MOODY'S INVESTORS SERVICE

NEW ISSUE REPORT

Alba 5 SPV S.r.l.

ABS / Lease Receivables / Italy

Closing Date

May 16 2013

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Definitive Ratings[1]

Series	Rating	Amount (Million)	% of Assets	Legal Final Maturity	Coupon	Subordi-nation*	Reserve Fund**	Total Credit Enhancement***
A	A2 (sf)	€450.0	66.91	Apr 2040	3mE +1.5%	33.82%	1.65%	35.47%
B	Unrated	€230.0	34.2	Apr 2040	3mE +2%	0%	0%	0%
Total		**€680.0**	**101.11******					

The ratings address the expected loss posed to investors by the legal final maturity. In Moody's opinion the structure allows for timely payment of interest and ultimate payment of principal at par on or before the rated final legal maturity date. Moody's ratings address only the credit risks associated with the transaction. Other non-credit risks have not been addressed, but may have a significant effect on yield to investors.

* Expressed as % of the notes as of close.

** As a % of rated notes. The reserve fund will provide credit support only at deal maturity.

*** No benefit attributed to excess spread.

**** Class A and Class B notes total amount exceeds the portfolio amount as part of Class B proceeds will be used to finance the debt service reserve account as well as the expense account

V Score for the sector (Italian SME loan receivables):	Medium
V Score for the subject transaction:	Medium

The subject transaction is a static cash securitisation of lease receivables extended to small and medium-sized enterprises (SMEs) and individual entrepreneurs located in Italy.

Asset Summary (Cut-off date as of 01/04/2013)

Seller(s)/Originator(s):	Sellers: Alba 1 SPV S.r.l. and Alba 2 SPV S..r.l. Originator: Alba Leasing Sp.A. ("Alba", Unrated)
Servicer(s):	Alba Leasing Sp.A. (Unrated)
Receivables:	Lease financing extended to SMEs and individual entrepreneurs in Italy
Methodologies Used:	» Multi-pool Financial Lease-backed Transactions in Italy, June 2006 (SF6255) » Moody's Approach to Rating EMEA SME Balance Sheet Securitisations, May 2013 (SF294868) » Historical Default Data Analysis for ABS Transactions in EMEA, December 2005 (SF64042) » V Score and Parameter Sensitivities in the EMEA Small-to-Medium Enterprise ABS Sector, June 2009 (SF155092)
Models Used:	ABSROM V 3.5 and Moody's CDOROM v 2.8
Total Amount:	€672,559,016.40 (as of valuation date 1 April 2013)
Length of Revolving Period:	N/A
Number of Borrowers:	8,650
Number of Borrower considering Groups:	8,235
Number of Assets:	13,535
Effective Number:	956
WA Remaining Term:	6.6 yrs
WA Seasoning:	2 yrs approx
WAL of Portfolio in Years:	3.7 yrs approx (with 0% CPR)
Interest Basis:	Fixed 2.75%, Floating 97.25%
WA Current Collateral Ratio:	N/A
Delinquency Status:	As of valuation date, 0.6% of the portfolio was represented by leases in arrears (between 1 to 90 days in arrears)
Historical Portfolio Performance Data	
Default Rate Observed:	Default definition applied in the historical data received is not exactly aligned with deal's default definition, may be slightly longer:12.6%
Delinquencies Observed:	1.5%
Coefficient of Variation Observed:	In excess of 100% (based on historical vintage analysis)
Recovery Rate Observed:	Approx 48%

Liabilities, Credit Enhancement and Liquidity

Excess Spread at Closing:	1.4% p.a. approx, taking into account stressed servicing fees and coupon on rated notes
Credit Enhancement/Reserves:	33.82% subordination, 1.4% p.a. excess spread 1.65%. of Class A notes debt service reserve, the reserve will provide credit support at deal maturity,
Form of Liquidity:	As above
Number of Interest Payments Covered by Liquidity:	Approximately 2 payment dates, assuming Euribor at 1.5%
Interest Payments:	Quarterly in arrears on 20 January, April, July and October in each year
Principal Payments:	Quarterly in arrears on 20 January, April, July and October in each year
Payment Dates:	See above. First Payment Date 22 July 2013
Hedging Arrangements:	N/A

Counterparties

Issuer:	Alba 5 SPV S.r.l.
Seller:	Sellers: Alba 1 SPV S.r.l. and Alba 2 SPV S.r.l. Originator: Alba Leasing S.p.A. (Unrated)
Servicer(s):	Alba Leasing S.p.A. (Unrated)
Back-up Servicer(s):	Selmabipiemme Leasing S.p.A.
Back-up Servicer Facilitator(s):	N/A
Custodian Bank:	The Bank of New York Mellon S.A./N.V. (Aa3/P-1)
Back-up Cash Manager:	N/A
Calculation Agent/Computation agent:	Securitisation Services S.p.A. (Unrated)
Back-up Calculation/Computation Agent:	N/A
Swap Counterparty:	N/A
Transaction Account Bank:	The Bank of New York Mellon (Luxembourg) S.A. (Aa3/P-1)
Paying Agent:	The Bank of New York Mellon (Luxembourg) S.A. (Aa3/P-1)
Representative of the Noteholders:	Securitisation Services S.p.A. (Unrated)
Issuer Administrator/Corporate Service Provider:	Securitisation Services S.p.A. (UnratedNR)
Arranger:	Banca IMI S.p.A. (Baa2/P-2)

Moody's View

Rating Italy :	Baa2
Outlook for the Sector:	Negative
Unique Feature:	First public lease securitisation sponsored by Alba Leasing and rated by Moody's (A previous transaction was privately rated by us in 2011) Asset type and structure previously seen in market
Degree of Linkage to Originator:	The originator acts as portfolio servicer
Originator's Securitisation History:	
# of Precedent Transactions in Sector:	No public transaction rated by Moody's
% of Book Securitised:	80%
Behaviour of Precedent Transactions:	See above
Key Differences Between Subject and Precedent Transactions:	See above
Portfolio Relative Performance:	
Default Rate Assumed/Ranking:	16%/generally in line with peer group
Coefficient of Variation Assumed on Default Rate/Ranking:	39.7%/slightly higher than peer group
Recovery Rate Assumed/Ranking:	40%/lower than peer group

Parameter Sensitivities for Tranche A

Table Interpretation:	At the time the rating was assigned, the model output indicated that Class A would have achieved a Baa1 if the cumulative mean default probability (DP) had been as high as 20%, and the recovery rate as low as 30% (all other factors being constant).
Factors Which Could Lead to a Downgrade:	In addition to counterparty linkage, a severe lengthening of the recovery process on defaulted leases would put pressure on the rating

TABLE 1*

Tranche A

		Recovery Rate		
		40%	**35%**	**30%**
Mean Default	16%	**A2***	A2 (0)	A2(0)
	18%	A2(0)	A3(1)	A3(1)
	20%	A3(1)	A3 (1)	Baa1 (2)

– Results under base case assumptions indicated by asterisk ' * '.

– Change in model-indicated output (# of notches) is noted in parentheses.

– Results are model-indicated outputs, which are one of the many inputs considered by rating committees, which take quantitative and qualitative factors into account in determining actual ratings. The analysis assumes that the deal has not aged. The model does not intend to measure how the rating of the security might migrate over time, but rather, how the initial rating of the security might have differed if key rating input parameters were varied.

