

**Material Event  
concerning**

**BBVA EMPRESAS 1 Fondo de Titulización de Activos**

Pursuant to Chapter 4.1.4 of the Securities Note Building Block of the Prospectus for **BBVA EMPRESAS 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 **Standard and Poor’s Ratings Services** (“**S&P**”) advised on November 10, 2010 that it has affirmed the ratings assigned to the following Bond Series issued by **BBVA EMPRESAS 1 Fondo de Titulización de Activos**:
  - **Series A1: AAA (sf)**
  - **Series A2: AAA (sf)**
  - **Series A3: AAA (sf)**

In addition, S&P advised of a downgrade of the rating assigned to the remaining Bond Series:

- **Series B: BBB+ (sf)** (previously **A- (sf)**, watch negative)
- **Series C: B+ (sf)** (previously **BBB (sf)**, watch negative)

Enclosed herewith is the press release issued by S&P.

Madrid, November 10, 2010.

Mario Masiá Vicente  
General Manager

## Various Rating Actions Taken In Six Of BBVA's Spanish SME ABS Securitizations

**Surveillance Credit Analyst:**

Virginie Couchet, Madrid (34) 91-389-6959; virginie\_couchet@standardandpoors.com

**OVERVIEW**

- We have reviewed six BBVA-originated Spanish ABS SME transactions.
- We have lowered our ratings on 18 tranches and affirmed our ratings on seven tranches.
- Loans that BBVA granted to Spanish SMEs comprise the pools that back each transaction.

LONDON (Standard & Poor's) Nov. 10, 2010--Standard & Poor's Ratings Services today took various rating actions on all classes of notes in six Banco Bilbao Vizcaya Argentaria, S.A. (BBVA) transactions. The six transactions are securitizations of loans granted to Spanish small and midsize enterprises (SMEs).

Specifically, we have:

- Lowered our ratings on BBVA-4 PYME Fondo de Titulizacion de Activos' (BBVA 4) class B notes and BBVA-5 FTPYME Fondo de Titulizacion de Activos' (BBVA 5) class A1, A2, and A3(G) notes;
- Lowered and removed from CreditWatch negative our ratings from BBVA 4's class C notes, BBVA 5's class B notes, BBVA-6 FTPYME Fondo de Titulizacion de Activos' (BBVA 6) class A1, A2(G), B, and C notes, BBVA-7 FTGENCAT Fondo de Titulizacion de Activos' (BBVA 7) class A1, A2(G), B, and C notes, BBVA Empresas 1, Fondo de Titulizacion de Activos' class B and C notes, and BBVA-8 FTPYME Fondo de Titulizacion de Activos' (BBVA 8) class B and C notes; and
- Affirmed our ratings on BBVA Empresas 1's class A1, A2, and A3 notes, BBVA 4's class A2 notes, BBVA 5's class C notes, and BBVA 8's class A1 and A2(G) notes (see list below).

*Various Rating Actions Taken In Six Of BBVA's Spanish SME ABS Securitizations*

Today's rating actions are based on our review of each transaction, including a credit and cash flow analysis. We assessed the risk related to a variety of critical features embedded in the current backing pools, i.e., industry concentration, top borrowers' weight over the pool totals, bullet loans, and loans granted to developers. The results of our cash flow projections and concentration tests led us to lower our ratings on some classes of notes.

The following table reports the summary information for each transaction as per the last investor reports available.

	Pool factor	90 to 360 days(1)	Cumulative default (2)	Credit support (3)	Top 10 borrowers (4)
BBVA 1	35.37	0.85	1.47	4.28	23.34
BBVA 4	12.17	3.57	1.09	5.01	15.71
BBVA 5	23.76	1.70	2.75	(1.10)	7.38
BBVA 6	32.60	2.78	3.80	(4.38)	6.26
BBVA 7	39.30	1.39	4.23	(0.64)	19.57
BBVA 8	51.90	1.71	2.83	4.32	8.83

(1) Delinquent loans between 90 and 360 days as a percentage of the current pool balance.

(2) Cumulative defaults as a percentage of the original pool balance.

(3) Cash reserve or principal deficiency as a percentage of the outstanding note balance.

(4) Top ten borrowers as a percentage of the current pool balance.

BBVA 4 shows a very low pool factor and a significant concentration of the pool in few large borrowers. Consequently, the junior tranches are exposed to the risk of defaults in these few large positions in conjunction with the cash reserve providing less support. Therefore, we lowered our ratings on the junior notes in BBVA 4.

