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**Banco Bilbao Vizcaya Argentaria, S.A. (“BBVA”)** in compliance with the Securities Market legislation, hereby communicates the following:

#### **RELEVANT EVENT**


BBVA communicates invitations to holders of the outstanding lower tier 2 securities of each of the series detailed in the annexed table, which were placed among qualified investors, both national and international (“**Spanish Securities**” and “**International Securities**”, jointly the “**Securities**”) to tender the Securities for purchase by BBVA for cash (the “**Invitation**”).

Capitalised terms used in this announcement but not defined herein have the meaning given to them in the Consent and Tender Offer Memorandum for the Spanish Securities and the Tender Offer Memorandum for the International Securities (jointly, the “**Tender Offer Memorandums**”) dated 11 October 2012.

#### **Consent**

Within the Spanish Securities, two of the series require prior consent from the corresponding syndicate of Securityholders for BBVA to have the possibility to acquire such securities (the “**Spanish Consent Securities**”). For this purpose, it is envisaged that the Commissioners of the Spanish Consent Securities will convene the respective assembly of Securityholders to hold the vote and, as the case may be, approve the required amendments of the terms and conditions of such securities.

BBVA will offer an attendance fee to the holders of the Spanish Consent Securities who attend, in person or duly represented, to the assemblies of holders of the Spanish Consent Securities, pursuant to the terms indicated in the relevant announcements convening the meetings published in the *Mercantile Registry Official Gazette* (BORME).



Accordingly, BBVA shall not be entitled to accept any tender offer on the Spanish Consent Securities and shall not be entitled to settle such offers until the moment in which the corresponding syndicate of Securityholders approves, as the case may be, the possibility for BBVA to acquire the Spanish Consent Securities (and the relevant documentation of the agreed amendment is executed and registered). Thus, the settlement date of such purchases could be delayed in respect of the date envisaged in the Tender Offer Memorandums for the settlement of the remainder of the Securities.

### **Purchase price**

The purchase of the Securities will be carried out under an unmodified Dutch-auction procedure. The purchase price that BBVA will pay to the Securityholders whose offers are accepted (each price, the "**Purchase Price**") will be equal to the price specified by the Securityholders in their Tender Instructions.

Securityholders may make competitive and non-competitive offers with respect to the purchase price of the Securities, which will be accepted or not accepted by BBVA. In respect of a Non-Competitive Tender Instruction, the minimum purchase price set out in the annexed table (the "**Minimum Purchase Price**") will be deemed to be the purchase price specified by Securityholders in such Tender Instruction.

**As the Purchase Price applicable to each Securityholder who validly submits a tender which is accepted by BBVA is determined by reference to the relevant purchase price specified by such Securityholder in its Tender Instruction, the Purchase Price payable to each such Securityholder will not necessarily be the same.**

Each Securityholder whose Securities are validly tendered and have been accepted for purchase by BBVA will receive, together with the Purchase Price, an amount equal to the accrued but unpaid interest on the relevant Securities from (and including) the immediately preceding interest payment date for such Securities to (but excluding) the Settlement Date.

BBVA shall take into consideration different factors at the time of accepting or rejecting offers validly tendered through the Tender Instructions, including, among others, the Purchase Prices proposed for each of the Securities in relation to the Minimum Purchase Price.

### **Acceptance Amount**

BBVA will have absolute discretionary powers to decide whether the Securities offered are purchased or not, pursuant to the terms established in the Tender Offer Memorandums. BBVA may decide not to purchase any of the Securities. Likewise and in particular, BBVA reserves the right to purchase a maximum number of Securities per issue depending on the offers received.



## General

Securityholders may submit their offers from 11 October 2012 until 17:00 hours (CET) on 26 October 2012.

The results in connection with the acceptance of offers will be publicly disclosed on 29 October 2012 for all Securities, except for results in connection with the Spanish Consent Securities which publication shall depend on the date on which the syndicate of Securityholders approve, as the case may be, the possibility for BBVA to acquire the Spanish Consent Securities (and the relevant documentation of the agreed amendment is executed and registered).