Composite V Score

Breakdown of the v scores assigned to			Sector	Transaction	Remarks
Composite Score: Low (L), Low/Medium (L/M), Medium (M), Medium/High (M/H), or High (H)					
			M	M	
1	Sector Historical Data Adequacy and Performance Variability		M	M	
	1.1	Quality of Historical Data for the Sector	M	M	» Sector: 5 to 7 years of performance data available for the market. Information generally split by sub-pool » Transaction: Same as sector
	1.2	Sector's Historical Performance Variability	M	M	» Sector: Performance of deals has generally tracked expectations, but has deteriorated in the recent economic cycle » Transaction: Same as sector
	1.3	Sector's Historical Downgrade Rate	M/H	M/H	» Sector: Some downgrades on Baa-rated tranches » Transaction: Same as sector
2	Issuer/Sponsor/Originator Historical Data Adequacy, Performance Variability and Quality of Disclosure		M	M	
	2.1	Quality of Historical Data for the Issuer/Sponsor/Originator	M	M	» Sector: Same as 1.1 » Transaction: Default, recovery as well as delinquency data provided, split by sub pool. Further information provided on recovery source (i.e., sale /release of assets as opposed to voluntary payment). Historical data definition more or less in line with deal definition.
	2.2	Issuer/Sponsor/Originator's Historical Performance Variability	M	M	» Sector: Same as 1.2 » Transaction: Same as sector. Variability generally in line with macroeconomic developments.
	2.3	Disclosure of Securitisation Collateral Pool Characteristics	L/M	M	» Sector: Portfolio information has historically been provided via stratification tables, with level of information being fairly detailed; however since the last couple of years originators have been providing loan by loan data tapes of the portfolio. No information (in stratification-table format) has historically been provided for the additional portfolio purchased during the revolving period (for those transactions in this sector which envisage a revolving period). Check on portfolio composition is usually done by setting concentration limits, cap and floors and these levels are usually reported in the servicer report. » Transaction: the originator has provided us with fairly detailed information on the portfolio, even though it does not include Centrale Rischi/Bank of Italy data. Static portfolio, hence limited portfolio changes expected over time.
	2.4	Disclosure of Securitisation Performance	M	M	» Sector: Performance reports usually provided on a quarterly basis: performance data split by sub pool. No loan by loan default data or recovery data. » Transaction: originator has undertaken to produce an updated pool data-tape over the life of the deal.
3	Complexity and Market Value Sensitivity		M	M	
	3.1	Transaction Complexity	M	M	» Sector: Standard structures and fairly similar across transactions. Some level of complexity may derive from the existence of a revolving period » Transaction: Fairly simple structure, static. Lack of hedging mechanism may increase level of complexity but approach is fairly standardised
	3.2	Analytic Complexity	M	M	» Sector: Some complexity due to use of different models requiring a significant number of model inputs. Concentration issues may add some complexity » Transaction: Same as sector.
	3.3	Market Value Sensitivity	L/M	L/M	» Sector: Transactions typically exposed to real estate market, both through debtors and underlying assets; risk is mitigated by the fact that the asset is generally functional to borrower activity » Transaction: Same as sector.
4	Governance		L/M	M	
	4.1	Experience of, Arrangements Among and Oversight of Transaction Parties	L/M	L/M	» Sector: Experienced transaction parties. Each transaction party's responsibilities are clearly specified in the transaction documents. Pool data audited prior to closing » Transaction: Same as sector
	4.2	Back-up Servicer Arrangement	L/M	L/M	» Sector: Unrated servicers, part of rated group. BUS appointment linked to parent rating. » Transaction: unrated servicer, but owned by Italian banking groups, some of which rated. BUS appointed at closing is not rated, but is an established player in the market
	4.3	Alignment of Interests	L/M	L/M	» Sector: Subordinated tranches usually retained by the originator. More recently all deal retained by originator or parent group for repo purposes » Transaction: Same as sector
	4.4	Legal, Regulatory, or Other Uncertainty	L/M	L/M	» Sector: Some legal uncertainty, as securitisation structures not tested in courts. » Transaction: Same as sector

Strengths and Concerns

Strengths:

- **Portfolio composition**: Securitised portfolio is granular with the largest and 10 largest borrowers representing 0.7% and 5.55% of the pool, respectively. The effective number is 956 for a total number of borrowers of 8,650.
- **Static and efficient structure**: The structure does not include a revolving period during which additional portfolios may be sold to the SPV. This feature limits portfolio potential performance volatility caused by additional portfolio purchases. Furthermore, as soon as the portfolio credit quality deteriorates beyond a certain limit, all excess spread is trapped in order to pay down rated notes.
- **Liquidity arrangement:** The deal structure includes a debt service reserve account, funded at closing for an amount equivalent to 1.65% of the Class A notes amount, amortising during the transaction's life. The reserve fund works as liquidity line and it is available to repay principal on the Class A notes at maturity.
- **Back-up servicer:** The structure provides for the presence of a back-up servicer appointed at closing – Selmabipiemme Leasing S.p.A. (unrated) – which is ready to step in should Alba Leasing be terminated as servicer.

Concerns and Mitigants:

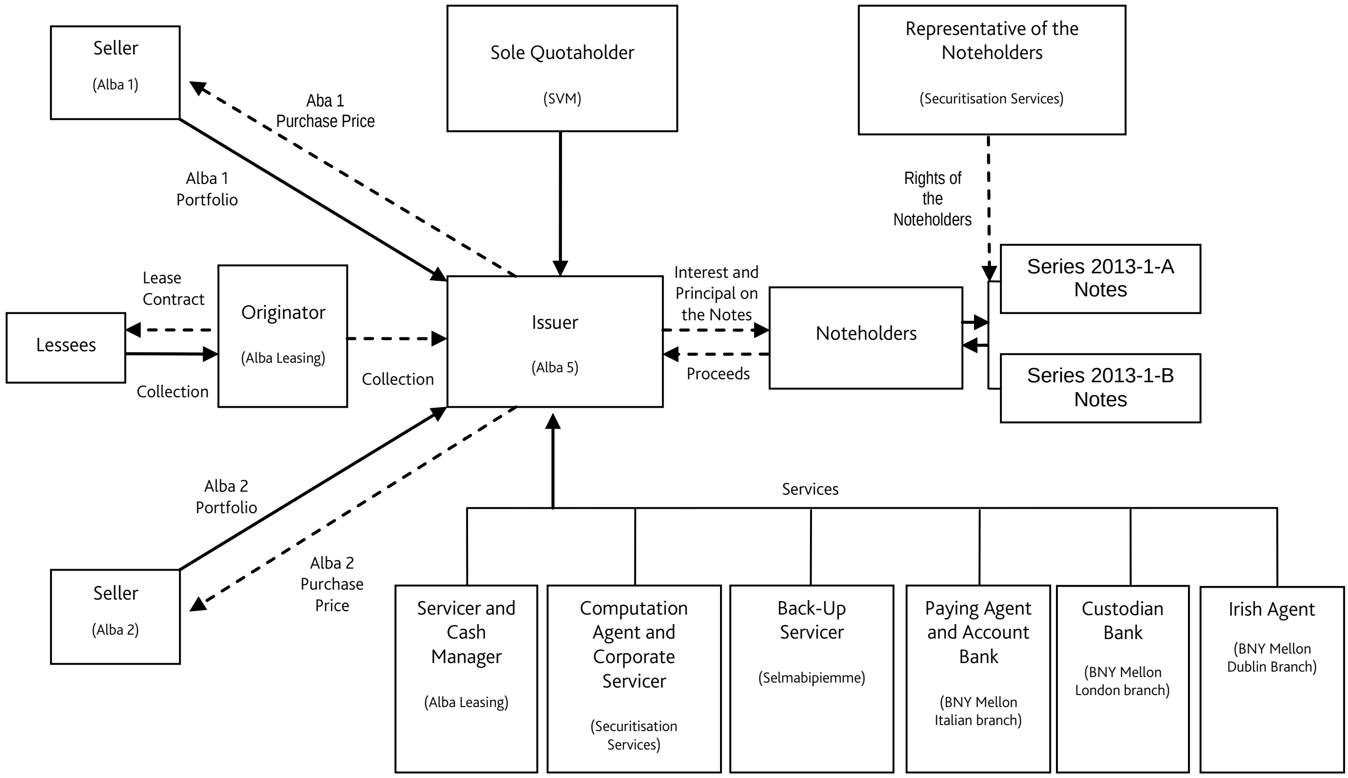
Our committees focused on the following factors, listed in order of those most likely to affect the ratings:

- **Exposure to real estate:** 22% of the portfolio is exposed to the building and real estate sector (according to our industry classification), in terms of underlying borrowers' industry sector. This feature has been taken into account in our quantitative analysis, as explained under "Credit Analysis".
- **Limited historical information:** Relevant historical performance data provided is limited in terms of the time horizon covered, as Alba only started operations in 2010 (in fact at the time the company was founded, Banca Italease had conferred a performing €4 billion lease portfolio). Alba was able to provide data on Banca Italease production going back to 2002; we note that origination volumes for those years were quite low, making meaningful statistical analysis of such data difficult.
- **No hedging arrangements**: The transaction structure does not include a hedging mechanism to cure any potential interest rate mismatch between the portfolio and the notes. We have taken into account this feature in our transaction modelling, as explained under the Assets (Interest Rate Mismatch) section.
- **Lowered triggers:** The trigger for substituting the issuer account bank (where the collection account is held) and the paying agent – The Bank of New York Mellon (Luxembourg) SA (Aa3/P-1) – has been set at loss of Baa3. This trigger level – although lower than the level generally seen in the market up to now – is aligned with the A2(sf) rating on the notes and has been taken into account in the transaction modelling.

Structure, Legal Aspects and Associated Risks

CHART 2

Structure Chart



Source: Alba 5 SPV S.r.l. Prospectus

Liabilities:

Description of transaction structure: The notes' proceeds are used to finance the portfolio acquisition, priced at €672,559,016.40 and sold to Alba 5 on 11 April 2013 by Alba 1 SPV S.r.l. (60.07% of the portfolio) and Alba 2 SPV S.r.l. (39.93% of the portfolio). Alba 1 and Alba 2 are issuers of two previous securitisations, sponsored by the same originator, which are thus unwound. The notes amount exceeds the portfolio amount by €7.44 million, which will be used to fund the debt service reserve (€7,425,000) and the expense reserve account.

Allocation of payments/pre accelerated revenue waterfall: On each quarterly payment date (20 January, April, July and October), the issuer available funds (basically portfolio collections as well as the reserve amount) will be applied in the following simplified order of priority:

1. Senior costs and fees
2. Interest on Class A notes
3. Refill of the debt service reserve account up to target amount
4. Principal on Class A notes

Should the cumulative default ratio exceed the values reported in table a below, any remaining excess spread – after having paid all items in the waterfall down to Principal on Class A as well as payment to other issuer creditors according to deal documentation – will be set aside and used to amortise the notes. The trigger is curable.

TABLE A

Payment date	Trigger level
July 2013	1.75%
October 2013	1.75%
January 2014	2.25%
April 2014	3.00%
July 2014	3.50%
October 2014	4.50%
January 2015 onwards	5.00%

Allocation of payments/PDL-like mechanism: The structure includes a principal deficit ledger (PDL) mechanism whereby at each payment date the Class A notes amortisation amount will be sized so that the notes balance is in line with the performing portfolio amount (Class A notes + Class B Notes – Performing portfolio – Debt Service Reserve Target Amount) .

Performance Triggers:

Trigger	Conditions	Remedies/Cure
Cash Trapping	The cumulative default ratio exceeds certain ratio level over deal life	If the conditions are met, any excess spread (remaining after having paid principal on Class A notes and any other amount payable to the issuer creditors according to documentation) will be trapped and applied to the reimbursement of the rated notes

Reserve Fund:

- A cash reserve account will be credited at deal inception with €7.42 million, equivalent to 1.65% of the Class A notes amount. It will serve as liquidity (to the benefit of the Class A notes) during the life of the deal and will only be available for the payment of principal on the rated notes at deal maturity.
- The cash reserve amount would cover approximately 12-months' worth of coupon payments on the Class A notes, assuming Euro Interbank Offered Rate (Euribor) at 1.5%.
- The cash reserve will amortise during the life of the deal down to a floor set as the maximum of (a) 3.30% of the Class A notes outstanding amount; or (b) 0.75% of the Class A notes initial amount.

Assets:

Asset transfer:

True Sale: According to the legal opinion, the securitisation of assets has been carried out in compliance with the Italian securitisation law. Notification of the sale was published on the Official Gazette ("Gazzetta Ufficiale della Repubblica Italiana") and registered in the Companies Register on April 16th 2013 and April 15th 2013 2013 respectively.

Bankruptcy remoteness: "Bankruptcy remoteness" has been achieved by the provisions of law 130 and through the Italian SPV's by-laws, as well as the provisions of the deal documentation.

Interest rate mismatch: At closing, 97.25% of the pool balance comprises floating rate leases, the remaining balance being represented by fixed rate lease receivables (2.75%). The notes are floating liabilities and indexed to three-month Euribor.

As a result the issuer is subject to (1) base rate mismatches on the floating portion of the portfolio (i.e. the risk the reference rate used to compute the interest amount payable on the notes will differ from the reference rate used on the underlying receivables), and (2) fixed/floating mismatch (i.e. the risk that the interest rate on the notes will differ from the interest rate payable on the fixed portion of the portfolio).

As the transaction is un-hedged, we took into account the potential SPV's interest rate exposure in some stressed environments. We did this to assess if the available credit enhancement is sufficient to support the ratings.

Floating portion of the portfolio

We needed to size the potential mismatch between the index rate payable by the SPV to the noteholders and the rate the SPV will receive on the portfolio. The majority of the floating rate loans are indexed either to three-month Euribor (50.6%), or one-month Euribor (46.6%).

For each sub-pool, a haircut was applied to the respective yield vector to take into account the base and timing mismatch between the relevant base rate index paid by the loans and the one on the notes.

The haircut was computed by applying a historical value at risk approach with a 99% confidence interval.

Fixed portion of the portfolio

As per this portion of the portfolio, we defined a stressed Euribor forward curve and then deducted the values in this vector from the original yield vector on the fixed sub-pool as provided. We did this to define the yield vector associated with a pool such as this that takes into account the lack of any swap structure.

Having thus defined the stressed (i.e., that takes into account the lack of swap) yield vectors for both the floating and fixed rate sub-pool, we were able to compute the whole portfolio yield vector, whose values were derived on a weighted average basis for each period.

Cash commingling: Commingling risk generally arises when cash belonging to the SPV is deposited in an account held in the name of a third party, specifically the servicer. In fact, as far as the current transaction is concerned, most debtors pay by direct debit into a dedicated servicer account held at Intesa SanPaolo SpA (Baa2/P-2).

Mitigant:

- Collections are transferred daily into the issuer collection account held at The Bank of New York Mellon (Luxembourg) S.A. (Aa3/P-1).
- At servicer termination, all borrowers will be notified – either by the servicer or the back-up servicer – to redirect their payments either into a new collection account in the name of the back-up servicer or directly into the SPV account.

» We have modelled a commingling exposure equal to 1 months of lost collections, following servicer insolvency.

Set-off: Under Italian law, mutual debt obligations may be set off against each other to the extent they are both due and payable. After a debt is assigned to a third party – such as a securitisation issuer – the debtor may still set off claims owed to it by the originator. However, set off rights against securitised debt would be limited to the amount of claims that exist when the notice of assignment is published in the Italian Official Gazette.

