

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

En virtud de lo establecido en el Folleto Informativo de **BBVA EMPRESAS 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 **Standard & Poor’s Ratings Services (S&P)**, con fecha 12 de diciembre de 2014, comunica que ha confirmado las calificaciones asignadas a las Series de Bonos emitidos por el Fondo:
  - **Serie B: AA (sf)**
  - **Serie C: B+ (sf)**

Se adjunta la comunicación emitida por S&P.

Madrid, 15 de diciembre de 2014.

Mario Masiá Vicente  
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# RatingsDirect®

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## Ratings Affirmed In Spanish SME CLO Transaction BBVA Empresas 1 Following Criteria Update

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OVERVIEW

- We have reviewed BBVA Empresas 1 under our updated criteria for rating single-jurisdiction securitizations above the sovereign foreign currency rating.
- We have also applied our SME CLO and counterparty criteria to perform our credit and cash flow analysis.
- Following our review, we have affirmed our ratings on the class B and C notes.
- BBVA Empresas 1 is a single jurisdiction cash flow CLO transaction backed by SME loans. It closed in November 2007 and is currently amortizing.

LONDON (Standard & Poor's) Dec. 12, 2014--Standard & Poor's Ratings Services today affirmed its credit ratings on BBVA Empresas 1, Fondo de Titulizacion de Activos' class B and C notes.

Upon publishing our updated criteria for rating single-jurisdiction securitizations above the sovereign foreign currency rating (RAS criteria), we placed those ratings that could potentially be affected "under criteria observation" (UCO) (see "EMEA Structured Finance, Covered Bond, And Multicedulas Ratings Placed Under Criteria Observation" and "Methodology And Assumptions For Ratings Above The Sovereign--Single-Jurisdiction Structured Finance," published on Sept. 18, 2014 and Sept. 19, 2014, respectively).

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Following our review of this transaction, our ratings that could potentially be affected by the criteria are no longer under criteria observation.

We have used data from the August 2014 investor report to perform our analysis and have applied our European small and midsize enterprise (SME) collateralized loan obligation (CLO) criteria and our current counterparty criteria (see "European SME CLO Methodology And Assumptions," published on Jan. 10, 2013, and "Counterparty Risk Framework Methodology And Assumptions," published on June 25, 2013). For the class B notes, we have also applied our RAS criteria.

BBVA Empresas 1 is a single-jurisdiction cash flow CLO transaction securitizing a portfolio of SME loans that was originated by Banco Bilbao Vizcaya Argentaria, S.A. in Spain. The transaction closed in November 2007.

CREDIT ANALYSIS

We have applied our European SME CLO criteria to determine the scenario default rates (SDR)--the minimum level of portfolio defaults that we expect each tranche to be able to withstand at a specific rating level using CDO Evaluator.

To determine the SDR, we adjusted the archetypical European SME average 'b+' credit quality to reflect the following factors: country, originator, and portfolio selection.

We ranked the originator into the moderate category (see tables 1, 2, and 3 in our European SME CLO criteria). Taking into account Spain's Banking Industry Country Risk Assessment (BICRA) score of 6, we have applied a downward adjustment of one notch to the 'b+' archetypical average credit quality (see "Banking Industry Country Risk Assessment Update: November 2014," published on Nov. 3, 2014). Due to the absence of information on the creditworthiness of the securitized portfolio compared with the originator's entire loan book, we further adjusted the average credit quality by three notches (see table 4 in our European SME CLO criteria).

As a result of these adjustments, our average credit quality assessment of the portfolio was 'ccc', which we used to generate our 'AAA' SDR of 88.35%.

We have calculated the 'B' SDR, based primarily on our analysis of historical SME performance data and our projections of the transaction's future performance. We have reviewed the portfolio's historical default data, and assessed market developments, macroeconomic factors, changes in country risk, and the way these factors are likely to affect the loan portfolio's creditworthiness. As a result of this analysis, our 'B' SDR is 11.00%.

We interpolated the SDRs for rating levels between 'B' and 'AAA' in accordance with our European SME CLO criteria.

RECOVERY RATE ANALYSIS

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At each liability rating level, we applied a weighted-average recovery rate (WARR) by considering observed historical recoveries. As a result of this analysis, our WARR assumptions in 'AA' and 'B+' scenarios were 26% and 40%, respectively.

CASH FLOW ANALYSIS

We used the reported portfolio balance that the servicer considered to be performing, the principal cash balance, the current weighted-average spread, and the weighted-average recovery rates that we considered to be appropriate. We subjected the capital structure to various cash flow stress scenarios, incorporating different default patterns and timings and interest rate curves, to determine the rating level, based on the available credit enhancement for each class of notes under our European SME CLO criteria.