Similarly, the expected Settlement Date for the Invitations shall be 2 November 2012, except for the Spanish Consent Securities which settlement shall also depend on the date on which the results in connection with the acceptance of offers for such securities are publicly disclosed, which may even not occur should the required consent of the Securityholders not be obtained.

BBVA shall be entitled, at any moment at its own discretion to extend, re-open, amend, terminate, or close the Invitation in the terms set out in the Tender Offer Memorandum.


The Invitations are being made for the purpose of enhancing BBVA's management of its outstanding liabilities, to strengthen BBVA's Group balance sheet and to provide liquidity to Securityholders.

Any decision by BBVA to exercise its option to early redemption of the subordinated debt instruments shall be adopted taking into consideration the economic impact of such early redemption, the regulatory requirements and market conditions.

The terms and conditions of the Invitations for the Spanish Securities are set forth in the Consent and Tender Offer Memorandum for the Spanish Securities dated 11 October 2012, governed by Spanish Law, while the terms and conditions of the Invitations for the International Securities are set forth in the Tender Offer Memorandum for the International Securities dated 11 October 2012, governed by English Law.


The Tender Offer Memorandums are available to Securityholders from the tender agent, Lucid Issuer Services Limited (the "**Tender Agent**"), whose contact details appear below, upon request. Securityholders are advised to read carefully the mentioned Tender Offer Memorandums.

The Dealer Managers will be Morgan Stanley & Co International plc, Banco Bilbao Vizcaya Argentaria, S.A. and UBS Limited.



If you need further information on the Invitations, please contact the Tender Agent: at the following email address: [bbva@lucid-is.com](mailto:bbva@lucid-is.com) /+44 (0) 20 7704 0880, Attention of: David Shilson / Paul Kamminga/ Victor Parzyjagla.

Madrid, 11 October 2012



**DISCLAIMER** This announcement must be read in conjunction with the Tender Offer Memorandums. This announcement and the Tender Offer Memorandums contains important information which should be read carefully before any decision is made with respect to the Invitations. If any Securityholder is in any doubt as to the action it should take, it is recommended to seek its own financial and legal advice, including in respect of any tax consequences, immediately from its stockbroker, bank manager, solicitor, accountant or other independent financial, tax or legal adviser. Any individual or company whose Securities are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee or intermediary must contact such entity if it wishes to tender such Securities pursuant to the Invitations.


### **INVITATION AND DISTRIBUTION RESTRICTIONS**

The distribution of this document in certain jurisdictions may be restricted by law. Persons into whose possession this announcement or the Tender Offer Memorandums comes are required by each of the Bank, the Dealer Managers and the Tender Agent to inform themselves about, and to observe, any such restrictions.

#### **United States**

The Invitations are not being made, and will not be made, directly or indirectly in or into, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of or of any facilities of a national securities exchange of, the United States. This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. The Securities may not be tendered in the Invitations by any such use, means, instrumentality or facility from or within the United States or by persons located or resident in the United States. Accordingly, copies of this announcement or the Tender Offer Memorandums and any other documents or materials relating to the Invitations are not being, and must not be, directly or indirectly, mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States or to any persons located or resident in the United States. Any purported tender of Securities in an Invitation resulting directly or indirectly from a violation of these restrictions will be invalid and any purported tender of Securities made by a person located in the United States or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will be invalid and will not be accepted.

Each Securityholder participating in an Invitation will represent that it is not located in the United States and it is not participating in such Invitation from the United States or it is acting on a non-discretionary basis for a principal that is located outside the United States and that is not giving an order to participate in such Invitation from the United States. For the purposes of this and the above paragraph, “**United States**” means the United States of America, its territories and possessions (including Puerto Rico, the



U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States of America and the District of Columbia.

**Other**

Restrictions will apply in certain other jurisdictions including the United Kingdom, Italy, Belgium, France, Spain and Portugal, as specified in the Tender Offer Memorandums.