The following products, which are generally offered by banks would give rise to set-off: bonds issued by the originator; bank deposits, current accounts and derivatives contracts. As Alba is not a bank, no securitised borrower has any deposit or account with the originator. Furthermore Alba has provided a representation to the effect that it has not entered into a derivative transaction with any of the securitised borrowers.

Claw-back risk from prepayments: A transfer pursuant to the Italian Securitisation Law 130 is potentially subject to an action for claw back of such sale by a liquidator of the transferor (1) within three months following the transfer (where the sale is not at an undervalue) if (a) the transferor was insolvent at the time of the transfer; and (b) the liquidator can prove that the transferee was, or ought to have been, aware of such insolvency; or (2) within six months following the transfer (where the sale is undervalued) if (a) the transferor was insolvent at the time of the transfer; and (b) the transferee cannot prove that it was not, or ought not to have been, aware of such insolvency. In general, payments made to the issuer by any party under the transaction document in the one year suspect period prior to the date on which such party has been declared bankrupt or has been admitted to the compulsory liquidation may be subject to claw-back action. The relevant payment will be set aside and clawed back if the receiver gives evidence that the recipient of the payments had knowledge of the state of insolvency when the payments were made. The question as to whether or not the issuer had actual or constructive knowledge of the state of insolvency at the time of the payment is a question of fact with respect to which a court may in its discretion consider all relevant circumstances. This risks exists when lease receivables are repurchased; because they were ineligible when assigned or they are renegotiated and such renegotiations do not constitute permitted variations.

Mitigant:

» Repurchases (up to a maximum of 1.5% of the portfolio on a quarterly basis, and 12% of the portfolio on a cumulative basis) will be paid in cash, which is an important indication (although not fully conclusive) that the company is not simultaneously in cessation of payment. Should the payment obligation of the originator exceed the €500,000 threshold, the originator will provide evidence of its solvency by presenting a solvency certificate signed by its legal representatives, as well as certificates issued by the Chamber of Commerce and the Bankruptcy Section of the relevant tribunal.

Ancillary legal issues:

Renegotiations: While the servicer will retain the right to renegotiate the terms of the leases, there are precise limits set in terms of the percentage of the portfolio that may be affected by such renegotiations. Specifically:

» The servicer may reduce the interest payable on the leases as well as allow a rescheduling of the lease repayment plan, but only for 6% of the total portfolio.

» An extension of the lease repayment plan may be granted provided the last instalment payment date falls within December 2032, i.e., approximately 8 years prior to the deal maturity date.

» A reduction of the interest rate payable on the leases may be granted, in which case the servicer will need to indemnify the issuer for the resulting loss.

Originator Profile, Servicer Profile and Operating Risks

Date of Operations Review:	

Originator Background: Alba Leasing S.p.A. (Unrated)

Rating:	Not rated
Financial Institution Group Outlook for Sector:	Negative
Ownership Structure:	Alba Leasing share capital is currently owned by Banca Popolare dell'Emilia Romagna (36.43%), Banco Popolare (32.79% - Baa3/P-3/D+), Banca Popolare di Sondrio (20.95%) and Banca Popolare di Milano (9.83%, Ba3/NP/E+).
Asset Size:	» €4.6 billion (as of December 2012)
% of Total Book Securitised:	» 80%
Transaction as % of Total Book (loans):	» 15%
% of Transaction Retained:	» 100%

Originator Assessment	Main Strengths (+) And Challenges(-)
	» Strengths: » Although the company is relatively young, management has multi-year experience in the sector (former Banca Italease employees). » New origination mainly focused on small tickets, as opposed to larger real estate contracts » Weaknesses: » Origination “outsourced” to shareholding/distributing banks, whereby Alba does not make an independent assessment of the applicant credit quality, but relies on the banks assessment as well as guarantee (covering 50% of the loss should the borrower default)

Servicer Background: Alba Leasing S.p.A. (Unrated)

Rating:	Unrated
Regulated by:	Bank of Italy (to a certain extent)
Total Number of Receivables Serviced:	28,350
Number of Staff:	5 (serv.department)

Servicer Assessment:	Main Strengths And Challenges
	» Strengths: Risk management function has lately been strengthened » Weaknesses: Given the small size of the bank, the arrears management process is not particularly proactive.

Back-up Servicer Background: Selma Bipiemme S.p.A.

Rating:	Unrated
Ownership Structure:	60% owned by Mediobanca S.p.A.
Regulated by:	Bank of Italy (to a certain extent)
Total Number of Receivables Serviced:	26,891 (as of 30/04/2013)
Number of Staff:	11 (serv department - as of 31/05/2013)
Strength of Back-up Servicer Arrangement:	» Back up servicer is appointed at deal closing
Receivables Administration	
Method of Payment of Borrowers in the Pool:	Most borrowers pay by direct debit into a dedicated servicer account.
% of Obligors with Account at Originator:	N/A
Distribution of Payment Dates:	All borrowers pay on the first day of the month

Computation Agent Background: Securitisation Services S.p.A.

Rating:	Unrated
Main Responsibilities:	Preparation of payment report and, if the servicers don’t deliver the servicer report, preparation of a simplified payment report to avoid payment disruption
Calculation Timeline:	Settlement date: last day of March, June, September and December. Payment report date: 4 business days prior to payment date (20 January, April, July, October EOD: non-payment of interest amount due (grace period of 3 days)

Back-up Cash Manager Background: NA

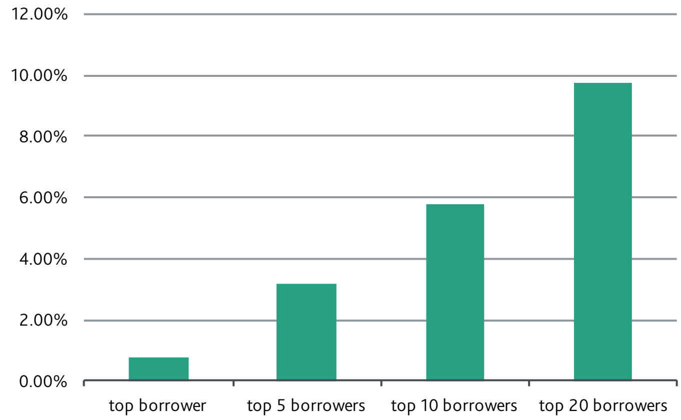
Originator/Servicer/Cash Manager Related Triggers

Key Servicer Termination Events:	Insolvency, Payment defaults
Appointment of Back-up Servicer Upon:	N/A
Key Computation Agent Termination Events:	breach of obligation
Notification of Obligors of True Sale:	Upon transfer with publication of the notice on the Official Gazette
Conversion to Daily Sweep (if original sweep is not daily):	Daily since closing
Notification of Redirection of Payments to SPV's Account:	Notice from the servicer/back up servicer immediately upon termination of the servicing agreement
Accumulation of Set Off Reserve:	N/A
Accumulation of Liquidity Reserve:	N/A
Set up Liquidity Facility:	N/A

Collateral Description

CHART 3

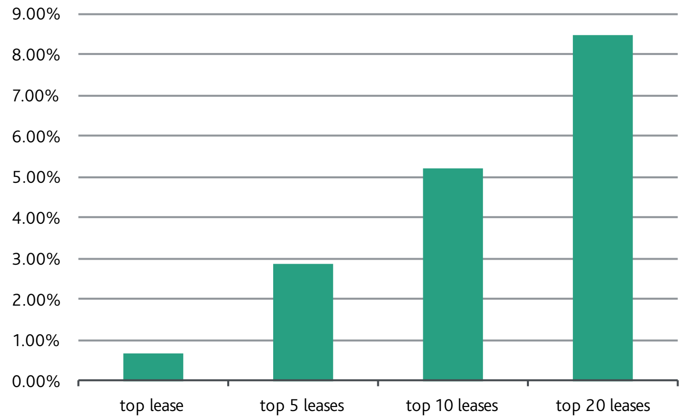
Borrower concentration (top 1, top 5, top 10 and top 20 borrowers)



