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BBVA's plans to meet the new EBA June 2012 Core Capital Target

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October 27th 2011

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Reconciliation of reported 3Q11 Core Capital and EBA's Core Capital

Required buffer vs. 9%

€6,3 Bn

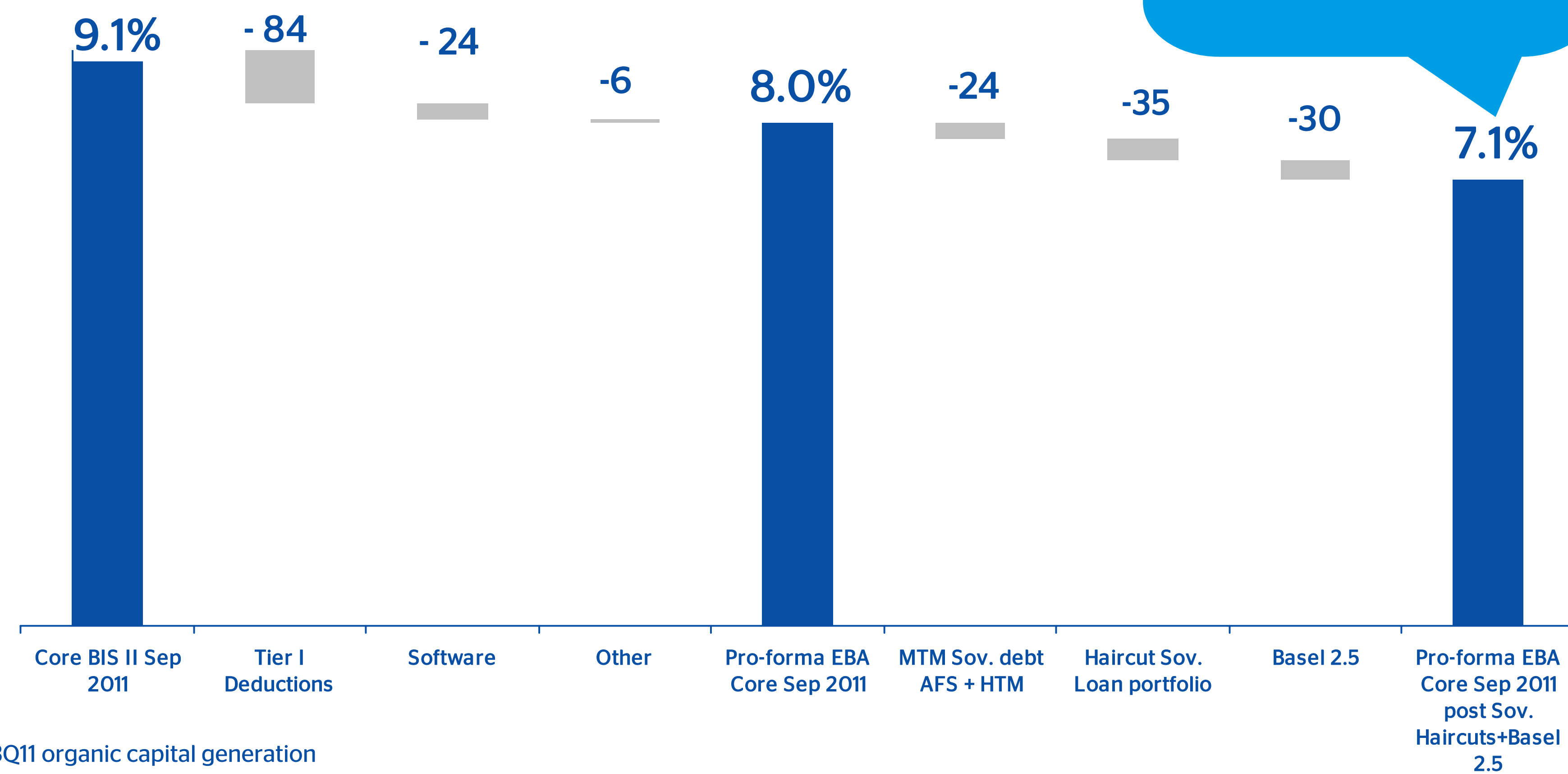
+ €0,8 Bn*

€ 7,1 Bn as of June '11

Core Capital BIS II vs proforma EBA Core Tier I Capital (Sept., 2011)

BBVA Group

(bp and %)



*3Q11 organic capital generation

How will BBVA reach the June 2012 9% target?

