

Cheuvreux

Spring European Large Cap Conference 2007

Paris, 29th March 2007



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BBVA has delivered strong and profitable growth



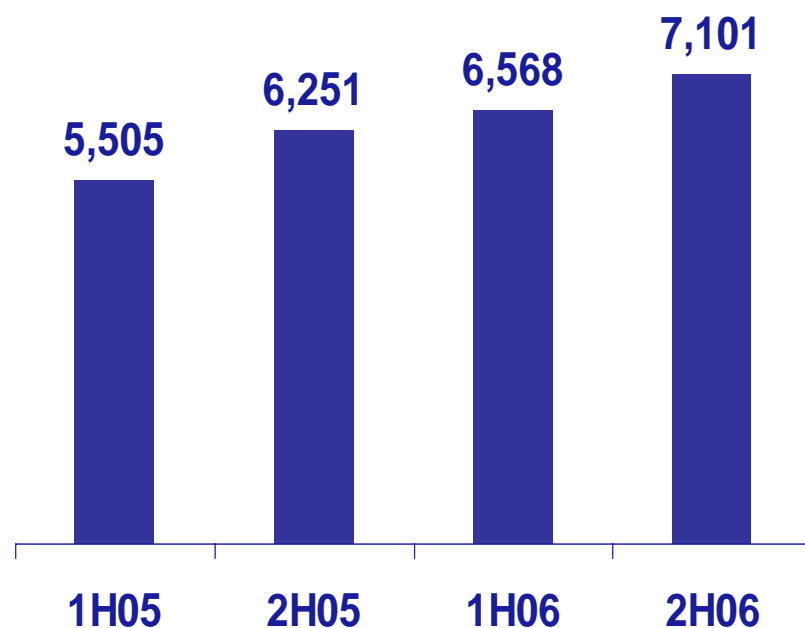
	2002	2006		2002-2006 CAGR
Assets	279,472	411,916	x 1.5	10.2%
Attributable Profit	1,719	4,580	x 2.7	27.8%
EPS	0.54	1,34	x 2.5	25.5%
DPS	0.348	0.637	x 1.8	16.3%

ROE 37.6%

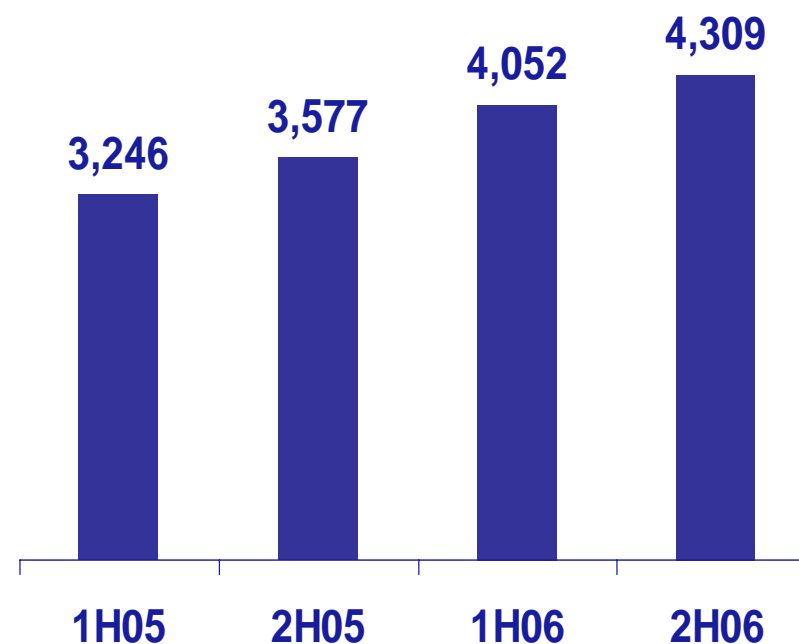
ROA 1.22%

Strong generation of recurrent revenues and operating profit ...

Core revenues
Quarter by quarter
(€ m)



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



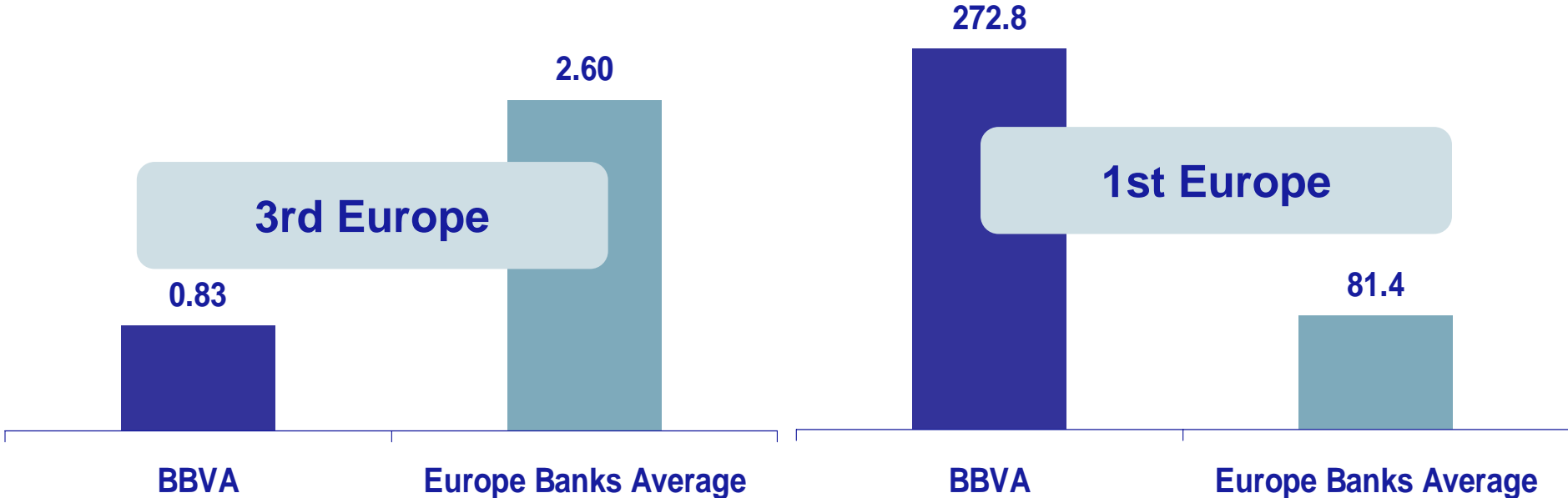
... based on high volume growth and good pricing ...

