
A strategy focused on value creation

José Ignacio Goirigolzarri

London, March 24th, 2006

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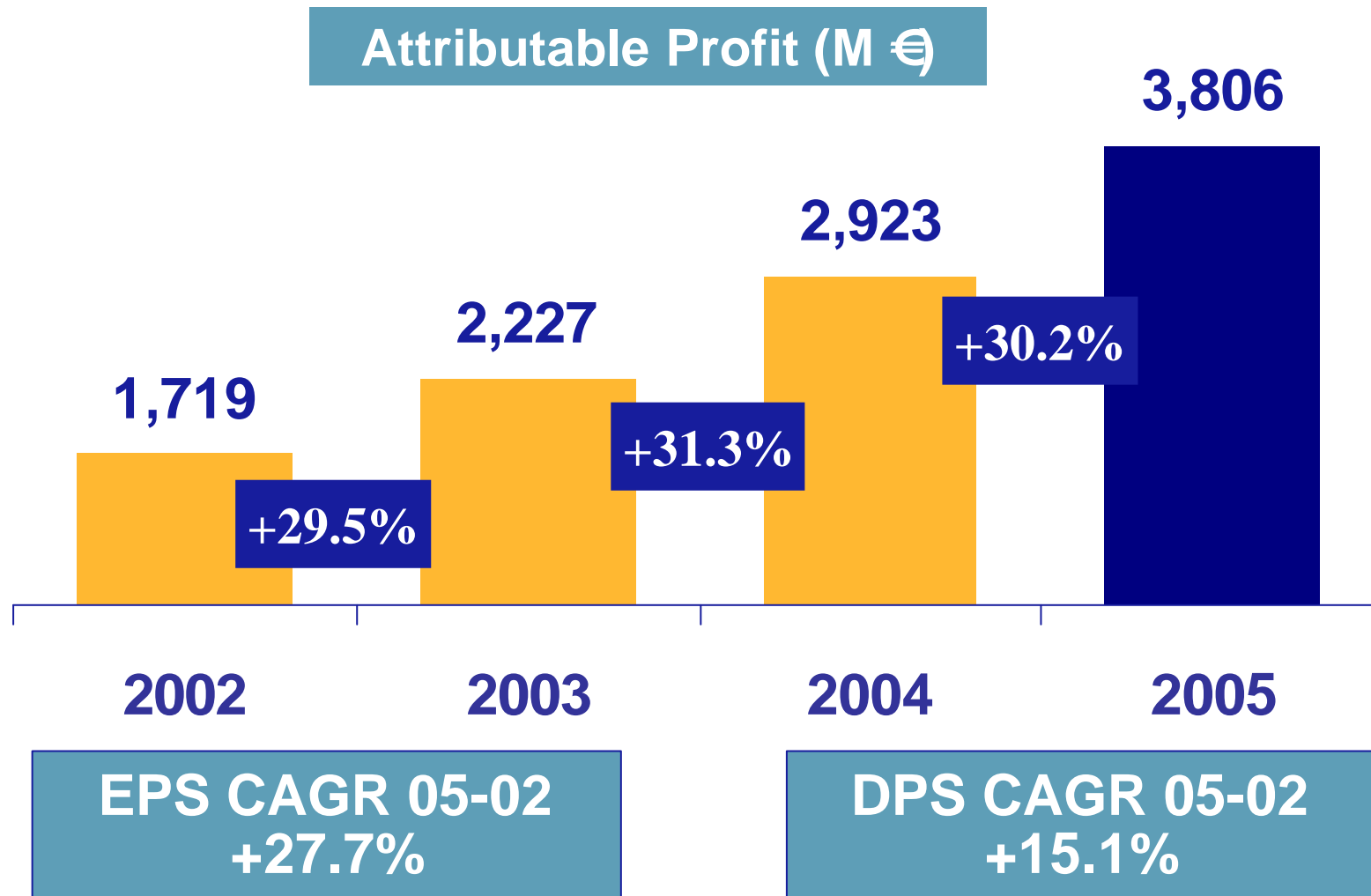
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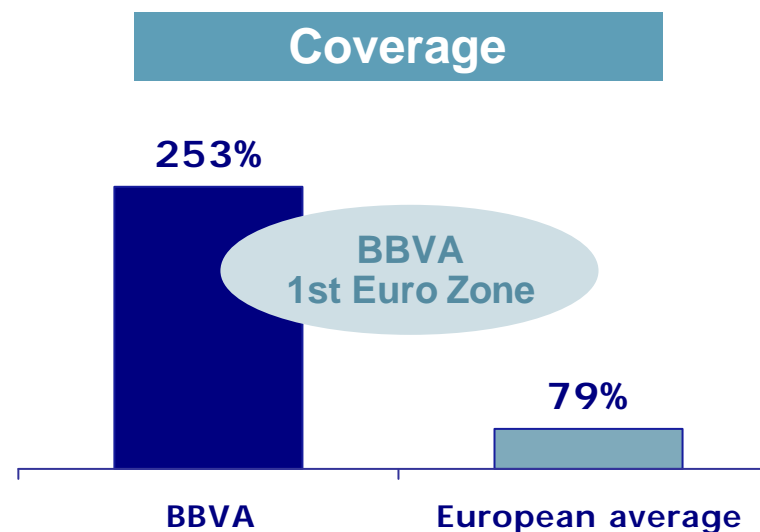