COUNTRY RISK

Our long-term rating on the Kingdom of Spain is 'BBB'. Our RAS criteria require the tranche to have sufficient credit enhancement to pass a minimum of a "severe" stress to qualify to be rated above the sovereign. Under our RAS criteria, we can rate a securitization up to four notches above our foreign currency rating on the sovereign if the tranche can withstand "severe" stresses. However, if all six of the conditions in paragraph 48 of the RAS criteria are met (including credit enhancement being sufficient to pass an extreme stress), we can assign ratings in this transaction up to a maximum of six notches (two additional notches of uplift) above the sovereign rating (see "Understanding Standard & Poor's Rating Definitions," published on June 3, 2009 for our definitions of severe and extreme levels of economic stress).

The available credit enhancement for the class B notes withstands "extreme" stresses. We have therefore affirmed our 'AA (sf)' rating on the class B notes.

SUPPLEMENTAL TESTS

The application of the largest obligor default test constrained our rating on the class C notes at 'B+ (sf)'. The supplemental stress tests address event and model risk not captured in our credit and cash flow analysis.

Because the largest obligor test constrained our rating on the class C notes, we have affirmed our 'B+ (sf)' rating on the class C notes.

STANDARD & POOR'S 17G-7 DISCLOSURE REPORT

SEC Rule 17g-7 requires an NRSRO, for any report accompanying a credit rating relating to an asset-backed security as defined in the Rule, to include a description of the representations, warranties, and enforcement mechanisms available to investors and a description of how they differ from the representations, warranties, and enforcement mechanisms in issuances of similar securities. The Rule

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applies to in-scope securities initially rated (including preliminary ratings) on or after Sept. 26, 2011.

If applicable, the Standard and Poor's 17g-7 Disclosure Report included in this credit rating report is available at <http://standardandpoorsdisclosure-17g7.com>.

RELATED CRITERIA AND RESEARCH

Related Criteria

- Criteria - Structured Finance - General: Global Framework For Assessing Operational Risk In Structured Finance Transactions - October 09, 2014
- Criteria - Structured Finance - General: Methodology And Assumptions For Ratings Above The Sovereign--Single-Jurisdiction Structured Finance - September 19, 2014
- General Criteria: Methodology Applied To Bank Branch-Supported Transactions - October 14, 2013
- Criteria - Financial Institutions - Banks: Assessing Bank Branch Creditworthiness - October 14, 2013
- Criteria - Structured Finance - General: Counterparty Risk Framework Methodology And Assumptions - June 25, 2013
- Criteria - Structured Finance - CDOs: European SME CLO Methodology And Assumptions - January 10, 2013
- General Criteria: Understanding Standard & Poor's Rating Definitions - June 03, 2009

Related Research

- Standard & Poor's Ratings Definitions, Nov. 20, 2014
- Banking Industry Country Risk Assessment Update: November 2014, Nov. 3, 2014
- CDO Evaluator Version 6.3 Released, Oct. 20, 2014
- EMEA Structured Finance, Covered Bond, And Multicedulas Ratings Placed Under Criteria Observation, Sept. 18, 2014
- European Structured Finance Scenario And Sensitivity Analysis 2014: The Effects Of The Top Five Macroeconomic Factors, July 8, 2014
- Global Structured Finance Scenario And Sensitivity Analysis: Understanding The Effects Of Macroeconomic Factors On Credit Quality, July 2, 2014
- List Of Spanish Structured Finance Rating Actions Following Sovereign Upgrade-- June 5, 2014, June 5, 2014
- Ratings On Spain Raised To 'BBB/A-2' On Improved Economic Prospects; Outlook Stable, May 23, 2014
- European SME Mapping Model, Jan. 25, 2013

Complete ratings information is available to subscribers of RatingsDirect at [www.globalcreditportal.com](http://www.globalcreditportal.com) and at [spcapitaliq.com](http://spcapitaliq.com). All ratings affected by this rating action can be found on Standard & Poor's public Web site at [www.standardandpoors.com](http://www.standardandpoors.com). Use the Ratings search box located in the left column. Alternatively, call one of the following Standard & Poor's numbers: Client Support Europe (44) 20-7176-7176; London Press Office (44) 20-7176-3605; Paris (33) 1-4420-6708; Frankfurt (49) 69-33-999-225; Stockholm (46) 8-440-5914; or Moscow 7 (495)