

**Hecho Relevante de BBVA LEASING 1 FONDO DE TITULIZACIÓN DE ACTIVOS**

En virtud de lo establecido en el apartado 4.1.4 del Módulo Adicional a la Nota de Valores del Folleto Informativo de **BBVA LEASING 1 Fondo de Titulización de Activos** (el “Fondo”) se comunica a la COMISIÓN NACIONAL DEL MERCADO DE VALORES el presente hecho relevante:

- La Agencia de Calificación **Fitch Ratings** (“Fitch”), con fecha 3 de diciembre de 2009, comunica que ha bajado las calificaciones asignadas a las Series de Bonos emitidos por **BBVA LEASING 1 Fondo de Titulización de Activos**:
  - **Serie A1:** **BB**, perspectiva negativa (anterior **AAA**, observación negativa)
  - **Serie A2:** **BB**, perspectiva negativa (anterior **AAA**, observación negativa)
  - **Serie B:** **CCC** (anterior **AA-**, observación negativa)
  - **Serie C:** **C** (anterior **BBB**, observación negativa)

Se adjunta la comunicación emitida por Fitch.

Madrid, 3 de diciembre de 2009.

Mario Masiá Vicente  
Director General

## **FITCH DOWNGRADES BBVA LEASING 1 FTA'S NOTES; OFF RWN; ASSIGNS NEGATIVE OUTLOOKS**

Fitch Ratings-London/Madrid-03 December 2009: Fitch Ratings has today downgraded BBVA Leasing 1 FTA's notes, removed them from Rating Watch Negative (RWN), and assigned the following Negative Outlooks and Recovery Ratings:

Class A1 EUR440.7m notes; downgraded to 'BB' from 'AAA'; removed from RWN; assigned a Negative Outlook; assigned a Loss Severity rating of 'LS-1'

Class A2 EUR943.7m notes: downgraded to 'BB' from 'AAA'; removed from RWN; assigned a Negative Outlook; assigned a Loss Severity rating 'LS-1'

Class B EUR82.5m notes: downgraded to 'CCC' from 'AA-'; removed from RWN; assigned a Recovery Rating of 'RR4'

Class C EUR61.3m notes: downgraded to 'C' from 'BBB'; removed from RWN; assigned a Recovery Rating of 'RR5'

The transaction is a securitisation of leasing contracts originated in Spain by Banco Bilbao Vizcaya Argentaria S.A. (BBVA, rated 'AA-/'F1+', Outlook Positive). The underlying collateral consists of real estate finance leases and chattel finance leases.

The rating actions follow an updated analysis of the transaction's performance and considers reported defaults to date, the significant growth in the delinquency pipeline in recent quarters, and recoveries recorded on defaulted loans. In response to weakening Spanish macro-economic conditions, the transaction has reported a sharp deterioration in credit performance in recent quarters which is worse than the agency's initial expectations at closing. As difficult economic conditions are expected to persist through the end of 2010, Fitch expects collateral performance to remain under pressure over the near-term and that late stage arrears and defaults will increase further.

As part of its review process, Fitch also updated its base case default expectation for the performing collateral balance of the portfolio as well as the Recovery Rate expectations. These revised assumptions, coupled with the credit performance reported to date, including the profile of the transaction's delinquency pipeline, results in limited credit protection being available to noteholders and explains the downgrades noted above.

As of end October 2009, the 3+ months' arrears stood at EUR106m and represented 6.63% of the outstanding collateral balance, compared to 1.66% at end 2008.

The sharp rise in arrears and doubtful loans has caused the reserve fund to be substantially depleted, reducing it to EUR9.5m as of November 2009, representing 23% of its initial amount. Due to surging arrears within the transaction, Fitch expects the reserve fund to be fully depleted in the coming quarters with limited prospects for replenishment given the relatively weak recoveries reported to date.

Applicable criteria available at [www.fitchratings.com](http://www.fitchratings.com): 'Global Structured Finance Rating Criteria', dated 30 September, 2009, 'Criteria for Structured Finance Loss Severity Ratings,' dated 17 February, 2009, 'Rating Criteria for European Granular Corporate Balance-Sheet Securitisations (SME CLO)', dated 23 July, 2009.

Contacts: Will Rossiter, London, Tel: +44 (0) 20 7417 6301; Miguel Barata: +44 (0) 20 7070 5829; Rui J. Pereira, Madrid, Tel: +34 91 702 5774.

Media Relations: Julian Dennison, London, Tel: +44 020 7682 7480, Email: [julian.dennison@fitchratings.com](mailto:julian.dennison@fitchratings.com).

Fitch's Recovery Ratings (RR), introduced in 2005, are a relative indicator of creditor recovery on a given obligation in the event of a default. An overview of Fitch's RR methodology can be found at [www.fitchratings.com/recovery](http://www.fitchratings.com/recovery).

Additional information is available at [www.fitchratings.com](http://www.fitchratings.com)

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