

**Material Event**  
**concerning**

**BBVA LEASING 1 Fondo de Titulización de Activos**

Pursuant to section 4.1.4 of the Securities Note Building Block of the Prospectus for **BBVA LEASING 1 Fondo de Titulización de Activos** (the “Fund”) notice is given to the COMISIÓN NACIONAL DEL MERCADO DE VALORES of the following material event:

- The Rating Agency **Moody’s Investors Services** (“**Moody’s**”) advised on December 9, 2009 that it has placed the ratings assigned to the following Bond Series issued by **BBVA LEASING 1 Fondo de Titulización de Activos** under review for possible downgrade:
  - **Series A1:** **Aaa**, under review (previously **Aaa**)
  - **Series A2:** **Aaa**, under review (previously **Aaa**)
  - **Series B:** **A3**, under review (previously **A3**)
  - **Series C:** **Baa3**, under review (previously **Baa3**)

Enclosed herewith is the communication issued by Moody’s.

Madrid, November 17, 2009.

Mario Masiá Vicente  
General Manager



Moody's Investors Service

## Rating Action: **Moody's reviews 3 Spanish leasing ABS deals for downgrade**

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Global Credit Research - 09 Dec 2009

### **Approximately EUR 3.8 billion of rated debt securities affected.**

Frankfurt, December 09, 2009 -- Moody's Investors Service has today placed under review for possible downgrade all classes of notes issued by the following Spanish asset-backed securities (ABS) transactions (the affected transactions):

- BBVA Leasing 1, FTA;
- Bankinter Leasing 1, FTA;
- IM Grupo Banco Popular Leasing 1, FTA

A detailed list of rating actions can be found at the end of the press release.

Moody's says that the review for downgrade is prompted by worse than expected performance and to a lesser extent, by the re-assessment of a legal risk in Spanish leasing transactions -- see press release "Moody's updates on the impact of originator insolvency on Spanish ABS leasing transactions" published December 4th 2009.

The main reason for the review is the deteriorated collateral performance and the weakening of macro-economic conditions in Spain in 2009. Other factors considered were the level of credit enhancement to absorb losses and the collateral composition such as the sector exposure and the geographic diversification of the portfolio of lessees.

In addition, Moody's expects that in the case of Bankinter Leasing 1, FTA and IM Grupo Banco Popular Leasing 1, FTA, ratings of the notes could be also impacted by the legal uncertainty associated with recoveries on defaulted lease contracts following the bankruptcy of the originator. Moody's will assess the impact of the above legal risks by assuming a stressed recovery rate.

As of October 31 st, 2009, BBVA Leasing 1, FTA reported cumulative 90+ delinquencies of 3.9% of the total securitised portfolio whereas Moody's initially assumed a 2.3% mean default rate over the life of the transaction based on 90+ delinquencies data as the default proxy. The deterioration in performance is evidenced by the swift reduction of the reserve fund from the required level of EUR41.25 million to EUR27.94 million and the increase in outstanding 90+ delinquencies from 2.2% to 3.9% between February 2009 and August 2009. The current pool factor is 70%. At present, the exposure to real estate finance leasing accounts for almost 50% of the portfolio.

As of October 31 st, 2009, Bankinter Leasing 1, FTA reported cumulative 90+ delinquencies 2.2% of the total securitised portfolio which compares to Moody's initial mean default assumption of 2.8% over the life of the transaction (the initial assumption was derived based on 90+ delinquencies data). The deterioration in performance is evidenced by the increase of outstanding 90+ delinquencies between July 2009 and October 2009 from 1.7% to 3.3%. The current pool factor is 77%.

As of October 31st, 2009, IM Grupo Banco Popular Leasing 1, FTA reported cumulative artificial write-offs of 1.1% of the total securitised portfolio. A loan is included in the write-off category once it has been more than 12 months in arrears. Outstanding 90 days plus+ delinquencies (excluding cumulative write-offs) are 2.9% of the current pool balance. Moody's initially assumed 4.1% over the life of the transaction based on 90+ delinquencies as the proxy for defaults. This transaction is still revolving and the revolving period is expected to end in February 2011.

As part of the detailed reviews, Moody's will reassess the cumulative default and recovery rates for the remaining life of the transactions, reflecting the collateral performance to date as well as the future macro-economic environment. Moody's will also request, whenever not already available, up-dated data on cumulative defaults and other pool characteristics on a line by line basis such as sector exposure and

geographic concentration of the lease contracts.

Moody's will review when possible these transactions using the rating methodology for EMEA SME ABS transactions as described in the Rating Methodology reports "Refining the ABS SME Approach: Moody's Probability of Default assumptions in the rating analysis of granular Small and Mid-sized Enterprise portfolios in EMEA", published in March 2009 and "Revising Default/Loss Assumptions Over the Life of an ABS/RMBS Transaction," published in December 2008. Most recent Spanish leasing deals rated in 2009 were rated using the refined EMEA SME approach.

Moody's expects to conclude the detailed transaction reviews over the next six months.

Moody's ratings address the expected loss posed to investors by the legal final maturity of the notes. Moody's ratings address only the credit risks associated with the transactions. Other non-credit risks have not been addressed, but may have a significant effect on yield to investors.

The principal methodologies used in rating initially these transactions were Moody's "The Lognormal Method Applied to ABS Analysis," published in July 2000 and Moody's "Approach to Rating Granular SME Transactions in Europe, Middle East and Africa" published in June 2007, both available on [www.moody.com](http://www.moody.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 Moody's website. Further information on Moody's analysis of this transaction is available on [www.moody.com](http://www.moody.com). In addition, Moody's published a weekly summary of structured finance credit, ratings and methodologies, available to all registered users of our website, at [www.moody.com/SFQuickCheck](http://www.moody.com/SFQuickCheck).

Issuer: BBVA Leasing 1, FTA

EUR750M A1, Aaa Placed Under Review for Possible Downgrade; previously on Jun 27, 2007 Definitive Rating Assigned Aaa

EUR1606.2M A2, Aaa Placed Under Review for Possible Downgrade; previously on Jun 27, 2007 Definitive Rating Assigned Aaa

EUR82.5M B, A3 Placed Under Review for Possible Downgrade; previously on Jun 27, 2007 Definitive Rating Assigned A3

EUR61.3M C, Baa3 Placed Under Review for Possible Downgrade; previously on Jun 27, 2007 Definitive Rating Assigned Baa3

Issuer: Bankinter Leasing 1 FTA

EUR366.6M A, Aaa Placed Under Review for Possible Downgrade; previously on Jun 24, 2008 Definitive Rating Assigned Aaa

EUR21.4M B, A3 Placed Under Review for Possible Downgrade; previously on Jun 24, 2008 Definitive Rating Assigned A3

EUR12M C, Baa3 Placed Under Review for Possible Downgrade; previously on Jun 24, 2008 Definitive Rating Assigned Baa3

Issuer: IM Grupo Banco Popular Leasing 1 FTA

EUR1612.8M A, Aaa Placed Under Review for Possible Downgrade; previously on Feb 19, 2008 Definitive Rating Assigned Aaa

EUR40.3M B, A1 Placed Under Review for Possible Downgrade; previously on Feb 19, 2008 Definitive Rating Assigned A1

EUR26.9M C, Baa3 Placed Under Review for Possible Downgrade; previously on Feb 19, 2008 Definitive Rating Assigned Baa3

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Moody's Investors Service

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