1 **Required buffer vs. 9% as of June + Sovereign debt & loan portfolio haircuts + Basel 2.5 = €7.1 Bn**

2 **Required buffer as of September considering organic generation in 3Q11 + Basel 2.5 = €6.3 Bn**

3 **Required buffer as of September without Basel 2.5 effect = €5.4 Bn**

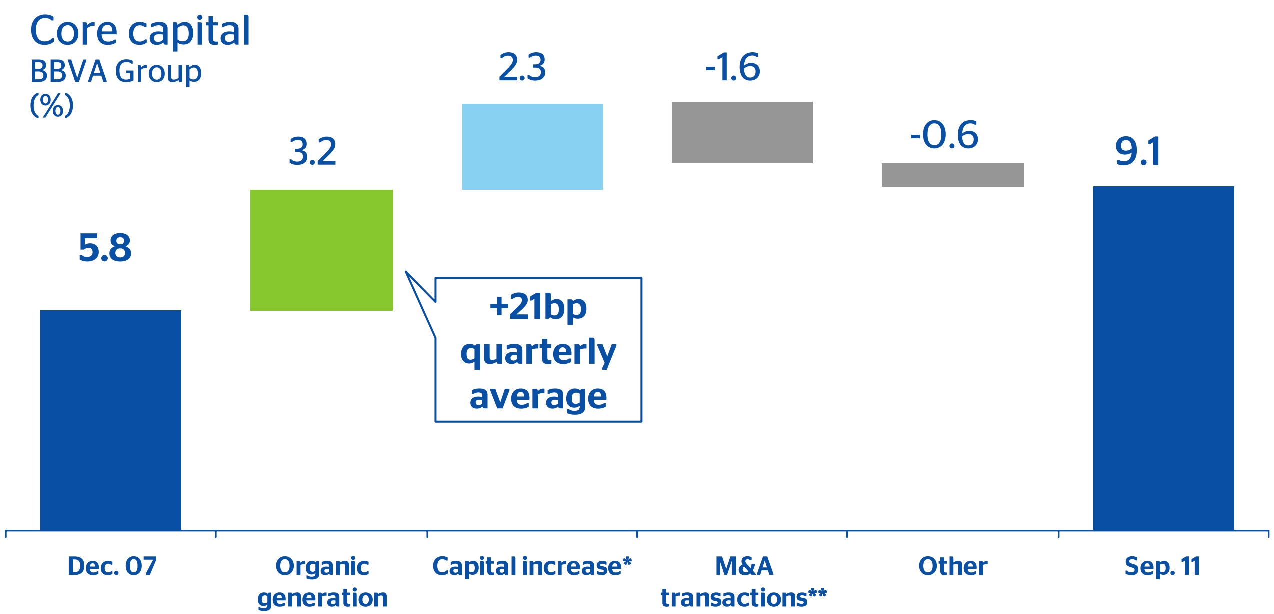
How will BBVA reach the June 2012 9% target?

