

March, 2011

Dear BBVA ADS holder,

As you may know, on Friday March 11<sup>th</sup>, the Annual General Meeting approved the "Dividend Option" plan which offers shareholders the choice of receiving some dividends in shares instead of the traditional cash payment. This plan is subject to approval by the Board of Directors on March 29<sup>th</sup>.

American Depositary Share ("ADS") rights will not be issued, but ADS holders as of the applicable record date will be able to instruct BNY Mellon, as Depositary, with regards to the rights issued in respect of the BBVA shares underlying their ADSs. Your choices will be:

- 1) Receive newly issued ADSs (no Spanish tax withheld).** The number of ADSs will depend on the number of rights corresponding to your ADSs necessary to receive one newly issued ADS, and you will receive cash in lieu of any fractional ADSs;
- 2) Instruct BNY Mellon to sell rights corresponding to your ADSs in the market in Spain (no Spanish tax withheld).** The proceeds will depend on market prices and the euro/U.S. dollar exchange rate; or
- 3) Receive cash (default option, Spanish tax withheld at 19%).** The proceeds will depend on the cash rate fixed by BBVA (approximately 0.15 euros per right) and the euro/U.S. dollar exchange rate.

During the next few days you will receive more information from your bank, broker or other nominee regarding these options. If you do not make an election, you will receive the default option, that is, cash. In order to make an election, please contact your bank, broker or other nominee directly.

The tentative schedule is:

March 29, 2011 - BBVA announces details of the "Dividend Option" scheme

March 31, 2011 - Expected record date

April 1 - April 15, 2011 - Rights trading period in Spain

April 11, 2011- Election deadline

May 2, 2011 - Expected ADS and cash dividend distribution date

Should you have any questions or need assistance with the terms of the Dividend Option, please contact our information agent D.F. King & Co. Inc. at +1 800 755 7250 (toll free) or +1 212 269 5550 (call collect).

Sincerely,

BBVA Investor Relations department