... with a moderate risk profile, ...



NPL's ratio (%)

Coverage ratio (%)



**95% assets
Investment Grade**

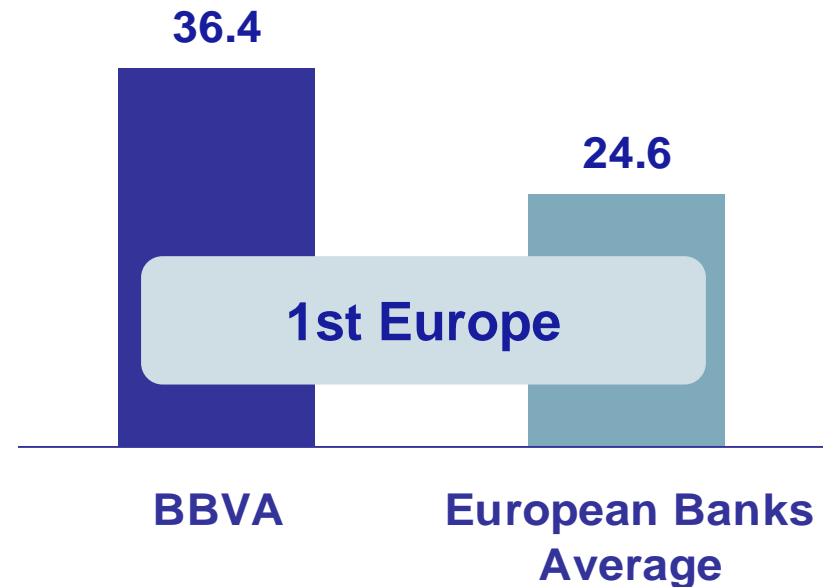
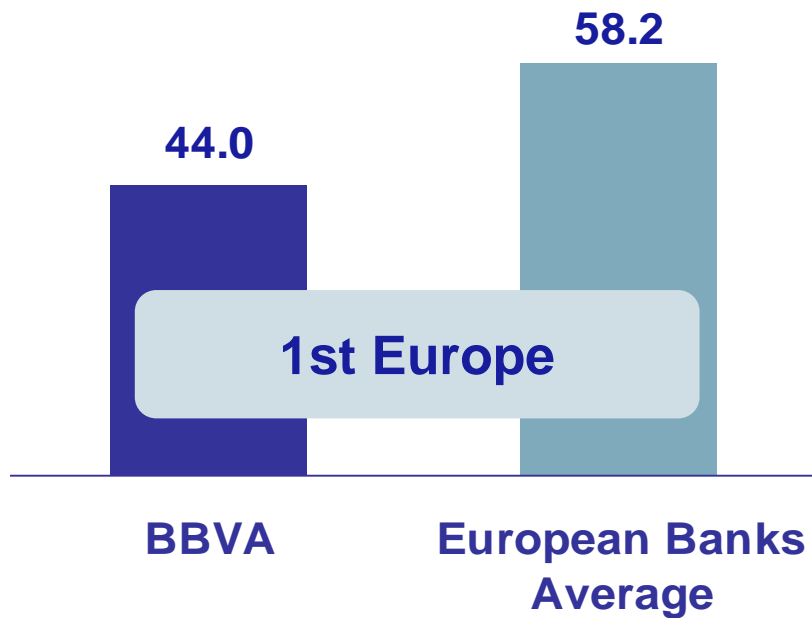
**44% of lending
collateralised**

... and best in class efficiency and profitability



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

ROE excl. one-off items (%)



... to deliver superior EPS growth than the sector

Superior growth based on ...



1

In our current operations we are applying ...

... Innovation

Organization

Products

Distribution

Segments

... to increase growth

In Spain, immigrants

The Opportunity

New Segment

4 m people in Spain

10% Spanish population

BBVA's approach

New Value proposition

Full product offering

New products: financial and non-financial

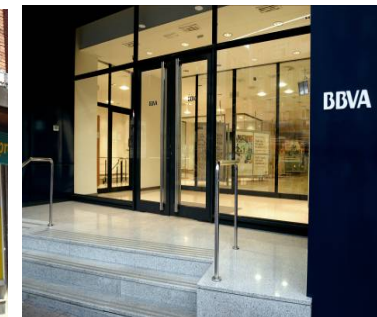
Money transfers
780.000 in 2006 (x 2.3)

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

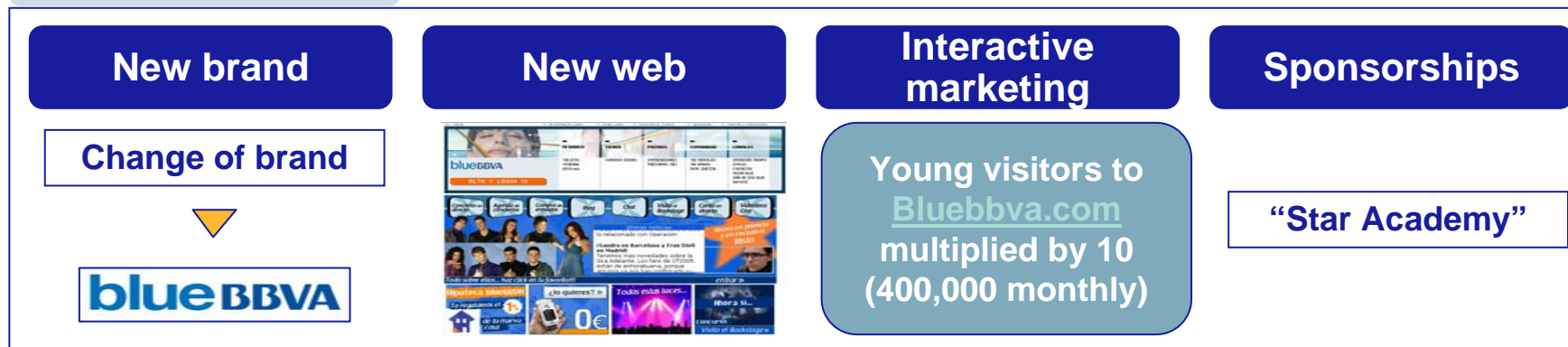
2007 Target
700,000 clients

... and young people

The Opportunity



BBVA's approach



The results



Mexico and South America: bancarization ...

