



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

COMUNICACIÓN DE HECHO RELEVANTE

CÉDULAS TDA 5, FONDO DE TITULIZACIÓN DE ACTIVOS Actuaciones sobre las calificaciones de los bonos por parte de Moody's.

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 Moody's, con fecha 18 de Enero de 2018, donde se lleva a cabo la siguiente actuación:

- Bonos ISIN: ES0317045005, confirmado en **A1 (sf)**.

En Madrid a 23 de enero de 2018

Ramón Pérez Hernández
Consejero Delegado

Rating Action: Moody's places on review for upgrade 14 Spanish multicedulas

Global Credit Research - 18 Jan 2018

London, 18 January 2018 -- Moody's Investors Service ("Moody's") announced today that it has placed on review for upgrade the ratings of thirteen series of Spanish multi-issuer covered bonds (SMICBs) and one associated subordinated loan.

Please click on this link http://www.moody's.com/viewresearchdoc.aspx?docid=PBS_SF466117 for the List of Affected Credit Ratings. This list is an integral part of this Press Release and identifies each affected issuer.

RATINGS RATIONALE

Please click on this link http://www.moody's.com/viewresearchdoc.aspx?docid=PBS_SF466117 for the List of Affected Credit Ratings. This list is an integral part of this Press Release and provides, for each of the credit ratings covered, Moody's disclosures on the following items:

Releasing Office

Moody's said today's rating actions are a result of the merger by absorption of Bank Mare Nostrum (BMN) by Bankia, S.A. (Bankia) originally announced in June 2017, but legally completed on 8th January 2018. Pursuant to the initial announcement, Moody's affirmed Bankia's ratings but changed the outlook on Bankia's long term deposit and senior debt ratings to developing from stable, and closer to the completion of the merger has updated its credit opinion on Bankia on 27th December 2017. For full details, please see the following:

http://www.moody's.com/viewresearchdoc.aspx?docid=PR_368963

https://www.moody's.com/researchdocumentcontentpage.aspx?docid=PBC_1103933

Prior to the merger, Moody's had evaluated the credit quality of BMN via a credit estimate. Post-merger BMN's credit quality will in due course be that of Bankia, whose rating is currently under developing outlook to assess, amongst other items, the impact of the merger and the issue of Additional Tier I issuance as noted in Moody's December 2017 credit opinion.

Moody's expects improvements in expected loss (EL) and/or probability of default of these thirteen SMICBs whose portfolios include Cédulas issued by BMN ranging from 8.33% to 30.80% of the respective aggregate amounts, and has accordingly placed them on review for upgrade. Moody's expects to conclude the review once the developing outlook on Bankia's ratings has been finalised.

The rating of one other SMICB that has exposure to BMN is currently capped at the sovereign ceiling for Spain.

The ratings assigned by Moody's address the expected loss posed to investors.

SMICBs can be considered as a repackaging of a pool of Spanish covered bonds. Each SMICB is backed by a group of Spanish covered bonds (Cédulas Hipotecarias, CHs) that are bought by a Fund, which in turn issues SMICBs. Moody's rating for any SMICB is determined after applying a three-step process:

First step: Calculating the Expected Loss (EL) for the Cédulas backing the SMICB.

The main driver of an SMICB's EL is the credit strength of the Cédulas backing the SMICB. If the Cédulas perform, the SMICBs will be fully repaid. Cédulas are rated according to our published "Moody's Approach to Rating Covered Bonds," published December 2016.

Second step: Calculating the EL for the SMICBs.

In the absence of any credit support (for example, such as a reserve fund), the EL of the SMICB is determined directly from the weighted-average EL (weighted by their outstanding amounts) of the Cédulas backing the SMICB. Where the SMICB benefits from a reserve fund, the SMICB may achieve a lower EL than the

weighted-average EL of the Cédulas backing the SMICB. The EL of the SMICB is the average EL of the single tranche ranking senior to the subordinated loan which originally funded the reserve fund. The loss distribution is determined by a single factor model which is numerically solved through a Monte Carlo simulation.

