



**Operating Supplement
March 31, 2007**

(Revised)

Company Profile

CIFG, through its operating companies CIFG Assurance North America, Inc. ("CIFG NA") and CIFG Europe, provides financial guarantees for transactions in the public finance, structured finance, and infrastructure finance markets in the United States, Europe and around the world. CIFG NA, a New York corporation, and CIFG Europe, a French société anonyme, each has received an insurer financial strength rating of "AAA" from Fitch Ratings, an insurer financial strength rating of "Aaa" from Moody's Investors Services Inc., and insurer financial strength and financial enhancement ratings of "AAA" from Standard & Poor's Ratings Services, the highest rating assigned by each rating agency. To obtain additional information, please contact Thomas Collimore, Director - Head of Investor Relations, at +1 212 909 3952 or t.collimore@cifg.com; Thierry Dissaux, Managing Director - Head of European Business Development, at +33 158 55 65 13 or t.dissaux@cifg.com; or visit the CIFG website at www.cifg.com.

Forward-Looking Statements

This Operating Supplement contains information, such as projections, reserve and other estimates, and schedules, that may be considered "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. We caution you that our actual results, when known, could differ materially from the information expressed or implied in such forward-looking statements due to factors that are difficult or impossible to predict accurately. Such factors include (1) changes in the economic environment in the United States, Europe and around the world; (2) changes in market conditions, such as interest rates, currency exchange rates, credit trends, and market activity and volatility, in the United States, Europe and elsewhere; (3) competitive conditions and pricing; (4) legislative, regulatory and accounting changes, and changes in market conventions, relating to or affecting us, our industry or our clients and counterparties in the United States, Europe and elsewhere; (5) changes in tax laws in the United States, Europe and elsewhere; (6) the policies and actions of the United States, France and other governments; and (7) other risks and uncertainties that have not been identified at this time. The information in this Operating Supplement, including any forward-looking statements, speaks as of the date of this Operating Supplement, and we undertake no obligation to update, correct or revise any such information or forward-looking statement.

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CIFG Holding & Subsidiaries
Operating Supplement
March 31, 2007

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Notes:

Information contained in this supplement is unaudited.

Certain financial measures included in this supplement are not promulgated in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain reclassifications have been made to prior years' amounts to conform to the current year's presentation.

(*) Consists of U.S. Public Finance and European Infrastructure Finance

CIFG Holding & Subsidiaries ⁽¹⁾
Financial Highlights

(Unaudited - \$ in 000's)

	Three months ended March 31,	
	2007	2006
<u>Non U.S. GAAP Production Measures</u>		
Gross Par Written	\$ 4,496,234	\$ 6,071,156
Net Par Written	4,496,234	5,761,156
Adjusted Gross Premiums Written ⁽²⁾	36,952	43,737
<u>U.S. GAAP ⁽³⁾</u>		
		(Restated)
Gross Premiums Written	27,935	30,816
Net Investment Income	8,570	6,652
Net Realized Gains	15	93
Pre-tax income	15,008	13,207
Net Income	8,365	7,304
	March 31, 2007	December 31, 2006
Total Assets	\$ 1,060,499	\$ 1,037,800
Shareholder's Equity	631,848	617,103
<u>Adjusted Book Value</u>		
Book Value	\$ 631,848	\$ 617,103
After-tax value of:		
Net Unearned Premium Reserve		
less Deferred Acquisition Costs	128,333	126,374
Present Value of Future Installment Premiums	186,858	180,657
Loss Provision	(21,998)	(21,655)
Adjusted Book Value	<u>\$ 925,042</u>	<u>\$ 902,479</u>
<u>Pro-forma Statutory Capital of Insurance Operations ⁽⁵⁾</u>		
Capital and Surplus	\$ 558,640	\$ 565,810
Contingency Reserve	120,060	102,546
Qualified Statutory Capital	<u>678,700</u>	<u>668,356</u>
Unearned Premium Reserves	291,394	282,291
Loss and Loss Adjustment Expense Reserves	---	---
Policyholders' Reserves	<u>970,094</u>	<u>950,647</u>
Present Value of Future Installment Premiums ⁽⁶⁾	287,474	277,934
Capital Support	101,500	101,500
Total Claims Paying Resources	<u>\$ 1,359,068</u>	<u>\$ 1,330,081</u>

(1) All non-United States dollar (USD) amounts have been converted to USD using the prevailing end of period rates except for adjusted gross premium ("AGP") and par written that have been converted using historical rates.