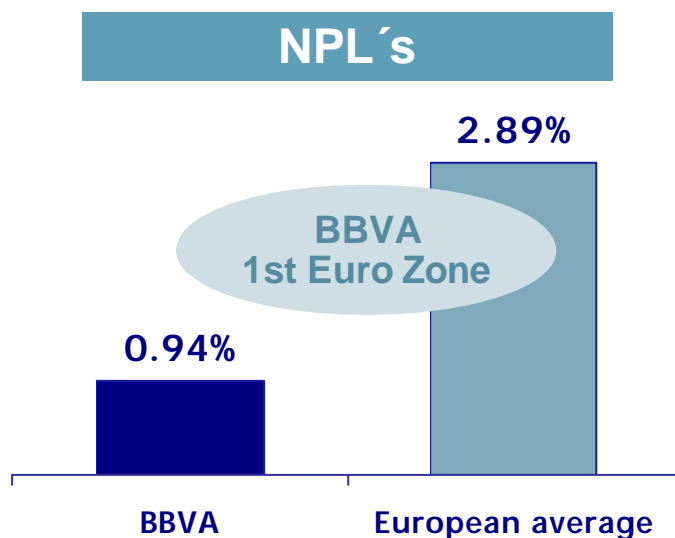
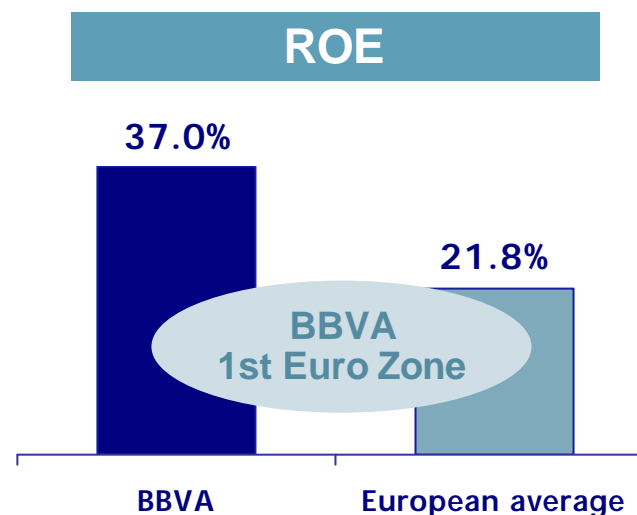
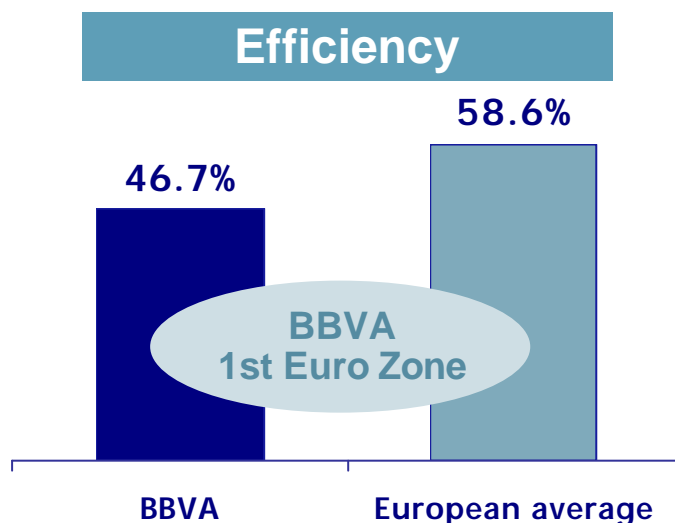
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BBVA is delivering excellent results ...



