

July 18, 2008

Rating On MADRID RMBS III's Class C Notes Placed On CreditWatch Negative

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MADRID (Standard & Poor's) July 18, 2008—Standard & Poor's Ratings Services said today that it has placed on CreditWatch with negative implications its credit rating on the class C notes issued by MADRID RMBS III, Fondo de Titulizacion de Activos (see list below).

The ratings on all other classes remain unaffected. The credit ratings on the class D and E notes were placed on CreditWatch negative on July 14 (see "Ratings On MADRID RMBS III Class D And E Notes Placed On CreditWatch Negative" published on RatingsDirect).

Our ongoing analysis of the deterioration of the quality of the underlying pool indicated that a further CreditWatch placement was warranted on the class C notes at this time. We now expect to wait until the next payment date on Aug. 22 and for receipt of an updated loan-level file to determine whether rating actions on this transaction are ultimately warranted.

The notes, issued in July 2007, were backed at closing by a €3 billion portfolio comprising residential mortgage-backed loans secured over residential properties in Spain. The loans were originated and are serviced by Caja de Ahorros y Monte de Piedad de Madrid (Caja Madrid).

The related media release mentioned above is available to subscribers of RatingsDirect, the real-time Web-based source for Standard & Poor's credit ratings, research, and risk analysis, at www.ratingsdirect.com. Alternatively,

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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) 495-783-4017.

RATINGS LIST

MADRID RMBS III, Fondo de Titulizacion de Activos
€3 Billion Asset-Backed Floating-Rate Notes

Class	Rating
To	From
Rating Placed On CreditWatch With Negative Implications	
C	A/Watch Neg
	A

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