(2) AGP are composed of premiums received upfront plus the present value of anticipated future installment premiums written discounted at 7%.

(3) U.S. GAAP basis

(4) CIFG NA, CIFG Europe and CIFG Guaranty are combined for purposes of calculating claims paying resources. Amounts are considered pro forma since the CIFG Group does not file combined U.S. statutory statements.

(5) Discounted at 7%.

CIFG Holding & Subsidiaries
Consolidated Balance Sheets
U.S. GAAP

	As of March 31,		As of December 31,	
	2007		2006	
Assets	€	\$ ⁽¹⁾	€	\$ ⁽²⁾
Investments				
Fixed income securities, available for sale, at fair value	€ 619,465	\$ 824,632	€ 611,439	\$ 803,645
Short-term investments, at cost (approximates fair value)	68,733	91,497	83,242	109,409
Total investments	688,198	916,129	694,681	913,054
Cash	9,675	12,879	8,907	11,707
Premium receivable	15,459	20,579	14,479	19,030
Receivable for securities sold	8,095	10,776	---	---
Investment income due and accrued	12,779	17,011	12,316	16,188
Prepaid reinsurance premiums	3,105	4,133	3,149	4,139
Reinsurance recoverable on unpaid losses and loss adjustment expense reserves	113	151	108	142
Intangible asset	6,259	8,332	6,339	8,332
Property and equipment, net	2,704	3,600	1,419	1,865
Deferred acquisition costs, net	48,823	64,993	47,313	62,186
Other assets	1,439	1,917	881	1,157
Total assets	€ 796,649	\$ 1,060,499	€ 789,592	\$ 1,037,800
Liabilities and Shareholder's Equity				
Liabilities				
Deferred premium revenue	€ 200,242	\$ 266,562	€ 198,384	\$ 260,746
Loss and loss adjustment reserves	6,639	8,838	5,938	7,805
Ceded reinsurance balances payable	145	193	152	200
Current income taxes	6,826	9,087	4,540	5,967
Deferred income taxes	14,539	19,354	14,340	18,848
Payable on investments purchased	3,107	4,136	0	0
Accounts payable and accrued expenses	12,543	16,697	18,394	24,176
Long-term debt	73,993	98,500	74,942	98,500
Intercompany payable to affiliates	575	765	593	779
Other liabilities	3,394	4,519	2,797	3,676
Total liabilities	322,003	428,651	320,080	420,697
Shareholder's Equity				
Common stock	450,078	599,144	450,078	591,560
Additional paid in capital	56,446	75,141	56,408	74,140
Retained Earnings	21,446	28,549	16,562	21,768
Reserve legal	2,484	3,305	1,084	1,424
Accumulated other comprehensive loss, net ⁽³⁾	(55,808)	(74,291)	(54,620)	(71,789)
Total shareholder's equity	474,646	631,848	469,512	617,103
Total liabilities and shareholder's equity	€ 796,649	\$ 1,060,499	€ 789,592	\$ 1,037,800

For the convenience of the reader, all EUR amounts are translated to USD at the prevailing end of period exchange rate of:

(1) At March 31, 2007, 1.33120

(2) At December 31, 2006, 1.31435

(3) Primarily net after-tax unrealized foreign exchange gains (losses) on consolidated subsidiaries and net after-tax unrealized losses on fixed income investments in accordance with FAS 115.

CIFG Holding & Subsidiaries
Consolidated Statements of Income
U.S. GAAP

	Three months ended March 31,			
	2007		2006 (Restated)	
	€	\$ ⁽¹⁾	€	\$ ⁽²⁾
Revenues				
Gross premiums written	€ 20,985	\$ 27,935	€ 25,467	\$ 30,816
Ceded premiums written	(178)	(237)	(138)	(167)
Net premiums written	20,807	27,698	25,329	30,649
Change in net deferred premium revenue	(3,987)	(5,307)	(12,934)	(15,651)
Net premium earned	16,820	22,391	12,395	14,998
Net investment income	6,438	8,570	5,497	6,652
Net long term realized capital gain	11	15	93	113
Net realized and unrealized (losses) gains on credit derivatives	(159)	(212)	449	543
Foreign exchange gain	324	432	2,267	2,744
Other income	62	83	386	467
Total revenues	23,496	31,279	21,087	25,517
Expenses				
	324			
Losses and loss adjustment expenses	648	863	893	1,081
Amortization of deferred acquisition costs	2,796	3,722	1,109	1,342
Operating expenses, net of deferrals	8,006	10,657	7,252	8,776
Interest expense	773	1,029	918	1,111
Total expenses	12,222	16,271	10,172	12,310
Income before income taxes	11,274	15,008	10,915	13,207
Provision for income taxes	4,990	6,643	4,879	5,903
	€ 6,284	\$ 8,365	€ 6,036	\$ 7,304

