

Fitch Affirms BBVA Consumo 1; Changes Outlook on BBVA Consumo 2's Class C Notes to Negative

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Fitch Ratings-London-22 July 2008: Fitch Ratings has today affirmed all ratings for BBVA Consumo 1 Fondo de Titulizacion de Activos (BBVA Consumo 1) and changed the Outlook on BBVA Consumo 2 Fondo de Titulizacion de Activos (BBVA Consumo 2) Class C Notes. The rating actions on these consumer loan and auto loan backed transactions are listed below.

BBVA Consumo 1

EUR1,447.5m Class A notes (ISIN ES0333763003) affirmed at 'AAA'; Outlook Stable

EUR28.5m Class B notes (ISIN ES0333763011) affirmed at 'AA'; Outlook Stable

EUR24m Class C notes (ISIN ES0333763029) affirmed at 'A+'; Outlook Stable

BBVA Consumo 2

EUR1,440.7m Class A notes (ISIN ES) affirmed at 'AAA'; Outlook Stable

EUR16.5m Class B notes (ISIN ES) affirmed at 'AA'; Outlook Stable

EUR42.8m Class C notes (ISIN ES) affirmed at 'A-' (A minus); Outlook revised to Negative from Stable

The consumer loans receivables are originated in Spain by Banco Bilbao Vizcaya Argentaria S.A. (BBVA, rated 'AA-'(AA minus)/'F1+'), which is also the servicer in these transactions. In BBVA Consumo 2 a significant portion of the collateral is linked to auto loans, an item that is not included in BBVA Consumo 1.

The rating actions follow a review of the deal's performance. Reflecting the sharp slowdown in the Spanish economy, delinquencies have been rising since the beginning of 2008 for both transactions. Fitch is particularly concerned by the sharp increase in the early delinquency bucket (30days past due (dpd) - 90 days past due), which could turn into defaults and, consequently, have a negative impact on the ratings of the lower tranches. Positively, both transactions benefit from sizable amounts of excess spread to cover defaults due to attractive swaps in place and reserve funds are presently fully funded. However, available excess spread is expected to decline should delinquencies continue their upward trend.

The decision to change the outlook on the BBVA Consumo 2 transaction's class C notes reflects the rising delinquency levels and defaults slightly above Fitch's assumptions set at closing. Fitch expects this transaction to breach its delinquency-based early amortization trigger in the following payment date. For comparison purposes, the BBVA Consumo 1 transaction has reported defaults within the agency's expectations and the transaction has begun to amortize following the termination of its revolving period in April 2008.

Fitch will continue to monitor the performance of both transactions. A report detailing the transaction's performance to date and titled 'BBVA Consumo 1 and BBVA Consumo 2, Fondo de Titulizacion de Activos - Performance Update' will shortly be available on the agency's subscription website www.fitchresearch.com.

For topical commentary on the European structured finance market, along with global capital markets coverage, please see www.fitchratings.com/capitalmarkets.

Contact: Renaud Untereiner, London, Tel: +44 20 7664 00599; Marta Aisa, +34 91 702 57 76.

Media Relations: Julian Dennison, London, Tel: +44 020 7682 7480.

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