

## **Fitch Upgrades Fondo de Titulizacion de Activos BBVA-2 FTPYME ICO's CLO notes**

Fitch Ratings-London-29 November 2006: Fitch has today upgraded two series of Fondo de Titulizacion de Activos BBVA-2 FTPYME ICO's collateralised loan obligation notes and affirmed seven others as follows:

EUR80.88 million Series ACA (ES0338397005) affirmed at 'AAA'  
EUR20.22m Series ASA (ES0338397013) affirmed at 'AAA'  
EUR20.1m Series BCA (ES0338397021) affirmed at 'AAA'  
EUR5.1m Series BSA (ES0338397039) affirmed at 'AAA'  
EUR14.4m Series CCA (ES0338397047) affirmed at 'AAA'  
EUR14.4m Series CSA (ES0338397054) affirmed at 'AAA'  
EUR4m Series DCA (ES0338397062) affirmed at 'AAA'  
EUR32m Series DSA (ES0338397070) upgraded to 'AAA' from 'AA'  
EUR17.1m Series ESA (ES0338397088) upgraded to 'A-' (A minus) from 'BBB+'

The upgrades reflect the deal's low delinquencies and defaults and increased credit enhancement. Credit enhancement for all Classes has increased substantially since the closing of the transaction due to the amortisation of the notes in line with the collateral (19.61% of the original balance was outstanding as of September 2006 report). Furthermore, the total amount of outstanding delinquencies of more than 90 days was only 2.11% and that of arrears over 180 days was only 2.1%. Furthermore, no rating triggers on transaction counterparties have been hit. The portfolio is currently composed of 2,273 loans, consisting of personal or asset pledge guarantees and mortgage guarantees.

BBVA-2, the fund and issuer, is a special-purpose company incorporated under the laws of Spain with limited liability. Its sole purpose is the acquisition of bilateral loans from the originator, Banco Bilbao Vizcaya Argentaria S.A. (BBVA, rated 'AA-(AA minus)'/F1+'), as collateral for the issuance of fixed-income securities. The assets of BBVA-2 are subscribed to by Europea de Titulizacion, a Sociedad Gestora. The Sociedad Gestora is a special-purpose management company with limited liability, incorporated under the laws of Spain.

Deal information and historical performance of each transaction are available on the agency's subscription CDO S.M.A.R.T. website at [www.fitchresearch.com](http://www.fitchresearch.com). Additional information concerning products and services offered by Derivative Fitch is available at [www.derivativefitch.com](http://www.derivativefitch.com).

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