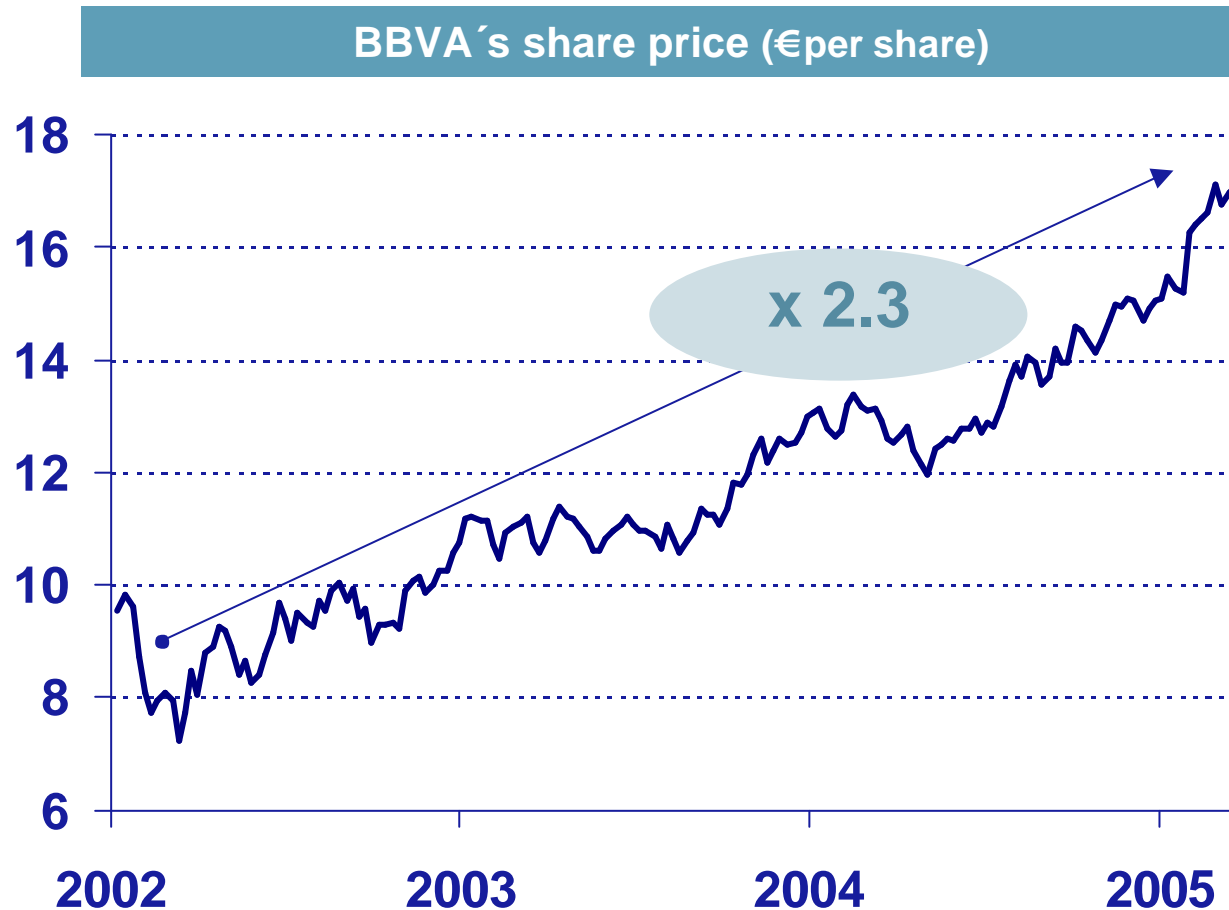
Note: 2003 Pre-NIIF

...and strengthening the Group's fundamentals



Note: Data refers to largest European groups. Efficiency ratio includes amortizations. NPL's refers to balance sheet funds

The market recognises the success of our strategy



... with an 80% increase in target price in the last 2 years

As a result, BBVA is considered an attractive investment

BBVA

Excellent combination
of
Profitability - Risk

With
strong growth

What next?