Third step: Calculating the probability of default for the SMICB or assessing the sufficiency of the Liquidity Facility (LF) for the SMICB.

Under the SMICB rating approach, Moody's gives value to two primary liquidity support mechanisms, which improve the probability of timely payment if any Cédula backing the SMICB fails to make a payment on a scheduled payment date. These are: i) the maturity extension on the SMICB, which should ensure that a period of at least two years is available following any default on the Cédula. This period would be available to realise the value of the assets backing the Cédulas; and ii) a LF that is available to cover interest payments on the SMICB. Under the SMICB rating method, the LF for an SMICB is sized to improve the timely payment of the SMICB to a level commensurate with the rating of the SMICBs. The size of the LF is primarily determined by: i) the probability of default of the Cédulas backing the SMICB; ii) the correlation between these Cédulas; and iii) the level of concentration to the different Cédulas backing the SMICB. However, regardless of the size of the LF, Moody's would limit the maximum rating of the SMICB by applying its Timely Payment Indicator (TPI) methodology for covered bonds. The TPI framework limits the rating uplift that SMICBs may achieve over the weighted average CB anchor of the underlying Cédulas' issuers and may constrain the final covered bond rating to a lower level than the maximum potential rating under the EL Model. The TPI used to assess the maximum rating uplift over the weighted average CB anchor of the underlying Cédulas' issuers for each SMICB is typically two levels above the one assigned to the underlying Cédulas.

Factors that would lead to an upgrade or downgrade of the ratings:

The robustness of a structured multi-issuer covered bond rating largely depends on the underlying issuers' credit strength as reflected in their CB anchors, and the support provided by the liquidity facility and reserve fund, if any.

A multiple-notch downgrade of the SMICBs might occur in certain limited circumstances, such as (i) a sovereign downgrade negatively affecting the issuers' CB anchor and the TPI; (ii) a multiple-notch lowering of the CB anchor or (iii) a material reduction of the value of the cover pool.

Methodologies Underlying the Rating Action

The principal methodology used in these ratings was "Moody's Approach to Rating SF CDOs" published in June 2017. Please see the Rating Methodologies page on www.moodys.com for a copy of this methodology.

REGULATORY DISCLOSURES

Please click on this link http://www.moodys.com/viewresearchdoc.aspx?docid=PBS_SF466117 for the List of Affected Credit Ratings. This list is an integral part of this Press Release and provides, for each of the credit ratings covered, Moody's disclosures on the following items:

Releasing Office

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions of the disclosure form.

Moody's did not use any models, or loss or cash flow analysis, in its analysis.

Moody's did not use any stress scenario simulations in its analysis.

For ratings issued on a program, series or category/class of debt, this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series or category/class of debt or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the credit rating action on the support provider and in relation to each particular credit rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the

rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on www.moodys.com.

For any affected securities or rated entities receiving direct credit support from the primary entity(ies) of this credit rating action, and whose ratings may change as a result of this credit rating action, the associated regulatory disclosures will be those of the guarantor entity. Exceptions to this approach exist for the following disclosures, if applicable to jurisdiction: Ancillary Services, Disclosure to rated entity, Disclosure from rated entity.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

Please see www.moodys.com for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

Please see the ratings tab on the issuer/entity page on www.moodys.com for additional regulatory disclosures for each credit rating.

Hemal Shah
Asst Vice President - Analyst
Structured Finance Group
Moody's Investors Service Ltd.
One Canada Square
Canary Wharf
London E14 5FA
United Kingdom
JOURNALISTS: 44 20 7772 5456
Client Service: 44 20 7772 5454

Ian Perrin
Associate Managing Director
Structured Finance Group
JOURNALISTS: 44 20 7772 5456
Client Service: 44 20 7772 5454

Raja Iyer
VP - Senior Analyst
Structured Finance Group
JOURNALISTS: 44 20 7772 5456
Client Service: 44 20 7772 5454

Releasing Office:
Moody's Investors Service Ltd.
One Canada Square
Canary Wharf
London E14 5FA
United Kingdom
JOURNALISTS: 44 20 7772 5456
Client Service: 44 20 7772 5454

MOODY'S
INVESTORS SERVICE

© 2018 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.