México

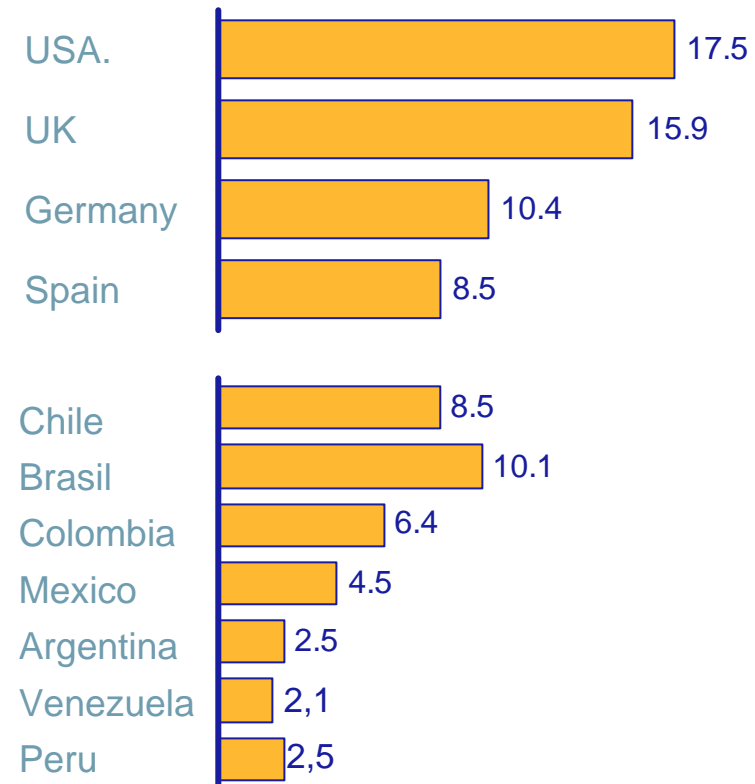
More than 30 m people entering the financial market in the next years