1

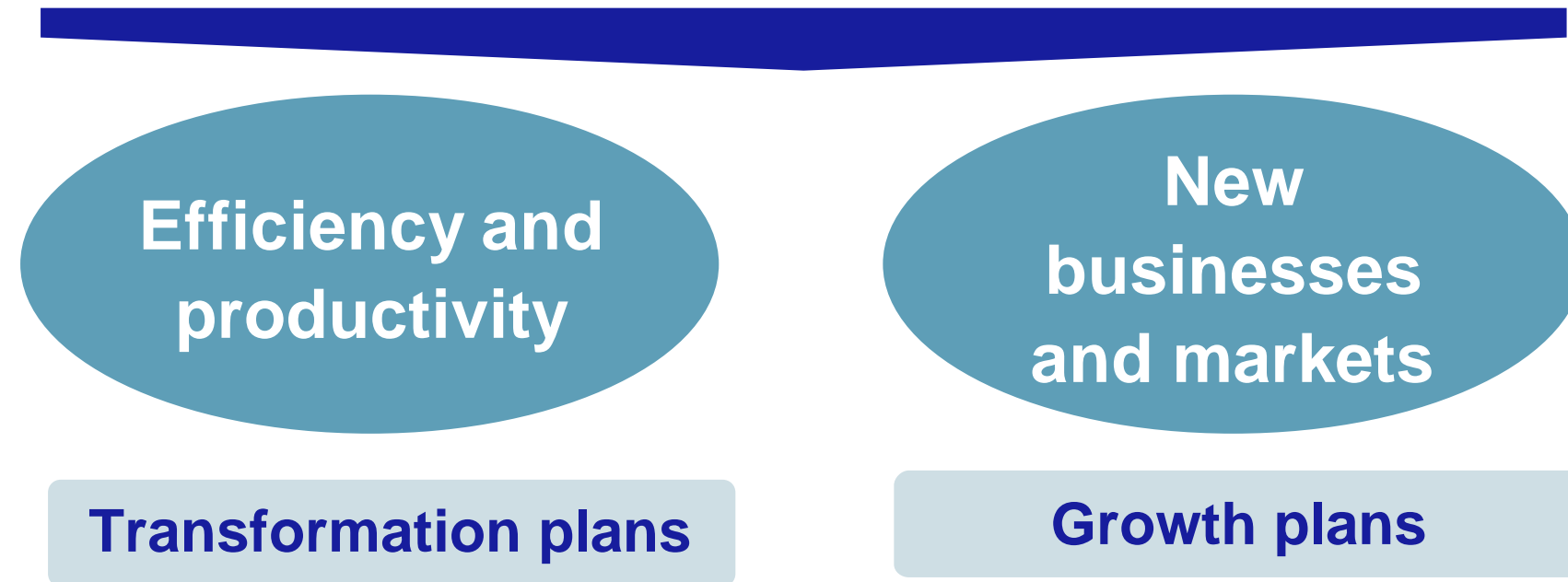
Is BBVA going to continue focusing on value creation?



2

Is BBVA going to maintain the excellent combination of profitability, growth and risk?

1 BBVA's approach: value based management...BBVA



...aligning with shareholders objectives...

**Top Management long term
remuneration is based on
Total Shareholder Return**

**Relative to
the largest
15 banks in
Europe**

**For a 3 year
period**

What next?



1

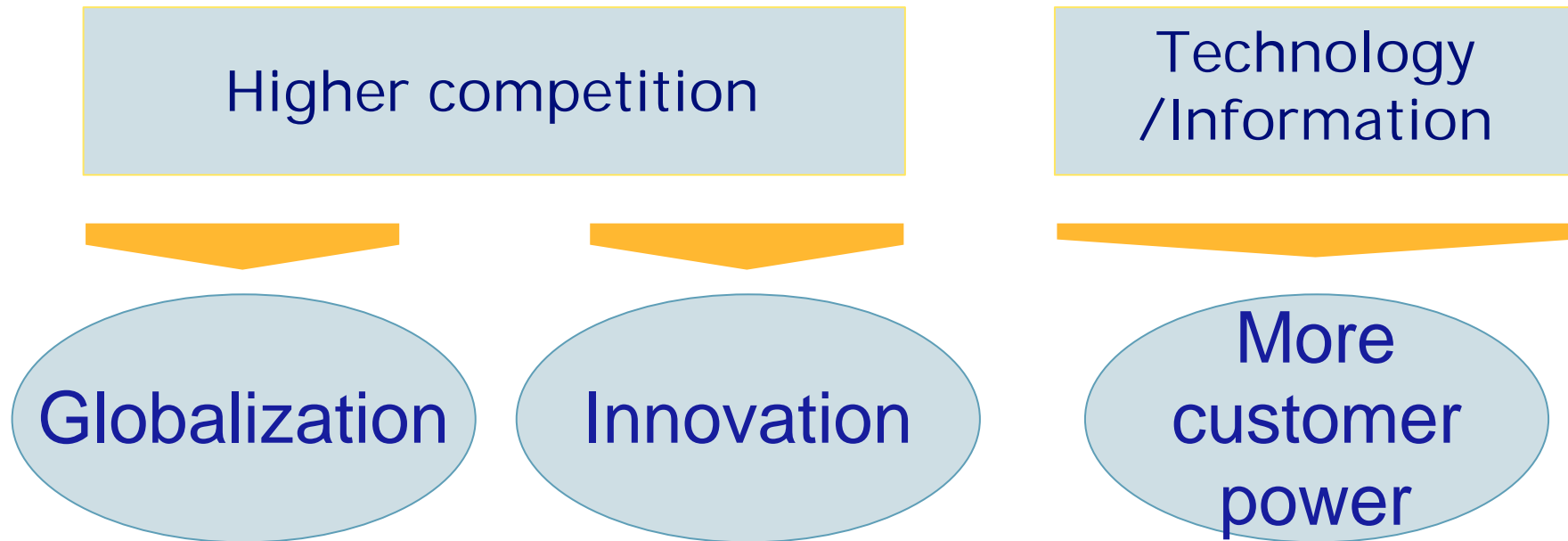
Is BBVA going to continue focusing on value creation?