Source: loan-by-loan data tape as provided by originator

CHART 4

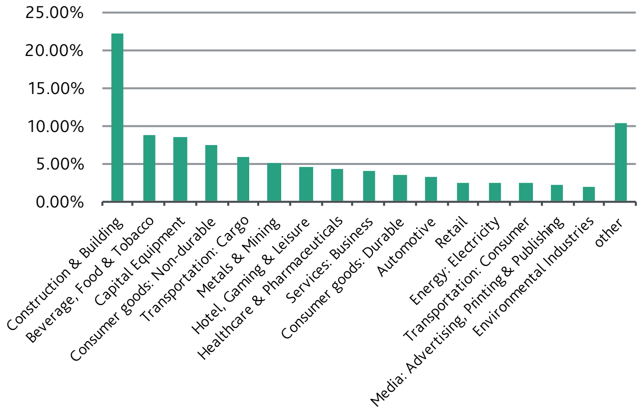
Lease concentration (top 1, top 5, top 10 and top 20 leases)



Source: loan-by-loan data tape as provided by originator

CHART 5

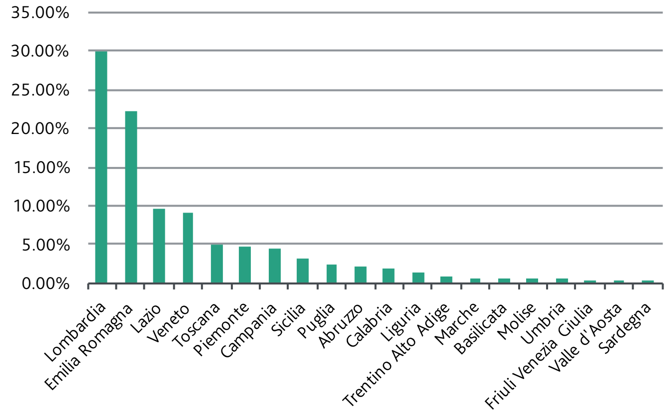
Portfolio Breakdown by Borrowers Sector of Activity



Source: loan-by-loan data tape as provided by originator

CHART 6

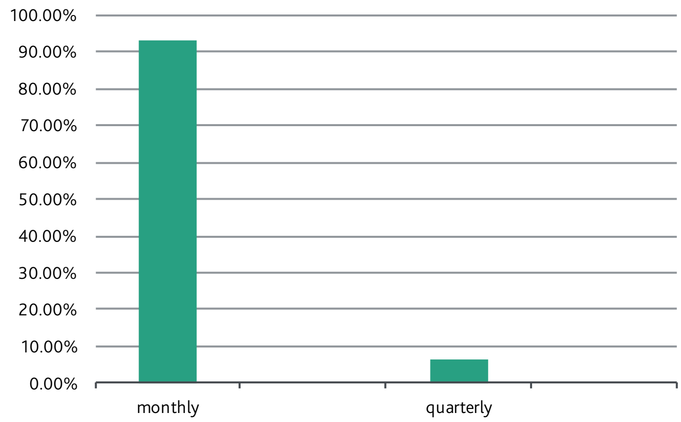
Portfolio Breakdown by Region of Borrower



Source: loan-by-loan data tape as provided by originator

CHART 7

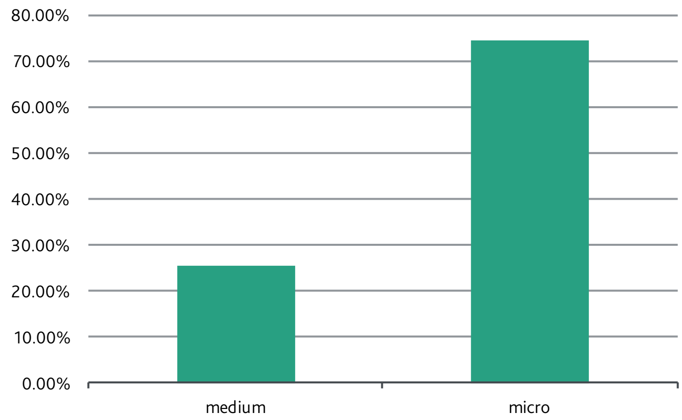
Portfolio Breakdown by Payment Frequency



Source: loan-by-loan data tape as provided by originator

CHART 8

Portfolio Breakdown by Borrower Size



Source: loan-by-loan data tape as provided by originator

Product description: The securitised portfolio consists of receivables linked to financial lease financing extended to SMEs or individual entrepreneurs in Italy.

Data and information on the portfolio set out in this report is based on the definitive composite portfolio (as described in the prospectus) as of 1 April 2013 (i.e., the valuation date).

The balance of the performing portfolio is €672.6 million, the vast majority of the leases being monthly paying, floating rate, French amortising receivables.

56.11% of the securitised portfolio is represented by "prestoleasing" lease receivables, namely receivables benefiting from a bank guarantee covering 50% of the eventual loss (in case of a default of the lease). Most of Alba Leasing's business is originated via the bank channel, either the shareholdings banks or banks with whom Alba has a commercial relationship. Having agreed a certain set of underwriting criteria with Alba Leasing (e.g., maximum borrower exposure, type of financed asset), banks are assigned a platform under which they may approve lease financing that is then written on Alba's book. On the other hand, the bank undertakes to cover 50% of the loss Alba may eventually realise on the default of the lease thus underwritten. Based on data provided, there is not a significant difference in the default performance of the prestoleasing receivables when compared to the lease receivables originated by Alba directly. However, recovery values are marginally higher for the prestoleasing receivables when compared to the "standard" ones.

Eligibility criteria:

The key eligibility criteria are as follows:

- Euro-denominated contracts
- Leases are regulated by Italian law
- Contracts have been entered by Alba Leasing in 2010 or later
- At least one instalment has fallen due and has been paid
- The leased asset has been delivered to the borrower
- Leased assets are registered/located in Italy
- All leases are "net" leases (i.e., if the asset is destroyed or damaged the lessee is still obliged to make the contractual payments)
- Maximum maturity for lease contracts are : 1) auto – 10 years, 2) equipment – 18 years, 3) real estate – 20 years, 4) airplanes/trains/ships – 11 years

Additional information on borrowers:

Auto Transport Assets	16.63%
Equipment Assets	58.13%
Real Estate Assets	22.46%
Aircraft/Trains/Ships	2.78%
Industry Concentration	22.26% Construction and Building (inc RED)

Additional information on portfolio:

Number of Contracts	13,535
Contract Amortisation Type	100% French amortisation
% Bullet Loans	0%
% Large Corporates	0%
% Real Estate Developers	1.55%
WA Interest Rate	approx. 2.8% (margin on floating loans)

Credit Analysis

Precedent transactions' performance:

- This is the first public multi-pool financial lease transaction sponsored by Alba leasing S.p.A. and rated by us.

