STANDARD & POOR'S

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Cash CDO Of Spanish SME Loans Presale Report

GC FTPYME SABADELL 6, Fondo de Titulización de Activos

€1 Billion Floating-Rate Notes

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This presale report is based on information as of June 8, 2007. The credit ratings shown are preliminary. This report does not constitute a recommendation to buy, hold, or sell securities. Subsequent information may result in the assignment of final credit ratings that differ from the preliminary credit ratings. For further ratings information, call Client Support Europe on (44) 20-7176-7176. Members of the media may contact the Press Office Hotline on (44) 20-7176-3605 or via media_europe@standardandpoors.com. Local media contact numbers are: Paris (33) 1-4420-6657; Frankfurt (49) 69-33-999-225; Stockholm (46) 8-440-5914; or Moscow (7) 495-783-4017. Investors are invited to call the SF Investor Hotline on (44) 20-7176-3223.

Class	Prelim. rating*	Prelim. amount (Mil. €)	Available credit support (%)	Interest	Legal final maturity
A1	AAA	175.0	6.95	Three-month EURIBOR plus a margin	Sept. 30, 2039
A2	AAA	635.4	6.95	Three-month EURIBOR plus a margin	Sept. 30, 2039
A3(G)¶	AAA	134.1	6.95	Three-month EURIBOR plus a margin	Sept. 30, 2039
B	A	35.5	3.4	Three-month EURIBOR plus a margin	Sept. 30, 2039
C	BBB	20.0	1.4	Three-month EURIBOR plus a margin	Sept. 30, 2039

**The rating on each class of securities is preliminary as of June 8, 2007, and subject to change at any time. Final credit ratings are expected to be assigned on the closing date subject to a satisfactory review of the transaction documents and legal opinion, and completion of a corporate overview. Standard & Poor's ratings address timely interest and ultimate principal on the notes.*
¶The Kingdom of Spain will act as guarantor for the class A3(G) notes.

Transaction Participants	
Originator	Banco de Sabadell S.A.
Arrangers	Banco de Sabadell S.A. and GestiCaixa, S.G.F.T., S.A.
Trustee	GestiCaixa, S.G.F.T., S.A.
Collateral administrator	Banco de Sabadell S.A.
Interest swap counterparty	Banco de Sabadell S.A.
GIC and bank account provider	Banco de Sabadell S.A.
Paying agent	Banco de Sabadell S.A.
Guarantors	Ministry of Economy, Kingdom of Spain
Underwriters	Banco de Sabadell S.A., Lehman Brothers International (Europe) Ltd., and Calyon (sucursal en España)
Servicer	Banco de Sabadell S.A.

Supporting Ratings	
Institution/role	Ratings
Banco de Sabadell S.A. as GIC and bank account provider and interest swap counterparty	A+/Stable/A-1
Kingdom of Spain as guarantor for the class A3(G) notes	AAA/Stable/A-1+

Transaction Key Features	
Expected closing date	June 26, 2007
Structure type	Cash
CDO asset type	Loans
Portfolio composition	Spanish SME loans
Purpose of transaction	Balance sheet
Rating approach	Actuarial
Portfolio management type	Static
Liability structure	Fully funded
Collateral description	Loans to SMEs
Weighted-average maturity of assets (years)	10.08
Weighted-average seasoning of assets (years)	1.61
Principal outstanding (Mil. €)	1,285.97
Country of origination	Spain
Concentration (%)	Largest 10 obligors (8.24% of provisional pool. This amount will be lower than 7.60% in the final pool). Three major geographical concentrations: Cataluña (42.87%), Madrid (14.77%), and Valencia (9.89%). Major industrial concentration by pool balance (investment purpose): real-estate activities (36.53%), catering trade (10.81%), and other activities (8.16%)
Average loan size balance (€)	401,866.78
Loan size range (€)	60,076.86 to 12,243,512.91
Weighted-average interest rate (%)	4.51
Arrears	There will be none at closing
Redemption profile	Amortizing
Excess spread at closing¶ (%)	0.50
Cash reserve (Mil. €)	14.00

**Pool data as of May 30, 2007.*
¶Available through the interest swap contract.

Transaction Summary

Standard & Poor's Ratings Services has assigned preliminary credit ratings to the €1 billion floating-rate notes to be issued by GC FTPYME SABADELL 6, Fondo de Titulización de Activos (GC FTPYME SABADELL 6).

