

**Sydney**

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**MOODY'S ASSIGNS PROVISIONAL RATINGS TO CLASS A AND CLASS B NOTES OF FIRSTMAC BOND SERIES 2006-1E TRUST**Moody's rates A\$857.1 million of securities

Sydney, March 28, 2006 -- Moody's Investors Service has issued provisional (P)Aaa and (P)Aa2 ratings respectively for the Class A and Class B Notes issued by FirstMac Fiduciary Services Pty Limited in its role as Trustee of FirstMac Bond Series 2006-1E Trust.

"This RMBS issuance is noteworthy because it's FirstMac's first non-fully Australian-dollar-denominated deal," says Arthur Karabatsos, a Moody's Assistant Vice President/Analyst.

"The deal includes Euro 500.1m for Class A and A\$50.5m for Class B, and is designed to diversify FirstMac's investor base and to meet growing European investor demand for Australian RMBS," he says.

"First Mac Fiduciary Services had previously completed 6 deals totaling A\$2.9 billion," says Karabatsos, who is also the transaction's lead analyst.

Moody's provisional (P)Aaa rating on the Class A Notes is based on several factors:

- The level of subordination provided for the Class A notes by the Class B Notes equal to approximately 5.8% of the total notes issued;
- All loans are covered by a mortgage insurance policy covering default losses equal to 100% of the principal and accrued interest of each loan and reasonable expenses involved in enforcing the mortgage. The policies are issued by Genworth Financial Mortgage Insurance Pty Limited (IFSR Aa2), PMI Mortgage Insurance Limited (IFSR Aa2);
- The availability of excess interest income to meet any principal charge-off (if any);
- The liquidity support provided by the liquidity reserve funded from the note proceeds (0.5% of the outstanding balance of the notes), the 24 month timely interest cover provided by the mortgage insurance policies and the ability to use principal collections to meet interest shortfalls;
- The threshold rate mechanism that ensures the weighted average interest on variable rate loans is a minimum of 0.25% above the rate required to meet the Trust's obligations when due;
- The interest rate swaps provisions the Trustee enters into with HSBC Bank Australia Limited (A1/P-1) to hedge the interest rate mismatch between the fixed rate mortgage loans and the Trustee's floating rate obligations;
- The obligations of the currency swap provider, HSBC Bank plc (Aa2/P-1), to meet the Euro payments to the Class A noteholders by taking on exchange rate volatility risk through the currency swap agreement.

The provisional (P)Aa2 rating of the Class B notes is also based on the factors above and Moody's analysis of the expected loss of the Class B notes. The rating of the Class B subordinated notes is highly correlated to the rating of the mortgage insurers.

This deal contains no self certified loans.

The ratings address the expected loss posed to investors by the legal final maturity. The structure allows for timely payment of interest and ultimate payment of principal with respect to the Class A and Class B notes by the legal final maturity.

Moody's issues provisional ratings in advance of the final sale of securities and these ratings reflect Moody's preliminary credit opinion regarding the transaction. Upon a conclusive review of the final versions of all the documents and legal opinions, Moody's will endeavour to assign a definitive rating to the transaction. A definitive rating may differ from a provisional rating.

Moody's ratings address only the credit risks associated with the transaction. Other non-credit risks have not been addressed, but may have significant effect on yield to investors. Moody's ratings are subject to revision, suspension or withdrawal at any time at our absolute discretion. The ratings are expressions of opinion and not recommendations to purchase, sell or hold securities.

For a full description of the transaction, a copy of Moody's new issue report can be downloaded from Moody's Australia website [www.moody.com.au](http://www.moody.com.au)

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