Cheuvreux

Spring European Large Cap Conference 2007

Paris, 29th March 2007
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BBVA has delivered strong and profitable growth

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2006</th>
<th>2002-2006 CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td>279,472</td>
<td>411,916</td>
<td>x 1.5</td>
</tr>
<tr>
<td>Attributable Profit</td>
<td>1,719</td>
<td>4,580</td>
<td>x 2.7</td>
</tr>
<tr>
<td>EPS</td>
<td>0.54</td>
<td>1.34</td>
<td>x 2.5</td>
</tr>
<tr>
<td>DPS</td>
<td>0.348</td>
<td>0.637</td>
<td>x 1.8</td>
</tr>
</tbody>
</table>

ROE 37.6%

ROA 1.22%
Strong generation of recurrent revenues and operating profit …

Core revenues
Quarter by quarter
(€ m)

<table>
<thead>
<tr>
<th></th>
<th>1H05</th>
<th>2H05</th>
<th>1H06</th>
<th>2H06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>5,505</td>
<td>6,251</td>
<td>6,568</td>
<td>7,101</td>
</tr>
</tbody>
</table>

Operating profit excl. one-off items
Quarter by quarter
(€ m)

<table>
<thead>
<tr>
<th></th>
<th>1H05</th>
<th>2H05</th>
<th>1H06</th>
<th>2H06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>3,246</td>
<td>3,577</td>
<td>4,052</td>
<td>4,309</td>
</tr>
</tbody>
</table>

… based on high volume growth and good pricing …
... with a moderate risk profile, ...

- NPL's ratio (%)
  - 3rd Europe: 0.83
  - Europe Banks Average: 2.60
  - BBVA: 0.83
  - Europe Banks Average: 2.60

- Coverage ratio (%)
  - 1st Europe: 272.8
  - BBVA: 272.8
  - Europe Banks Average: 81.4

- 95% assets Investment Grade
- 44% of lending collateralised
... and best in class efficiency and profitability

Cost Income ratio excl. one-off items (%)

<table>
<thead>
<tr>
<th></th>
<th>BBVA</th>
<th>European Banks Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Europe</td>
<td>44.0</td>
<td>58.2</td>
</tr>
</tbody>
</table>

ROE excl. one-off items (%)

<table>
<thead>
<tr>
<th></th>
<th>BBVA</th>
<th>European Banks Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Europe</td>
<td>36.4</td>
<td>24.6</td>
</tr>
</tbody>
</table>

... to deliver superior EPS growth than the sector
Superior growth based on …

1. Current operations
   - Growth markets with solid franchises
     - Spain and Portugal
     - Global Businesses
     - Mexico
     - South America

2. Delivering in the new markets
   - New growth engines
     - Asia
     - USA
In our current operations we are applying …

... Innovation

Organization

Products

Distribution

Segments

… to increase growth
## In Spain, immigrants

### The Opportunity

<table>
<thead>
<tr>
<th>New Segment</th>
<th>4 m people in Spain</th>
<th>10% Spanish population</th>
</tr>
</thead>
</table>

### BBVA’s approach

<table>
<thead>
<tr>
<th>New Value proposition</th>
<th>New products: financial and non-financial</th>
<th>New distribution model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full product offering</td>
<td>Money transfers 780,000 in 2006 (x 2.3)</td>
<td>Dual and complementary</td>
</tr>
<tr>
<td></td>
<td>Loans 103,600 in 2006 (x2.9)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Phone Calls 2,5 MM in 2006 (x3.3)</td>
<td></td>
</tr>
</tbody>
</table>

### The results

<table>
<thead>
<tr>
<th>552,000 clients</th>
<th>+40% in 2006</th>
<th>20% Mkt Share</th>
<th>2007 Target 700,000 clients</th>
</tr>
</thead>
</table>

The Opportunity

New products: financial and non-financial

- Money transfers 780,000 in 2006 (x 2.3)
- Loans 103,600 in 2006 (x2.9)
- Phone Calls 2,5 MM in 2006 (x3.3)

New distribution model: Dual and complementary

The results

- 552,000 clients +40% in 2006
- 20% Mkt Share
- 2007 Target 700,000 clients
... and young people

The Opportunity

- New Segment
- 35% Spanish population
- 9 m under 20 to enter financial market

BBVA’s approach

- New brand
  - Change of brand
  - New web
  - Interactive marketing
    - Young visitors to Bluebbva.com multiplied by 10 (400,000 monthly)
  - Sponsorships
    - “Star Academy”