2

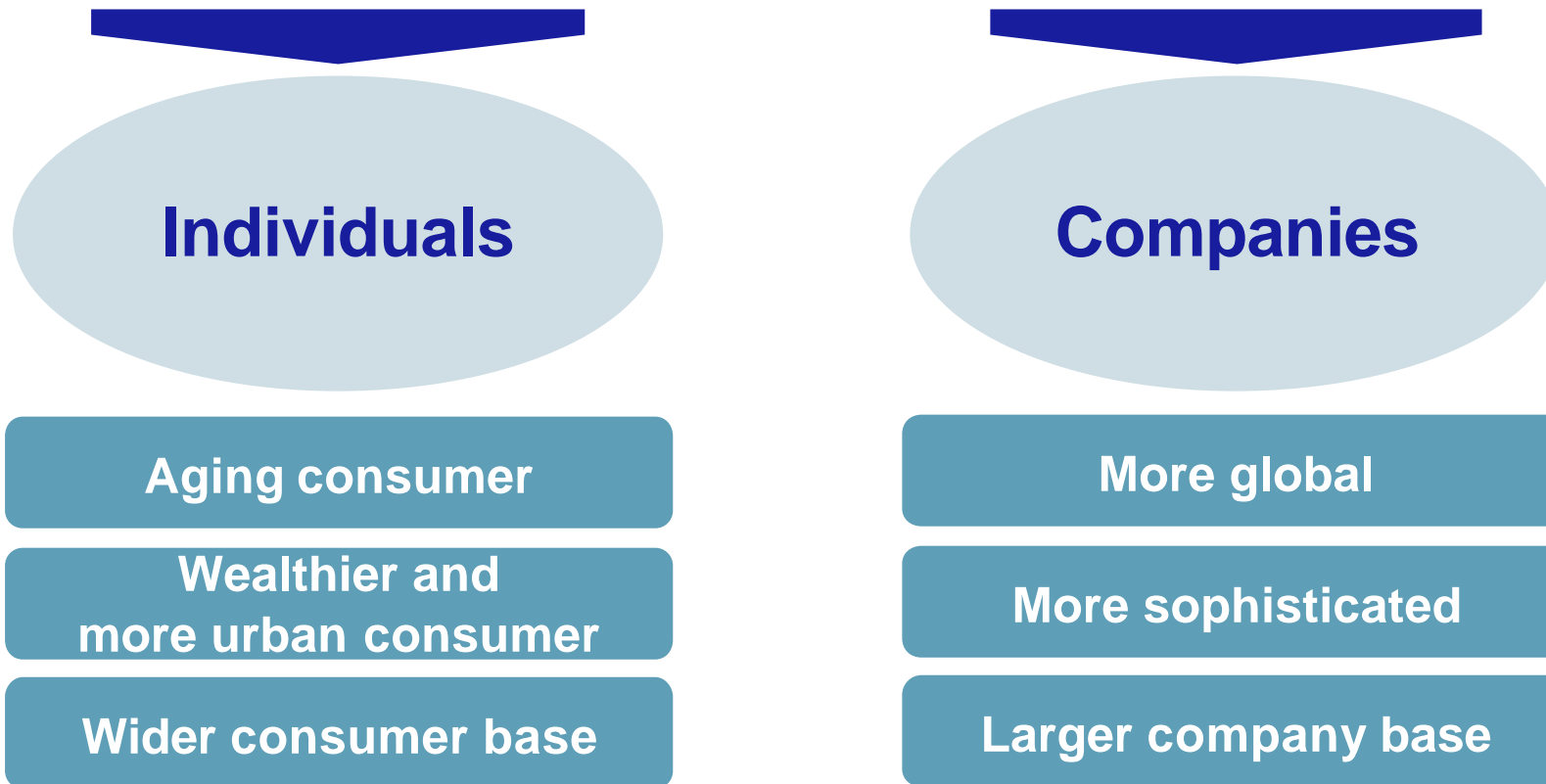
Is BBVA going to maintain the excellent combination of profitability, growth and risk?