1 **Organic capital generation**

2 **RWA optimization**

3 **Portfolio and balance sheet management**

BBVA has a proven track record of organic capital generation



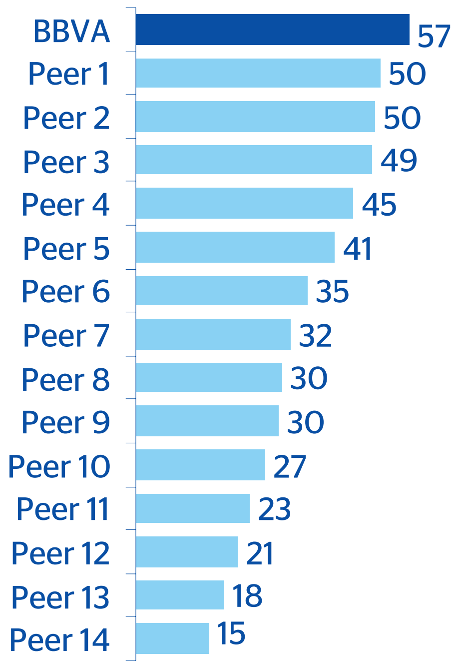
3Q11 – 2Q12 estimated organic Capital generation **€ 2.6 Bn:**

- Average consensus earnings for 2011 + 2012, minus 3Q11 organic capital generation
- Maintaining current dividend policy

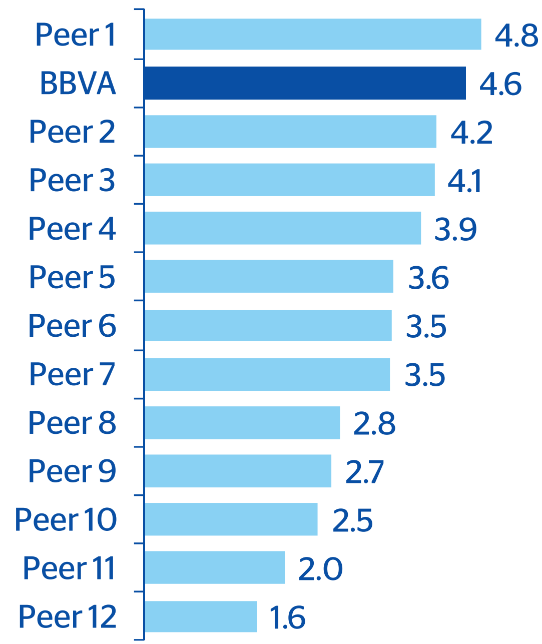
*Includes conversion of convertible bonds
** Acquisition of Fórum, Garanti y Credit Uruguay

BBVA has ample room to optimize RWA without deleveraging

RWAs / Total assets
BBVA Group vs Peer Group
(Dec.10, %)



EBA capital* / total tangible assets
BBVA Group vs Peer Group
(Dec.10, %)

