

European Equity Tranche Income Limited ("EETI" or the "Company")**Estimated NAV and Quarterly Dividend**

Further to the investment update provided by the Company on 24 January 2008, EETI today announces its quarterly dividend for the 3 months ended 31 December 2007 and its net asset value as at that date.

Estimated Net Asset Value ("NAV")

The estimated NAV of an Ordinary Share in the Company is calculated as being EUR 0.8291 as at 31 December 2007.

This estimated NAV of an Ordinary Share is provided for indication purposes only and should not be relied upon for investment decisions. As some of the Company's assets are not freely traded it is not possible to obtain prices from an independent third party source and such assets have been valued by the Investment Manager using pricing models designed by the Investment Manager and reviewed by one of the Company's joint Auditors.

The above estimated NAV of an Ordinary Share has been calculated by the Administrator using asset valuation information provided by the Investment Manager which, whilst being considered as received from a reliable source, is itself in part 'estimated' and accordingly none of the Company, the Investment Manager, the joint Auditor nor the Administrator accept any responsibility for the accuracy of the estimated NAV figure given, and neither is any responsibility implied.

Quarterly Dividend

The Directors have declared an interim dividend of EUR 0.015 per each Ordinary Share payable in respect of the quarter ended 31 December 2007. This dividend will be payable on 29 February 2008 to holders of record on 8 February 2008. The corresponding ex-dividend date will be on 6 February 2008.

The above estimated NAV and quarterly dividend have taken into account the reduction in the aggregate book value of its Italian investments and the consequent impact on the Company's earnings. As referred to in the recent investment update, the impact of the reduction in cash flow is not expected to prevent the Company from covering its costs and paying dividends. Accordingly, in the absence of unforeseen circumstances the Board intends to target a quarterly dividend of Eur 0.015 per Ordinary Share.

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END OF ANNOUNCEMENT