2 The world is changing at high speed...



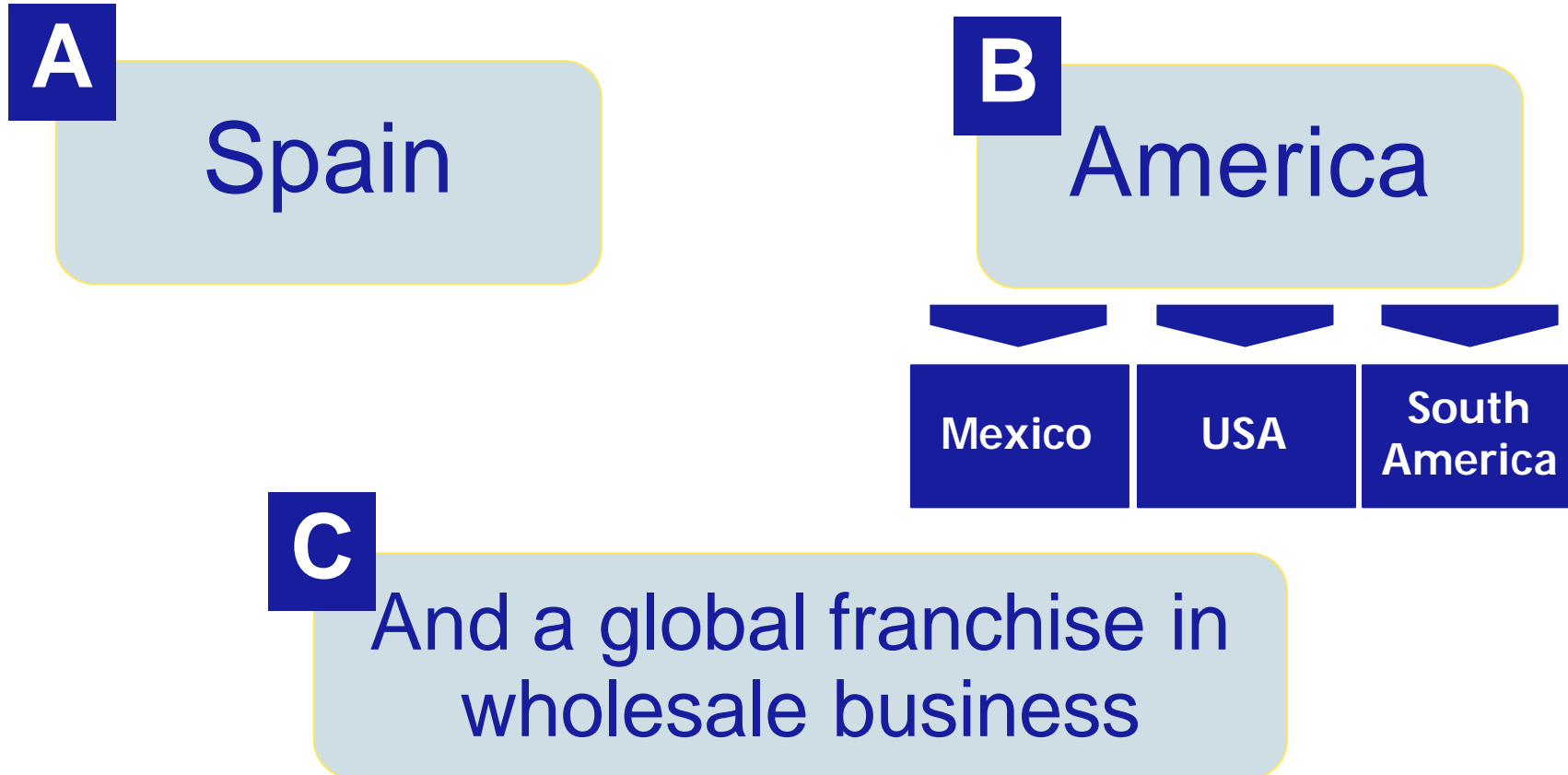
With a shift of wealth towards emerging economies