The originator is Banco de Sabadell S.A. (Banco Sabadell), which at closing will sell to GC FTPYME SABADELL 6 a €1 billion closed portfolio of secured and unsecured loans granted to Spanish SMEs.

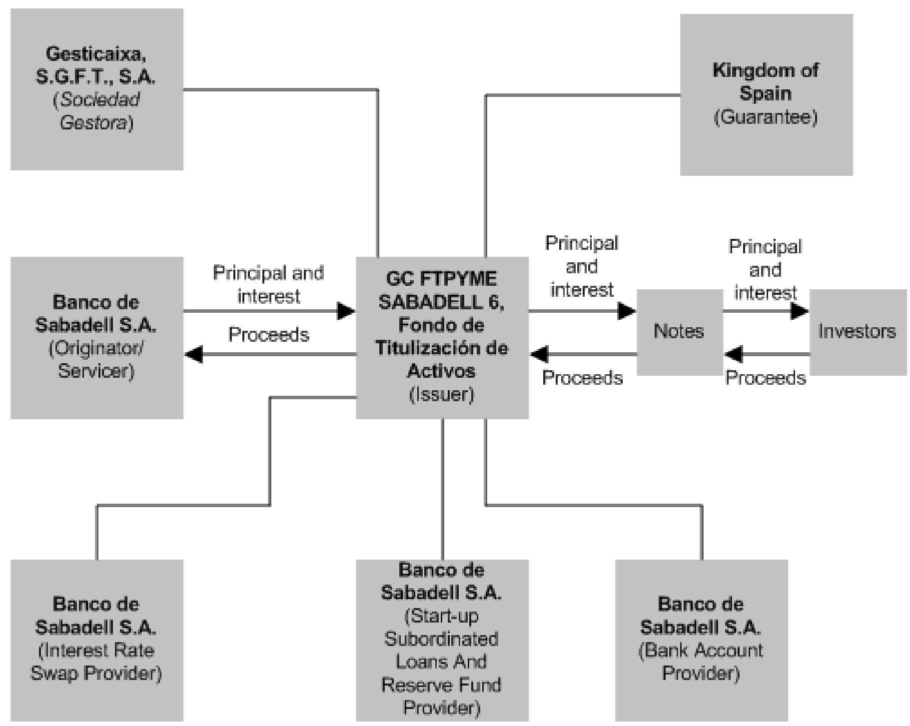
To fund this purchase, GestiCaixa, S.G.F.T., S.A., as trustee, will issue three classes of floating-rate, quarterly paying notes on behalf of GC FTPYME SABADELL 6.

The class A3G notes will benefit from an irrevocable and unconditional guarantee for principal and interest payments from the Kingdom of Spain (AAA/Stable/A-1+).On receipt of a notice of a shortfall in the available funds to meet either the interest or principal repayment obligations, or both, the Spanish Treasury must cover the shortfall at the relevant payment date. The guarantee will be implemented under the annual FTPYME program administered by the Spanish Treasury.

The ratings on the notes to be issued by GC FTPYME SABADELL 6 reflect the subordination of the respective classes of notes below them, the reserve fund, the presence of the interest rate swap (which provides excess spread of 50 bps), comfort provided by various other contracts, and the rating on Banco Sabadell (A+/Stable/A-1).

The structure of the transaction is shown in chart 1.

Chart 1: GC FTPYME SABADELL 6, Fondo de Titulización de Activos Transaction Structure



The principal and interest on the notes will be paid quarterly in arrears.

Notable Features

GC FTPYME SABADELL 6 will be the 11th CLO completed by Banco Sabadell of its loans originated to SME corporate clients. The transaction features some structural enhancements provided by the swap agreement, amortization of the notes, the reserve fund, and a guarantee by the Kingdom of Spain on the class A3(G) notes, as this transaction qualifies for the FTPYME Treasury.