Data quantity and content:

- We received dynamic delinquency data (split by sub pool) computed on a quarterly basis. Furthermore Alba Leasing provided meaningful default data (vintage format, semi-annual basis), dating back to 2002. However we note that 2002-10 data does not strictly relate to Alba production, but to the portfolio Alba Leasing inherited from Banca Italease. As such they are not exactly representing of the performance of the securitised pool. The default definition used for the historical data computation is generally in line with the definition used in the deal. In Chart 10, 11, 12 and 13 below, we have reproduced some data as provided by Alba Leasing: default data relative to each of the four sub pools making up the securitised portfolio. The charts below do not differentiate between prestoleasing and no prestoleasing receivables, however Alba was able to provide default data split by receivables type.
- In addition, we received information about the recoveries, covering a 7-year time span (2005-12), and split by sub-pool. We note that Alba Leasing was also able to provide recovery data split by recovery means, i.e., we were able to assess – for each sub-pool - the percentage of the recovery coming from the sale of the repossessed asset and the recovery coming from voluntary repayment on the part of the borrower or the prestoleasing guarantee.

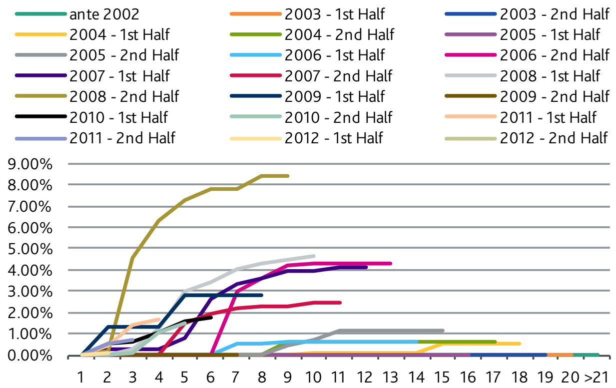
» The data received does not cover a full economic cycle, in particular the performance data that are most representative of the securitised pool only cover a 3 year time horizon 2010-12 (years of Alba operations).

» We did not receive information about prepayment in a dynamic format, but only on a static one.

» In our view, the quantity and quality of data received is adequate compared to transactions that have achieved investment-grade ratings in this sector.

CHART 9

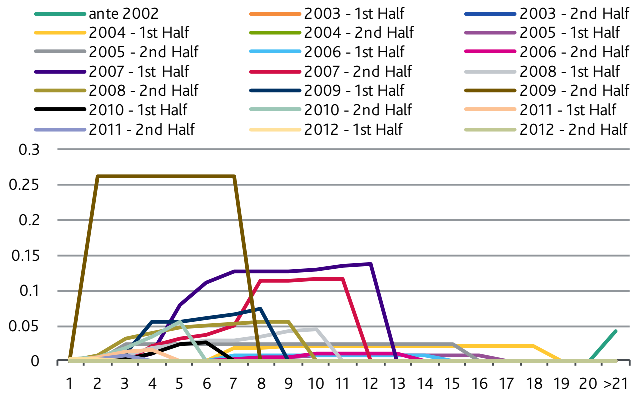
Cumulative default rate for auto pool



Source: data provided by servicers

CHART 10

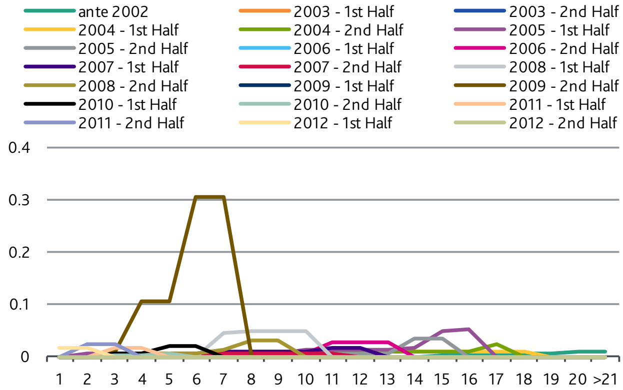
Cumulative default rate for equipment pool



Source: data provided by servicer

CHART 11

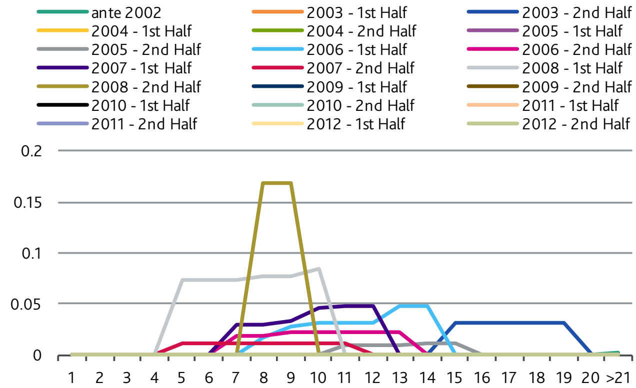
Cumulative default rate for real estate pool



Source: data provided by servicer

CHART 12

Cumulative default rate for aircraft/trains/ships pool



Source: data provided by servicer

Default definition: The definition of a defaulted asset is one that is at least 6 months in arrears (if monthly paying leases), and 2 quarters in arrears (if quarterly paying leases) - the vast majority of the pool pays either on a monthly or a quarterly basis.

Assumptions

Default Distribution	Inverse normal
Default Rate	16%
Default Definition	2 periods (semesters)
Standard Deviation/Mean	6.35%
Timing of Default	flat over portfolio average life
Recovery	40%
Recovery Standard Deviation	10%
Recovery Lag	3 years - average
Correlation Defaults/Recoveries	5%
Conditional Prepayment Rate (CPR)	5%
Amortisation Profile	as provided by originators
Portfolio yield	based on vector provided by originators, stressed to take into account lack of hedge mechanism
Fees (as modelled)	0.5% on portfolio p.a. + €50,000 fixed fees
Euribor/Swap Rate	2%
PDL Definition	not applicable

Modeling approach:

Default distribution: The first step in our analysis was to define a default distribution for the pool of securitised loans. Due to the granularity of the pool, we used a continuous distribution to approximate the default distribution: the normal inverse distribution.

In order to determine the shape of the curve, two parameters were needed: the mean default and the volatility around this value.

Derivation of default rate assumption: We firstly analysed the available historical performance data as provided by the bank. We extrapolated the semi-annual default vintage data to define the cumulative default curve for each of the origination vintages. However and as commented above, the most meaningful data did not fully capture the most recent recessionary period. As a result we complemented the above analysis with a top-down approach, as typically applied by Moody's when rating SME loan transactions and as described in more detail in Moody's methodology report "Moody's Approach to rating EMEA SME Balance Sheet Securitisations". Starting from Italy's base rating proxy for a SME portfolio of Ba2, we split the portfolio into sub-pools based on (1) the size of the companies (assuming one notch down for micro-SME, which represents the majority of the portfolio); and (2) the borrowers sector of activity. For example, we applied a one-notch penalty to loans whose underlying borrower was active in the construction and real estate sector, and a further one-notch penalty was applied for those borrowers classified a real estate developers. We also adjusted our assumption to take into account the current negative economic environment and its potential impact on the portfolio future performance as we as the originator underwriting capabilities.

As a result, we expect an average portfolio credit quality equivalent to a B2 proxy for an average life of approximately 4 years for the portfolio. This translates into a cumulative gross default rate of around 16%.

Standard deviation: To define the standard deviation, we ran a Monte Carlo simulation (using the Moody's CDOROM™v2.8) based on the securitised portfolio's actual loan-by loan information to capture the pool concentrations in terms of single obligors and industry segments. We used, inter alia, the loan-by-loan default probabilities (i.e., outcome of Moody's top-down approach), the borrower industry sectors, the weighted average life and a global asset correlation assumption of 5%. We finally assumed a coefficient of variation (ratio between standard deviation and mean default rate) of 39.7% that would also take into account sovereign risk. The pool's average pair wise correlation was of 6.6%.

Timing of default: As per the timing of defaults, we assumed a flat curve, spread over the portfolio average life.

