlying Obligors IV

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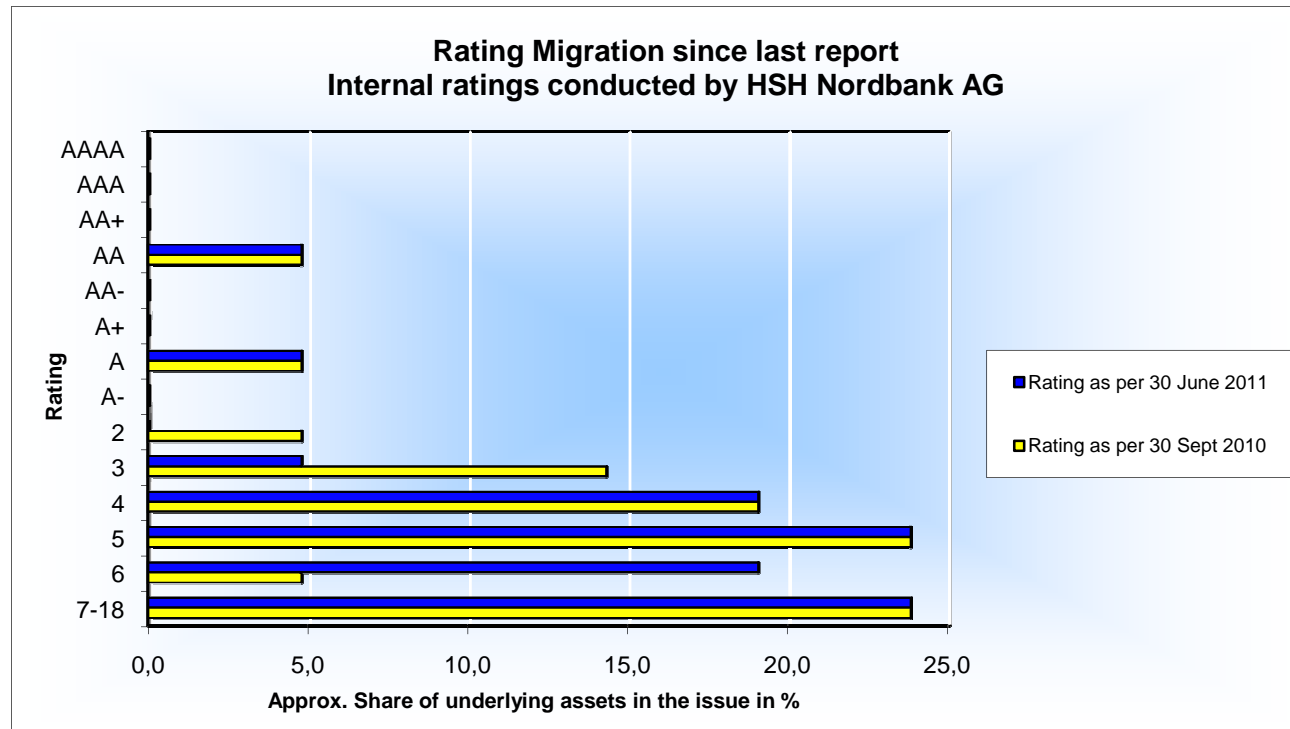
- 1) Amagerbanken A/S has signed an agreement with the state company Financial Stability effective on 06 February 2011. As a consequence all assets and liabilities except for subordinated capital and equity were transferred to a newly formed subsidiary bank under Financial Stability.
 - 2) Bank Trelleborg has been taken over by Sydbank as per 27 March 2008.
 - 3) ebh bank: all assets and liabilities except for subordinated capital and equity of the former ebh bank have been transferred to "Bank A/S" of 21 November 2008.
 - 4) Fionia Bank has signed an agreement with the state company Financial Stability effective on 23 February 2009. As a consequence all assets and liabilities except for subordinated capital and equity were transferred to a newly formed subsidiary bank under Financial Stability.
 - 5) Fjordbank Mors A/S has signed an agreement with the state company Financial Stability effective on 24 June 2011. As a consequence all assets and liabilities except for subordinated capital and equity were transferred to a newly formed subsidiary bank under Financial Stability.
 - 6) The Danish Financial Supervisory Authority granted its permission for Max Bank A/S and Skælskør Bank A/S to merge on 15 September 2010 with Max Bank A/S as surviving entity. The Financial Stability Company approved the merger on 2 September 2010.
 - 7) Forstædernes Bank merged into Nykredit Bank A/S – effective date: 1 April 2010.
 - 8) Roskilde Bank has defaulted as per 24 August 2008. The Bank made a sales agreement with a new bank established by the Danish Central Bank and the Private Contingency Association.
- *) Loan Loss Reserves/Total Loans and guarantees has been estimated by HSH Nordbank and calculated the following way: Provisions for Impairments / (Guarantees + Loans to customers + Provisions for Impairments)
- ***) Operating income has been calculated by HSH Nordbank in the following way: Net interest & Net Fees + Trading Gains + Other Income