South America

80% of the population do not have a current account

Consumer finance / GDP

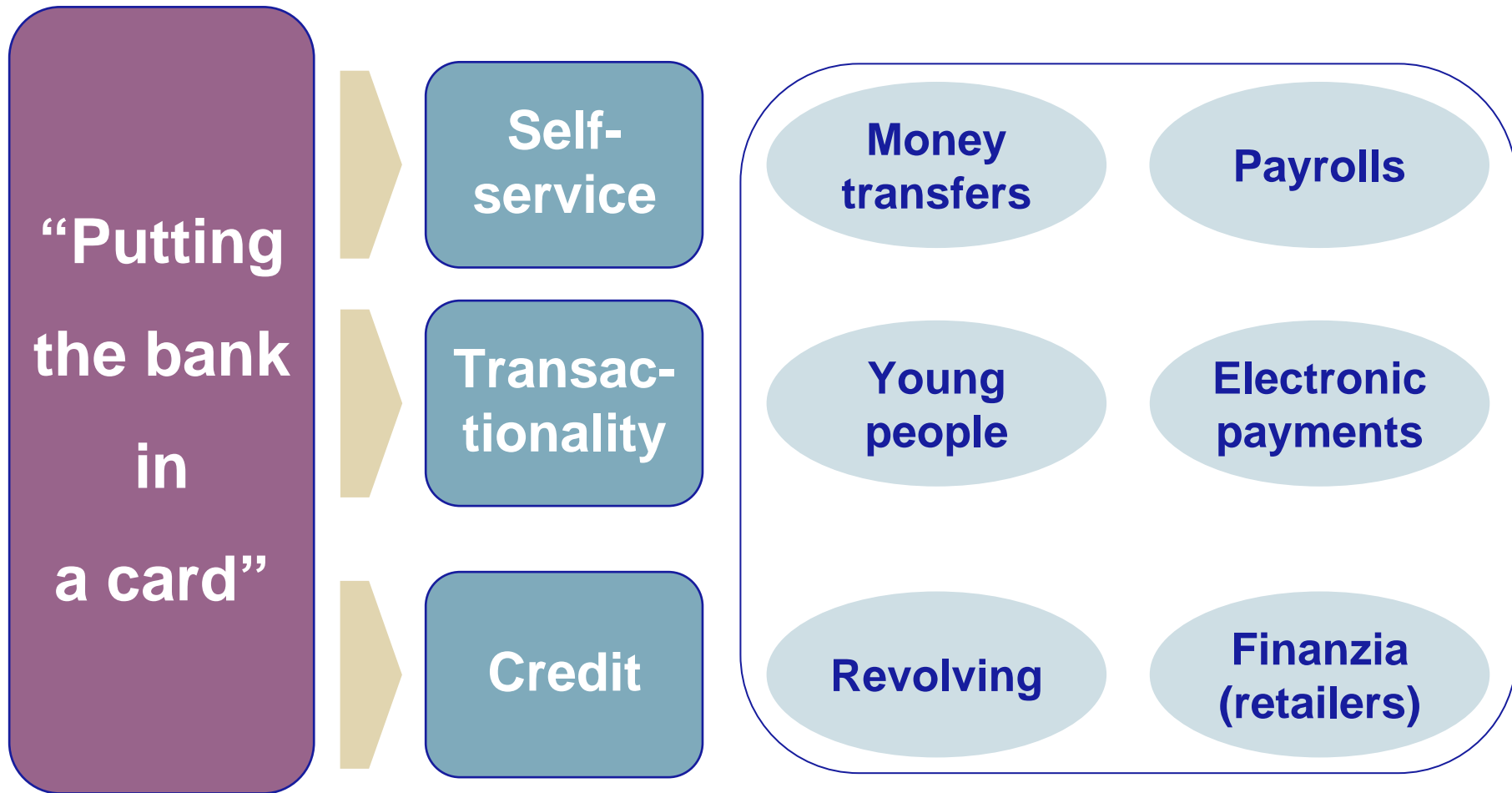
%. 2005



Source: EFIC Profit Pools, EIU, Estadísticas nacionales

A great opportunity to capture this growth but ...

... with a different business model ...

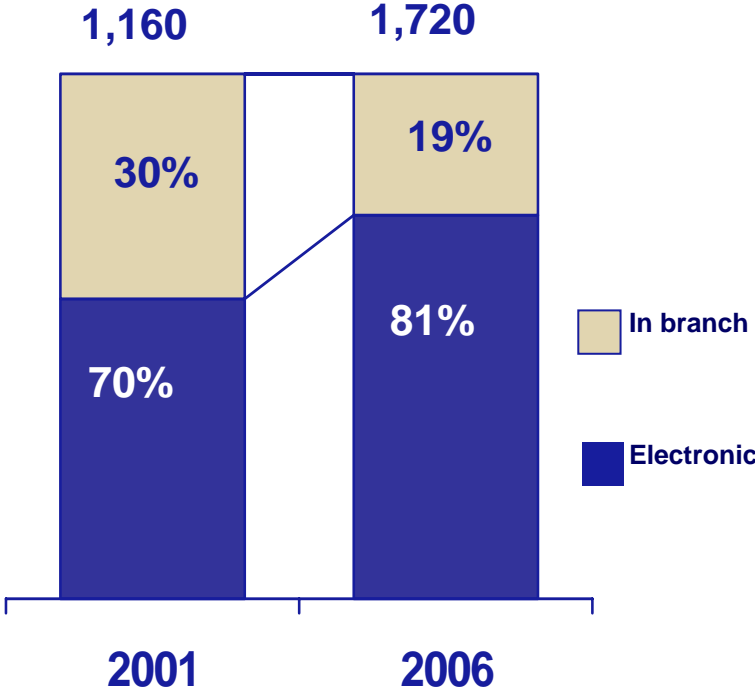


4,850 ATM's (+10% 2006) and 80,594 PoS (+57% 2006)

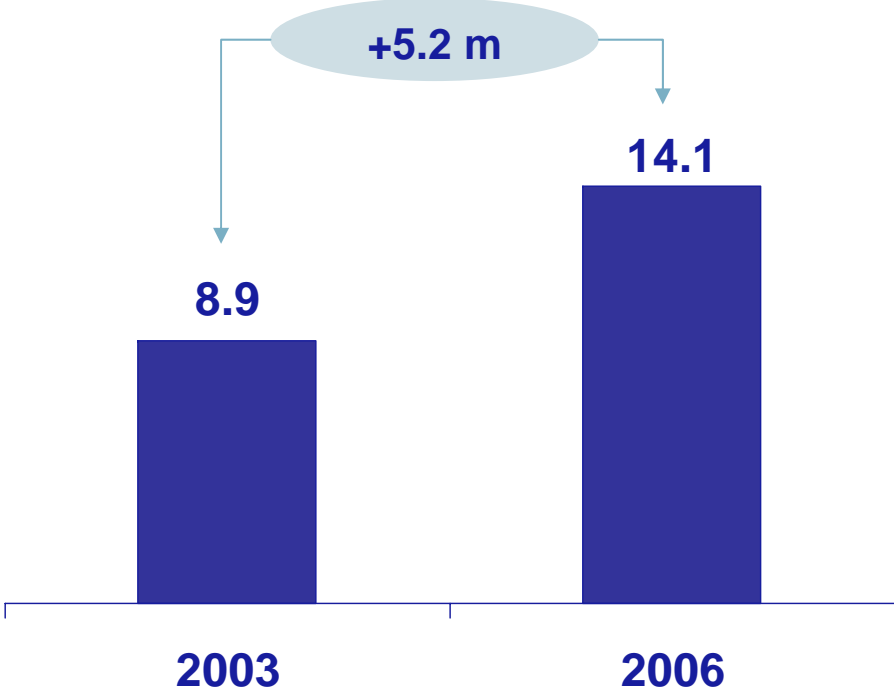
... and excellent results



Transactions (MM)



Bancomer Clients in Mexico (MM)



Opportunity to increase 50% number of clients in the next 6 years

Superior growth based on ...