The class A notes will be divided in three sub-tranches: the class A1, A2, and A3(G) notes. The amortization between them will be sequential. There are specific pro rata rules if certain conditions are met.

The transaction will feature a lockout period from closing lasting 16 months before it starts amortizing the class A1 notes.

As in other Spanish transactions, interest and principal from the underlying assets will be combined into a single priority of payments, with principal deficiency-based triggers and asset-liability tests triggers in the payment of the interest, to protect senior noteholders.

Standard & Poor's based its analysis on the credit quality of the pool, its concentrations, and the structural features of the transaction.

Strengths, Concerns, And Mitigating Factors

Strengths

- Credit enhancement provided by subordination, the available excess spread, and the fully funded reserve fund is adequate to cover the various stresses applied to the transaction.
- Banco Sabadell is an experienced originator and servicer, with 10 SME loan transactions and two RMBS transactions to date.
- Good quality historical information has been provided.
- Of the outstanding amount, 65.29% comprises mortgage loans
- There is currently a low weighted-average LTV ratio of 50.65%, and the weighted-average seasoning is 19.32 months.
- A swap agreement will hedge the interest rate risk and leave a spread of 50 bps in the transaction.

Concerns

- Of the loans, 75.79% are concentrated in four regions (*Comunidades Autónomas*).
- Of the loans, 65.54% are concentrated in the largest five industries.
- Until the 16th month of the transaction, principal will accrue in the issuer's bank account as amortization of the notes will start on this payment date.

Mitigating factors

- Standard & Poor's has taken into account the exposure to industrial concentration. The sector concentrations are in line with the SME portfolios in Banco Sabadell. The concentrations at the obligor level have been taken into account in the credit analysis and limited through the eligibility criteria, where at closing the largest 10 cannot exceed 7.6%, the largest three cannot exceed 2.8% and none of the individual borrowers can exceed 1.0%.
- The swap will cover the negative carry created by the amortization of the assets and the non-amortization of the liabilities.

Banco de Sabadell S.A. (Originator And Servicer)

Banco Sabadell is a midsize bank with a mainly domestic focus. It is Spain's fourth-largest commercial banking group and sixth-largest financial institution by total assets.

Banco Sabadell has used its strong position in its historical core market of small and midsize enterprises in the Autonomous Community of Catalonia (AA/Stable/—), one of the richest and most economically diversified regions in Spain, to undertake prudently managed expansion, enhancing the depth and diversification of its business profile. The bank has successfully weathered the challenges posed by its significant enlargement after several acquisitions of commercial banks outside Catalonia and with different businesses profiles. The largest of these acquisitions was Banco Atlántico, S.A.

Outside Spain, Banco Sabadell's activities focus mainly on providing trade finance and correspondent-banking services to Spanish SMEs through a small number of foreign branches and representative offices, as well as through its domestic network.

Trustee Or "Sociedad Gestora"

GestiCaixa will be the *sociedad gestora*. The creation of the *sociedad gestora* was authorized by the Ministry of Economy and Treasury in August 1994. Under the legislation for mortgage securitization in Spain, the issuer's day-to-day operations are managed by the *sociedad gestora*, which represents and defends the interests of the noteholders. The *sociedad gestora*, on the issuer's behalf, will enter into certain contracts (GICs, a swap agreement, and two guarantee and subordinated loan agreements) needed to protect it against certain credit losses that are assumed to arise in connection with holding the loans. In this transaction, the main responsibilities of the *sociedad gestora* will be to represent the issuer, issue the notes on its behalf, calculate the interest rate on the notes, notify noteholders of any relevant information applicable to the notes and assets, and organize the annual audit.

Collateral Pool Characteristics

The preliminary portfolio comprises €1,289.97 million (3,200 loans) of performing SME loans to private companies in Spain. The weighted-average seasoning is 19.32 months. Of the pool, approximately 4% of borrowers are self-employed.

Of the outstanding amount of the pool, 65.29% is secured by a mortgage over properties and commercial premises situated in Spain and the remainder is being treated as unsecured loans.

