

C. N. M. V.  
Dirección General de Mercados e Inversores  
C/ Miguel Ángel 11  
Madrid

### **COMUNICACIÓN DE HECHO RELEVANTE**

#### **MADRIDRMB3 III, FONDO DE TITULIZACIÓN DE ACTIVOS Bajada de Calificación de Fitch Ratings a Bankinter.**

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

- I. Respecto al Fondo arriba mencionado y de acuerdo con la información publicada por Fitch Ratings el día 6 de julio, el rating de la entidad Bankinter, ha sido rebajado a largo plazo de A a BBB+, y el rating a corto plazo ha sido rebajado de F1 a F2. Este hecho afecta a Bankinter como contraparte del contrato de Servicios Financieros. Por lo tanto, y al objeto de mantener la calificación de los bonos emitidos por el Fondo, se iniciarán los procesos necesarios de acuerdo a los criterios de la agencia de calificación.
  
- II. Adjuntamos nota de prensa de Fitch, por la que se comunican a esta Sociedad Gestora la bajada de calificación de la mencionada entidad.

En Madrid a 14 de julio de 2011

Ramón Pérez Hernández  
Director General



## Fitch Downgrades Bankinter to 'BBB+'; Outlook Stable; Withdraws Ratings

06 Jul 2011 11:41 AM (EDT) Fitch Ratings-London-06 July 2011: Fitch Ratings has downgraded Bankinter's Long-term Issuer Default Rating (IDR) to 'BBB+' from 'A', Short-term IDR to 'F2' from 'F1' and Individual Rating to 'C' from 'B/C'. The Outlook on the Long-term IDR is Stable. Fitch has simultaneously withdrawn all the ratings assigned to Bankinter and will no longer provide rating or analytical coverage for this issuer. Bankinter is no longer considered by Fitch to be relevant to the agency's coverage. A full rating breakdown is at the end of this comment.

The downgrades reflect Fitch's view that financing conditions for Bankinter will remain difficult given uncertainties in the capital markets for Spanish issuers. The bank's business model is reliant on wholesale funding and, although this dependence has declined as a result of rising customer deposits, the bank has important maturities to meet in the medium term. Furthermore, higher costs for retail and wholesale funding will continue to place pressure on the bank's net interest margin, affecting its cost efficiency and pre-impairment profitability. Conversely, the ratings also reflect Bankinter's relatively low risk profile with exposure to the Spanish real estate development sector below most peers, better-than-sector-average asset quality indicators and improved regulatory core capital levels.

In 2010 and Q111 pre-impairment operating profitability declined, mainly due to the narrowing of margins as funding costs increased and mortgages re-priced at lower interest rates. However, operating profitability benefited in both periods from comparatively low credit impairment charges.

Bankinter's risk profile is fairly low and its asset quality has held up well despite the downturn in the Spanish property sector. This is supported by the large proportion of lending to individuals (61% of total loans), which are mainly high quality residential mortgages, and lower than sector loan exposure to real estate development (6% of loans). Bankinter's impaired/total loans ratio remained better than the sector average at 3.2% at end-Q111 (3.6% with foreclosures) and coverage levels are reasonable at 64% for loans and 27% for foreclosed assets.

Despite high customer deposit growth and lower short-term funds, wholesale funding reliance remains. The bank has maturities of EUR3.3bn in 2012 and EUR3.7bn in 2013, which it will need to fund. However, Bankinter has tapped the markets in 2010 and 2011, albeit at higher costs, and mainly through covered bond issuances of shorter maturities than under normal market conditions. Conversely, the bank has EUR7.5bn of available ECB-eligible assets and is able to issue an additional EUR1.5bn of state-guaranteed debt, which helps ease funding and liquidity pressure.

Bankinter's regulatory core capital ratio has been boosted by mandatory convertible subordinated notes issued in May 2011 to above 8%. However, under Fitch's Hybrid Capital Securities Criteria, convertible bonds are only considered as core capital when the conversion has been exercised.

Bankinter, Spain's 11th-largest banking group, has a retail multi-channel approach with 367 branches and 196 business units. Credit Agricole has a 23.4% stake.

The rating actions are as follows:

Bankinter:

Long-term IDR: downgraded to 'BBB+' from 'A'; Outlook changed to Stable from Negative, rating withdrawn

Short-term IDR: downgraded to 'F2' from 'F1', rating withdrawn

Individual rating: downgraded to 'C' at 'B/C', rating withdrawn

Support Rating: affirmed at '3', rating withdrawn

Support Rating Floor: affirmed at 'BB+', rating withdrawn

Senior unsecured debt: downgraded to 'BBB+' from 'A', rating withdrawn

The rating impact, if any, from the above rating action on Bankinter's mortgage covered bonds will be detailed in a separate comment.

Contact:

Primary Analyst  
Maria Rivas  
Associate Director  
+44 20 3530 1163  
Fitch Ratings Limited  
30 North Colonnade  
London E14 5GN

Secondary Analyst  
Josep Colomer

Associate Director  
+34 93 323 84 00

Committee Chairperson  
Janine Dow  
Senior Director  
+33 1 4429 9138

Media Relations: Françoise Alos, Paris, Tel: +33 1 44 29 91 22, Email: francoise.alos@fitchratings.com.

Additional information is available at [www.fitchratings.com](http://www.fitchratings.com).  
Applicable criteria, 'Global Financial Institutions Rating Criteria', dated 16 August 2010; 'Short-term Ratings Criteria for Corporate Finance', dated 2 November 2010 and 'Equity Credit for Hybrids & Other Capital Securities - Amended', dated 29 December 2009 are available at [www.fitchratings.com](http://www.fitchratings.com).

**Applicable Criteria and Related Research:**

Global Financial Institutions Rating Criteria  
Short-Term Ratings Criteria for Corporate Finance  
Equity Credit for Hybrids & Other Capital Securities - Amended

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