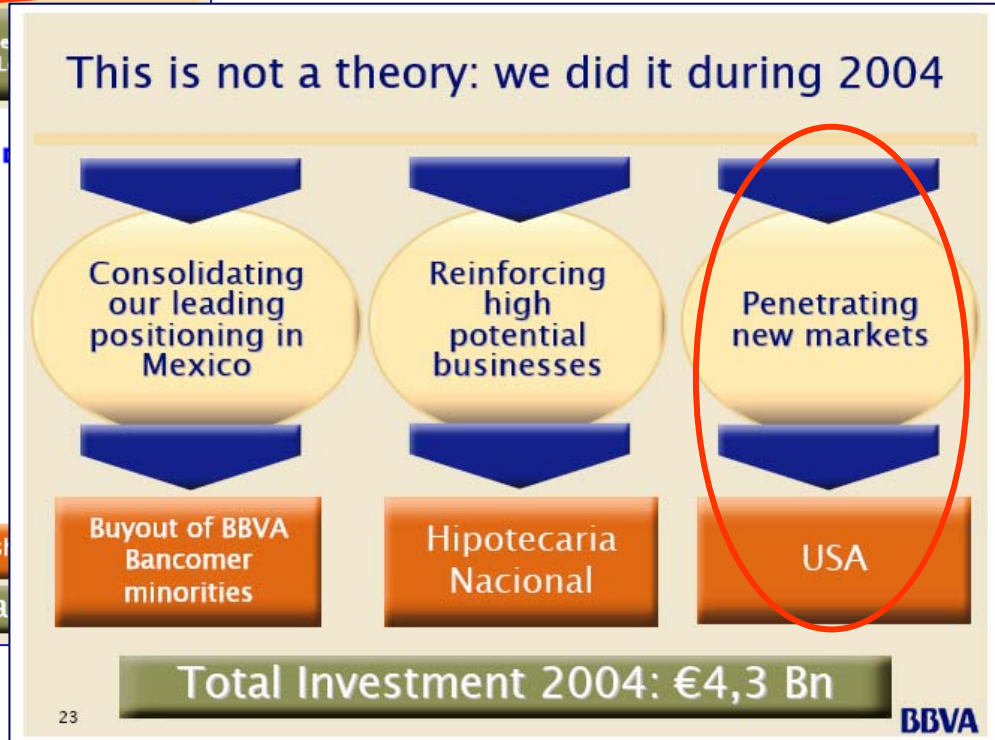
2

New growth engines with clear priorities ...

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

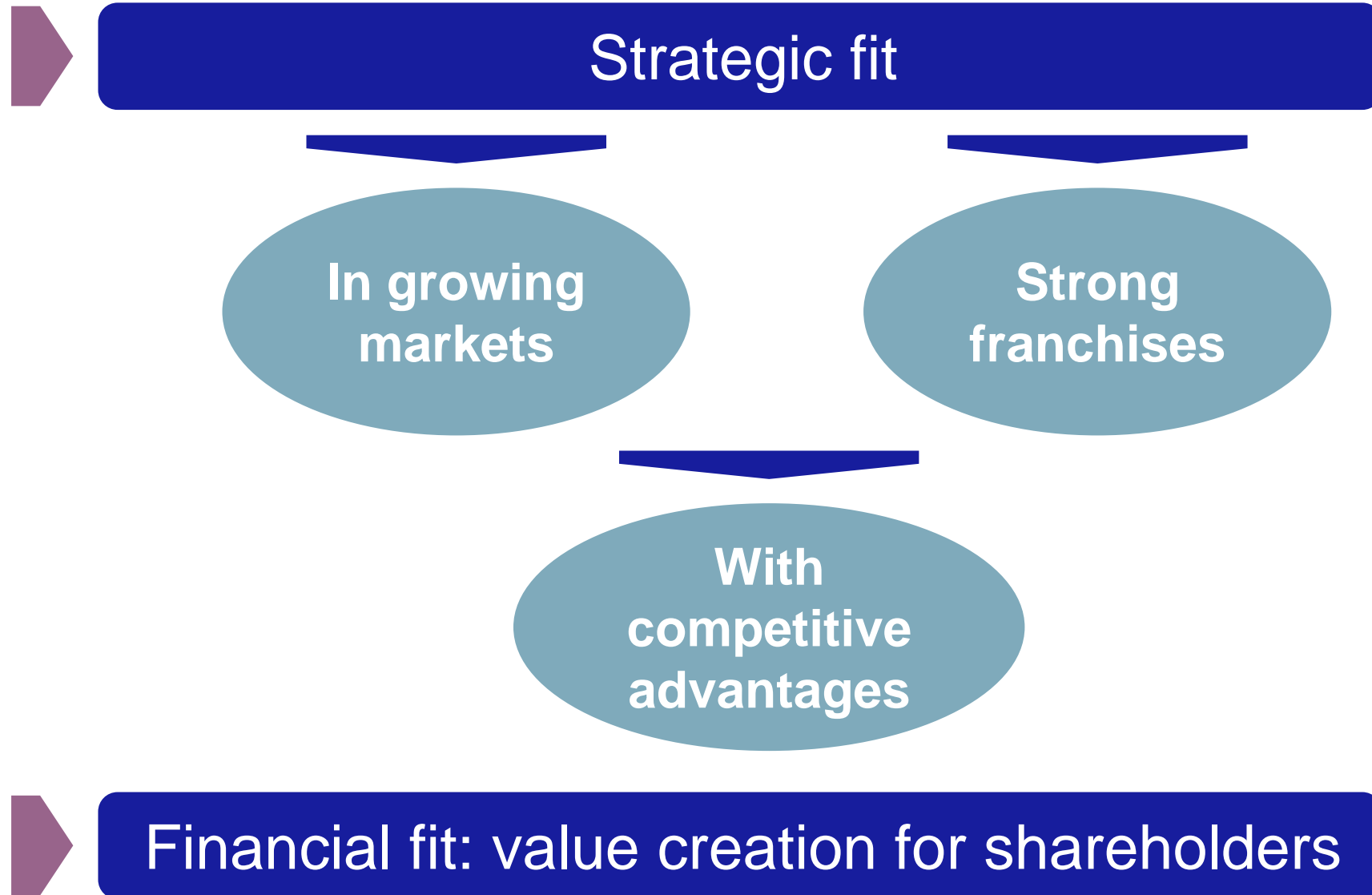


Merrill Lynch European Banks Conference, 2005



Morgan Stanley European Banks Conference, 2005

... and the following premises



Consistent strategy of investing in growing economies

	GDP (\$ Tr)	GDP Growth 06e (%)	Population (MM)	Risk (NPL %) (4)
Spain (1)	1.1	3.6	40	0.6
México (1)	1.1	4.5	107	1.7
Latam (2)	3.9	5.2	417	3.7
BBVA USA (3)	2.2	4.3	60 (5)	0.7