The largest obligor represents 0.97% of the provisional pool and the largest 10 obligors represent 7.60%. Eligibility criteria will fix the largest obligor at 1.0%, the largest three obligors at 2.8%, and the largest 10 at 7.6%.

The weighted-average LTV ratio of the secured pool is 50.65%.

Defaults are those loans, which have amounts in arrears for a period equal to, or greater than 12 months. In the final pool there will be no loans in arrears.

Table 1 shows the portfolio by region.

Table 1: Portfolio By Region	
Region	% by pool balance
Cataluña	42.87
Madrid	14.77
Valencia	9.89
Andalucia	8.26
Others	24.21

The obligors are spread across Spain, but four regions (*Comunidades Autónomas*) cover 75.79% of the pool.

Table 2 shows the portfolio breakdown by interest rates.

Table 2: Portfolio Breakdown By Interest Rates				
	Loans		Outstanding principal	
Interest rates	Number	%	Amount (€)	%
TIPO FIJO	138	4.31	25,286,350.56	1.97
EURIBOR	3,040	95.00	1,247,921,569.29	97.04
IRPH CONJUNTO ENTIDADES (nominal)	17	0.53	3,698,972.47	0.29
MIBOR	5	0.16	9,066,789.85	0.71
Total pool	3,200	100.00	1,285,973,682.17	100.00

The assets have a weighted-average interest rate of 4.51% and a weighted-average margin of 76.28 bps over the various indices. The interest rates range from 3.00% to 8.25%.

The weighted-maturity of the pool is 10.08 years.

The largest industry concentration is in real estate, representing 36.53% of the pool. The second-highest concentration is in the catering trade (10.81%). The largest 10 industries account for 79.84% of the pool.

Only 3.695% of the pool has a bullet amortization amount.

Payment Priorities

On each quarterly interest payment date, the issuer will pay in arrears the interest due to the noteholders. To make the payments, the issuer's available funds will include the proceeds of the interest swap, the reserve fund, and, if necessary, principal received under the loans and any other proceeds received in connection with the loans.

All interest and principal received can be mixed to pay principal and interest due under the notes. A trigger will ensure that in a stressful economic environment, the more senior notes are amortized before interest on the subordinated classes of notes is paid. The priority of payments will be:

- Fees;
- Net payments under the swap agreement and swap termination payments due to a default or breach of contract by fund;
- Class A1, A2, and A3(G) interest and reimbursement of the treasury guarantee (if applicable);
- Interest on the class B notes, if not deferred;
- Interest on the class C notes, if not deferred;
- Amortization amount;
- Deferred class B note interest;
- Deferred class C note interest;
- Replenishment of cash reserve;
- Interest and principal payments under the subordinated loan;
- Swap termination payments due to a default or breach of contract by the swap counterparty;
- Interest payments and principal repayments under the subordinated startup loan; and
- Servicer fee.

Interest payments on the class B notes will be deferred when on a payment date the cumulative outstanding balance of defaulted loans (with amounts in arrears greater than 12 months) represents more than 7.75% of the outstanding balance of the pool at closing.

Interest payments on the class C notes will be deferred when on a payment date the cumulative outstanding balance of defaulted loans (with amounts in arrears greater than 12 months) represents more than 5.7% of the outstanding balance of the pool at closing.

Hedging

Interest swap agreement

On GC FTPYME SABADELL 6's behalf, the trustee will enter into a swap agreement with Banco Sabadell. This swap will provide protection against adverse interest rate resetting and movements.

The issuer will pay the swap counterparty the total of interest accrued on the performing loans, plus the interest earned on the treasury account and amortization account.

The issuer will receive from the swap counterparty an amount equivalent to the weighted-average coupon on the notes, plus 50 bps per year on the outstanding balance of the notes, as of the beginning of the period.

If Banco Sabadell as swap counterparty is downgraded to 'A-2', it will still be an eligible counterparty and must:

- Within 60 days find a replacement with a short-term rating of at least 'A-1', or
- Within 60 days find a guarantor with a short-term rating of at least 'A-1' and in the mean time agree in 10 days to collateralize 100% of the contract's mark to market complying with Standard & Poor's requirements.

