STANDARD & POOR'S

STRUCTURED FINANCE

Publication Date: Nov. 30, 2005

ABS Of Auto Loans Presale Report

BBVA Autos 2 Fondo de Titulización de Activos

€1 Billion Floating-Rate Asset-Backed Notes

Analysts: Patricia Perez Arias, London (44) 20-7176-3840, patricia_perezarias@standardandpoors.com and Nikki Patel, London (44) 20-7176-3893, nikki_patel@standardandpoors.com
Surveillance analyst: Isabel Plaza, Madrid (34) 91-788-7203, isabel_plaza@standardandpoors.com
Group e-mail address: StructuredFinanceEurope@standardandpoors.com

This presale report is based on information as of Nov. 30, 2005. The credit ratings shown are preliminary. This report does not constitute a recommendation to buy, hold, or sell securities. Subsequent information may result in the assignment of final credit ratings that differ from the preliminary credit ratings. For further ratings information, call Client Support Europe on (44) 20-7176-7176. Members of the media may contact the Press Office Hotline on (44) 20-7176-3605 or via media_europe@standardandpoors.com. Local media contact numbers are: Paris (33) 1-4420-6657; Frankfurt (49) 69-33-999-225; Stockholm (46) 8-440-5914; or Moscow (7) 095-783-4017. Investors are invited to call the SF Investor Hotline on (44) 20-7176-3223.

Class	Prelim. rating*	Prelim. amount (Mil. €)	Available credit support (%)	Interest	Legal final maturity
A	AAA	949.5	6.62	Three-month EURIBOR plus a margin	Nov. 20, 2019
B	AA-	20.5	4.57	Three-month EURIBOR plus a margin	Nov. 20, 2019
C	A	30.0	1.57	Three-month EURIBOR plus a margin	Nov. 20, 2019

**The rating on each class of securities is preliminary as of Nov. 30, 2005 and subject to change at any time. Final credit ratings are expected to be assigned on the closing date subject to a satisfactory review of the transaction documents and legal opinion, and completion of a corporate overview. Standard & Poor's ratings address timely interest and ultimate principal.*

Transaction Participants	
Originator	Banco Bilbao Vizcaya Argentaria, S.A.
Arrangers	Banco Bilbao Vizcaya Argentaria, S.A., J.P. Morgan Securities Ltd., Europea de Titulización S.A.
Seller and servicer	Banco Bilbao Vizcaya Argentaria, S.A.
Fund manager	Europea de Titulización S.A., Sociedad Gestora de Fondos de Titulización
Subordinated credit facility provider	Banco Bilbao Vizcaya Argentaria, S.A.
Interest swap counterparty	Banco Bilbao Vizcaya Argentaria, S.A.
GIC provider	Banco Bilbao Vizcaya Argentaria, S.A.
Transaction account provider	Banco Bilbao Vizcaya Argentaria, S.A.
Collection account provider	Banco Bilbao Vizcaya Argentaria, S.A.

Supporting Ratings	
Institution/role	Ratings
Banco Bilbao Vizcaya Argentaria, S.A. as subordinated credit facility provider, interest swap counterparty, GIC provider, transaction account provider, and collection account provider	AA-/Stable/A-1+

Transaction Key Features	
Expected closing date	Dec. 15, 2005
Collateral	Portfolio of loans granted to individuals for the purpose of buying a new car
Principal outstanding (Mil. €)	1,356,945,331.28
Country of origination	Spain
Concentration	Andalucia (22.3%), Catalonia (16.5%), and Valencia (11.8%)
Average loan size balance (€)	11,091.41
Loan size range (€)	550.23-59,606.03
Weighted-average seasoning (months)	16.8
Weighted-average asset remaining term (years)	5.84
Weighted-average interest rate (%)	6.7
Redemption profile	Fully amortizing
Excess spread at closing	3% guaranteed by swap
Revolving period	From Dec 20, 2005 to Feb. 20, 2008

Transaction Summary

In this securitization of Spanish auto loans, preliminary ratings have been assigned to the €1 billion floating-rate asset-backed notes to be issued by BBVA Autos 2 Fondo de Titulización de Activos, an SPE.