For the convenience of the reader, all EUR amounts are translated to USD at the prevailing end of period exchange rate of:

(1) At March 31, 2007, 1.33120

(2) At March 31, 2006, 1.21005

Note: Tax benefits derived from net operating losses of the French subsidiaries of the CIFG Group are utilized by the parent, CNCE, and cannot be recognized in CIFG's financial statements.

CIFG Holding & Subsidiaries
Consolidated Investment Portfolio

As of March 31, 2007
(\$ in 000's)⁽¹⁾

	<u>Fair Value</u>	<u>Unrealized Gains</u>	<u>Unrealized Losses</u>	<u>Amortized Cost</u>
Fixed Income:				
Taxable	\$ 823,731	\$ 2,044	\$ (35,481)	\$ 857,168
Tax Exempt	901	-	(10)	911
Total Fixed Income	<u>824,632</u>	<u>2,044</u>	<u>(35,491)</u>	<u>858,079</u>
Short Term Investments	<u>91,497</u>	<u>231</u>	<u>(832)</u>	<u>92,098</u>
Total Investments	<u><u>\$ 916,129</u></u>	<u><u>\$ 2,275</u></u>	<u><u>\$ (36,323)</u></u>	<u><u>\$ 950,177</u></u>

Fixed Income:

Effective duration:	
USD denominated	3.89
Euro denominated	3.91
Effective years to maturity	5.23

**Credit Quality of
Fixed Income Portfolio**⁽³⁾

<u>Rating</u> ⁽³⁾	<u>Percent of Fixed Income Portfolio</u>
AAA	87.6%
AA	11.0
A	1.3
BBB	0.1
	<u>100.0%</u>

Maturity Distribution⁽²⁾

	<u>% of Fair Value</u>	<u>Fair Value</u>
Within one year	4.6%	\$ 37,918
From 1 to 5 years	61.0	502,639
Between 5 and 10 years	26.8	221,081
Between 10 and 15 years	3.8	31,583
Between 15 and 20 years	1.2	10,000
Beyond 20 years	2.6	21,411
Total Investment Portfolio	<u>100.0%</u>	<u>\$ 824,632</u>

Credit Quality of fixed income investments⁽³⁾

EUR	51.1%
USD	48.8
Other	0.1
Total	<u>100.0%</u>

(1) At March 31, 2007, the prevailing end of period exchange rate of EUR 1 = USD 1.33120

(2) Excluding short-term investments, which are composed principally of money-market funds (SICAV)

(3) Based on Standard & Poor's assessment of credit quality.

CIFG Holding & Subsidiaries

Consolidated Expense Analysis

(in 000's)

	Three months ended March 31,			
	2007		2006 (Restated)	
	€	\$ ⁽¹⁾	€	\$ ⁽²⁾
Loss and LAE Incurred, net	€ 648	\$ 863	€ 893	\$ 1,081
Gross Insurance Expenses	12,625	16,807	11,864	14,356
Ceding Commissions Paid	142	189	152	183
Net Insurance Expenses Before Deferrals	12,767	16,996	12,015	14,539
Deferred Policy Acquisition Costs	(4,762)	(6,339)	(4,764)	(5,763)
Net Operating Expenses	8,005	10,656	7,252	8,776
Amortization of Deferred Acquisition Costs	2,796	3,722	1,109	1,342
Total Insurance Expenses	€ 11,450	\$ 15,242	€ 9,254	\$11,199

For the convenience of the reader, all EUR amounts are translated to USD at the prevailing end of period exchange rate of:

(1) At March 31, 2007, 1.33120

(2) At March 31, 2006, 1.21005

CIFG Holding & Subsidiaries

(in USD)

(REVISED)

Financial Guarantees Written ⁽¹⁾

	Three months ended March 31, 2007		
	(in millions)	(in thousands)	
	Par	Gross Premiums Written	AGP
Global Public Finance & Infrastructure	\$1,436	\$9,885	\$8,944
Global Structured Finance	3,060	18,050	28,008
Total	<u>\$4,496</u>	<u>\$27,935</u>	<u>\$36,952</u>

	Three months ended March 31, 2006		
	(in millions)	(in thousands)	
	Par	Gross Premiums Written	AGP
Global Public Finance & Infrastructure	\$1,582	\$17,096	\$17,586
Global Structured Finance	4,489	13,653	26,151
Total	<u>\$6,071</u>	<u>\$30,749</u>	<u>\$43,737</u>

(1) All non-United States dollar amounts have been converted to USD using historical or prevailing end of period rates.

