

NEW ISSUE REPORT

Rural Cédula I, Fondo de Titulización de Activos

Covered Bonds / Spain

Closing Date

13 March 2012

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Ratings

Series	Coupon	Final Maturity	Rating	Issuance
Notes	4%	13 March 2017	Aa2 on review for downgrade	EUR 1.00 billion

The ratings address the expected loss posed to investors. Moody's ratings address only the credit risks associated with the transaction. Other non-credit risks have not been addressed, but may have a significant effect on yield to investors

Transaction Summary

We have assigned definitive Aa2 (on review for downgrade) ratings to the €1 billion notes issued by Rural Cédula I, Fondo de Titulización de Activos. The notes are Spanish multi-issuer covered bonds (SMICBs), a repack of a portfolio of mortgage covered bonds (*Cédulas Hipotecarias*, or CHs) issued by two co-operative banks (the issuers): Caja Rural de Granada S.C.C (CR Granada), with 50% of the initial pool and Caja Rural de Navarra S.C.C. (CR Navarra), with 50% of initial pool.

Each CH is a full-recourse obligation of the issuing entity and is secured on the entire mortgage pool owned by that issuer. The fund has financed the purchase of the CHs with the SMICB proceeds.

The transaction provides the issuers with eligible assets, which they can use as guarantees for Eurosystem monetary policy operations. The CHs can be early redeemed at each issuer's request.

The rating of the notes is based on the following aspects:

- » The credit strength of the underlying portfolio of CHs.
- » The credit strength is itself a function of (a) the issuers' unsecured credit strength; (b) the additional security provided by the collateral securing each CH; and (c) the legal framework for CHs in Spain.
- » Over-collateralisation (OC) levels held by the participating entities. The high level of OC on each of the two CHs offsets some possible credit deterioration of the cover pool's collateral quality, interest-rate and refinancing risks. Furthermore, the issuers have committed to maintain for the life of the transaction certain OC levels based on the total cover pool (CR Granada 65% and 55% CR Navarra).
- » Rural Cédula I can use an issuer-funded committed liquidity facility (LF) to pay any interest shortfalls on the SMICBs, equivalent to two years' worth of coupons. The full available amount was deposited at closing in a deposit account held at Banco Cooperativo Español S.A. (rated A1/P-1/C-, all on review for downgrade). The LF does not provide credit protection against losses from insufficient recoveries, since any withdrawn amount will be repaid to the issuers in a senior position to the SMICBs' principal redemption. However, this mechanism will reduce the default probability linked to the issuers' ratings.
- » A CH default would not result in a wind-down of the fund, nor would it imply its acceleration. However, a CH default would cause an extension of the fund maturity by up to two years if the default occurs at the scheduled maturity. In this case, the SMICBs will be paid down at the scheduled maturity, except for the portion corresponding to the defaulted CHs. This results in an improvement of the recoveries on the defaulted CHs for the contractual maturity of the SMICBs and thus increases the probability of their timely payment.
- » Country risk constrains the SMICBs' ratings at Aa2. For further information please refer to "[Moody's lowers the highest achievable covered bond ratings in Italy, Portugal and Spain following the recent sovereign rating actions](#)", dated 23 February 2012.
- » As is the case with other covered bonds, we consider the transaction to be linked to the credit strength of the issuers, in particular from a timeliness of payment perspective. The robustness of a covered bond rating largely depends on the credit strength of the underlying issuers. In this respect, because the underlying CHs are fully callable, the weakest issuer may have to fully back the SMICBs if the other issuer exercises its call options on their CHs.

- » The Aa2 rating is on review for downgrade because the participants' senior unsecured ratings are on review for downgrade.

During the reviews, we will consider the negative rating impact of the resultant senior unsecured ratings of the participants. Given the structural enhancements in this transaction, the Aa2 rating assigned to the bonds may be confirmed, provided, amongst other factors:

- » The rating of the weakest participating entities are confirmed at (or above) Baa2 following our conclusion of those entities' reviews. Given that the underlying CHs are fully callable, there is a tail-risk that a single issuer might be left backing all the SMICBs.
- » The committed levels of over-collateralisation on any entity are compatible with a Aa2 expected loss.
- » The LF is sized sufficiently.