...triggering new social-demographic factors



Serving customers in a “new way” leads to great opportunities

In BBVA, we see this environment as an excellent opportunity in terms of growth



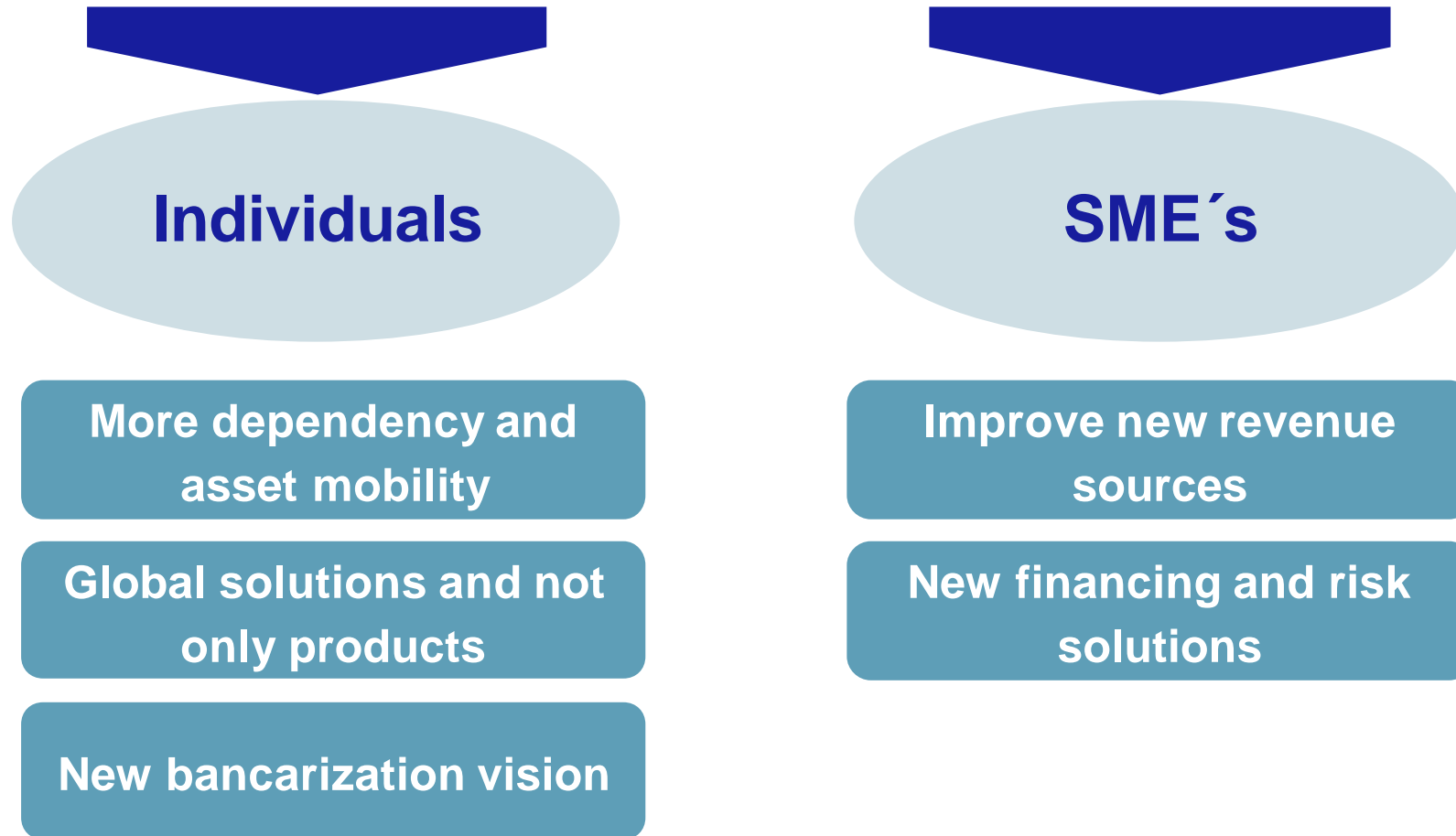
New ways of articulating the relationship with customers

A In Spain, BBVA holds leading positions...

	Market share	Ranking
• Lending	12.47 %	1°
• Deposits	12.40 %	2°
• Investment funds	18.10 %	2°
• Pension funds	18.89 %	1°

Spain is the most dynamic economy in Europe

Where do we see growth opportunities?



Still high growth potential for revenue generation

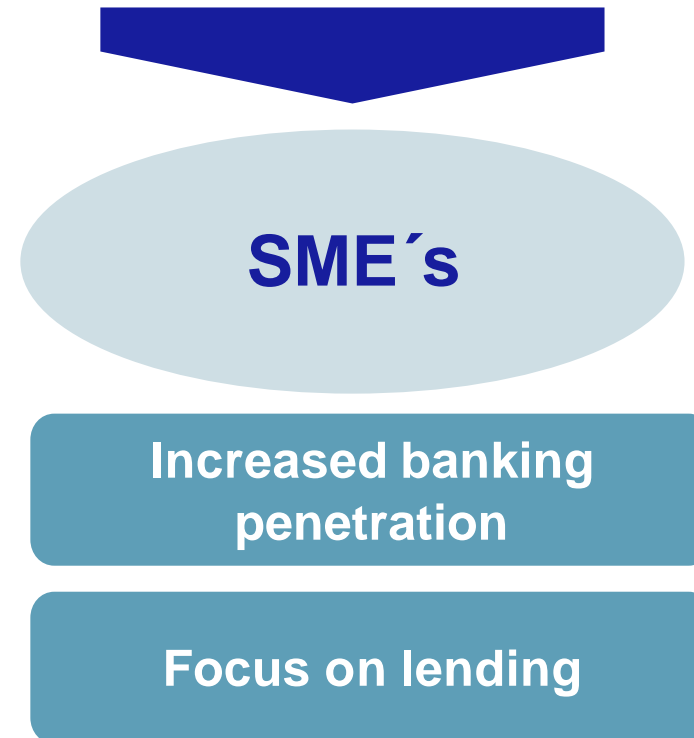
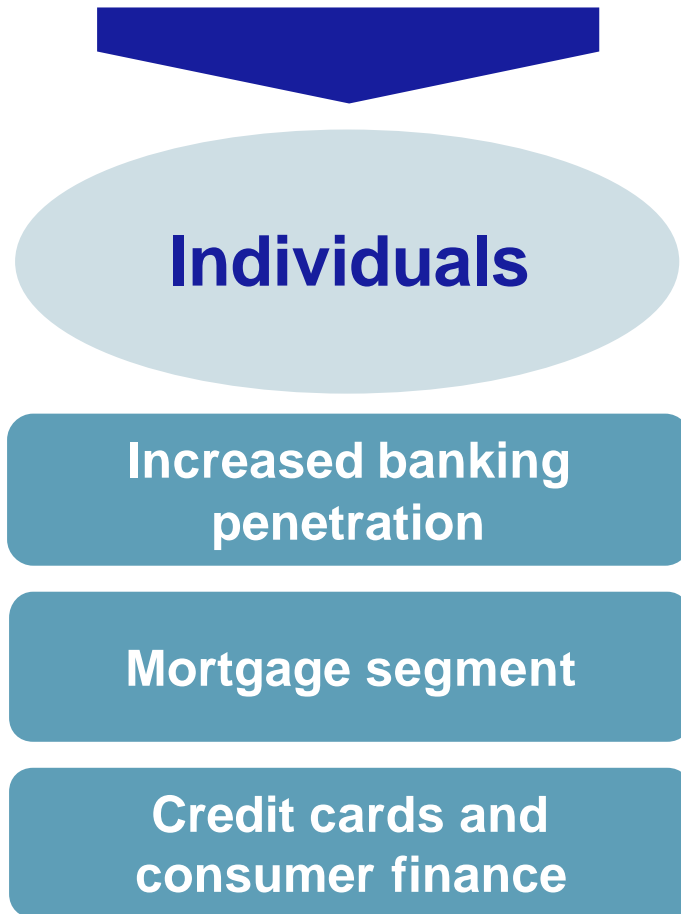
B