CREDIT RATINGS ISSUED BY MOODY'S INVESTORS SERVICE, INC. AND ITS RATINGS AFFILIATES ("MIS") ARE MOODY'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MOODY'S PUBLICATIONS MAY INCLUDE MOODY'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE

SECURITIES. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL, FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS AND MOODY'S OPINIONS INCLUDED IN MOODY'S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S PUBLICATIONS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. CREDIT RATINGS AND MOODY'S PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND CREDIT RATINGS AND MOODY'S PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. NEITHER CREDIT RATINGS NOR MOODY'S PUBLICATIONS COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS AND PUBLISHES MOODY'S PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS AND MOODY'S PUBLICATIONS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS OR MOODY'S PUBLICATIONS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT.

CREDIT RATINGS AND MOODY'S PUBLICATIONS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the rating process or in preparing the Moody's publications.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS,

MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH RATING OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any rating, agreed to pay to Moody's Investors Service, Inc. for appraisal and rating services rendered by it fees ranging from \$1,500 to approximately \$2,500,000. MCO and MIS also maintain policies and procedures to address the independence of MIS's ratings and rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold ratings from MIS and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.moodys.com under the heading "Investor Relations — Corporate Governance — Director and Shareholder Affiliation Policy."

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors. It would be reckless and inappropriate for retail investors to use MOODY'S credit ratings or publications when making an investment decision. If in doubt you should contact your financial or other professional adviser.

Additional terms for Japan only: Moody's Japan K.K. ("MJKK") is a wholly-owned credit rating agency subsidiary of Moody's Group Japan G.K., which is wholly-owned by Moody's Overseas Holdings Inc., a wholly-owned subsidiary of MCO. Moody's SF Japan K.K. ("MSFJ") is a wholly-owned credit rating agency subsidiary of MJKK. MSFJ is not a Nationally Recognized Statistical Rating Organization ("NRSRO"). Therefore, credit ratings assigned by MSFJ are Non-NRSRO Credit Ratings. Non-NRSRO Credit Ratings are assigned by an entity that is not a NRSRO and, consequently, the rated obligation will not qualify for certain types of treatment under U.S. laws. MJKK and MSFJ are credit rating agencies registered with the Japan Financial Services Agency and their registration numbers are FSA Commissioner (Ratings) No. 2 and 3 respectively.

MJKK or MSFJ (as applicable) hereby disclose that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MJKK or MSFJ (as applicable) have, prior to assignment of any rating, agreed to pay to MJKK or MSFJ (as applicable) for appraisal and rating services rendered by it fees ranging from JPY200,000 to approximately JPY350,000,000.

MJKK and MSFJ also maintain policies and procedures to address Japanese regulatory requirements.



Spain - Multi-Cedulas Rating Actions - 18 January 2018

Covered Bonds Programme	Current Rating		Prior-Rating Action		Prior Rating Action Date	Releasing office
	CB Rating	Review	CB Rating	Review		
Programa Cédulas TDA, Fondo de Titulización de Activos - Series A3	Aa3 (sf)	UPG	Aa3 (sf)		lunes, 02 de noviembre de 2015	Moody's Investors Service Ltd.
Programa Cédulas TDA, Fondo de Titulización de Activos - Series A4	A2 (sf)	UPG	A2 (sf)		lunes, 02 de noviembre de 2015	Moody's Investors Service Ltd.
CÉDULAS TDA 5, FTA	A1 (sf)	UPG	A1 (sf)		lunes, 02 de noviembre de 2015	Moody's Investors Service Ltd.
CÉDULAS TDA 6, FTA	A1 (sf)	UPG	A1 (sf)		lunes, 02 de noviembre de 2015	Moody's Investors Service Ltd.

PLEASE SEE "DISCLAIMER" TAB FOR IMPORTANT LEGAL INFORMATION