Of the Spanish asset-backed securities (ABS) SME deals that we rate, BBVA 5, BBVA 6, and BBVA 7 are the first ones to accumulate principal deficiency. In our view, these deals face the risk that the junior tranches could default due to the partial amortization of the note balance at maturity. At the same time, higher levels of cumulative defaults and a trend of increasing amounts of defaulted assets are, in our opinion, increasing the probability of a breach in the interest-deferral triggers for the junior classes. Our overall credit assessments show that credit support for the senior classes is no longer commensurate with a 'AAA (sf)' rating. For these reasons, we have lowered our ratings on these transactions.

BBVA Empresas 1 and BBVA 8 report slightly better performance and higher levels of credit support provided by the cash reserve. Those elements led us to affirm our ratings on the senior classes. At the same time, there are other concerning factors (i.e., concentration risk), which led us to lower our ratings on the junior tranches.

### Various Rating Actions Taken In Six Of BBVA's Spanish SME ABS Securitizations

A portfolio of loans BBVA has granted to SMEs across Spain back the notes in these six transactions (as an exception, BBVA-7's pool is fully concentrated in Catalunya).

#### RELATED CRITERIA AND RESEARCH

- Methodology And Assumptions: Update To The Criteria For Rating European SME Securitizations, Jan. 6, 2009
- Principles-Based Rating Methodology For Global Structured Finance Securities, May 29, 2007

Related articles are available on RatingsDirect. Criteria, presales, servicer evaluations, and ratings information can also be found on Standard & Poor's Web site at [www.standardandpoors.com](http://www.standardandpoors.com). 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) 495-783-4011.

#### RATINGS LIST

Class	Rating
To	From

#### RATINGS LOWERED

BBVA-4 PYME Fondo de Titulizacion de Activos  
€1.25 Billion Mortgage-Backed Floating-Rate Notes

B	A+ (sf)	AA- (sf)
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BBVA-5 FTPYME Fondo de Titulizacion de Activos  
€1.9 Billion Floating-Rate Notes

A1	AA+ (sf)	AAA (sf)
A2	AA+ (sf)	AAA (sf)
A3(G)	AA+ (sf)	AAA (sf)

#### RATINGS LOWERED AND REMOVED FROM CREDITWATCH NEGATIVE

BBVA Empresas 1, Fondo de Titulizacion de Activos  
€1.45 Billion Floating-Rate Notes

B	BBB+ (sf)	A- (sf)/Watch Neg
C	B+ (sf)	BBB (sf)/Watch Neg

BBVA-4 PYME Fondo de Titulizacion de Activos  
€1.25 Billion Mortgage-Backed Floating-Rate Notes

C	BB- (sf)	BBB (sf)/Watch Neg
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*Various Rating Actions Taken In Six Of BBVA's Spanish SME ABS Securitizations*

BBVA-5 FTPYME Fondo de Titulizacion de Activos  
€1.9 Billion Floating-Rate Notes

B            BBB+ (sf)            A- (sf)/Watch Neg

BBVA-6 FTPYME Fondo de Titulizacion de Activos  
€1.5 Billion Floating-Rate Notes

A1            AA- (sf)            AAA (sf)/Watch Neg

A2(G)        AA- (sf)            AAA (sf)/Watch Neg

B            B+ (sf)            BBB (sf)/Watch Neg

C            CCC (sf)            B- (sf)/Watch Neg

BBVA-7 FTGENCAT Fondo de Titulizacion de Activos  
€250 Million Floating-Rate Notes

A            AA+ (sf)            AAA (sf)/Watch Neg

A2(G)        AA+ (sf)            AAA (sf)/Watch Neg

B            BB+ (sf)            A (sf)/Watch Neg

C            B- (sf)            BB (sf)/Watch Neg

BBVA-8 FTPYME Fondo de Titulizacion de Activos  
€1.1 Billion Floating-Rate Notes

B            BBB (sf)            A (sf)/Watch Neg

C            BB- (sf)            BBB (sf)/Watch Neg

RATINGS AFFIRMED

BBVA Empresas 1, Fondo de Titulizacion de Activos  
€1.45 Billion Floating-Rate Notes

A1            AAA (sf)

A2            AAA (sf)

A3            AAA (sf)

BBVA-4 PYME Fondo de Titulizacion de Activos  
€1.25 Billion Mortgage-Backed Floating-Rate Notes

A2            AAA (sf)

BBVA-5 FTPYME Fondo de Titulizacion de Activos  
€1.9 Billion Floating-Rate Notes

C            AAA (sf)

BBVA-8 FTPYME Fondo de Titulizacion de Activos  
€1.1 Billion Floating-Rate Notes

A1            AAA (sf)

*Various Rating Actions Taken In Six Of BBVA's Spanish SME ABS Securitizations*

A2 (G)      AAA (sf)

**Additional Contact:**

Structured Finance Europe; StructuredFinanceEurope@standardandpoors.com

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