Europea de Titulización
Sociedad Gestora de Fondos de Titulización

Material Event concerning **RURALPYME 2 FTPYME FONDO DE TITULIZACION DE ACTIVOS**

Pursuant to section 4.1.4 of the Securities Note Building Block of the Prospectus for **RURALPYME 2 FTPYME FONDO DE TITULIZACION DE ACTIVOS** (the "**Fund**") notice is given to the COMISIÓN NACIONAL DEL MERCADO DE VALORES of the following material event:

- The Rating Agency **Fitch Ratings** ("**Fitch**") advised on August 2, 2011 of an upgrade of the ratings assigned to the following Bond Series issued by the Fund:
  - **Series A1**: **AAAsf** (previously **AAsf**, outlook stable)
  - **Series A2(G)**: **AAAsf** (previously **AA+sf**, outlook stable)

  In addition, Fitch advised that it has affirmed the ratings assigned to the remaining Bond Series:
  - **Series B**: **BBB+**, outlook stable
  - **Series C**: **BB-**, outlook stable
  - **Series D**: **CC**

  Enclosed herewith are the releases issued by Fitch.

Madrid, August 2, 2011.

Mario Masiá Vicente
General Manager

Lagasca, 120 (1º) -28006 MADRID- Telf.: (34) 91 411 84 67 – Fax: (34) 91 411 84 68 – www.edt-sg.com
Registro Mercantil de Madrid. Tomo 5461, Folio 49, Sección 8, Hoja M-89355, Inscripción 1ª Fecha 11/03/93 NIF A-80514466

Fitch Ratings

FITCH TAKES RATING ACTIONS ON RURALPYME 2 FTPYME,FTA

Fitch Ratings-London-02 August 2011: Ratings has upgraded Ruralpyme 2 FTPYME, FTA's class A1 and A2(G) notes and affirmed the class B, C and D notes. A full list of rating actions is at the end of this comment.

The upgrade of the senior notes reflects increased credit enhancement (CE) levels due to structural deleveraging and significant portfolio seasoning. The transaction's performance has stabilised and senior notes are able to withstand Fitch's stresses. The rating actions follow Fitch's annual review of the transaction.

The portfolio has amortised down to 32% of its initial balance. As of June 2011, the 90+ delinquency rate reduced to 4.1% from a peak of 7.8% in April 2010. The transaction has an 18-month default definition with the 12-18 month delinquency rate having receded to 2% of the outstanding balance. Given the reduction in impairment levels the transaction is unlikely to have a substantial increase in defaults over the medium term. The reserve fund is below the required minimum due to provisioning for defaulted loans.

The portfolio exhibits some industry concentration with 18% of the portfolio exposed to the agriculture sector and 22% exposed to industrial and manufacturing sectors. Obligor concentration is steadily increasing with the top 20 obligors accounting for 15.9% of the portfolio. CE for the class A1 and A2(G) notes has more than doubled to 37.6% from 12.9% at closing, providing a robust cushion against a potential deterioration of the portfolio. The affirmation and Negative Outlooks on the class B and C notes reflect concerns over industry and obligor concentration, their subordinated positions in the capital structure and a potential increase in delinquencies. The class D notes have been affirmed due to the limited CE available. Furthermore, the proceeds from the class D notes were used to fund the reserve fund at closing and consequently the repayment of the notes is dependent upon the level of the reserve fund.

Fitch's analysis included assumptions on the probability of default (PD) and loss severity with regards to current delinquencies as well as the performing portfolio. Fitch assumed a PD for the assets commensurate with the delinquency rates of the portfolio over the past 12 months. Delinquent loans were analysed with a higher PD depending on the time the loans have been in arrears. Recoveries for loans secured by first-lien mortgages were adjusted for market value stresses based on the agency's criteria. Loans with second-lien mortgages and other types of collateral were treated as unsecured.

Ruralpyme 2 FTPYME, FTA is a cash flow securitisation of an initial EUR 593m static pool of loans originated by 14 Spanish rural cooperative banks (cajas rurales) to small and medium sized (SME) enterprises. 12 of the 14 originators/services are unrated exposing the notes to a servicer disruption event. However, Fitch believes the transaction has sufficient liquidity to cover the class A1 and A2 interest at a stressed interest rate in the event of a servicer disruption. The class A1 and A2 notes are rated to timely interest and ultimate repayment of principal.

Fitch has assigned an Issuer Report Grade (IRG) of Two Stars to the transaction reflecting the 'basic' investor reporting. Fitch notes that the reporting format is consistent over time providing details on account balances, impairments, prepayments, detailed portfolio stratifications and cash flow summary.

The rating actions are as follows:

EUR 85,235,422 class A1 notes (ISIN ES0374352005): upgraded to 'AAAsf' from 'AAsf'; Outlook Stable

EUR 53,700,000 class A2(G) notes (ISIN ES0374352013): upgraded to 'AAAsf' from 'AA+sf'; Outlook Stable
EUR 29,100,000 class B notes (ISIN ES0374352021): affirmed at 'BBB+sf'; Outlook Negative
EUR 23,200,000 class C notes (ISIN ES0374352039): affirmed at 'BB-sf'; Outlook Negative
EUR 24,500,000 class D notes (ISIN ES0374352047): affirmed at 'CCsf' assigned Recovery Rating RR 4

Contact:

Lead Surveillance Analyst
Aleem Akhtar
Analyst
+44 20 3530 1310
Fitch Ratings Limited
30 North Colonnade
London E14 5GN

Secondary Surveillance Analyst
Selena Dewitya
Director
+44 20 3530 1135

Committee Chairperson
Matthias Neugebauer
Senior Director
+44 20 3530 1099

Media Relations: Mark Morley, London, Tel: +44 0203 530 1000, Email: mark.morley@fitchratings.com; Sandro Scenga, New York, Tel: +1 212-908-0278, Email: sandro.scenga@fitchratings.com.

Additional information is available on www.fitchratings.com.

Source of Information: Transaction trustee reports provided by Europea de Titulizacion S.G.F.T

Applicable criteria, 'Global Structured Finance Rating Criteria', dated 13 August 2010, 'Criteria for Rating European Granular Corporate Balance-Sheet Securitisations', dated 06 June 2011, 'Criteria for European Structured Credit Issuer Report Grades', dated 16 February 2010, 'Criteria for Structured Finance Recovery Ratings', dated 12 July 2011, 'Servicer Continuity Risk Criteria for Structured Finance Transactions', dated 17 March 2010, and 'Counterparty Criteria for Structured Finance Transactions', dated 14 March 2011 are available at www.fitchratings.com.

Applicable Criteria and Related Research:
Global Structured Finance Rating Criteria
http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=547326
Criteria for Rating European Granular Corporate Balance-Sheet Securitisations (SME CLOs)
http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=622549
Criteria for European Structured Credit Issuer Report Grades (EMEA CDO)
http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=500088
Criteria for Structured Finance Recovery Ratings
http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=644902
Servicing Continuity Risk Criteria for Structured Finance Transactions
http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=504712
Counterparty Criteria for Structured Finance Transactions
http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=605425

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