

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

COMUNICACIÓN DE HECHO RELEVANTE

CÉDULAS TDA 7, FONDO DE TITULIZACIÓN DE ACTIVOS Bajada Calificación Moody's a Cédulas TDA 7, Fondo de Titulización de Activos

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

Respecto al fondo de referencia, adjuntamos nota de prensa publicada por
Moody's con fecha 3 de mayo, donde se baja la calificación de Aa1 a Aa2.

En Madrid a 3 de mayo de 2010

Ramón Pérez Hernández
Director General

Rating Action: Moody's downgrades five series of Spanish multi-issuer covered bonds

Global Credit Research - 03 May 2010

EUR 9.5 billion debt affected

Madrid, May 03, 2010 -- Moody's Investors Service has downgraded the ratings of the following Spanish multi-issuer covered bonds (SMICBs):

- CÉDULAS TDA 5, FTA(ISIN:ES0317045005), Downgraded to Aa3; previously on 17 December 2009 downgraded to Aa1.
- CÉDULAS TDA 6, FTA(ISIN:ES0317046003), Downgraded to Aa2; previously on 17 December 2009 downgraded to Aa1.
- CÉDULAS TDA 7, FTA(ISIN:ES0317047001), Downgraded to Aa2; previously on 17 December 2009 downgraded to Aa1.
- IM CÉDULAS M1, FTA(ISIN:ES0362859003), Downgraded to A1; previously on 17 December 2009 downgraded to Aa2.
- IM CÉDULAS 10, FTA(ISIN:ES0349045007), Downgraded to Aa3; previously on 17 December 2009 downgraded to Aa2.

The downgrades are a result of: (i) primarily, the significant credit deterioration of some of the participant issuers of the Spanish covered bonds (Cédulas) backing the affected SMICBs; and (ii) as a contributory factor, the deterioration in the quality of the collateral backing the Cédulas. As a result, Moody's analysis concluded that the expected loss for each of the five series was no longer consistent with their respective outstanding ratings.

Moody's notes that as some of the participant issuers do not have a public Moody's rating, no specific reference to them can be provided. However, the downgrades also reflect the significant deterioration in the credit strength of some of the participants. Moody's notes that this has been driven by high exposure to the real estate sector, high top-name exposure, and the rapid deterioration in asset quality indicators in a severely weakening credit environment. This results in higher default probability assumptions for such entities.

The deterioration in the credit quality of the Cover Pool supporting the Cédulas is quite pronounced, due to the increasing arrears levels and high exposure to real estate sector.

In its analysis, Moody's treatment of over-collateralisation (OC) in excess of the legal requirement differentiates between: (i) collateral that under the law can back covered bonds ("eligible" collateral); and (ii) collateral that under the law is given no value when determining the issuance levels of covered bonds ("ineligible" collateral). Moody's gives only partial value to the collateral backing the Cédulas in excess of the legal requirement of 25% OC over the eligible assets. Although Cédulas benefit from all the mortgage assets held by the issuer, and current OC levels are generally high, these OC levels could change rapidly as nothing prevents the issuers from issuing further Cédulas or securitising large pools of either eligible or ineligible assets.

The overall effect is that the implicit rating on the underlying Cédulas issued by some of the entities has been reduced between one and three notches since the last rating actions taken in December 2009.

RATING METHODOLOGY

SMICBs can be considered a securitisation of a pool of Spanish covered bonds. Each SMICB is backed by a group of Spanish covered bonds (Cédulas) which are bought by a Fund, which in turn issues SMICBs.

Moody's rating for any SMICB is determined after applying a two-step process:

- 1) Moody's determines a rating based on the expected loss on the SMICB. The main driver of the expected loss (EL) of an SMICB is the credit strength of the Cédulas backing the SMICBs. If the Cédulas perform, the SMICBs will be fully repaid. Cédulas are rated according to Moody's published covered bond methodology. In the absence of any other 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.

2) A secondary rating target for SMICBs is the probability of default. Under the SMICB rating approach, Moody's gives value to two primary liquidity supports 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 Cédula; and ii) a liquidity facility (LF) that is available to cover interest payments on the SMICB. Under the SMICB rating method, the LF benefiting any SMICB can be sized to improve the timely payment of the SMICB to a level commensurate with the SMICBs' rating.

Moody's initially analysed and currently monitors these transactions using the rating methodology for EMEA Covered Bond transactions as described in the Rating Methodology reports "Rating Spanish Multi-Issuer Covered Bonds", published in September 2009, "Moody's Rating Approach to Covered Bonds", published in March 2010, and "Assessing Swaps as Hedges in the Covered Bond Market", published in September 2008. These can be found on www.moody's.com in the Rating Methodologies sub-directory under the Research & Ratings tab. Other methodologies and factors that may have been considered in the process of rating this issue can also be found in the Rating Methodologies sub-directory on Moody's website. In addition, Moody's publishes a weekly summary of structured finance credit, ratings and methodologies, available to all registered users of our website, at www.moody's.com/SFQuickCheck.

The rating assigned by Moody's addresses the expected loss posed to investors. Moody's ratings address only the credit risks associated with the transaction. Other non-credit risks have not been addressed, but may have a significant effect on yield and to investors.

Madrid

Juan Pablo Soriano
Managing Director
Structured Finance Group
Moody's Investors Service Espana, S.A.
JOURNALISTS: 44 20 7772 5456
SUBSCRIBERS: 44 20 7772 5454

Madrid

Jose de Leon
VP - Senior Credit Officer
Structured Finance Group
Moody's Investors Service Espana, S.A.
JOURNALISTS: 44 20 7772 5456
SUBSCRIBERS: 44 20 7772 5454



© Copyright 2010, Moody's Investors Service, Inc. and/or its licensors including Moody's Assurance Company, Inc. (together, "MOODY'S"). All rights reserved.

CREDIT RATINGS ARE MOODY'S INVESTORS SERVICE, INC.'S ("MIS") CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES. MIS 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 ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. CREDIT RATINGS DO NOT CONSTITUTE INVESTMENT OR FINANCIAL ADVICE, AND CREDIT RATINGS ARE NOT RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. CREDIT RATINGS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MIS ISSUES ITS CREDIT RATINGS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

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. 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. Under no circumstances shall MOODY'S have any liability to any person or entity for (a) any loss or damage in whole or in part caused by, resulting from, or relating to, any error (negligent or otherwise) or other circumstance or contingency within or outside the control of MOODY'S or any of its directors, officers, employees or agents in connection with the procurement, collection, compilation, analysis, interpretation, communication, publication or delivery of any such information, or (b) any direct, indirect, special, consequential, compensatory or incidental damages whatsoever (including without limitation, lost profits), even if MOODY'S is advised in advance of the possibility of such damages, resulting from the use of or inability to use, any such information. The ratings, financial reporting analysis, projections, and other observations, if any, constituting part of the information contained herein are, and must be construed solely as, statements of opinion and not statements of fact or recommendations to purchase, sell or hold any securities. Each user of the information contained herein must make its own study and evaluation of each security it may consider purchasing, holding or selling. 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.

MIS, 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 MIS have, prior to assignment of any rating, agreed to pay to MIS 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 "Shareholder Relations - Corporate Governance - Director and Shareholder Affiliation Policy."

Any publication into Australia of this Document is by MOODY'S affiliate MOODY'S Investors Service Pty Limited ABN 61 003 399 657, which holds Australian Financial Services License no. 336969. 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 and its affiliates 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).