The results

- 8 million web visits in last 4 months
- 91,000 new young customers to reach a segment total of 1.2 m
- Goal > to increase 500,000 new customers in 2 years
Mexico and South America: bancarization …

**Mexico**

More than 30 m people entering the financial market in the next years

**South America**

80% of the population do not have a current account

<table>
<thead>
<tr>
<th>Country</th>
<th>Consumer finance / GDP %</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>17.5</td>
<td></td>
</tr>
<tr>
<td>UK</td>
<td>15.9</td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>10.4</td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td>8.5</td>
<td></td>
</tr>
<tr>
<td>Chile</td>
<td>8.5</td>
<td></td>
</tr>
<tr>
<td>Brasil</td>
<td>10.1</td>
<td></td>
</tr>
<tr>
<td>Colombia</td>
<td>6.4</td>
<td></td>
</tr>
<tr>
<td>Mexico</td>
<td>4.5</td>
<td></td>
</tr>
<tr>
<td>Argentina</td>
<td>2.5</td>
<td></td>
</tr>
<tr>
<td>Venezuela</td>
<td>2.1</td>
<td></td>
</tr>
<tr>
<td>Peru</td>
<td>2.5</td>
<td></td>
</tr>
</tbody>
</table>

Source: EFIC Profit Pools, EIU, Estadísticas nacionales

A great opportunity to capture this growth but …
... with a different business model ...

“Putting the bank in a card”

Self-service

Transactionality

Credit

Money transfers

Payrolls

Young people

Electronic payments

Revolving

Finanzia (retailers)

4,850 ATM´s (+10% 2006) and 80,594 PoS (+57% 2006)
... and excellent results

Transactions (MM)

- 2001: 1,160
- 2006: 1,720
- 30% In branch
- 70% Electronic
- 19% Electronic

Bancomer Clients in Mexico (MM)

- 2003: 8.9
- 2006: 14.1
- +5.2 m

Opportunity to increase 50% number of clients in the next 6 years
Superior growth based on …

1. Current operations
   Growth markets with solid franchises
   - Spain and Portugal
   - Global Businesses
   - Mexico
   - South America

2. Delivering in the new markets
   New growth engines
   - Asia
   - USA
New growth engines with clear priorities …

…and Asia is an opportunity to leverage our Latin America franchise

Latin America Exports to China

(released to 100; constant USD)

Trade Finance League Table
Mandated Arranger (1Q2005)

This is not a theory: we did it during 2004

Consolidating our leading positioning in Mexico
Reinforcing high potential businesses
Penetrating new markets

Total Investment 2004: €4,3 Bn

Merrill Lynch European Banks Conference, 2005

Morgan Stanley European Banks Conference, 2005
... and the following premises

**Strategic fit**

- In growing markets
- Strong franchises
- With competitive advantages

**Financial fit: value creation for shareholders**
Consistent strategy of investing in growing economies

<table>
<thead>
<tr>
<th>Region</th>
<th>GDP ($ Tr)</th>
<th>GDP Growth 06e (%)</th>
<th>Population (MM)</th>
<th>Risk (NPL %) (4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spain (1)</td>
<td>1.1</td>
<td>3.6</td>
<td>40</td>
<td>0.6</td>
</tr>
<tr>
<td>México (1)</td>
<td>1.1</td>
<td>4.5</td>
<td>107</td>
<td>1.7</td>
</tr>
<tr>
<td>Latam (2)</td>
<td>3.9</td>
<td>5.2</td>
<td>417</td>
<td>3.7</td>
</tr>
<tr>
<td>BBVA USA (3)</td>
<td>2.2</td>
<td>4.3</td>
<td>60 (5)</td>
<td>0.7</td>
</tr>
</tbody>
</table>

(1) The World Factbook 2007
(2) Global Insight
(3) Aggregation excluding California
(4) IMF, last data available, Latam Ex Brazil
(5) In counties of BBVA pro forma
China, an important milestone in BBVA´s expansion strategy

5% CNCB
- 13,485 employees
- 416 branches
- €62,239 MM assets
- 7th largest Chinese bank by assets

15% CIFH
- 1,711 employees
- 36 branches
- Presence in HK, Mainland China, Macao and USA
- €9,267 MM assets
- 7th largest HK bank by market cap
BBVA´s history in the USA