Net Premiums Earned: ⁽¹⁾

	Three months ended (000's)	
	2007	2006
Global Public Finance & Infrastructure		
Upfront	\$ 3,688	\$ 2,351
Installments	1,435	1,183
Total	<u>\$ 5,123</u>	<u>\$ 3,534</u>
Global Structured Finance		
Upfront	\$ 777	\$ 572
Installments	16,491	10,862
Total	<u>\$ 17,268</u>	<u>\$11,434</u>
Total		
Upfront	\$ 4,465	\$ 2,924
Installments	17,926	12,045
Total	<u>\$ 22,391</u>	<u>\$14,968</u>

(1) All non-United States dollar amounts have been converted to USD using prevailing end of period rates.

CIFG Holding & Subsidiaries

(\$ in 000's)

Net Exposure Amortization ⁽¹⁾

	<u>Scheduled Net Debt Service Amortization</u>	<u>Ending Net Debt Service Outstanding</u>
March 31, 2007		\$ 115,067,108
2007	\$5,239,318	109,827,790
2008	7,032,667	102,795,124
2009	9,442,926	93,352,197
2010	7,009,600	86,342,597
2011	7,840,510	78,502,087
2012	9,807,229	68,694,858
2007-2012	46,372,250	68,694,858
2013-2017	33,793,745	34,901,114
2018-2022	11,115,894	23,785,220
2023-2027	10,009,823	13,775,397
After 2028	13,775,397	---
Total	<u>\$ 115,067,108</u>	

(1) Assumes no bond refundings, terminations or changes in prepayment assumptions. All non USD exposure has been converted to USD using the prevailing end of period rate.

Insured Portfolio Distribution by Bond Type ⁽¹⁾

Bond Type	<u>Net Par Outstanding As of March 31, 2007</u>	
	<u>Amount</u>	<u>%</u>
<i>Global Single Risk</i>		
State General Obligations and Appropriations	\$5,949,285	7.6%
City and County General Obligations	4,375,411	5.6
Sovereign/Sub Sovereign	2,207,701	2.8
State Tax Backed	1,650,122	2.1
Airports	1,577,847	2.0
Health Care	1,570,741	2.0
Utility Systems	1,470,397	1.9
Higher Education	1,375,176	1.7
Toll Roads	1,216,739	1.5
Investor Owend Utilities	1,074,182	1.4
Project Finance	888,124	1.0
Public Power	832,722	1.0
Transportation	824,014	1.0
Special Revenue	807,895	1.0
Municipal Housing	748,648	1.0
Local Tax Backed	414,709	0.5
Total Global Single Risk	<u>26,983,712</u>	<u>34.3%</u>
<i>Global Structured Finance</i>		
CBO/CDO High Yield	18,324,543	23.3%
CBO/CDO Investment Grade Tranches of ABS Deals	9,861,964	12.3
CBO/CDO Investment Grade Bonds or Loans	9,381,737	11.9
Commercial Mortgage Backed	3,758,052	4.8
Home Equity	3,328,321	4.2
Mortgage Backed	2,349,886	3.0
Student Loans	1,877,960	2.4
Commercial Asset Backed	800,236	1.2
Leases Assets	796,712	1.0
Other Consumer	465,920	0.6
Other Structured Finance	453,874	0.6
Transportation	133,120	0.2
Credit Cards	101,000	0.1
Auto Loans	89,798	0.1
Total Global Structured Finance	<u>51,723,123</u>	<u>65.7%</u>
Total	<u>\$78,706,835</u>	<u>100.0%</u>

(1) All non USD exposure has been converted to USD using the prevailing end of period rate.

