

Hecho Relevante de RURALPYME 2 FTPYME Fondo de Titulización de Activos

En virtud de lo establecido en el apartado 4.1.4 del Módulo Adicional a la Nota de Valores del Folleto Informativo de **RURALPYME 2 FTPYME Fondo de Titulización de Activos** (el "**Fondo**") se comunica a la COMISIÓN NACIONAL DEL MERCADO DE VALORES el presente hecho relevante:

- La Agencia de Calificación **Fitch Ratings** ("**Fitch**") con fecha 10 de diciembre de 2008, comunica que ha confirmado la calificación de las siguientes Series de Bonos emitidas por **RURALPYME 2 FTPYME Fondo de Titulización de Activos**:
 - **Serie A1:** **AAA**, *perspectiva negativa* (actual **AAA**)
 - **Serie A2(G):** **AAA**, *perspectiva estable* (actual **AAA**)
 - **Serie B:** **A**, *perspectiva negativa* (actual **A**)
 - **Serie D:** **CC**

Asimismo, Fitch comunica que ha bajado la calificación de la restante Serie de Bonos:

- **Serie C:** **BB**, *perspectiva negativa* (actual **BBB-**, *perspectiva negativa*)

Se adjunta la nota de prensa emitida por Fitch.

Madrid, 10 de diciembre de 2008.



Mario Masiá Vicente
Director General

FITCH DOWNGRADES 1, AFFIRMS 4 CLASSES OF RURALPYME 2 FTPYME, F.T.A.; ASSIGNS OUTLOOKS

Fitch Ratings-London/Madrid-10 December 2008: Fitch Ratings has today downgraded the rating of one class and affirmed four classes of Ruralpyme 2 FTPYME, Fondo de Titulizacion de Activos (Ruralpyme 2). The agency has simultaneously assigned rating Outlooks as follows:

Class A1 (ISIN ES0374352005) affirmed at 'AAA'; assigned a Negative Outlook

Class A2 (G) (ISIN ES0374352013) affirmed at 'AAA'; assigned a Stable Outlook

Class B (ISIN ES0374352021) affirmed at 'A'; assigned a Negative Outlook

Class C (ISIN ES0374352039) downgraded to 'BB' from 'BBB'-(BBB minus); Negative Outlook maintained

Class D (ISIN ES0374352047) affirmed at 'CC'

The Kingdom of Spain ('AAA'/'F1+'/'Outlook Stable) guarantees the class A2 (G) notes.

The review was prompted by an increase in the amount of delinquent loans in the transaction and concerns about Spain's macroeconomic environment. As of 31 October 2008, 90+ day delinquencies stood at 2.3% of the current portfolio. Further, the portfolio is concentrated in real estate and related sectors with the current exposure at 22.2%, and the largest geographical region is Aragon at 28.9%. The transaction is also exposed to obligor concentration with the largest obligor accounting for 1.5% of the portfolio and the top five obligors totalling EUR22.8m or 6%. The transaction closed in 2006 and has not benefited from de-leveraging to the same degree as older vintage transactions. The current portfolio is 63.5% of initial portfolio balance, which has led to a small increase in credit enhancement on the notes. The reserve fund of EUR24m provides 6.3% of credit enhancement. While current levels of credit protection for classes A1 and B remain sufficient to maintain their current ratings, the transaction is exposed to the delinquency pipeline, and these notes have thus been assigned Negative Outlooks. Fitch's analysis of the delinquency pipeline and updated default forecast for the current portion of the portfolio indicate that the credit protection for class C has declined markedly which is why the tranche has been downgraded to below investment grade and assigned a Negative Outlook as noted above.

Fitch assigned Negative rating Outlooks between May and September 2008 to 19 tranches issued by Spanish small- and medium-sized enterprise (SME) collateralised debt obligation (CDO) transactions due to a combination of declining performance trends and the worsening Spanish macroeconomic environment. In a special report published on 8 May 2008, entitled "Rating Outlooks in Spanish SME CDOs", Fitch discussed why the agency had a negative view for the next one-to-two years and highlighted macroeconomic trends and concerns which, the agency believes, increase the downgrade risk for such notes over the long term.

Since then, there has been a notable increase in delinquencies. While significant losses have yet to materialise, Fitch expects further deterioration due to the downturn in the Spanish economy and the significant exposure of the transaction to the real estate and related sectors. While recent declines in interest rates and augmented collection efforts may relieve some degree of stress in the portfolio, Fitch expects performance to weaken further over the near-term due to deteriorating macroeconomic conditions and growing stress in the real estate and construction sectors. Given these expectations, the transaction was reviewed to determine if the levels of credit protection were sufficient to maintain the current ratings.

In the analysis undertaken, assumptions on probability of default (PD) and loss severity were made with regards to current delinquencies as well as the performing portfolio. With respect to default probability, the base assumption on the current portion of the portfolio was revised upward to reflect the non-investment grade nature of underlying obligors and to consider how the portfolio or loans could perform through-the cycle. This resulted in an increase in the base default probability to approximately 10-15%, which was then adjusted to reflect the remaining weighted average life of

the portfolio. The base case PD was further adjusted to account for the existing portfolio delinquency pipeline, with loans in later state delinquency buckets assigned progressively higher default probabilities (up to 100% for loans greater than six months in arrears). On the recovery side, Fitch assumed the 'BB' recovery from the initial rating analysis. These updated PD and recovery assumptions were used to determine an updated loss expectation and then compared against existing subordination available for each tranche, with minimum coverage ratios of the updated expected loss driving the actions noted above. Seasoning, excess spread, as well as industry and obligor concentration risk also factored into Fitch's credit view.

The transaction represents a cash-flow securitisation of a static portfolio of loans to Spanish SMEs granted by 14 rural credit cooperatives. Ruralpyme 2 is a special purpose vehicle incorporated under the laws of Spain with limited liability. Its sole purpose is to acquire the portfolio of loans as collateral for the issuance of fixed-income securities. The assets of Ruralpyme 2 were acquired on its behalf by Europea de Titulizacion SGFT, S.A., a special purpose management company with limited liability and incorporated under the laws of Spain.

Further commentary and performance data on these transactions are available on the agency's subscription website, www.fitchresearch.com.

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Fitch's rating definitions and the terms of use of such ratings are available on the agency's public site, 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.

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