Laredo National Bank  2004
Texas Regional Bank  2006
State National Bank  2006
Compass Bank  2007
Compass, an excellent franchise

Unique growth positioning

Universal Banking model

High network productivity

Better fundamentals than peers

<table>
<thead>
<tr>
<th></th>
<th>Compass</th>
<th>Peers (1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Interest Income / Average Assets (%)</td>
<td>3.40</td>
<td>3.62</td>
</tr>
<tr>
<td>Total Revenues / Average Assets (%)</td>
<td>5.60</td>
<td>5.25</td>
</tr>
<tr>
<td>ROA (%)</td>
<td>1.39</td>
<td>1.32</td>
</tr>
<tr>
<td>ROE (%)</td>
<td>17.7</td>
<td>13.3</td>
</tr>
</tbody>
</table>

A trackrecord for asset quality

Source: SNL

We are building a unique platform in the USA

BBVA USA

$47,000 MM assets

$33,000 MM deposits

662 branches

Serving a more than 100 million potential market

19th US largest bank

2006-2011 average population growth +11.7% (US average +6.7%)
Compass, a universal banking model with 3 product lines

**Retail Banking (Personal Services)**
- Corporate, 57.0%
- Retail, 37.1%
- Wealth Mgmt., 6.6%

**Corporate Banking (Business Services)**
- Corporate, 26.7%
- Retail, 58.8%
- Wealth Mgmt., 6.2%

**Wealth Management (Private Client Services)**
- Treasury, 8.8%
- Wealth Mgmt., 6.2%
- Corporate, 26.7%

**Loans-Dec.06 (%)**
- Corporate, 57.0%
- Retail, 37.1%
- Wealth Mgmt., 6.6%

**Deposits-Dec.06 (%)**
- Retail, 58.8%
- Corporate, 26.7%
- Wealth Mgmt., 6.2%

$ 24.4 Bn

$ 23.04 Bn
A deal with an attractive operating synergies potential and value creation

## Operating synergies

<table>
<thead>
<tr>
<th></th>
<th>Pre-tax (US$ MM)</th>
<th>2008e</th>
<th>2009e</th>
<th>2010e</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL REVENUE INCREASE</strong></td>
<td></td>
<td>21.4</td>
<td>57.9</td>
<td>97.0</td>
</tr>
<tr>
<td><strong>TOTAL COST REDUCTION + FUNDING SYNERGIES</strong></td>
<td></td>
<td>11.3</td>
<td>62.7</td>
<td>141.9</td>
</tr>
<tr>
<td><strong>TOTAL SYNERGIES</strong></td>
<td></td>
<td>32.8</td>
<td>120.6</td>
<td>237.9</td>
</tr>
<tr>
<td><strong>PHASING-IN TOTAL SYNERGIES</strong></td>
<td></td>
<td>13.8%</td>
<td>50.7%</td>
<td>100%</td>
</tr>
</tbody>
</table>

### Revenue Synergies
5.8% of combined base

### Cost Synergies
7.1% of combined base

Value creation
We have an excellent track-record integrating acquisitions …

In México …

<table>
<thead>
<tr>
<th>Year</th>
<th>Efficiency (%)</th>
<th>ROE (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>58.1</td>
<td>13.8</td>
</tr>
<tr>
<td>2006</td>
<td>66.8</td>
<td>32.0</td>
</tr>
</tbody>
</table>

Data in local currency

-18.9 p.p. change in Efficiency
-15.6 p.p. change in ROE
+18.2 p.p. increase in ROE
+14.2 p.p. increase in Efficiency

… and in South America improving efficiency by 17% whilst ROE is also up by 24%
BBVA, an attractive investment case

Corporate positioning

Growth superior to the sector

Business Model

Best in class Profitability with low risk

And a management committed to value creation
In short, BBVA continues “turning around” its portfolio towards growing markets.

Note: 2007 including Compass
With a very solid business model

**Efficiency**

**Risk management**

**Distribution networks management**

Cost Income ratio excl. one-off items (%)

- **BBVA**: 44.0
- **European Banks Average**: 58.2

Coverage Ratio (%)

- **BBVA**: 272.8
- **European Banks Average**: 81.4

Increase in Productivity 06/05

- **Spain**: +16.4%
- **Mexico**: +16.0%