CIFG Holding & Subsidiaries

(\$ in 000's)

Insured Portfolio Distribution by Geography ⁽¹⁾

	Net Par Outstanding	
	As of	
	March 31, 2007	
	Amount	%
United States:		
New York	\$3,920,838	5.0
Illinois	1,847,090	2.3
Florida	1,661,180	2.1
Puerto Rico	1,368,457	1.7
New Jersey	1,304,815	1.7
Pennsylvania	1,272,511	1.6
California	1,168,363	1.5
Louisiana	1,068,375	1.4
Texas	921,190	1.2
Colorado	539,759	0.7
Other States	6,253,554	7.9
United States Diversified	30,270,232	38.5
Total United States	<u>51,596,363</u>	<u>65.6%</u>
Non United States:		
United Kingdom	3,703,802	4.7%
Italy	1,946,459	2.5
France	1,260,184	1.6
Germany	549,630	0.7
Canada	362,518	0.5
Portugal	337,821	0.4
Australia	337,235	0.4
Greece	332,800	0.4
Brazil	310,022	0.4
Turkey	300,000	0.4
Switzerland	245,751	0.3
Other Country Specific	247,768	0.3
Europe Diversified	7,086,708	9.0
Total Non United States	<u>17,020,697</u>	<u>21.6%</u>
Global:		
Global Diversified	<u>10,089,775</u>	<u>12.8%</u>
Grand Total	<u>\$78,706,835</u>	<u>100.0%</u>

(1) All non USD exposure has been converted to USD using the prevailing end of period rate.

Insured Portfolio Distribution by Credit Quality ⁽¹⁾

Ratings ⁽²⁾	Structured		Total
	Global Single Risk	Finance	
AAA	2.2%	61.9%	64.1%
AA	8.3	0.2	8.3
A	18.2	0.4	18.4
BBB	5.6	3.2	8.8
	<u>34.3%</u>	<u>65.7%</u>	<u>100.0%</u>

(1) Based upon par outstanding.

(2) Based on Standard & Poor's assessment of underlying credit quality. If unrated by Standard & Poor's, an internal assessment of underlying credit quality is used. For policies rated BIG it is the lesser of Standard & Poor's or the internal rating.

CIFG Holding & Subsidiaries

(\$ in 000's)

Insured Portfolio 15 Largest Global Single Risk Credits ⁽¹⁾

	As of March 31, 2007		
	Net Par Outstanding		
	Ratings ⁽²⁾	Amount	% of Total Portfolio
Chicago Board of Education	A+	\$ 617,450	0.8%
New Jersey State General Obligation and Appropriation Credits	AA-	599,261	0.8
New York City General Obligation	AA-	554,633	0.7
Miami-Dade County, FL	A+	525,860	0.7
New York State General Obligation	AA-	501,535	0.6
Republic of Italy	A+	473,882	0.6
Commonwealth of Puerto Rico General Obligation and Appropriation Credits	BBB	459,350	0.6
High Speed Railway Funding, Infrastructure Spa (Italy)	A+	448,614	0.6
Chicago O'Hare International Airport	A-	435,950	0.6
California State General Obligations	A+	432,085	0.5
MTA Transportation Revenue Bonds	A	412,285	0.5
Louisiana State General Obligations	A	394,475	0.5
Hellenic Republic (Greece)	A	332,800	0.4
Puerto Rico Transportation Revenues, Senior & Sub-Lien	BBB+	324,155	0.4
Denver International Airport	A	323,800	0.4
		<u>6,836,135</u>	<u>8.7%</u>

(1) All non USD exposure has been converted to USD using the prevailing end of period rate.

Insured Portfolio 15 Largest Global Structured Finance Credits ⁽¹⁾

	As of March 31, 2007		
	Net Par Outstanding		
	Ratings ⁽²⁾	Amount	% of Total Portfolio
U.S. Synthetic Investment Grade Municipal Bond CDO	AAA	\$ 644,925	0.8%
European Cash Leveraged Loan CLO	AAA	473,943	0.6
European Synthetic Leveraged Loan CLO	AAA	465,957	0.6
European Cash Leveraged Loan CLO	AAA	465,920	0.6
European Synthetic Consumer Loan Securitization	AAA	465,920	0.6
European Cash Leveraged Loan CLO	AAA	451,277	0.6
European Synthetic Investment Grade Corporate CDO	AAA	416,000	0.5
U.S. Cash Leveraged Loan CLO	AAA	415,721	0.5
European Synthetic Investment Grade Corporate CDO	AAA	412,672	0.5
European Cash Leveraged Loan CLO	AAA	412,206	0.5
European Investment Grade Cash CDO	AAA	408,013	0.5
European Cash Leveraged Loan CLO	AAA	400,292	0.5
U.S. High Grade ABS CDO	AAA	400,000	0.5
U.S. Cash Mezzanine ABS CDO	AAA	400,000	0.5
U.S. Cash High Grade ABS CDO	AAA	400,000	0.5
		<u>\$6,632,845</u>	<u>8.4%</u>

(1) All non USD exposure has been converted to USD using the prevailing end of period rate.