The originator of the loans is Banco Bilbao Vizcaya Argentaria, S.A. (BBVA), one of the primary lenders in the Spanish financial arena. Specifically, the portfolio to be securitized consists of unsecured loans, either performing or in arrears up to 30 days, made to individuals resident in Spain to buy a new car.

The portfolio to be securitized accounts for 46.13% of BBVA's total auto loan portfolio (excluding other types of financing offered by the BBVA group and excluding the first BBVA autos loans securitization) and was originated between March 1998 and August 2005.

Notable Features

This transaction is BBVA's second securitization of auto loans, after BBVA Autos 1 Fondo de Titulización de Activos, which closed in October 2004. While this is only BBVA's second auto loans transaction, the company is active in the securitization market in assets such as CDOs, RMBS, and loans to SMEs.

The key features of this transaction include the following:

- The swap counterparty will pay the servicing fee.
- There is a two-year revolving period during which any principal collections will be used to purchase new loans subject to eligibility criteria.

Strengths, Concerns, And Mitigating Factors

Strengths
• BBVA is one of the leading lenders in the Spanish loan market. • The weighted-average seasoning of the portfolio is relatively high at 16.8 months and the weighted-average interest rate is also relatively high at6.7%. • Principal collections can be used to pay interest on all classes of interest, although in some circumstances payment of class B and C note interest will be subordinated to a lower position in the priority of payments. • The payment structure of the transaction is considered adequate for the ratings sought.

Concerns
• There is a two-year revolving period, which can potentially alter the credit quality and characteristics of the portfolio. • The cash reserve is amortizing, which results in a potential reduction of credit enhancement when the structure may need it. For example, should the pool experience high prepayments, there may be a risk of adverse selection, whereby loans of a lesser credit quality are make up more of the pool than at closing. • At closing, some of the loans may be up to 30 days in arrears. • The loans pay a fixed rate of interest but the notes pay a floating rate of interest. • BBVA is a deposit-taking institution and all borrowers hold an account at BBVA. This gives rise to potential set-off issues in the event of BBVA's insolvency. • Collections from the securitized portfolio are collected into the same account as non-securitized loans.