6) Ratings of underlying obligors I



Note: HSH Nordbank AG's internal rating scale runs over 25 steps from 1(AAAA) as the best rating to 18 as the poorest rating.

6) Ratings of underlying obligors II

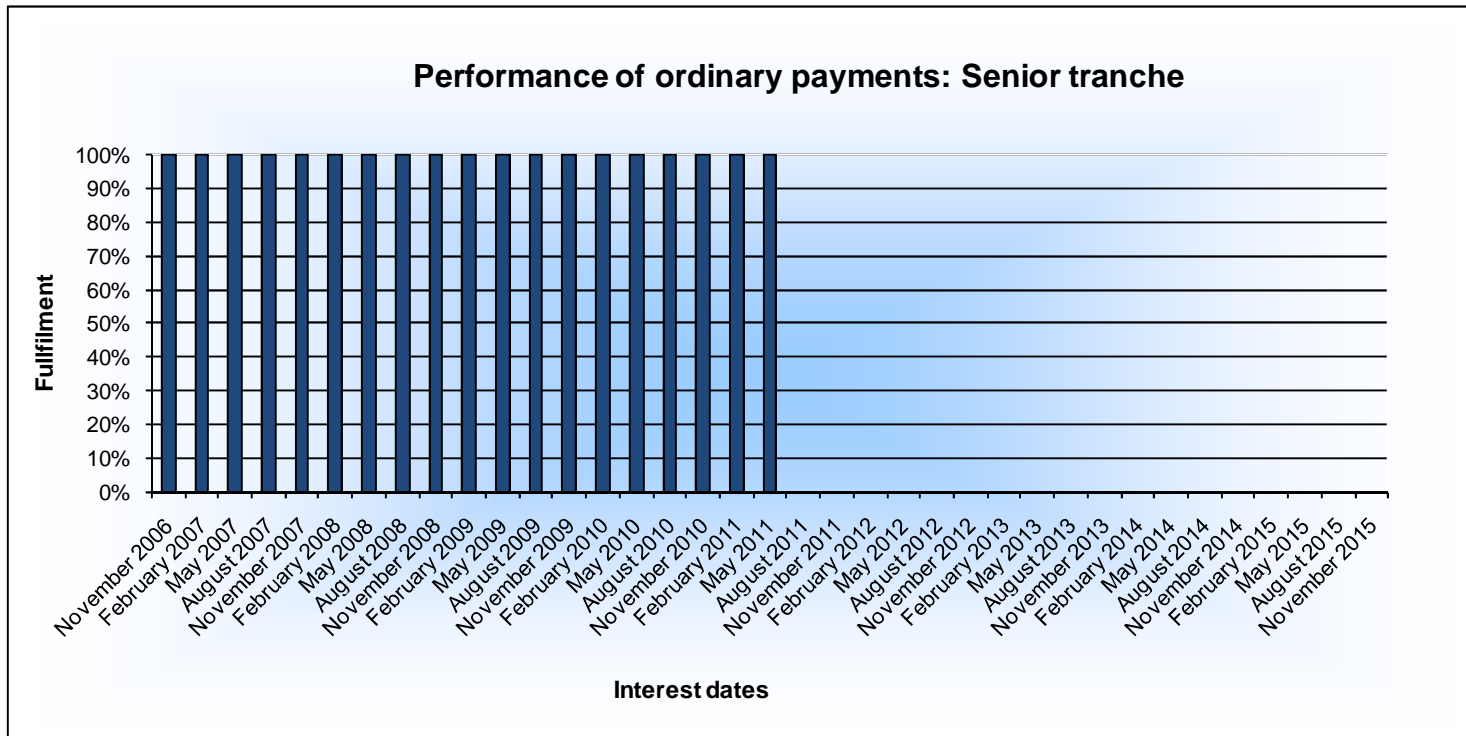


Note: HSH Nordbank AG's internal rating scale runs over 25 steps from 1(AAAA) as the best rating to 18 as the poorest rating.