## ANNEX

### SECURITIES ISSUES

SPANISH NON-CONSENT SECURITIES						
Issuer	Series	Maturity Date	ISIN	Purchase Price	Minimum Purchase Price	Aggregate Outstanding Principal Amount
BANCO BILBAO VIZCAYA ARGENTARIA, S.A.	€125,000,000 Obligaciones subordinadas, Marzo 2008	3 March 2033	ES0213211115	To be determined pursuant to the Unmodified Dutch Auction Procedure	83%	€125,000,000
BANCO BILBAO VIZCAYA ARGENTARIA, S.A.	€100,000,000 Obligaciones subordinadas, Julio 2008	4 July 2023	ES0213211131		91%	€100,000,000

SPANISH CONSENT SECURITIES						
Issuer	Series	Maturity Date	ISIN	Purchase Price	Minimum Purchase Price	Aggregate Outstanding Principal Amount
BANCO BILBAO VIZCAYA ARGENTARIA, S.A.	€1,000,000,000 Obligaciones subordinadas, Octubre 2004	20 October 2019	ES0213211099	To be determined pursuant to the Unmodified Dutch Auction Procedure	86.50%	€1,000,000,000
BANCO BILBAO VIZCAYA ARGENTARIA, S.A.	€300,000,000 Obligaciones subordinadas, Febrero 2007	16 February 2022	ES0213211107		81.00%	€300,000,000

INTERNATIONAL SECURITIES						
Issuer	Series	Maturity Date	ISIN	Purchase Price	Minimum Purchase Price	Aggregate Outstanding Principal Amount
BBVA Global Finance, Ltd.	€73,000,000 Fixed Rate Notes due 2015	16 October 2015	XS0060505228	To be determined pursuant to the Unmodified Dutch Auction Procedure	100%	€73,000,000
BBVA Global Finance, Ltd.	JPY 10,000,000,000 Fixed Rate Notes due 2015	26 October 2015	XS0061194840		80%	JPY 10,000,000,000
BBVA Global Finance, Ltd.	€40,000,000 Fixed Rate Notes due 10 October 2016	10 October 2016	XS0137037361		100%	€40,000,000
BBVA Global Finance, Ltd.	€50,000,000 Subordinated Floating Rate Notes due 2016	15 October 2016	XS0137317995		83%	€50,000,000
BBVA Global Finance, Ltd.	€55,000,000 Subordinated Floating Rate Notes due 2016	2 November 2016	XS0138158281		83%	€55,000,000
BBVA Global Finance, Ltd.	€56,000,000 Subordinated Floating Rate Notes due 2016	20 December 2016	XS0139561467		83%	€56,000,000

BBVA Subordinated Capital, S.A.U.	€250,000,000 Floating Rate Notes due 2017 (Callable: 20 October 2012)	20 October 2017	XS0231329664		97%	€231,150,000
BBVA Subordinated Capital, S.A.U.	£250,000,000 Callable Subordinated Step-Up Notes due March 2018 (Callable: 11 March 2013)	11 March 2018	XS0289655598		90%	£250,000,000
BBVA Subordinated Capital, S.A.U.	€20,000,000 Fixed Rate Subordinated Notes due 22 July 2018	22 July 2018	XS0376074364		98.50%	€20,000,000
BBVA Subordinated Capital, S.A.U.	€150,000,000 Floating Rate Subordinated Callable Step-Up Notes due 2020 (Callable: 13 October 2015)	13 October 2020	XS0230662628		76.50%	€129,700,000
BBVA Subordinated Capital, S.A.U.	€100,000,000 Subordinated CMS Linked Notes due April 2022	4 April 2022	XS0291892262		65%	€100,000,000
BBVA Subordinated Capital, S.A.U.	€50,000,000 Fixed Rate to Inflation Linked Subordinated Notes due 2023	19 May 2023	XS0361684391		65%	€50,000,000
BBVA Subordinated Capital, S.A.U.	JPY 20,000,000,000 2.75 per cent. Fixed Rate Notes due October 2035 (Callable: 22 October 2015)	22 October 2035	XS0231345942		80.00%	JPY 20,000,000,000