A multiple-notch downgrade of the covered bonds might occur in certain limited circumstances. Some examples might be (i) a sovereign downgrade negatively affecting the issuers' senior unsecured rating; (ii) a multiple-notch downgrade of the issuers or downgrade to low sub-investment grade; or (iii) a material reduction of the value of the cover pool.

As the euro area crisis continues, the rating of covered bonds remains exposed to the uncertainties of credit conditions in the general economy. The deteriorating creditworthiness of euro area sovereigns as well as the weakening credit profile of the global banking sector could negatively impact the ratings of covered bonds. For more information please refer to the Rating Implementation Guidance published on 13 February 2012 "[How Sovereign Credit Quality May Affect Other Ratings](#)". Please also refer to the recent rating actions on banks published on 15 February 2012, (please see "[Moody's Reviews Ratings for European Banks](#)" and "[Moody's Reviews Ratings for Banks and Securities Firms with Global Capital Markets Operations](#)" for more information).

We initially analysed and will monitor this transaction using the rating methodology for EMEA Covered Bond transactions as described in the Rating Methodology reports "[Rating Spanish Multi-Issuer Covered Bonds](#)", published in September 2009, "[Moody's Rating Approach to Rating Covered Bond](#)", published in March 2010, and "[Assessing Swaps as Hedges in the Covered Bond Market](#)", published in September 2008. All can be found on www.moodys.com in the Rating Methodologies sub-directory under the Research & Ratings tab. Other methodologies and factors that may have been considered in the process of rating this issuer can also be found in the Rating Methodologies sub-directory on our website. In addition, we publish a weekly summary of structured finance credit, ratings and methodologies in

"Structured Finance Quick Check" available at www.moodys.com/SFQuickCheck.

The ratings assigned address the expected loss posed to investors and address only the credit risks associated with the transaction. Other non-credit risks have not been addressed, but may have a significant effect on yield to investors.

Opinion

Strengths of the Transaction

- » The credit strength of the underlying portfolio of CHs.
- » The credit strength is in itself a function of (i) the unsecured credit strength of each of the two issuers; (ii) the additional security provided by the collateral securing each CH; and (iii) the legal framework surrounding CHs in Spain.
- » OC levels held by the participating entities. The high levels of OC committed by each issuer partly offset possible credit deterioration of the cover pool composition, market and refinancing risks.
- » A committed LF may be used to pay any interest shortfalls on the notes and any extraordinary expenses.
- » A CH default would not imply an acceleration of the fund, but an extension of the fund's maturity by up to two years, if the default occurs at the scheduled maturity. In this case, the notes will be paid down at the scheduled maturity except for the portion corresponding to the defaulted CHs. This results in an improvement of the recoveries on the defaulted CHs for the contractual maturity of the SMICBs and thus increases the probability of their timely payment.

Weaknesses and Mitigants

- » **Underlying issuers:** The deterioration in the credit strength and collateral of the issuers could negatively affect the rating assigned to the notes. This is because the expected loss on the notes depends on the concentration risk to the weakest issuers, whose CHs cannot be assumed to benefit from a recovery of interest and principal commensurate with Aa2 ratings in all circumstances. We note that all published issuers' debt ratings are on review for downgrade. Furthermore, the downgrade of any of the weakest issuers to Baa3 (or lower) could trigger a rating downgrade of the notes, irrespective of any compensation through committed OC. **Mitigant:** The issuers have committed certain levels of OC to support the Aa2 ratings on the notes, as long as the issuers' ratings do not constrain the final rating of the notes.

