

C. N. M. V.
Dirección General de Mercados e Inversores
C/ Edison 4
Madrid

COMUNICACIÓN DE HECHO RELEVANTE

SOL-LION, FONDO DE TITULIZACIÓN DE ACTIVOS

Actuaciones sobre las calificaciones de los bonos por parte de Fitch Ratings.

Titulización de Activos, Sociedad Gestora de Fondos de Titulización, S.A. comunica el siguiente Hecho Relevante:

I. Respecto al fondo de referencia, adjuntamos nota de prensa publicada por Fitch Ratings, con fecha 1 de marzo de 2018, donde se llevan a cabo las siguientes actuaciones:

- Bono A, afirmado como **AA+ (sf)**; **eliminada la perspectiva de revisión pendiente de evolución; perspectiva estable.**
- Bono B, afirmado como **AA- (sf)**; **eliminada la perspectiva de revisión pendiente de evolución; perspectiva estable.**
- Bono C, subida a **A+ (sf)** desde **BBB+ (sf)**; **eliminada la perspectiva de revisión pendiente de evolución; perspectiva estable.**

En Madrid, a 1 de marzo de 2018

Ramón Pérez Hernández
Consejero Delegado



Fitch Takes Rating Actions on Sol-Lion, FTA; Outlook Stable

Fitch Ratings-London-01 March 2018: Fitch Ratings has upgraded one tranche of Sol-Lion, FTA and affirmed two other tranches. The notes have been removed from Rating Watch Evolving (RWE) and the Outlooks are Stable. A full list of rating actions is at the end of this rating commentary.

The securitisation comprises Spanish residential mortgages, originated by ING Direct, which is a 100%-owned subsidiary of ING Bank N.V. (A+/Stable/F1).

KEY RATING DRIVERS

European RMBS Rating Criteria

The rating actions reflect the application of Fitch's updated European RMBS Rating Criteria, leading to the upgrade and the resolution of the RWE.

Fitch has taken into account the counterparty exposure and assigned ratings different to those implied by its proprietary cash-flow model.

Stable Portfolio Performance

The portfolio performance has remained stable over the past 12 months. Fitch expects this trend to continue, mainly due to the portfolio's seasoning (currently at 134 months) and a low weighted average indexed loan-to-value ratio of the portfolio at 47.8%.

Arrears over three months remain low at 0.26bp. Gross cumulative defaults (defined as loans in arrears for more than 18 months) have remained low and stable at 61bp of the original portfolio balance.

The transaction's sound performance is also reflected in the performance adjustment of 0.7 applied in Fitch's analysis.

Stable Credit Enhancement

The transaction is currently amortising pro-rata and credit enhancement (CE) has remained stable. A staggered pro-rata amortisation allows a switch to sequential amortisation if delinquencies over 90 days exceed 2.5% and 2% of the outstanding collateral balance of the class B and C notes, respectively. For instance, if delinquencies reach 2% of the class C balance, the class A and B notes can continue to pay on a pro-rata basis while the class C notes will not receive any

amortisation proceeds.

Interest Deferability

The class B and C notes can defer interest if the cumulative defaults reach 7.5% and 10% for the class C and B notes, respectively. This is seen as highly unlikely given the current low volume of cumulative defaults.

Excessive Counterparty Exposure

The exposure of the class C notes to the account bank has been deemed excessive under Fitch's Counterparty Criteria for Structured Finance and Covered Bonds.

As CE for the class C note is provided entirely by the cash reserve, held at ING Bank N.V. (A+/Stable/F1), the rating of these notes is capped at the Long Term Issuer Default Rating (IDR) of the account bank. This is because a removal of the reserve fund would lead to a greater than nine-notch downgrade of the notes.

RATING SENSITIVITIES

Adverse macroeconomic factors may affect asset performance. An increase in defaults and larger losses beyond Fitch's stresses may erode credit enhancement leading to negative rating action.