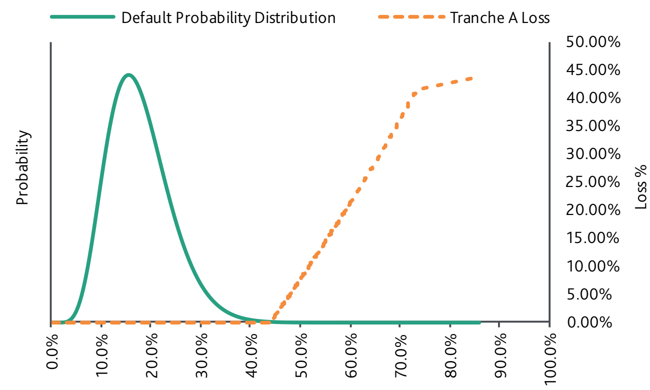
Derivation of recovery rate assumption: We analysed the historical recoveries data as provided by the originators. The number of observations per vintage was fairly limited, particularly for sub-pools such as the real estate one generally chunkier than the others. As such we also tested an alternative method of estimating potential recoveries, specifically focusing on the real estate sub-pool. Based on the contract-by-contract information provided and the asset values available of the property underlying the contract, we applied house-price stresses based on relevant property type (e.g., residential or commercial). Based on this analysis, which we combined with historical recovery information and benchmarked against other transactions, we assumed a stochastic mean recovery rate of 40% and a standard deviation of 20% - recoveries were assumed to follow a normal distribution. The recovery timing was assumed to be as follows: 50% after 2 years, and an additional 50% after 4 years, resulting in an average timing to recovery of 3 years.

Tranching of the notes: To derive the level of losses on the notes, we applied the specific loss distribution obtained from the default distribution and the recovery distribution to numerous default scenarios on the asset side.

The exhibit below represents the default distribution (green line) we have used for modelling the deal.

CHART 13

Default Probability Distribution



Source: Moody's

We have considered (1) how the cash flows generated by the collateral are allocated to the parties within the transaction; and (2) the extent to which various structural features of the transaction might provide additional protection to investors, or act as a source of risk.

To determine the rating assigned to the notes, we have used an expected loss methodology that reflects the probability of default for the notes times the severity of the loss expected for the notes. In order to allocate losses to the notes in accordance with their priority of payment and relative size, we have used a cash-flow model (ABSROM) that reproduces many deal-specific characteristics: the main input parameters of the model have been described above. Weighting each default scenario's severity result on the notes with its probability of occurrence, we have calculated the expected loss level for the notes as well as the expected average life. We have then compared the quantitative values to our Idealised Expected Loss table to determine the ratings assigned to the notes.

The orange line in Chart 13 represents the loss suffered by the Class A notes (in our modelling) for each default scenario on the default distribution curve. For default scenarios up to 43.5%, the line is flat at zero, hence the Class A notes do not suffer any losses. The steepness of the curve then indicates the speed of the increase of losses suffered by the Class A notes.

The rating of the notes has therefore been based on an analysis of:

» The characteristics of the securitised pool

» Macroeconomic environment

» Sector-wide and originator-specific performance data

» Protection provided by credit enhancement and liquidity support against defaults in the pool

» The legal and structural integrity of the issue.

Treatment of Concerns:

» **Exposure to real estate***:* Approximately 22.3% of the portfolio is exposed to the building and real estate sector (according to our industry classification – borrower sector of activity). In the implementation of the top down approach, we assumed a higher default probability for these borrowers, as opposed to all other obligors.

» **Commingling:** All leases payments are channelled, mainly via direct debit, into a servicer dedicated account and swept on a daily basis into the issuer account. Furthermore upon servicer termination, the borrower will be notified to redirect their payments. The set up clearly mitigate exposure of the deal to commingling loss. However in order to cover extreme scenarios, we have modelled the loss of the equivalent of 1 month collections upon servicer default.

» **Recovery upon servicer insolvency***:* The deal documentation provides for the undertaking of the servicer to pass on to the issuer all recovery collections on defaulted positions. Recovery may result from the voluntary payment on the part of the borrower or, alternatively, from the sale/re-lease of the asset the servicer has reposed upon borrower default. In Italy, we cannot exclude with certainty the possibility that such latter recovery flows will not be trapped within the bankruptcy estate (should the servicer itself default), and as such we take into account such risk in our modelling of the deal, and apply a severe stress to the recovery value upon servicer default. We assumed the recovery rate to decrease to 13% approximately should the servicer default.

Benchmarking Analysis

Performance relative to sector Please refer to the table below for a comparison of the characteristics of this deal with the most recent leasing transactions closed in Italy.

Benchmark Table

Deal Name	Alba 5 SPV S.r.l.	Siena Lease 11-1 S.r.l.	ICCREA SME CART S.r.l.
Country	Italy	Italy	Italy
Closing Date or Rating Review Date (dd/mm/yyyy)	16/05/2013	21/12/2011	14/11/2011
Currency of Rated Issuance	Euro	Euro	Euro
Rated Notes Volume (excluding NR and Equity)	450,000,000	1,087,400,000	287,600,000
Originator	Alba Leasing SpA	Monte dei Paschi di Siena Leasing & Factoring Banca per i Servizi alle Imprese SpA	Iccrea BancaImpresa S.p.A.
Long-term Rating			Baa2
Short-term Rating			P-2
Name of Servicer	Alba Leasing SpA	Monte dei Paschi di Siena Leasing & Factoring Banca per i Servizi alle Imprese SpA	Iccrea BancaImpresa S.p.A.
Name of separate Cash Administrator	Securitisation Services SpA	Securitisation Services	Securitisation Services
Portfolio Information			
Currency of securitised pool balance	Euro	Euro	Euro
Securitised Pool Balance ("Total Pool")	672,559,016	2,636,882,690	599,222,394
Contract Information (as % Total Pool)			
Auto lease receivables %	16.63%	12.71%	9.77%
Equipment lease receivables %	58.13%	37.96%	26.70%
Real Estate lease Receivables %	22.46%	49.33%	63.53%
Average contract size (amount)	49,690	114,825	108,182
Monthly paying contracts %	93.24%	92.11%	100.00%
Method of payment - Direct Debit (minimum payment)	100%	100%	100%
Floating rate contracts %	97.25%	84.20%	82.44%
WA initial spread (of floating rate contracts)	2.80%	2.00%	1.90%
Minimum yield for additional portfolios p.a.			3.00%
WAL of Total Pool initially (in years)	3.8	4.2	2.1
WA seasoning (in years)	2.0	2.5	2.4
WA remaining term (in years)	6.6	8.8	10.2
Portfolio share in arrears > 30 days %	0.55%	0.00%	0.00%
No. of contracts	13,535	20,585	5,539
Obligor Information (as % Total Pool)			
No. of obligors	8,997	13,203	4,476
Name 1st largest industry	Construction & Building	Construction & Building	Construction & Building
Size % 1st largest industry	22.26%	30.20%	26.90%
Effective Number	956	1,152	811
Single obligor concentration %	0.7%	0.66%	0.53%
Top 10 obligor concentration %	5.55%	5.90%	4.26%
Geographical Stratification (as % Total Pool)			
Name 1st largest region	Lombardy	Lombardy	Lombardy
2nd largest region	Emilia Romagna	Tuscany	Veneto
Size % 1st largest region	29.87%	19.49%	32.75%
2nd largest region	22.30%	16.01%	22.99%
Asset Assumptions			
Type of default/loss distribution	Inverse Normal	Inverse Normal	Inverse Normal
Mean gross default rate - initial pool	16.00%	18.50%	16.33%
Stdev.	6.35%	8.00%	6.41%
CoV	39.70%	43.20%	39.25%
Stochastic Recoveries modelled?	Yes	Yes	Yes
Mean recovery rate	40.00%	50.00%	50.00%
Stdev. recovery rate (if any)	20.00%	20.00%	20.00%
Recovery lag (in months)	36.00	30.00	30.00
Prepayment Rate(s)	5%	5%	5%
Capital structure (as % Total Pool)			
Size of Aaa rated class		50.00%	48.00%
A2 rated class	66.91%		
Equity	34.20%	50.00%	52.00%

Parameter Sensitivities

Parameter sensitivities provide a quantitative, model-indicated calculation of the number of notches that a Moody's-rated structured finance security may vary if certain input parameters used in the initial rating process differed. The analysis assumes that the deal has not aged. It is not intended to measure how the rating of the security might migrate over time, but rather, how the initial rating of the security might differ as certain key parameters vary. For more information on V Score and Parameter sensitivity methodology on EMEA SME ABS transactions, please refer to 'V Scores and Parameter Sensitivities in the EMEA Small-to-Medium Enterprise ABS Sector', published in June 2009.