If Banco Sabadell as swap counterparty is downgraded below 'A-2', it will become an ineligible counterparty and must:

- Within 60 days find a replacement with a short-term rating of at least 'A-1', or
- Within 60 days find a guarantor acceptable to Standard & Poor's with a short-term rating of at least 'A-1', and in the mean time, agree in 10 days to deliver additional collateral, no less than 25% of the mark to market obligation, complying with Standard & Poor's requirements.

Any counterparty replacement or guarantee will be subject to rating confirmation. All the costs of the remedies will be taken by the downgraded counterparty.

Cash Collection Arrangements

At closing, the *sociedad gestora* will open two bank accounts on the issuer's behalf. Banco Sabadell, as servicer, will collect the amounts due under the loans and transfer the collections daily to the treasury account held on the issuer's behalf with Banco Sabadell. Due to the lock-up period, during the first 16 months of the transaction, the amortization amounts will be transferred and held in the amortization account.

The treasury and amortization account have a guaranteed contractual interest rate referenced to three-month EURIBOR.

Reserve Fund

The structure will benefit from a cash reserve fund fully funded by a subordinated loan granted by the originator at closing. The initial required amount will be €14 million, equivalent to 1.4% of the initial balance of the assets securitized. The reserve fund will be used to pay interest and principal on the notes if insufficient funds are available.

The reserve fund will be fixed for the first three years, and it will be able to amortize after this initial period. It will not amortize if, on a previous payment date, it was not at its required minimum level, or if the arrears ratio (three months past due) is greater than 1%.

Collateral Risk Assessment

Standard & Poor's conducted an actuarial analysis on historical data provided by the originator to assess the credit risk of the pool, following the methodology explained in "*Securitizing Spanish-Originated Loans to Small and Midsize Enterprises*" (see "*Related Articles*").

With the historical data provided by the originator, Standard & Poor's is able to determine a foreclosure probability and a loss rate at each rating level. The product of these two variables gives an estimate of the required loss protection during the life of the collateral in the absence of additional mitigating factors. The higher the targeted rating, the higher the required enhancement level.

Chart 2 shows historical levels of loans becoming delinquent by year of origination.

Chart 2: Historical Levels Of Loans Becoming Delinquent By Year Of Origination

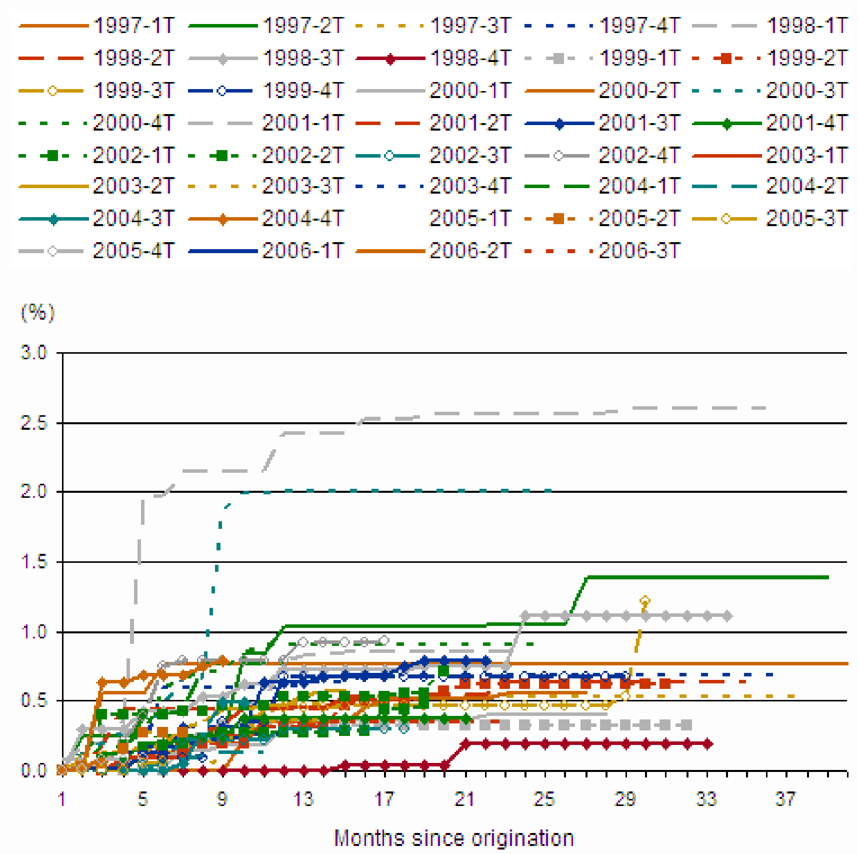


Chart 3 shows historical levels of recoveries by year of default.

