



National Asset
Management Agency



4 January 2012

Ms. Eimear Lavelle,
Committee Secretariat,
Committee of Public Accounts,
Leinster House,
Dublin 2.

Dear Ms. Lavelle

Thank you for your letter of 5th December attaching correspondence from Mr. Brian Flanagan, Blackrock, Co. Dublin regarding his suggestions regarding the accounts of the National Asset Management Agency ("NAMA").

Mr. Flanagan has suggested that either the Comptroller and Auditor General or NAMA should provide additional disclosure in respect of the movement in the original par value of NAMA's loans, in addition to the existing accounts which are prepared on the basis of the acquisition (written down) value of the loans. Specifically Mr. Flanagan suggests that "shadow" pro-forma accounts should be prepared including a P+L and Balance Sheet on the basis of the par value of the loans to complement the current accounts based on acquisition value as adjusted being produced by NAMA.

Having given consideration to this matter, and also specifically to the suggestions from the Comptroller and Auditor General at the meeting of the Public Accounts Committee in October 2011, NAMA will provide additional disclosures in respect of the movement in the par value of NAMA's loans. In this regard, we will engage with the Office of the Comptroller and Auditor General on how best to provide such additional disclosure in respect of the movement in the par value of NAMA's acquired loans in our 2011 Annual Report and Financial Accounts.

Yours sincerely,

Brendan McDonagh
Chief Executive Officer