- » **Substitution risk:** The cover pool supporting each CH is dynamic. Consequently, any deterioration in the quality of future loans originated by either issuer could affect the cover pool securing any existing CHs. In addition, CHs do not contain the detailed provisions tests that are typically found in securitisations that permit the substitution of assets. The current high levels of over-collateralisation could decrease and affect any assumptions of the amount of recoveries that would be available. **Mitigant:** The high degree of protection from over-collateralisation may offset losses stemming from underlying borrowers.
- » **Refinancing risk:** Following an issuer default, to achieve timely principal payment, CH holders may need to rely on proceeds being raised through the sale of, or borrowing against, assets in the cover pool. Furthermore, due to long average life of the assets in Spanish mortgage cover pools, the loans are relatively exposed to refinancing risk. Following an issuer default, the market value of these assets may be subject to substantial volatility. **Mitigant:** The high level of OC could offset the high discount at which assets would be transferred. In addition, as well as the option to sell the pool, an insolvency administrator may transfer to another entity the pool assets and the CHs.
- » **Market Risk.** There is no asset and liabilities matching. Following an issuer default, covered bond investors may be exposed to interest-rate mismatches in the affected CHs, which may arise from the different durations and payment promises made on the cover pool and the covered bonds. The CHs pose a degree of interest-rate risk; although the bulk of the assets pay a variable interest rate linked to EURIBOR, a significant share of the CHs bear fixed coupons. **Mitigant:** The interest-rate risk exposure period is limited up to the point of pool liquidation. We have stressed the interest-rate projections up to levels close to zero to evaluate the level of OC needed to mitigate various risks.

Structure Summary*

Issuer:	Rural Cédula I, Fondo de Titulización de Activos
Sponsor Bank:	n.a.
Structure Type:	Senior Tranche + Liquidity Facility
Issued under Covered Bonds Law:	Yes for underlying CHs
Applicable Covered Bonds Law:	Spanish
Underlying issuers:	Caja Rural de Granada (rated Baa1/P-2/C-, all on review for downgrade), Caja Rural de Navarra (rated A3/P-2/C, all on review for downgrade)
Servicer:	Caja Rural de Granada (rated Baa1/P-2/C-, all on review for downgrade), Caja Rural de Navarra (rated A3/P-2/C, all on review for downgrade)
Liquidity Facility (LF) Provider:	Caja Rural de Granada (rated Baa1/P-2/C-, all on review for downgrade), Caja Rural de Navarra (rated A3/P-2/C, all on review for downgrade)
Paying agent/Treasury Account:	Banco Cooperativo Español S.A. (rated A1/P-1/C-, all on review for downgrade)
Asset Monitor:	Europea de Titulización, S.G.F.T., S.A.
Representative of the Bondholders:	Europea de Titulización, S.G.F.T., S.A.

Covered Bonds Summary

Total Covered Bonds Outstanding	€1,000,000,000
Currency of Covered Bonds:	Euro
Extended Refinance Period:	Two years
Principal Payment Type	Bullet
Interest Rate Type:	100% fixed rate coupon (4.0%)

Collateral Summary**

Main collateral type in Cover Pool:	Mortgage loans
Main Asset Location:	Spain
WA Current LTV:	57.6%
WA Seasoning:	47.2 months
Over-Collateralisation:	CR Granada 228.9%, CR Navarra 604.9%.
Further details:	See section entitled "Credit Quality of the Cover Pool"

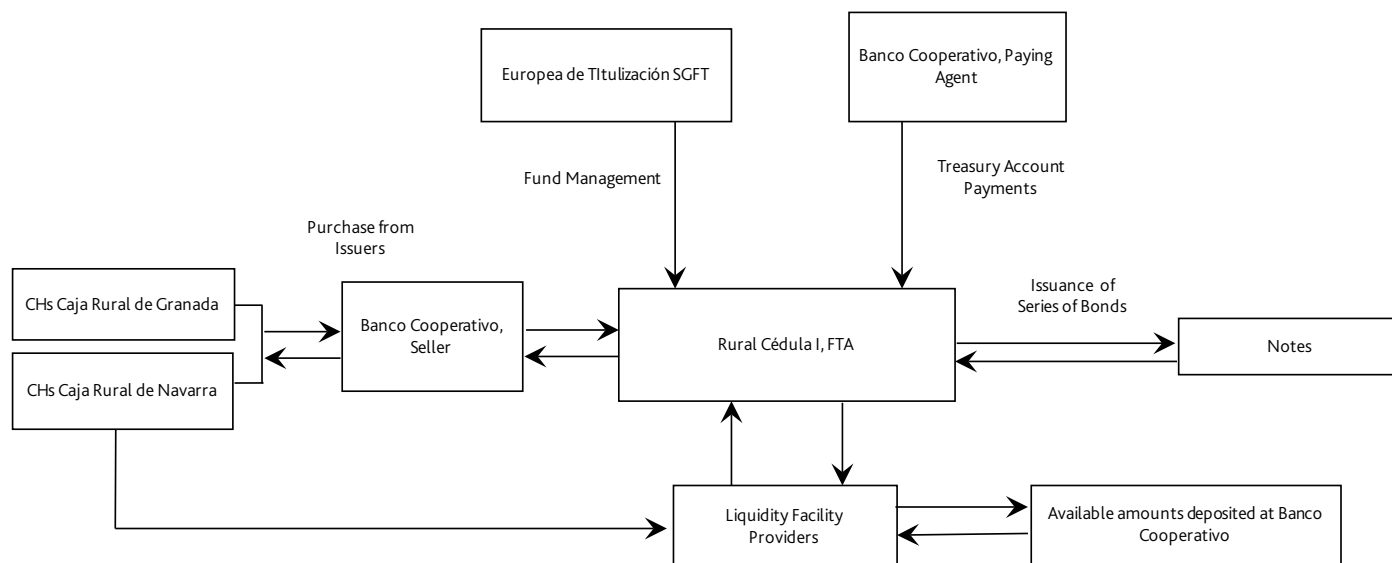
* "RUR DNG": "On review for downgrade".

