



Fitch Revises Outlook on 5 Spanish PSEs to Positive on Sovereign Rating Action

Fitch Ratings-Barcelona/London-26 July 2017: Fitch Ratings has revised the Outlooks on five Spanish public sector entities' (PSEs) Long-Term Issuer Default Ratings (IDRs) to Positive from Stable and affirmed the IDRs. Fitch has also affirmed their Short-Term IDRs and their respective bond issues/senior unsecured ratings. A full list of rating actions is below.

KEY RATING DRIVERS

The rating actions follow the revision of the Outlook on Spain's Long-Term Foreign- and Local-Currency IDRs (see 'Fitch Revises Spain's Outlook to Positive; Affirms IDRs at 'BBB+' dated 21 July 2017 at www.fitchratings.com).

Fitch applies its "Rating of Public Sector Entities - Outside the United States" criteria and views the five PSEs as credit-linked to their sponsor, the Spanish government.

RATING SENSITIVITIES

Any change to the sponsor's ratings (BBB+/Positive/F2) will be reflected in the ratings of the PSEs. Additionally any material change to the legal status or control and supervision of the sponsor will affect the ratings.

The rating actions are as follows:

Administrador de Infraestructuras Ferroviarias (ADIF)

Long-Term Foreign- and Local-Currency IDRs: affirmed at 'BBB+'; Outlook revised to Positive from Stable
Short-Term Foreign and Local-Currency IDRs: affirmed at 'F2'

ADIF-Alta Velocidad

Long-Term Foreign- and Local-Currency IDRs: affirmed at 'BBB+'; Outlook revised to Positive from Stable
Short-Term Foreign and Local-Currency IDRs: affirmed at 'F2'
EUR6 billion EMTN Programme: affirmed at 'BBB+'
Senior unsecured debt long-term: affirmed at 'BBB+'

Corporacion de Reservas Estrategicas de Productos Petroliferos (CORES)

Long-Term Foreign- and Local-Currency IDRs: affirmed at 'BBB+'; Outlook revised to Positive from Stable
Short-Term Foreign Currency IDR: affirmed at 'F2'
EUR1.5 billion EMTN Programme: affirmed at 'BBB+'
Senior unsecured debt long-term: affirmed at 'BBB+'

Pequenos y Medianos Astilleros (Pymar)

Long-Term Foreign-Currency IDR: affirmed at 'BBB+'; Outlook revised to Positive from Stable
Short-term Foreign-Currency IDR: affirmed at 'F3'

Sociedad Estatal de Participaciones Industriales (SEPI)

Long-Term Foreign- and Local-Currency IDRs: affirmed at 'BBB+'; Outlook revised to Positive from Stable
Short-Term Foreign-Currency IDR: affirmed at 'F2'

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Additional information is available on www.fitchratings.com

Applicable Criteria

International Local and Regional Governments Rating Criteria - Outside the United States (pub. 18 Apr 2016) (<https://www.fitchratings.com/site/re/878660>)

Rating of Public-Sector Entities – Outside the United States (pub. 22 Feb 2016) (<https://www.fitchratings.com/site/re/877128>)

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