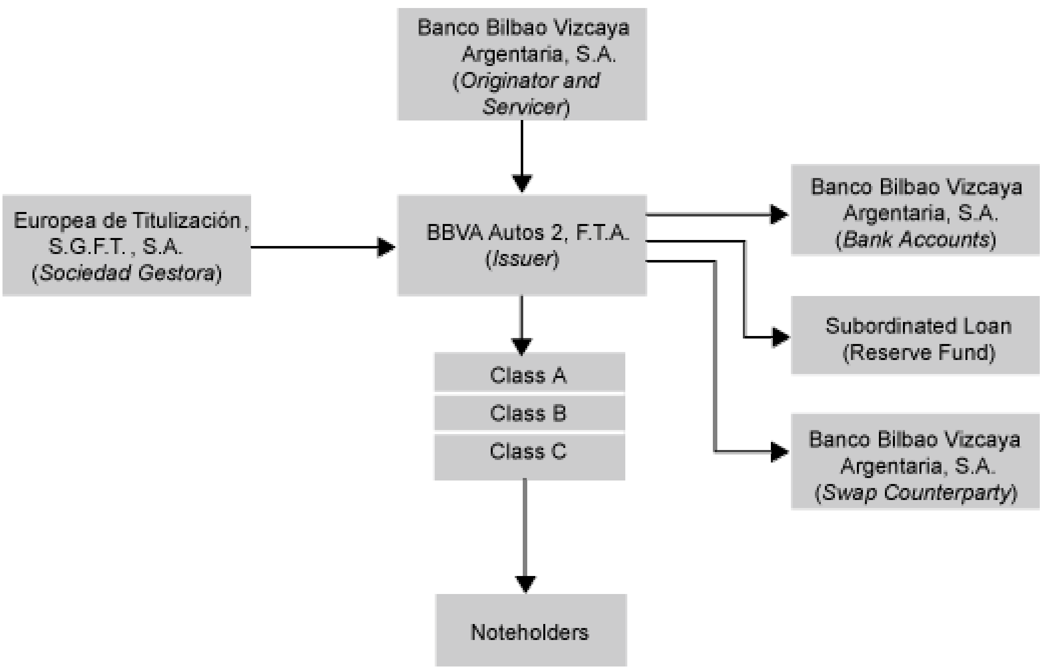
Mitigating factors

- The eligibility criteria ensure that the characteristics of the portfolio remain within established parameters during the revolving period.
- The cash reserve will not amortize for the first three years of the transaction. It will not reduce when arrears are in excess of 1% or if the cash reserve is not at its required level on the previous interest payment date. Standard & Poor's has taken into account this structural feature in its cash flow analysis.
- Only 3% of the provisional pool is in arrears up to 30 days and these are considered to be "technical" arrears. Of the provisional pool, 94% is performing.
- The issuer and BBVA will enter into an interest rate swap agreement to hedge against any interest rate mismatch.
- Set-off has been sized for in the cash flow analysis.
- Collections from the securitized portfolio are collected into BBVA's account and transferred to a segregated account in the name of Fondo (the issuer) at BBVA on a weekly basis. Furthermore, commingling has been stressed in the cash flow analysis.

Transaction Structure

On the closing date, the issuer will purchase a portfolio of unsecured consumer loan receivables with an outstanding balance of €1 billion. It will issue three classes of notes into the capital markets (see chart). All of the notes will pay interest at the end of every quarter at three-month EURIBOR plus a spread specific to each class of notes at a rate yet to be determined.

BBVA Autos 2 Fondo de Titulización de Activos Structure



Revolving period

The structure has in place a revolving period, which will begin on Dec. 20, 2005 and end on Nov. 20, 2007, inclusive. During this time, all principal proceeds will be used to purchase new assets for the pool. The revolving period will terminate early if:

- Cumulative delinquencies (loans in arrears of more than 90 days) are greater than 2.2% of the outstanding balance of the assets;
- The cumulative default ratio is in excess of 3%;
- The reserve fund is not at its required amount;
- There is a termination under the swap and no replacement, guarantor, or alternative solution can be found within 30 business days;
- BBVA becomes insolvent; or
- BBVA becomes substituted as servicer.

Eligibility criteria

During the revolving period, the issuer can purchase additional underlying loans. These underlying loans are subject to individual and pool eligibility criteria tests. On an individual loan basis, the main eligibility criteria are as follows:

- The borrower must be an individual and a Spanish resident.
- The maturity of the underlying loan must not fall after Sept. 30, 2017.
- A maximum of 16% of the additional portfolio may have a 10-year maturity.
- A minimum of one installment must have been paid, there must be no pending arrears, and at least 5% of the initial principal must have been repaid on the loan.
- The loan size must be between €500 and €60,000.
- All of the loans must be paid by direct debit.

On a portfolio basis, the additional eligibility criteria are as follows:

- The weighted-average interest rate of the pool must be equal to or greater than 5%.
- The weighted-average seasoning of the additional pool must be equal to or greater than three months.
- The weighted-average life of the pool must be less than seven years.

Collateral Description

Key features of the provisional collateral pool are described in the table below.

Provisional Pool Data	
Number of receivables	122,342
Aggregate principal balance (€)	1,356,945,331.30
Average principal balance (€)	11,091.40
Weighted-average seasoning (months)	16.8
Weighted-average interest rate (%)	6.7
Range of interest rates (%)	4.00-11.99

The pool consists of unsecured loans to individuals resident in Spain, which are originated and serviced by BBVA. All of the loans in the provisional pool (and to be included in the final pool) are fully amortizing, monthly-installment loans.

All of the loans pay a fixed rate of interest, with the majority paying between 5.5% and 8.5%. The weighted-average interest rate is 6.66%. A minimum weighted-average interest rate of 5.0% is a condition of loan purchases under this transaction.

In terms of geographic diversification, 50.6% of the portfolio is concentrated in Andalucia, Catalonia, and Valencia. These concentrations are within the expected limits.

Credit Structure

Interest rates

The loans pay monthly based on an interest rate that is fixed from origination. The notes will pay based on three-month EURIBOR plus a margin to be determined.

Cash collection arrangements

All borrowers will pay monthly in to an account held by BBVA. All collected amounts belonging to the Fondo will be transferred weekly into an account in the name of the Fondo at BBVA.