** Average across two Issuers.

Structural and Legal Aspects

CHART 1

The Transaction Structure



Rural Cédula I is closed on both the assets and liabilities sides, and is governed by the Spanish Securitization Law¹.

The fund has financed the purchase of the CHs with the proceeds of the SMICBs. The transaction primarily aims to provide the issuers with eligible assets, which they can use as guarantees for Eurosystem monetary policy operations.

The CHs will match the features of the issued bonds, in respect of maturity, frequency of payments and amount issued. Under the transaction structure, coupons from the CHs are set to be sufficient to cover the interest payments on the notes and ordinary expenses.

The CHs can be early redeemed in full or partially at each issuer's request. Payments on the CHs are received at least two business days before payments are made on the SMICBs. This provides sufficient time for the managing entity (*Gestora*) to access funds in the treasury account, if any bank is late in making payments under its CHs.

At the scheduled maturity, if any underlying CH is not paid in full, the fund maturity will be extended by up to two years. The notes would then be paid down at the scheduled maturity, except for the amount corresponding to the defaulted CHs. This structural feature may increase the probability of timely payment of the notes.

The fund's initial expenses will be paid through the sale of the CHs at a discount. Any extraordinary expenses – the most significant being those caused by the recovery process of defaulted CHs – will be assumed by the affected issuers and paid ultimately to a certain extent by the penalty interest on

the defaulted amounts under the CHs. The LF will cover the necessary amounts to cover such costs.

There is no cross-collateralisation amongst the CHs. If a CH defaults it cannot benefit from any support from the mortgage book backing any other CH in the transaction.

The insolvency of either issuer does not imply that the underlying CHs will be accelerated, as the Spanish legislation encourages the continuity of payments on the CHs, through the re-direction of the cash flows stemming from the issuer's mortgage book to the CH holders. Under the legislation, the issuer's bankruptcy administrator must avoid any payment shortfall on the CHs by selling substitute assets and, if this is insufficient, by entering into a funding agreement to ensure payment. If an agreement is not reached or the cover pool proceeds are insufficient, the enforcement process will commence and, as a consequence, all issuers' CHs will rank *pari passu*, irrespective of the maturity.

The transaction benefits from a committed LF provided by the issuers, equivalent to two years' worth of coupons and extraordinary expenses. The full available amount was deposited at closing in a deposit account held at Banco Cooperativo Español. The LF will be available until legal maturity to cover any CH interest shortfalls and to advance any extraordinary expenses up to certain limits.

All of the fund's proceeds will be deposited at the treasury account held at Banco Cooperativo Español. Triggers are in place to protect the treasury account from a downgrade of Banco Cooperativo's long and short-term ratings. If its rating

falls below A3 or P-2, the *Gestora* will have to perform one of the following actions within 30 days:

- » Find a suitably rated guarantor (or substitute) rated at least A3/P-2; or
- » Deposit all amounts with an entity rated at least A3/P-2.