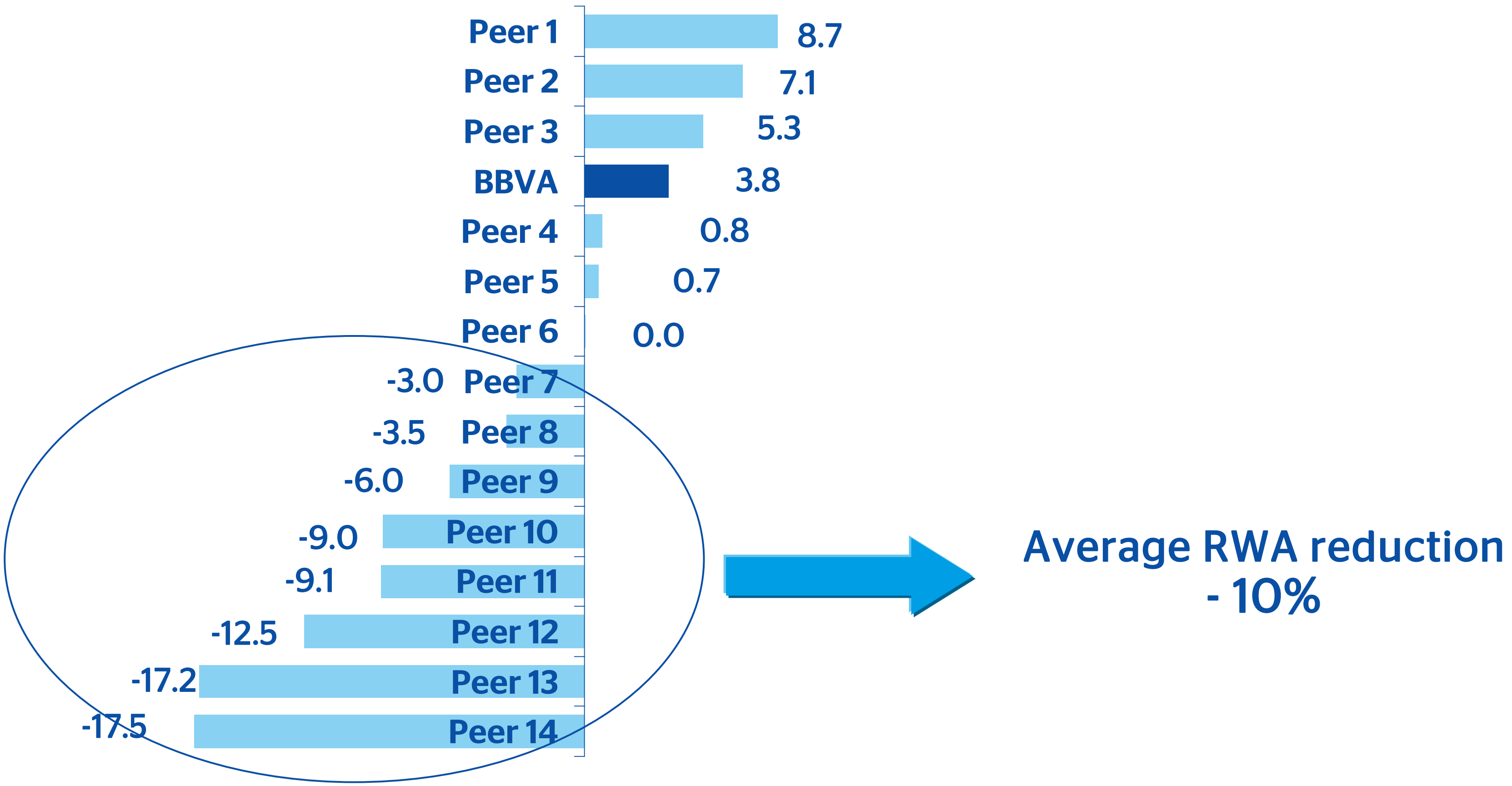


BBVA: Highest RWA density and low leverage

Peer Group: BARCL, BNPP, CASA, CMZ, CS, DB, HSBC, ISP, LBG, RBS , SAN, SG, UBS, UCI . * CASA: core capital published in december 2010

RWA optimization is a common practice and BBVA has a large room for improvement

1 year RWA evolution
June 2010 – June 2011
BBVA Group vs. Peer Group (%)



Capital generation via RWA optimization is feasible without deleveraging measures (*)

Operational Risk:

- **Migration of operational risk RWA to internal models**

Other measures (examples):

- **Review parameters of existing models**
- **Reduce risk weighting of provisioned non-performing portfolios**

- Total effect expected to be €2.1 Bn of additional capital
- Less than 5% of current RWA, more than compensating Basel 2.5 impact.

(*) Subject to Bank of Spain approval

BBVA would undertake a review of its portfolio businesses and optimize its balance sheet structure