Parameter sensitivities for this transaction have been calculated in the following manner: Moody's tested 9 scenarios derived from the combination of mean default: 16% (base case), 18% (base case +2%), 20% (base case + 4%) and recovery rate: 40% (base case), 35% (base case - 5%), 30% (base case - 10%). The 16% /40% scenario would represent the base case assumptions used in the initial rating process.

The table below show the parameter sensitivities for this transaction with respect to the rated notes.

TABLE 2*

Tranche A

		Recovery Rate		
		40%	35%	30%
Mean Default	16%	**A2***	A2(0)	A3(1)
	18%	A2(0)	A3(1)	A3(1)
	20%	A3(1)	A3(1)	Baa1(2)

* Results under base case assumptions indicated by asterisk ' * '. Change in model output (# of notches) is noted in parentheses.

Worse case scenarios: At the time the rating was assigned, the model output indicated that Class A would have achieved Baa1 if the mean default had been as high as 20% with a recovery as low as 30% (all other factors unchanged).

Monitoring

We will monitor the transaction on an ongoing basis to ensure that it continues to perform in the manner expected, including checking all supporting ratings and reviewing periodic servicing reports. Any subsequent changes in the rating will be publicly announced and disseminated through Moody's Client Service Desk.

Originator linkage: The originator will act as servicer, but a back-up servicer is in place since closing.

Significant influences: The following factors may have a significant impact on the subject transaction's rating: lengthening of the recovery process and marked deterioration of the pool performance.

Counterparty Rating Triggers	Condition	Remedies
Issuer Account Bank	Loss of Baa3	Replace

Monitoring report: **Data Quality**:

» Investor report format finalised and discussed with our analyst.

» The report includes all necessary information for us to monitor the transaction.

» Undertaking to provide us with updated pool cut on a periodical basis.

Data Availability:

» Investor report provided by the computation agent three business days prior to payment date.

» The frequency of the publication of the investor report is semi-annual and the frequency of the IPD is quarterly.

» Investor reports publicly available on the computation agent website.

Representations and Warranties

The Rule 17g-7 Report of Representations and Warranties is hereby incorporated by reference and can be found at http://www.moodys.com/viewresearchdoc.aspx?docid=PBS_SF327662.

Moody's Related Research

For a more detailed explanation of our approach to this type of transaction as well as similar transactions please refer to the following reports:

Methodologies Used:

» Moody's Approach to Rating Multi-Pool Financial Lease-Backed Transactions in Italy, June 2006 (SF76255)

» Moody's Approach to Rating EMEA SME Balance Sheet Securitisations, May 2013 (SF294868)

» Historical Default Data Analysis for ABS Transactions in EMEA, November 2005 (SF64042)

» V Score and Parameter Sensitivities in the EMEA Small-to-Medium Enterprise ABS Sector, June 2009 (SF155092)

To access any of these reports, click on the entry above. Note that these references are current as of the date of publication of this report and that more recent reports may be available. All research may not be available to all clients.

Appendix 1: Summary of Originator's Underwriting Policies and Procedures

Originator Ability	At Closing
Sales and Marketing Practices	
Origination Channels:	Shareholding banks: 90.95% Other banks: 8.27% Others: 0.78%
Underwriting Procedures	
% of Loans Manually Underwritten:	N/A
Ratio of Loans Underwritten per FTE* per Day:	N/A
Average Experience in Underwriting or Tenure with Company**	N/A
Approval Rate:	N/A
Percentage of Exceptions to Underwriting Policies:	
Underwriting Policies	
Source of Credit History Checks:	Internal database, Cerved, Centrale Rischi , Assilea
Use of Internal Ratings:	Y
Methods Used to Assess Borrowers' Repayment Capabilities:	» Cash flow analysis: Y » Ratio analysis: Y » Balance sheet analysis: Y
Other Borrower's Exposures (i.e., other debts) Taken into Account in Affordability Calculations:	
Risk Adjusted Pricing Applied:	Y
Maximum Loan Size:	N/A
Collateral Requirement Policy:	N/A
Valuation Types Used for Real Estate Leases:	Full valuation
Collateral Valuation Policies and Procedures	
Value in the LTV Calculation:	Not Relevant
Type, Qualification and Appointment of Valuers:	External valuers
Monitoring of Quality of Valuers:	
Credit Risk Management	
Reporting Line of Chief Risk Officer:	To General Manager
Internal Rating System:	Y
Approach Adopted under Basel II:	N/A
Segmentation of the Portfolio by Rating Models:	N/A
Validation of the Model:	N/A

* FTE: Full Time Employee
** Credit department personnel

Originator Stability:	At Closing
Quality Controls and Audits	
Responsibility of Quality Assurance:	Internal Audit
Number of Files per Underwriter per Month Being Monitored:	N/A
Management Strength and Staff Quality	
Average Turnover of Underwriters:	N/A
Training of New Hires and Existing Staff:	Formalised underwriting induction programme, & ongoing training
Technology	
Frequency of Disaster Recovery Plan Test:	Yearly, last performed on Nov 2012

Appendix 2: Summary of Servicer's Collection Procedures

Servicer Ability	At Closing
Loan Administration	
Entities Involved in Loan Administration:	Branches and Head office
Early Stage Arrears Practices: [early attempts contact, quality of contact and promise to pay] [1 to 60 or 90 days delinquents (i.e., up to the start of the legal process)]	
Entities Involved in Early Stage Arrears:	Staff at branches
Definition of Arrears:	
Arrears Strategy for 1-29 Days Delinquent	Reminder, phone calls
Arrears Strategy for 30 to 59 Days Delinquent	Reminder, file transferred to Credit Recovery Comapny
Arrears Strategy for 60 to 89 Days Delinquent	File transferred to Internal Client Manager in order to define more efficient recovery strategy
Loss Mitigation and Asset Management Practices:	
Transfer of a Loan to the Late Stage Arrears Team:	After 90 days past missed payment date
Entities Involved in Late Stage Arrears:	Head office based department
Ratio of Loans per Collector (FTE):	N/A
Time from First Default to Litigation and from Litigation to Sale:	N/A
Average Recovery Rate:	N/A

Servicer Stability	At Closing
Management and Staff	
Average Experience in Servicing or Tenure with Company:	N/A
Training of New Hires Specific to the Servicing Function (i.e., excluding company induction training)	Classroom training & work with experienced collector
Quality Control and Audit	
Responsibility of Quality Assurance:	N/A
IT and Reporting	See above
Frequency of Disaster Recovery Plan Test: Delete this line if same as originator	See above

[1] Please also read the press release "Moody's downgrades Italy's government bond rating to Baa2 from A3, maintains negative outlook" issued on July 13th 2012

» contacts continued from page 1

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