Chart 3: Historical Levels Of Recoveries By Year Of Default

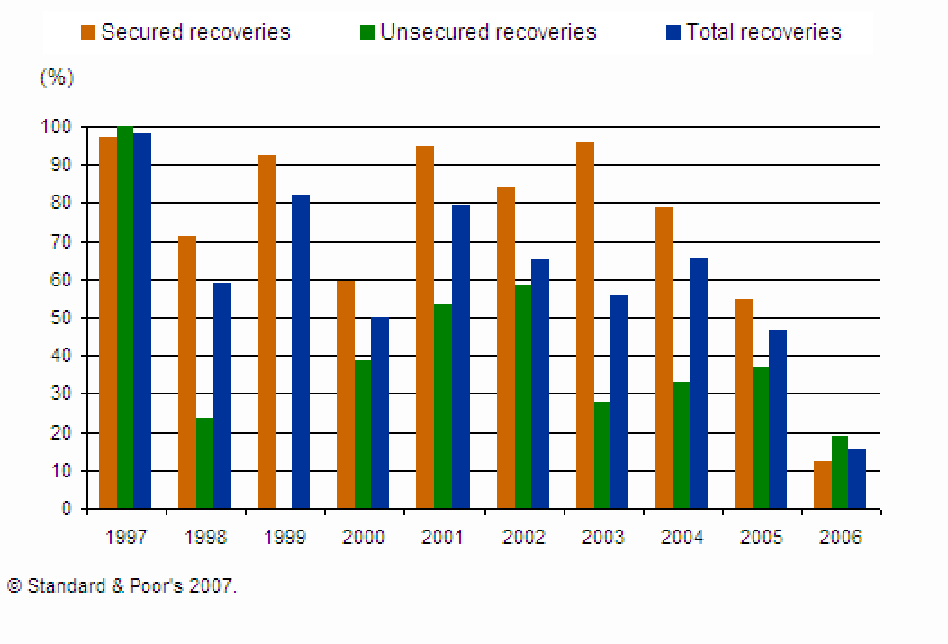
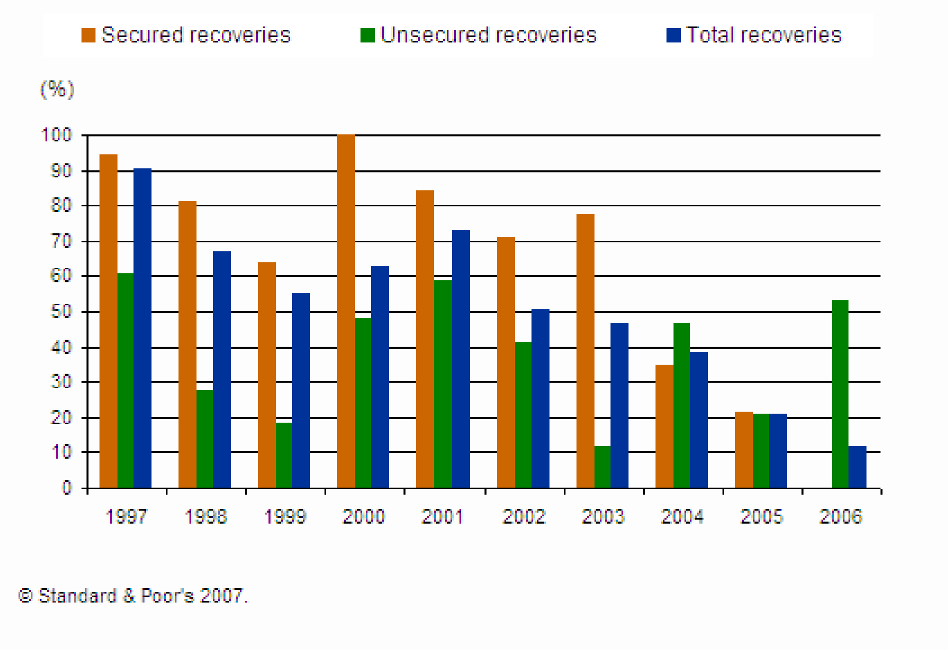


Chart 4 shows historical levels of recoveries by year of origination.