And China

(1) The World Fctbook 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

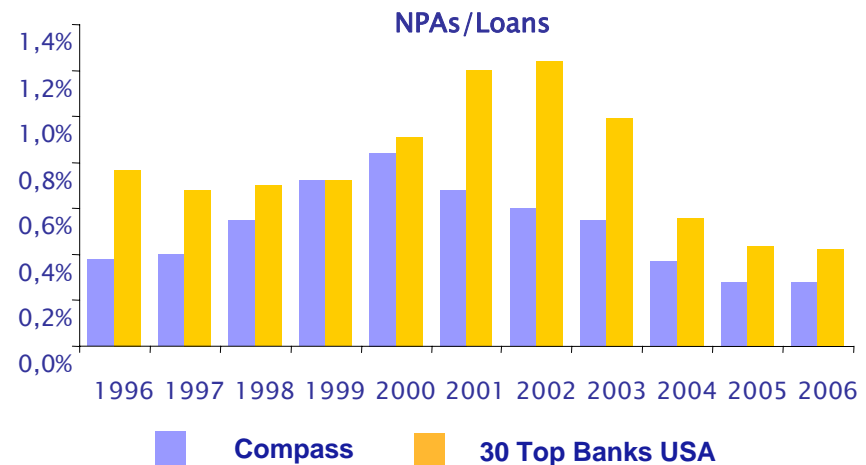
High network productivity



Better fundamentals than peers

	Compass	Peers (1)
Net Interest Income / Average Assets (%)	3.40	3.62
Total Revenues / Average Assets (%)	5.60	5.25
ROA (%)	1.39	1.32
ROE (%)	17.7	13.3

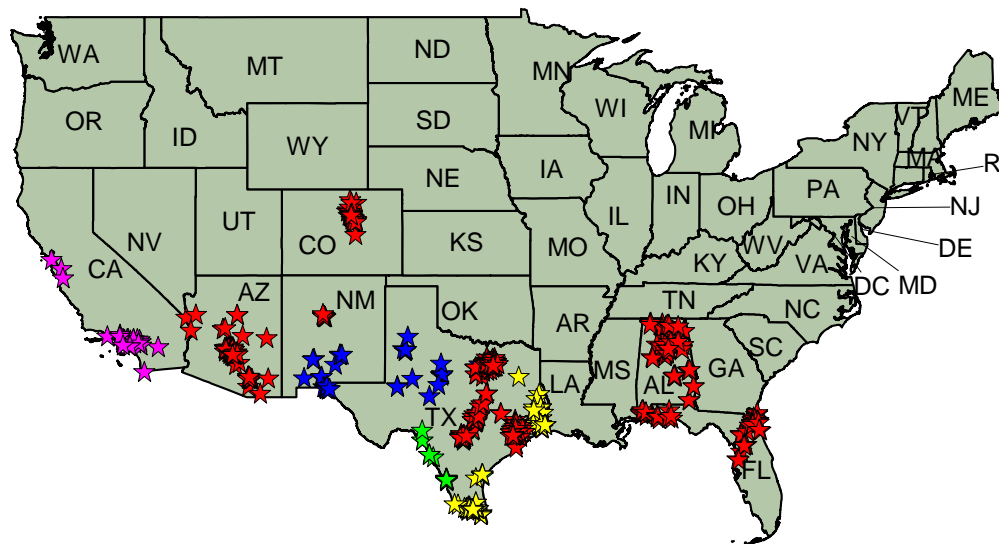
A trackrecord for asset quality



Source: SNL

(1) Comparable Banks: Cullen/Frost Bankers, First Financial Bankshares, First Horizon National Corporation, International Bancshares Corporation, Marshall & Ilsley Corporation, Prosperity Bancshares, Regions Financial Corporation, Sterling Bancshares, Synovus Financial Corp., Zions Bancorporation, First State Bancorporation, SunTrust Banks

We are building a unique platform in the USA



★ Compass ★ Texas Regional ★ Laredo National ★ State National ★ BBVA 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

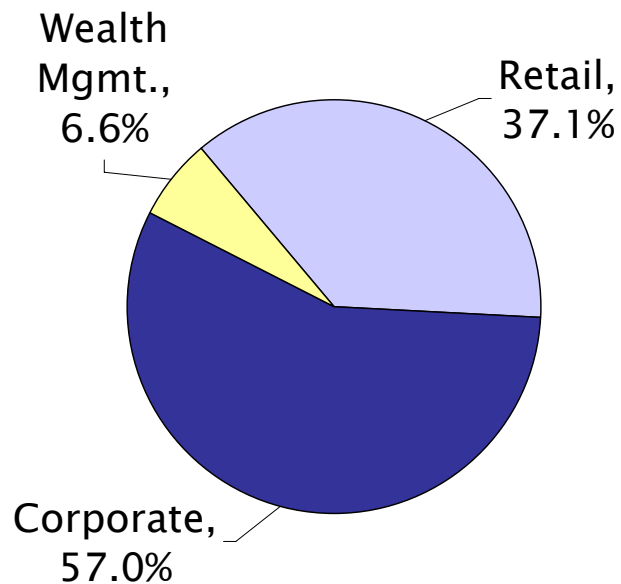


**Retail Banking
(Personal Services)**

**Corporate Banking
(Business Services)**

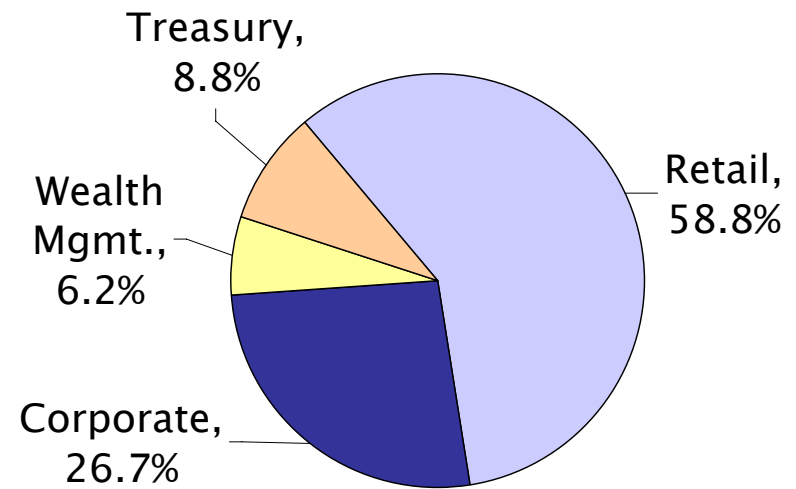
**Wealth Management
(Private Client Services)**