Payment Waterfall

On each interest payment date, the fund is required to use the available revenue funds (primarily consisting of amounts paid by CHs as interest and redemption, amounts and interest from the treasury account and withdrawals from the LF) to pay amounts in the following order of priority:

1. Ordinary and extraordinary expenses.
2. Notes' interest payments.
3. Interest due under the LF agreement.
4. Repayment of any drawdown amount under the LF in accordance to the LF agreement.
5. Notes redemption.
6. Excess cash to be repaid to the issuers at the earliest of the liquidation of the fund, or the legal maturity.

Credit Protection: Over-Collateralisation Commitment

The notes do not benefit from any credit enhancement mechanism other than the protection received at each individual CH level that is ultimately provided by the over-collateralisation. In our view, this ensures high levels of recoveries if the respective issuer defaults.

The notes benefit from an OC protection mechanism committed by the issuers. Under an agreement entered between the *Gestora* on behalf of the bondholders and each issuer, the issuers commit to maintaining certain levels of OC based on the total cover pool for the life of the transaction. Certain minimum OC levels could ensure the recovery of interest and principal at least until the end of the recovery process (the levels must be commensurate with Aa2 expected loss ratings). Under the agreement between the *Gestora* and the issuer, any breach of the committed levels should be cured within 30 days, even by including new substitute assets if legally possible. We consider that the current committed OC levels of 55% by CR Navarra and 65% by CR Granada provide a certain cushion to maintain the current Aa2 ratings given (i) a potential downgrade of the issuers' ratings and the current pool composition; and (ii) based on our stress tests of the cover pool to different credit and market scenarios in line with our methodology for covered bonds.

Given the rapid deterioration in the credit strength of some of the issuers and their collateral in recent years, we believe that the statutory OC (25%) level does not currently enable the assumption of a full recovery of interest and principal under all of the CHs, if an issuer defaults. Furthermore, refinancing risk upon issuer default could lead to high discounts if the cover pool assets have to be sold.

Although the Spanish CHs benefit from the whole mortgage cover pool as security – and thus current OC levels are very high – nothing prevents the issuers from issuing further CHs or securitising large pools of either eligible or ineligible assets (this could rapidly erode the protection levels). Therefore, for entities rated below A3, our analysis can only rely on a higher level of OC if it is committed to a certain extent; i.e., if the issuer's discretion to remove such OC is sufficiently restricted.

If the issuers' ratings or the pool composition deteriorates, the issuers have the ability but not the obligation to commit higher OC levels. A cushion has been built in to avoid rapid rating volatility, but this might not be sufficient in all circumstances.

Issuer Insolvency

If either issuer defaults, the relevant insolvency administrator must ensure the timely payments on its issued CHs, by using the collected proceeds from the mortgage book of the defaulted entity, selling replacement assets if any, or as a last resort, by arranging bridging funding with other parties.

If there is a shortfall in the coupon payments of the CHs, the *Gestora* can drawdown amounts under the transaction LF to meet timely payments on the issued notes. This means that a participant's default would not lead to a winding-up of the fund or programme, or to a cross-default of other CHs issued by other entities.

If there is a permanent shortfall at the participant entity's level, the insolvency administrator could liquidate the mortgage book. One option is the transfer to another entity of a package of the assets together with the CHs. If this is not feasible, the mortgage book may be acquired through an auction.

The *Gestora* will collect all recovery proceeds from the defaulted CHs and distribute them immediately to the noteholders on a pro rata basis. As payments are made to the notes, the outstanding notional of the notes would be reduced proportionally.

If the proceeds of the defaulted CHs after the liquidation process of the relevant entity are insufficient, the notes will likely realise a loss.

