

European Equity Tranche Income Limited (the "Company")

Financing update

The Company announced on 9 October 2008 that it is in discussions with Citibank regarding its Eur 32 million loan, which has since been reduced to Eur 30 million, and potential investors to reduce the Company's level of debt. The Company continues to make payments in full on its outstanding debt, is generating sufficient cash flow to make further debt reductions and it remains in discussions with a number of parties. However, the conclusion of negotiations to develop firm debt reduction proposals cannot be assured. If no such proposals are forthcoming in the coming weeks the Company is unlikely to be able to continue as a going concern. A further announcement will be made in due course.

Enquiries:

Ocean Capital Associates LLP
Edouard Bridel 020 7307 0880

Alastair Moreton
Arbuthnot Securities Limited
Telephone 020 7012 2000

Anson Fund Managers Limited
Secretary 01481 722260

12 November 2008

E&OE – in transmission

END OF ANNOUNCEMENT