The replacement trigger language of the account bank is in line with our criteria, but further upgrades of the class C notes are constrained, among other things, by the rating of the account bank due to excessive counterparty exposure.

USE OF THIRD-PARTY DUE DILIGENCE PURSUANT TO RULE 17G-10

Form ABS Due Diligence-15E was not provided to, or reviewed by, Fitch in relation to this rating action.

DATA ADEQUACY

Fitch has checked the consistency and plausibility of the information it has received about the performance of the asset pool and the transaction. There were no findings that were material to this analysis. Fitch has not reviewed the results of any third-party assessment of the asset portfolio information or conducted a review of origination files as part of its ongoing monitoring.

The majority of the underlying assets have ratings or credit opinions from Fitch and/or other Nationally Recognised Statistical Rating Organisations and/or European Securities and Markets Authority registered ratings agencies. Fitch has relied on the practices of the relevant groups within Fitch and/or other rating agencies to assess the asset portfolio information.

Overall, Fitch's assessment of the information relied upon for the agency's rating analysis according to its applicable rating methodologies indicates that it is adequately reliable.

SOURCES OF INFORMATION

The information below was used in the analysis.

-Loan-by-loan data provided by the European Data Warehouse as at 31 October 2017

-Transaction reporting provided by TDA as at 31 October 2017 and 28 November 2017

MODELS

The models below were used in the analysis. Click on the link for a description of the model

ResiEMEA. (<https://www.fitchratings.com/jsp/creditdesk/ToolsAndModels.faces?context=2&detail=135>)

EMEA

Cash Flow Model. (https://www.fitchratings.com/web_content/pages/sf/emea-cash-flow-model.htm)

The rating actions are as follows:

Class A (ISIN ES0317104000) affirmed at 'AA+sf'; off RWE; Outlook Stable

Class B (ISIN ES0317104018) affirmed at 'AA-sf'; off RWE; Outlook Stable

Class C (ISIN ES0317104026) upgraded to 'A+sf' from 'BBB+sf'; off RWE; Outlook Stable

Contacts:

Lead Surveillance Analyst

Peter Cross

Analyst

+44 20 3530 1457

Fitch Ratings Limited

30 North Colonnade

London E14 5GN

Committee Chairperson

Alessandro Pighi

Senior Director

+44 20 3530 1794

Media Relations: Athos Larkou, London, Tel: +44 203 530 1549, Email:

athos.larkou@fitchratings.com

Additional information is available on www.fitchratings.com

Applicable Criteria

European RMBS Rating Criteria (pub. 02 Feb 2018)

(<https://www.fitchratings.com/site/re/10018676>)

Fitch's Interest Rate Stress Assumptions for Structured Finance and Covered Bonds - Excel File (pub. 02 Feb 2018)

(<https://www.fitchratings.com/site/re/10018863>)

Global Structured Finance Rating Criteria (pub. 03 May 2017)

(<https://www.fitchratings.com/site/re/897411>)

Structured Finance and Covered Bonds Counterparty Rating Criteria (pub. 23 May 2017) (<https://www.fitchratings.com/site/re/898537>)

Structured Finance and Covered Bonds Counterparty Rating Criteria: Derivative Addendum (pub. 23 May 2017) (<https://www.fitchratings.com/site/re/898538>)

Structured Finance and Covered Bonds Country Risk Rating Criteria (pub. 18 Sep 2017) (<https://www.fitchratings.com/site/re/903496>)

Structured Finance and Covered Bonds Interest Rate Stresses Rating Criteria (pub. 02 Feb 2018) (<https://www.fitchratings.com/site/re/10018549>)

Additional Disclosures

Dodd-Frank Rating Information Disclosure Form

(<https://www.fitchratings.com/site/dodd-frank-disclosure/10022133>)

Solicitation Status (<https://www.fitchratings.com/site/pr/10022133#solicitation>)