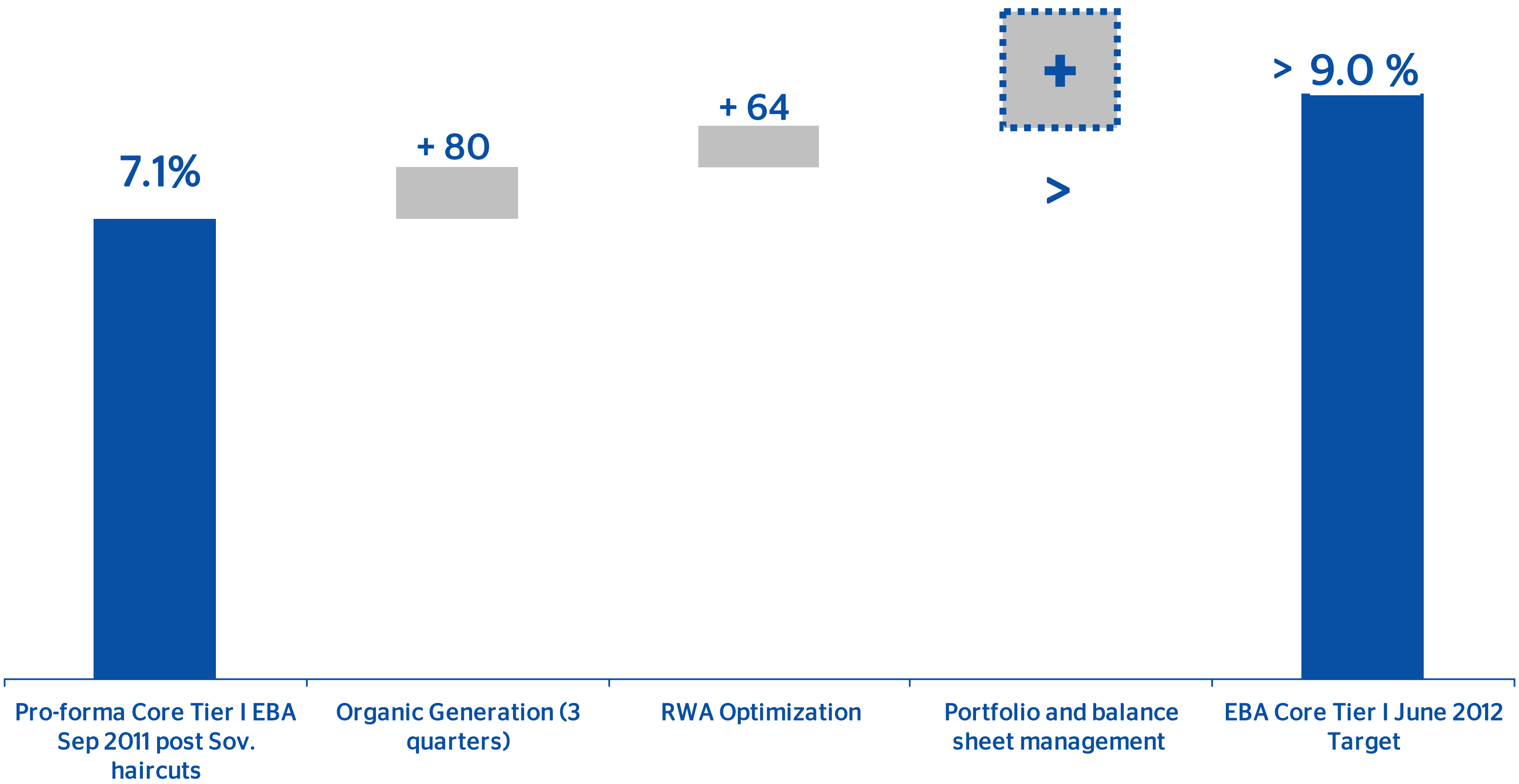
- **Assets / businesses with lower strategic relevance**
- **Value enhancement of existing portfolio of businesses**
- **Unrealized capital gains in outstanding debt**

Potential capital generation well above remaining required buffer

BBVA has several levers to achieve the required target

Proforma EBA Core Tier I September, 2011 vs Proforma EBA Core Tier I June 2012 Target

BBVA Group
(bp and %)



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Conclusions

1 European exercise represents a significant overweight in Spanish banking system (25% of total requirements)

2 BBVA is confronted with material additional buffers following a very successful outcome of the June 2011 stress test

3 BBVA will address the required capital buffer through a mix of retained earnings and management actions without recurring to public funds

4 This will position BBVA as one of the lowest leveraged and highest capitalized entity of the EU supported by a high degree of recurrent earnings

5 This implies more than 10% of core capital by June 2012

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