Loans-Dec.06
(%)



\$ 24.4 Bn

Deposits-Dec.06
(%)



\$ 23.04 Bn

A deal with an attractive operating synergies potential and value creation

Operating synergies			
Pre-tax (US\$ MM)	2008e	2009e	2010e
TOTAL REVENUE INCREASE	21.4	57.9	97.0
TOTAL COST REDUCTION + FUNDING SYNERGIES	11.3	62.7	141.9
TOTAL SYNERGIES	32.8	120.6	237.9
PHASING-IN TOTAL SYNERGIES	13.8%	50.7%	100%

Revenue Synergies
5.8% of combined base

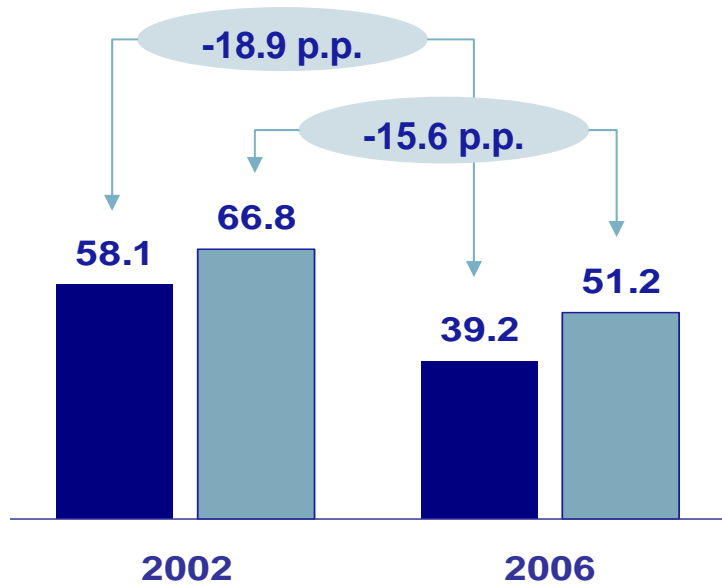
Cost Synergies
7.1% of combined base

Value creation

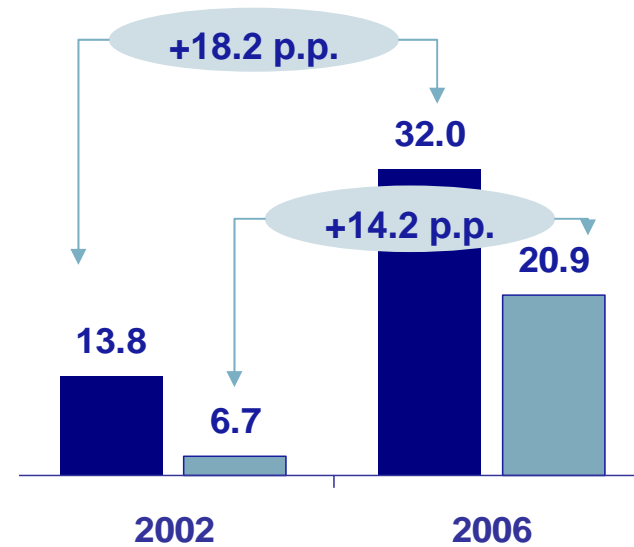
We have an excellent track-record integrating acquisitions ...

In México ...

Efficiency (%)



ROE (%)



Data in local currency

■ BBVA Bancomer ■ Mexican Banks Average

... and in South America improving efficiency by 17% whilst ROE is also up by 24%

BBVA, an attractive investment case

**Corporate
positioning**

Business Model

**Growth
superior to the
sector**

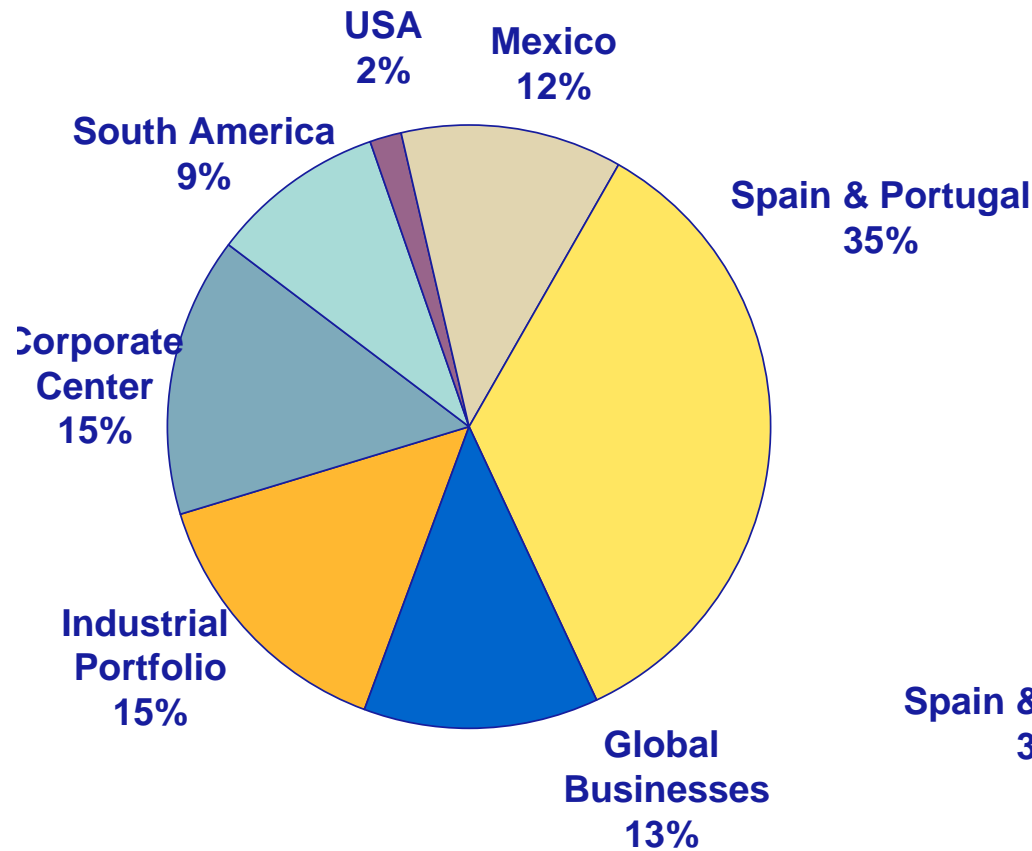
**Best in class
Profitability
with low risk**