Chart 4: Historical Levels Of Recoveries By Year Of Origination



Redemption Of The Notes

Unless redeemed earlier, the notes will be redeemed at their legal final maturity, 42 months after the maturity of the longest-term loan in the pool.

Amortization will occur for:

- The class A1 notes (soft bullet), from the 16th month after the closing date (expected date: Oct. 20, 2008);
- The class A2 notes, once the class A1 notes are fully amortized, until they are fully redeemed;
- The class A3(G) notes, once the class A2 notes are fully amortized, until they are fully redeemed;
- The class B notes, once the class A3(G) notes are fully redeemed; and
- The class C notes, once the class B notes are fully redeemed.

The available amortization fund on each payment date will be equal to the difference between:

- The principal outstanding balance under all the classes of notes; and
- The principal outstanding balance of all outstanding loans no more than 12 months in arrears.

The amortization of the class A notes will be sequential unless the proportion of (i) the outstanding balance of non-delinquent loans, plus the amounts of the amortization account, plus the amounts received from the assets during that period, and (ii) the outstanding balance of the class A1, A2 and A3(G) notes, is lower than or equal to 1.

The class B and C notes will amortize pro rata with the class A1, A2, and A3(G) notes if:

- The ratio of the aggregate balance of delinquent loans to the aggregate balance of non-doubtful loans is below 1.25% for the class B notes and below 1% for the class C notes;
- The total outstanding principal balance of the class B and C notes represents at least two times their original percentage of the outstanding principal balance of all the notes;
- The cash reserve is at the required amount on the previous payment date; and
- The total outstanding balance of the SME loan portfolio is equal to or higher than 10% of the initial balance of the SME loan portfolio.

Key Performance Indicators

Continual surveillance will be maintained on the transaction until the notes mature or are otherwise retired. To do this, regular servicer reports detailing the performance of the underlying collateral will be analyzed, supporting ratings will be monitored, pool cuts will be assessed, and regular contact will be made with the servicer to ensure that minimum servicing standards are being sustained and that any material changes in the servicer's operations are communicated and assessed.

Key performance indicators for this transaction will include:

- Rating migration of the collateral and default levels;
- The scenario default rate for each tranche;
- Collateral prepayment levels;
- The different concentrations of the pool; and
- The ratings on the supporting parties.

Criteria Referenced

- "*Global Interest Rate and Currency Swaps: Calculating the Collateral Required Amount*" (published on Feb. 26, 2004).
- "*Standard & Poor's Global Interest Rate and Swap Counterparty Rating Criteria Expanded*" (published on Dec. 17, 2003).
- "*Global Cash Flow and Synthetic Criteria*" (published on March 21, 2002).
- "*Global CBO/CLO Criteria*" (published on June 1, 1999).
- "*Standard & Poor's Rating Methodology for CLOs Backed by European Small- and Midsize-Enterprise Loans*" (published on Jan. 30, 2003).

Related Articles

- "*CDO Spotlight: Credit Risk Tracker Strengthens Rating Analysis of CLOs of European SME Loans*" (published on June 10, 2004).
- "*Securitizing Spanish-Originated Loans to Small and Midsize Enterprises*" (published on April 7, 2003).
- "*Stellar Growth in Spanish Securitization to Help it Maintain Europe's Number Two Slot*" (published on June 2, 2004).

All criteria and related articles are available on RatingsDirect, the real-time Web-based source for Standard & Poor's credit ratings, research, and risk analysis, at www.ratingsdirect.com. The criteria can also be found on Standard & Poor's Web site at www.standardandpoors.com.