

FITCH AFFIRMS BANKINTER TRANSACTIONS

Fitch Ratings-London/Madrid-11 August 2011: Fitch Ratings has affirmed 14 tranches of three Bankinter RMBS transactions. A full list of rating actions is at the end of this comment.

The rating actions follow the solid performance of the underlying assets. As of July 2011, the outstanding balance of loans in arrears by more than three months ranged from 0.3% (Bankinter 9 Series P) to 0.6% (Bankinter 7 and 12) of the current portfolio balance, while cumulative defaults ranged between 0.1% (Bankinter 7) and 0.4% (Bankinter 12) of the original balance. The reserve funds on all three transactions remain at the target amount, with the reserve funds of Bankinter 7 and Bankinter 9 Series (P) amortising.

The transactions have significant exposure to Bankinter, which acts as collateral servicer, notes paying agent, treasury account bank and interest rate swap provider in all three deals. On 6 July 2011, Fitch downgraded Bankinter's Long- and Short-term IDR to 'BBB+'/'F2' from 'A'/'F1' and withdrew the ratings. The downgrade and rating withdrawal means that Bankinter is no longer deemed an eligible counterparty under Fitch's counterparty criteria for notes rated 'AA-sf' and higher, without mitigants to counterparty default risk.

Fitch understands that Bankinter has obtained guarantees from Banco Espanol de Credito S.A. (Banesto; 'AA'/Stable/'F1+') to mitigate the exposure to the potential default of Bankinter in its role as treasury account bank in all three transactions. The agency has also been notified that cash will be swept from the collection accounts to the treasury accounts every two days rather than weekly as in the past. Bankinter is posting collateral to support its role as interest rate swap provider, in line with Fitch's structured finance counterparty criteria.

As of August 2011, the collateral posted was zero for Bankinter 7, EUR1.4m for Bankinter 9 and EUR2.6m for Bankinter 12. The collateral is being posted to an account which is also covered by the Banesto guarantee. The collateral amounts will be recalculated on a weekly basis and the amounts posted will be adjusted accordingly. Although Bankinter is not a Fitch-rated entity, the last rating action taken by the agency's financial institution's team suggests that the entity remains sufficiently creditworthy to perform these counterparty roles with these mitigants in place. Fitch will continue to monitor Bankinter's financial strength and may take rating actions on the RMBS transactions accordingly, if the agency's view of the bank changes.

The rating actions are as follows:

Bankinter 7:

Class A (ISIN ES0313547004) affirmed at 'AAAsf'; Outlook Stable

Class B (ISIN ES0313547012) affirmed at 'AA+sf'; Outlook Stable

Class C (ISIN ES0313547020) affirmed at 'A+sf'; Outlook Stable

Bankinter 9:

Series P Class A2 (ISIN ES0313814016) affirmed at 'AAAsf'; Outlook Stable

Series P Class B (ISIN ES0313814024) affirmed at 'AA+sf'; Outlook Stable

Series P Class C (ISIN ES0313814032) affirmed at 'BBB+sf'; Outlook Stable

Series T Class A2 (ISIN ES0313814057) affirmed at 'AAAsf'; Outlook Stable

Series T Class B (ISIN ES0313814065) affirmed at 'A+sf'; Outlook Stable

Series T Class C (ISIN ES0313814073) affirmed at 'BBBsf'; Outlook Stable

Bankinter 12:

Class A2 (ISIN ES0313715015) affirmed at 'AAAsf'; Outlook Stable

Class B (ISIN ES0313715023) affirmed at 'A+sf'; Outlook Stable

Class C (ISIN ES0313715031) affirmed at 'A-sf'; Outlook Stable

Class D (ISIN ES0313715049) affirmed at 'BBB-sf'; Outlook Stable
Class E (ISIN ES0313715056) affirmed at 'CCCSf'; Recovery Rating 'RR6'

Contact:

Lead Surveillance Analyst
Sanja Paic
Associate Director
+44 20 3530 1282
Fitch Ratings Limited
30 North Colonnade
London E14 5GN

Secondary Analyst
Carlos Masip
Director
+34 91 702 5773

Committee Chairperson
Juan David Garcia
Senior Director
+34 91 702 5774

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

Sources of information - in addition to those mentioned in the applicable criteria, the sources of information used to assess the ratings were Investor Reports.

Applicable criteria, 'EMEA Residential Mortgage Loss Criteria', dated 7 June 2011 and 'EMEA Criteria Addendum - Spain - Mortgage Loss and Cash Flow Assumptions ', dated 11 August 2011

Applicable Criteria and Related Research:

EMEA Residential Mortgage Loss Criteria

http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=631130

EMEA Criteria Addendum - Spain - Mortgage Loss and Cash Flow Assumptions

http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=647295

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK: [HTTP://FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS](http://FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS). IN ADDITION, RATING DEFINITIONS AND THE TERMS OF USE OF SUCH RATINGS ARE AVAILABLE ON THE AGENCY'S PUBLIC WEBSITE 'WWW.FITCHRATINGS.COM'. PUBLISHED RATINGS, CRITERIA AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. FITCH'S CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE 'CODE OF CONDUCT' SECTION OF THIS SITE.