Endorsement Policy (<https://www.fitchratings.com/regulatory>)

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK:

[HTTPS://WWW.FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS](https://www.fitchratings.com/understandingcreditratings). IN ADDITION, RATING DEFINITIONS AND THE TERMS OF USE OF SUCH RATINGS ARE AVAILABLE ON THE AGENCY'S PUBLIC WEB SITE AT WWW.FITCHRATINGS.COM. PUBLISHED RATINGS, CRITERIA, AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. FITCH'S CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE, AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE CODE OF CONDUCT SECTION OF THIS SITE. DIRECTORS AND SHAREHOLDERS RELEVANT INTERESTS ARE AVAILABLE AT

[HTTPS://WWW.FITCHRATINGS.COM/SITE/REGULATORY](https://www.fitchratings.com/site/regulatory). FITCH MAY HAVE PROVIDED ANOTHER PERMISSIBLE SERVICE TO THE RATED ENTITY OR ITS RELATED THIRD PARTIES. DETAILS OF THIS SERVICE FOR RATINGS

FOR WHICH THE LEAD ANALYST IS BASED IN AN EU-REGISTERED ENTITY CAN BE FOUND ON THE ENTITY SUMMARY PAGE FOR THIS ISSUER ON THE FITCH WEBSITE.

Copyright © 2018 by Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries. 33 Whitehall Street, NY, NY 10004. Telephone: 1-800-753-4824, (212) 908-0500. Fax: (212) 480-4435. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved. In issuing and maintaining its ratings and in making other reports (including forecast information), Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings and reports should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating or a report will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings and its reports, Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings and forecasts of financial and other information are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings and forecasts can be affected by future events or conditions that were not anticipated at the time a rating or forecast was issued or affirmed.

The information in this report is provided "as is" without any representation or warranty of any kind, and Fitch does not represent or warrant that the report or any of its contents will meet any of the requirements of a recipient of the report. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion and reports made by Fitch are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and reports are

the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or a report. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. Ratings may be changed or withdrawn at any time for any reason in the sole discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and underwriters for rating securities. Such fees generally vary from US\$1,000 to US\$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from US\$10,000 to US\$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of the United Kingdom, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.

For Australia, New Zealand, Taiwan and South Korea only: Fitch Australia Pty Ltd holds an Australian financial services license (AFS license no. 337123) which authorizes it to provide credit ratings to wholesale clients only. Credit ratings information published by Fitch is not intended to be used by persons who are retail clients within the meaning of the Corporations Act 2001

Fitch Ratings, Inc. is registered with the U.S. Securities and Exchange Commission as a Nationally Recognized Statistical Rating Organization (the "NRSRO"). While certain of the NRSRO's credit rating subsidiaries are listed on Item 3 of Form NRSRO and as such are authorized to issue credit ratings on behalf of the NRSRO (see <https://www.fitchratings.com/site/regulatory>), other credit rating subsidiaries are not listed on Form NRSRO (the "non-NRSROs") and therefore credit ratings issued by those subsidiaries are not issued on behalf of the NRSRO. However, non-NRSRO personnel may participate in determining credit ratings issued by or on behalf of the NRSRO.

Solicitation Status

Fitch Ratings was paid to determine each credit rating announced in this Rating Action Commentary (RAC) by the obligator being rated or the issuer, underwriter, depositor, or sponsor of the security or money market instrument being rated, except for the following:

Endorsement Policy - Fitch's approach to ratings endorsement so that ratings produced outside the EU may be used by regulated entities within the EU for regulatory purposes, pursuant to the terms of the EU Regulation with respect to credit rating agencies, can be found on the EU Regulatory Disclosures (<https://www.fitchratings.com/regulatory>) page. The endorsement status of all International ratings is provided within the entity summary page for each rated entity and in the transaction detail pages for all structured finance transactions on the Fitch website. These disclosures are updated on a daily basis.