(2) Based on Standard & Poor's assessment of underlying credit quality.

CIFG Holding & Subsidiaries

(\$ in 000's)

Collateralized Debt Obligations (CDO) Exposure ⁽¹⁾ (REVISED)

	As of March 31, 2007	
	Net Par Outstanding	
	Amount	% of Total Portfolio
Cash Flow CDOs	\$ 27,023,575	34.3%
Synthetic CDOs	10,544,669	13.4
Total	<u>\$37,568,244</u>	<u>47.7%</u>

	As of March 31, 2007	
	Net Par Outstanding	
<u>By Type</u>	Amount	% of Total CDOs
Collateral High Yield Bonds or Loans	\$ 17,474,570	46.4%
Investment Grade Bonds or Loans	9,381,737	25.0
Investment Grade Tranches of ABS Deals	9,861,964	26.3
Non Investment Grade Tranches of ABS Deals	849,973	2.3
Total	<u>\$37,568,244</u>	<u>100.0%</u>

	As of March 31, 2007	
	Net Par Outstanding	
<u>Underlying Ratings</u> ⁽²⁾	Amount	Portfolio
AAA	\$ 37,568,244	47.7%

(1) All non USD exposure has been converted to USD using the prevailing end of period rate.

(2) Based on Standard & Poor's assessment of underlying credit quality before consideration of CIFG's financial guaranty

CIFG Holding & Subsidiaries
Reconciliation of French GAAP to U.S. GAAP - Unaudited

(in 000's)

	As of March 31, 2007		As of December 31, 2006	
	€	\$ ⁽¹⁾	€	\$ ⁽²⁾
French GAAP Shareholder's Equity	€ 493,966	\$ 657,568	€ 488,830	\$ 642,494
Adjustments:				
Goodwill	1,304	1,736	1,241	1,632
Fair value of fixed income investments ⁽⁴⁾	(12,069)	(16,066)	(12,196)	(16,030)
Fair value of credit derivatives ⁽⁴⁾	84	112	184	242
Net deferred premium revenue ⁽⁴⁾	1,420	1,890	1,347	1,770
Effect of long-term incentives ⁽⁴⁾	1,274	1,696	1,567	2,060
Loss and loss adjustment reserves ⁽⁴⁾	8,715	11,601	7,842	10,307
Deferred acquisition cost, net ⁽⁴⁾	(13,271)	(17,666)	(12,786)	(16,805)
(losses) gains on credit derivatives	(6,934)	(9,231)	(6,548)	(8,606)
Other	158	208	30	39
U.S. GAAP Shareholder's Equity	€ 474,647	\$ 631,848	€ 469,512	\$ 617,103
	March 31, 2007		March 31, 2006	
	€	\$ ⁽¹⁾	€	\$ ⁽³⁾
French GAAP Net Income	€ 7,331	\$ 9,759	€ 5,912	\$ 7,154
Adjustments:				
Goodwill amortization	79	105	87	105
Fair value of credit derivatives ⁽⁴⁾	(101)	(134)	291	352
Net deferred premium revenue ⁽⁴⁾	6	8	314	380
Loss and loss adjustment reserves	1,034	1,376	347	420
Amortization of deferred acquisition costs	945	1,258	607	735
Deferred acquisition cost, net	(1,454)	(1,936)	(900)	(1,089)
Effect of long-term incentives ⁽⁴⁾	(329)	(438)	(314)	(380)
Foreign exchange, net ⁽⁴⁾	204	272	(1,522)	(1,841)
Deferred taxes	(1,431)	(1,905)	1,172	1,418
Other	---	---	42	50
U.S. GAAP Net Income	€ 6,284	\$ 8,365	€ 6,036	\$ 7,304

For the convenience of the reader, all EUR amounts are translated to USD at the prevailing end of period exchange rate of:

(1) At March 31, 2007, 1.33120

(2) At December 31, 2006, 1.31435

(3) At March 31, 2006, 1.21005

(4) Net of taxes