CHART 2

Scheme of impact to SMICBs noteholders following Insolvency proceedings of a Cédulas Issuer

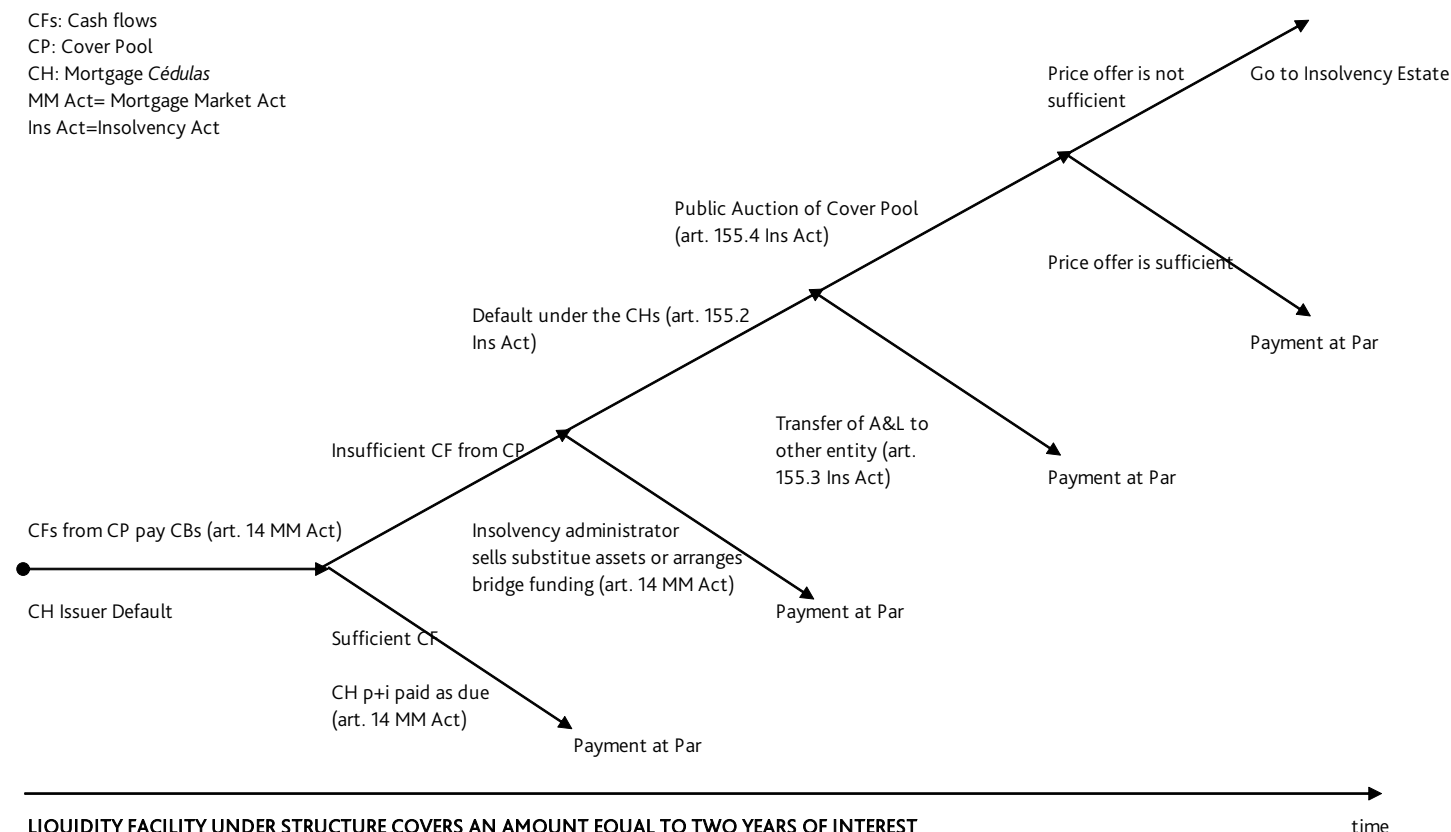
CFs: Cash flows

CP: Cover Pool

CH: Mortgage Cédulas

MM Act= Mortgage Market Act

Ins Act=Insolvency Act



LIQUIDITY FACILITY UNDER STRUCTURE COVERS AN AMOUNT EQUAL TO TWO YEARS OF INTEREST

time

Liquidity Facility

The notes will benefit from a LF provided by the issuers by means of a subordinated loan. This will be available to cover any CH interest shortfalls and to advance any extraordinary expenses, until legal maturity.

The initial total maximum available amounts are €80.18million to cover potential interest shortfalls up to two years' worth of interest over 100% of the initial principal outstanding of the notes and €6 million to advance potential extraordinary expenses.