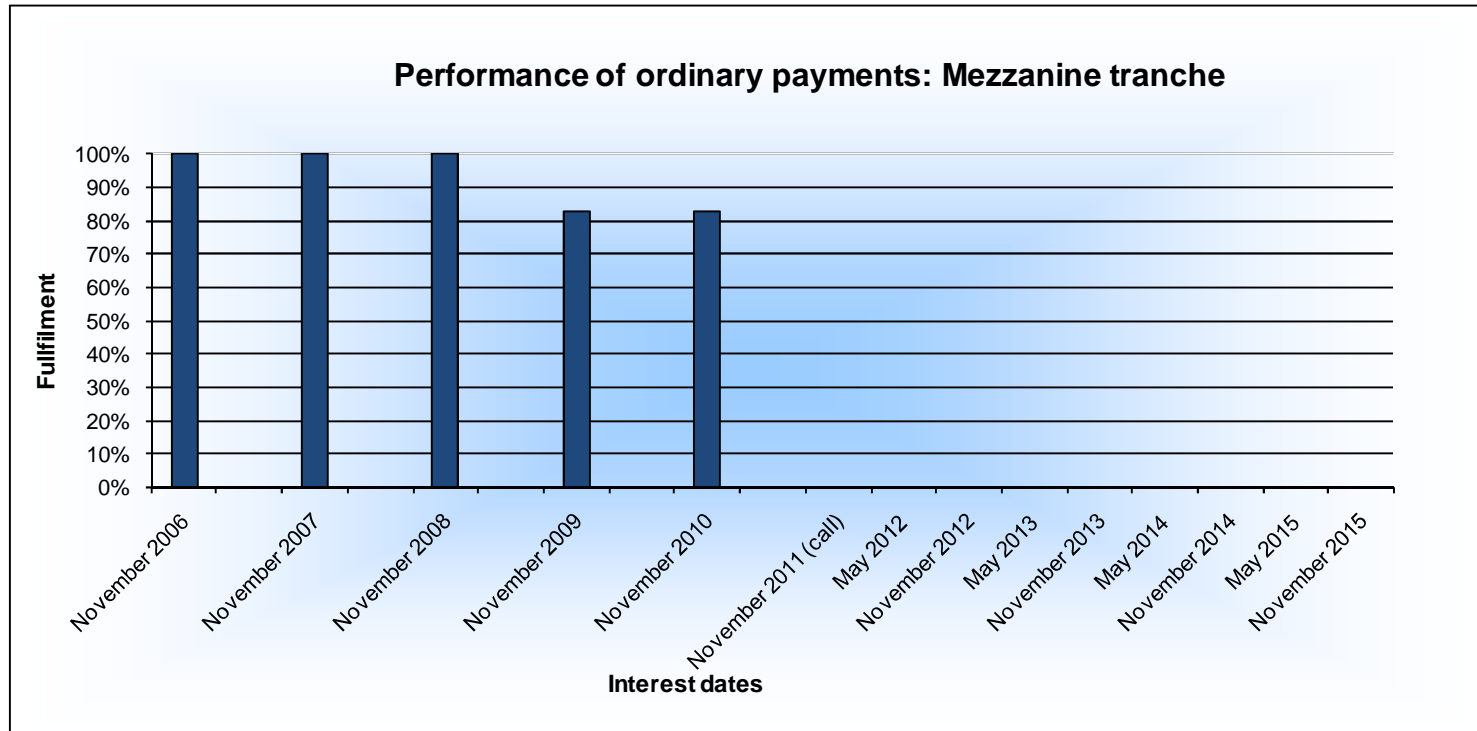
7) Rating of issued Notes

<i>Tranche</i>	<i>Current Moody's Rating</i>	<i>Moody's Rating as of last Reporting Date</i>	<i>Initial Moody's Rating</i>
A – Senior	B1	Ba3	AAA
B – Mezzanine	Ca	Ca	Baa2
C – Junior	n.r.	n.r.	n.r.