And a management committed to value creation

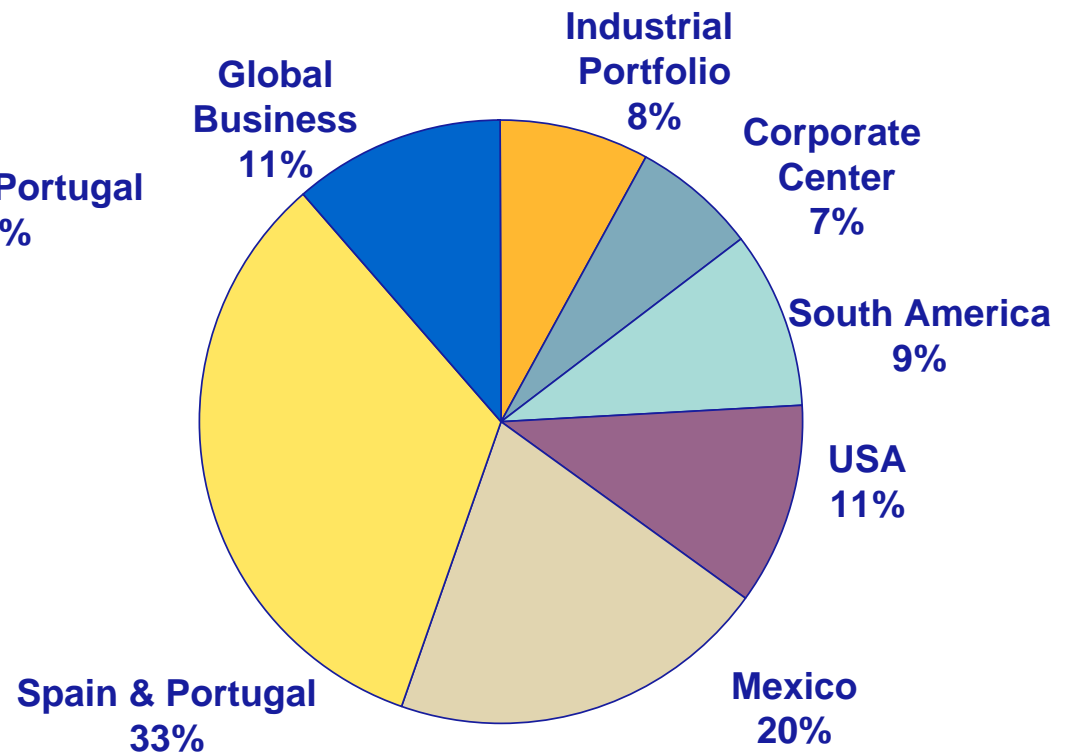
In short, BBVA continues “turning around” its portfolio towards growing markets



Economic Capital 2002



Economic Capital 2007

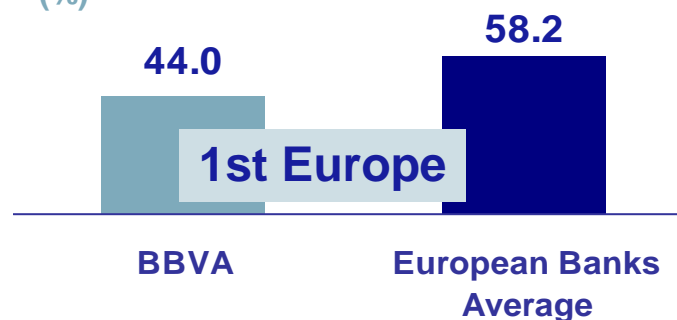


Note: 2007 including Compass

With a very solid business model

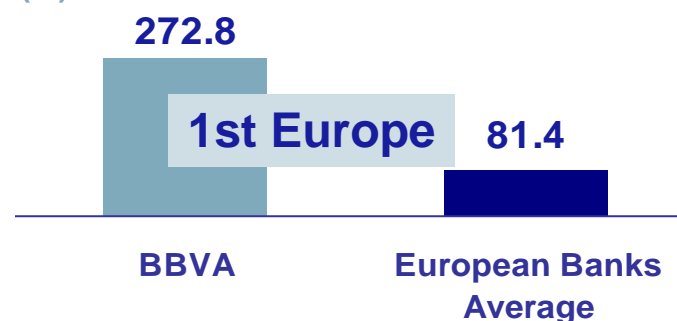
Efficiency

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



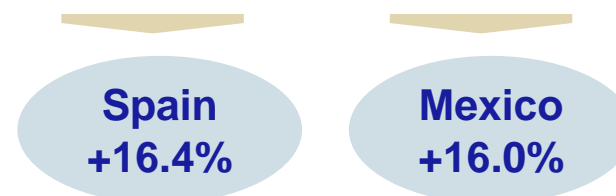
Risk management

Coverage Ratio (%)



Distribution networks management

Increase in Productivity 06/05



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