Transaction account and reserve account

A transaction account will be held in the name of the Fondo at BBVA.

The reserve account will only be formed if the subordinated credit facility is fully drawn down as a result of the downgrade of BBVA below 'A-1+', and if a replacement or guarantor cannot be found. The reserve account will be held in the name of the Fondo at BBVA, provided BBVA is rated at least 'A-1'.

Subordinated loan

A subordinated loan will be provided by BBVA to fund the reserve fund. This reserve can be drawn on interest payment dates to cover senior fees and expenses of the Fondo, and interest and principal on all classes of notes.

At closing, the subordinated loan funding the reserve fund will be equal to 1.57% of the note balance, and on each interest payment date, it will be equal to the lower of:

- 1.57% of the initial note balance; and
- The greater of: (i) 3.140% of the outstanding note balance, and (ii) 0.785% of the initial note balance.

There will not be a reduction in the amount of the subordinated loan if arrears are greater than 1% of the outstanding balance of the performing loans, and if the reserve fund, if formed, is not at its required level.

Interest swap agreement

Due to the fixed rate payable on the underlying loans and the floating rate payable on the notes, BBVA will provide a swap to mitigate any interest rate mismatch risk. Under the terms of the swap, the Fondo will pay all interest received on the portfolio to the swap counterparty and will receive the interest required on the notes plus 3% of the servicing fee payable on the portfolio.

Given that the swap counterparty will also be paying the servicing fee, if BBVA is no longer swap counterparty, a replacement must be found that will enter into the swap on the same terms, and any cost of replacement must be borne by BBVA.

Priority of payments

Funds available on each interest payment date will include principal and interest from the portfolio, amounts standing to the credit of the Fondo's accounts, the cash reserve, net amounts from the swap, and any other amounts belonging to the Fondo. These amounts will be applied in the following order, to:

- Senior fees and expenses;
- Swap amounts (excluding termination costs if the swap counterparty is the defaulting party);
- Interest on the class A notes;
- Interest on the class B notes, unless deferred;
- Interest on the class C notes, unless deferred;
- Amortization amount of the notes;
- Payment of B note interest if deferred;
- Payment of C note interest if deferred; and
- Residual payments back to the seller.

Deferral of the class B note interest to a lower place in the priority of payments will occur if the cumulative gross default ratio is greater than 12.5%. The same applies to the class C note interest if the cumulative gross default ratio is greater than 10.0%.

The notes redeem by an amount equal to the outstanding balance of the respective classes of notes and the performing balance of the assets.

During the revolving period, the amortization amount will be used to purchase at par additional assets.

Amortization of the notes

Subsequent to the revolving period ending in November 2007, inclusive, the notes will amortize sequentially.

Redemption of the notes

The notes will redeem in full on the final interest payment date in November 2019.

Standard & Poor's Stress Test

The analysis of the underlying portfolio has been carried out in accordance with Standard & Poor's criteria for analyzing assets of this type.

Criteria Referenced

- "*Global Interest Rate and Currency Swaps: Calculating the Collateral Required Amount*" (published on Feb. 26, 2004).
- "*Standard & Poor's Global Interest Rate and Swap Counterparty Rating Criteria Expanded*" (published on Dec. 17, 2003).
- "*European Legal Criteria for Structured Finance Transactions*" (published on March 23, 2005).
- "*European Consumer Finance Criteria*" (published in March 2000)

Related Articles

- "*Lightening The Burden Of European ABS Surveillance*" (published on Sept. 7, 2005).
- "*RMBS And Cédulas Should Boost Spanish Securitization Market Further In 2005*" (published July 28, 2005).
- "*European Auto ABS Performance Report*" (published quarterly).
- "*2005 Outlook: European Securitization Shows its Adaptability*" (published on Jan. 17, 2005).
- "*Ratings Transitions 2004: Upgrades Outnumber Downgrades for First Time in European Structured Finance*" (published on Jan. 17, 2005).

All criteria and related articles are available on RatingsDirect, Standard & Poor's Web-based credit analysis system, at www.ratingsdirect.com. The criteria can also be found on Standard & Poor's Web site at www.standardandpoors.com.