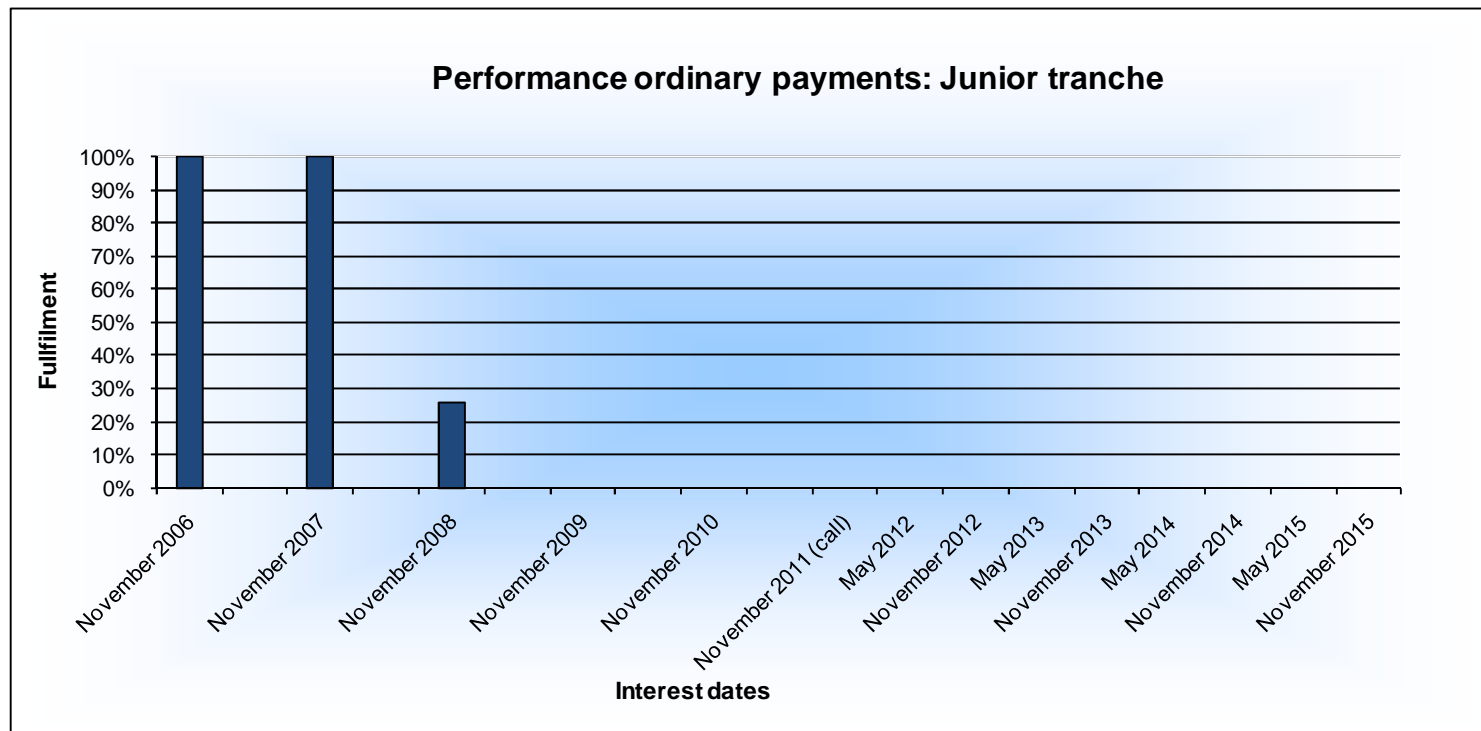
8) Performance of expected & ordinary payments I



8) Performance of expected & ordinary payments II



8) Performance of expected & ordinary payments III



Due to losses mentioned earlier, no payments on the junior tranche will be made going forward, (subject to any potential recoveries from the previously mentioned banks.)

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