The full available amount was deposited at closing in a deposit account held at Banco Cooperativo Español. If Banco Cooperativo Español is downgraded below A3 or P-2, all amounts would be transferred to an entity rated at least A3/P-2 or alternatively, the affected entity should be guaranteed by a suitable entity rated at least A3/P-2 under its obligations. This downgrade language mitigates the risk of Banco Cooperativo Español's default and thus lessens the risk that cash might be commingled within its insolvency state.

The amounts available under the LF will only be drawn down if (i) there is an interest-rate shortfall on the notes; or (ii) an advance is made in order to meet extraordinary expenses, if there are no other available amounts. On an ongoing basis, the issuers will be exclusively owed the yield under the treasury amount for those amounts that have not been drawn down. The total maximum available amount will be replenished with the repaid amounts.

The amounts being drawn down from the LF will be repaid once the fund receives the recovery proceeds from the defaulted CHs.

The LF reduces the default probability under the SMICBs. Given the high recoveries expected from CHs, the redemption of the LF withdrawals due to CHs interest shortfalls are ensured in full and will rank prior to the redemption of the notes.

Moody's Rating Methodology

Our covered bond rating methodology special report ("[Rating Spanish Multi-Issuer Covered Bonds](#)", published in September 2009) details our approach for rating SMICBs.

Our rating for any SMICB is determined after applying a two-step process:

(i) *First step: We determine a rating based on the expected loss on the SMICB.*

The main driver of the expected loss (EL) of an SMICB is the credit strength of the CHs backing the SMICBs. If the CHs perform, the SMICBs will be fully repaid. CHs are rated according to our published covered bond methodology. In the absence of any other support (for example, such as a reserve fund), the EL of the SMICB is determined directly from the weighted-average EL (weighted by their outstanding amounts) of the CHs backing the SMICB.

We determine a rating based on the expected loss on the bond. The primary model used is our COBOL, which determines expected loss as (i) a function of the issuer's probability of default (measured by the issuer's rating); and (ii) the stressed losses on the cover pool assets, following issuer default.

The issuers' long-term unsecured ratings are:

- » CR Granada: Baa1, on review for downgrade
- » CR Navarra: A3, on review for downgrade

The cover pool losses are based on our most recent modelling and are an estimate of the losses we currently model if the relevant issuer defaults. Cover pool losses can be split between market risk and collateral risk. Market risk measures losses as a result of refinancing risk and risks related to interest-rate and currency mismatches (these losses may also include certain legal risks). Collateral risk measures losses resulting directly from the credit quality of the assets in the cover pool and is derived from the collateral score.

- » The cover pool losses of CR Granada are 46.4%, with market risk of 31.2% and collateral risk of 15.2%. The collateral score for this programme is currently 22.6%. The over-collateralisation required to support the SMICBs' current Aa2 rating (on review for downgrade) is 50%.
- » The cover pool losses of CR Navarra are 42.1%, with market risk of 28.2% and collateral risk of 13.9%. The collateral score for this programme is currently 20.8%. The over-collateralisation required to support the SMICBs' current Aa2 rating (on review for downgrade) is 34%.

(ii) *Second step: secondary rating target for SMICBs is the timely payment.*

We give value to two primary liquidity supports that improve the probability of timely payment if any CH backing the SMICBs fails to make a payment on a scheduled payment date. These are (i) the maturity extension on the SMICBs, which should ensure that a period of at least two years is available following any default on the CH (this period would be available to realise the value of the assets backing the CHs); and (ii) an LF to cover interest payments on the SMICBs. Under the SMICB rating method, the LF benefiting any SMICB can be sized to improve the timely payment of the SMICBs to a level commensurate with the SMICBs' rating.

Irrespective of either the reserve or the LF size, we limit the maximum rating uplift of a SMICB over and above the rating of the weakest issuers within a series:

- (a) For callable SMICBs, the limitation is A3, if one of the participants is rated below investment grade.
- (b) For non-callable SMICBs, the limitation is A3, if the weighted-average rating of the participants is below investment grade.

In this transaction, we note that the rating of the SMICBs is limited, because (i) there are no credit enhancement measures in place; (ii) the weakest issuer(s) could be left backing the SMICBs, if the other issuers exercise their call options on their CHs; and (iii) country risk limits the maximum achievable rating to Aa2.

Credit Quality of the Cover Pool

TABLE 1

Collateral Overview

#	Issuer	Moody's LT Rating	Volume of issuance in € MM	Total Pool in € MM	Eligible Pool in € MM	CB issued in € MM	Total OC	Eligible OC	Moody's A2 OC
1	Caja Rural de Granada	Baa1 DNG	500	1,644	1,511	500	228.80%	202.20%	50.00%
2	Caja Rural de Navarra	A3 DNG	500	3,524	1,848	500	604.80%	269.60%	34.00%

#	Issuer	LTV	LTV >80%	Elig LTV	Seasoning (month)	Rem. Terms (month)	%Commercial	%RED total Pool	% Land total Pool
1	Caja Rural de Granada	51.8%	4.4%	45.9%	53.2	216.8	62%	13%	17%
2	Caja Rural de Navarra	63.5%	26.8%	52.9%	41.1	271.9	35%	3%	14%

#	Issuer	NPL	Geographical Concentration
1	Caja Rural de Granada	13.70%	Andalucía 98.3%
2	Caja Rural de Navarra	5.90%	Navarre 59.6%

The notes are collateralised by a pool of CHs and there is no cross-collateralisation between each individual underlying mortgage book within the transaction.

The main credit risk for the notes is determined by the weakest cover pools underlying the CHs.

Table 1 shows the level of over-collateralisation required to achieve Aa2 by each entity ("Moody's Aa2 OC") over the total cover pool. We consider that such a number is sufficient to achieve an expected loss commensurate with a Aa2 rating for each entity. This number is a function of the issuer's rating and the loss-given default of the pool upon issuer default. The level is determined following "[Moody's Rating Approach to Rating Covered Bonds](#)".

We note that the OC levels are very high compared with other levels committed in other jurisdictions. However, this is motivated by the following:

- » The comparatively lower rating of the issuers.
- » The high concentration to commercial exposures and amongst them to real-estate developers (REDs), which we consider to be very high risk in an environment with declining house prices and falling property-sale rates. RED loans are exposed to a high commercial risk during the construction phase of the project.
- » The increasing level of arrears in the cover pools, and the upward trend of these delinquencies.
- » The relatively long average life of the cover pools, which in most cases exceeds ten years. This leads to high spread risk sensitivity, given that the majority of the loans in the pool are referenced to EURIBOR plus a fixed margin over the whole life of the loan.
- » The interest-rate risk embedded in the cover pools. While almost all the assets carry a variable rate, the majority of the CHs are fixed rate. In a decreasing interest-rate environment, this means that part of the principal collections should be used to meet interest-rate payments on the notes.

Monitoring

We will monitor the transaction on an ongoing basis to ensure that it continues to perform in the manner expected, including checking all supporting ratings and reviewing the assets on an ongoing basis. Any subsequent changes in the rating will be publicly announced and disseminated through our Client Service Desk.

Moody's Related Research

For a more detailed explanation of Moody's approach to this type of transaction as well as similar transactions, please refer to the following reports:

Rating Methodologies:

- » [Rating Spanish Multi-Issuer Covered Bonds, September 2009 \(SF178268\)](#)
- » [Assessing Swaps as Hedges in the Covered Bond Market, September 2008 \(SF142765\)](#)
- » [Moody's Rating Approach to Covered Bonds, March 2010 \(SF191950\)](#)

Special Reports:

- » [Moody's European Covered Bond Monitoring Overview: Q3 2011 \(SF272513\)](#)
- » [European Covered Bonds 2012 Outlook \(SF270040\)](#)
- » [Spanish Multi-Cedulas Summary Spreadsheet: Q3 2011 \(SF274727\)](#)
- » [European Covered Bond Legal Frameworks: Moody's Legal Checklist, December 2005 \(SF66418\)](#)

To access any of these reports, click on the entry above. Note that these references are current as of the date of publication of this report and that more recent reports may be available. All research may not be available to all clients.

¹ In accordance with Royal Decree 926/1998, of May 14, on Asset-Backed Securitisation Funds

Report Number: SF279466

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