In America, BBVA enjoys leading positions

	Deposits		Pension Funds	
Country	Ranking	Market share	Ranking	Market share
Mexico	1st	29.7%	1st	19.4%
Venezuela	4th	11.6%	-	-
Argentina	1st	10.6%	2nd	18.6%
Peru	2nd	26.9%	3rd	25.9%
Colombia	3rd	7.9%	3rd	18.2%
Chile	4th	7.8%	1st	31.1%
Puerto Rico	7th	5.3%	-	-

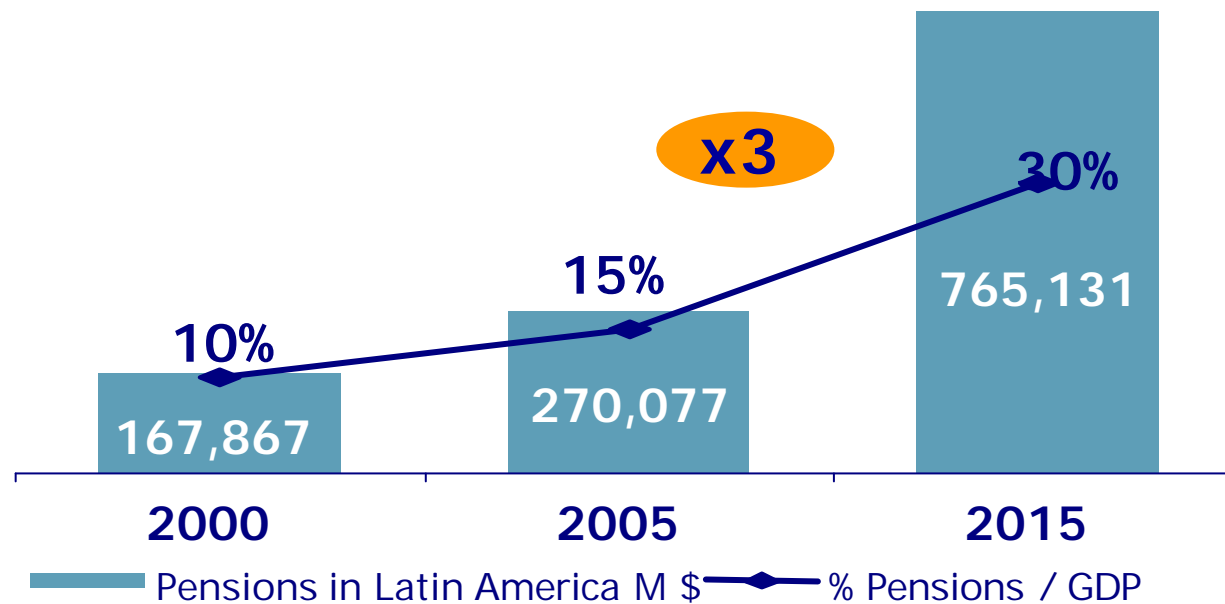
Where do we see growth opportunities in Latin America?

BBVA



...with a growing contribution of pensions & insurance

Pensions in Latin America



Source: Analyst report

Leading in “savings” in Latin America means leading in pensions and insurance segments

In the US we are building our platform

Money transfers

BTS

Basic banking products

**BBVA
Bancomer
USA**

Full banking offer

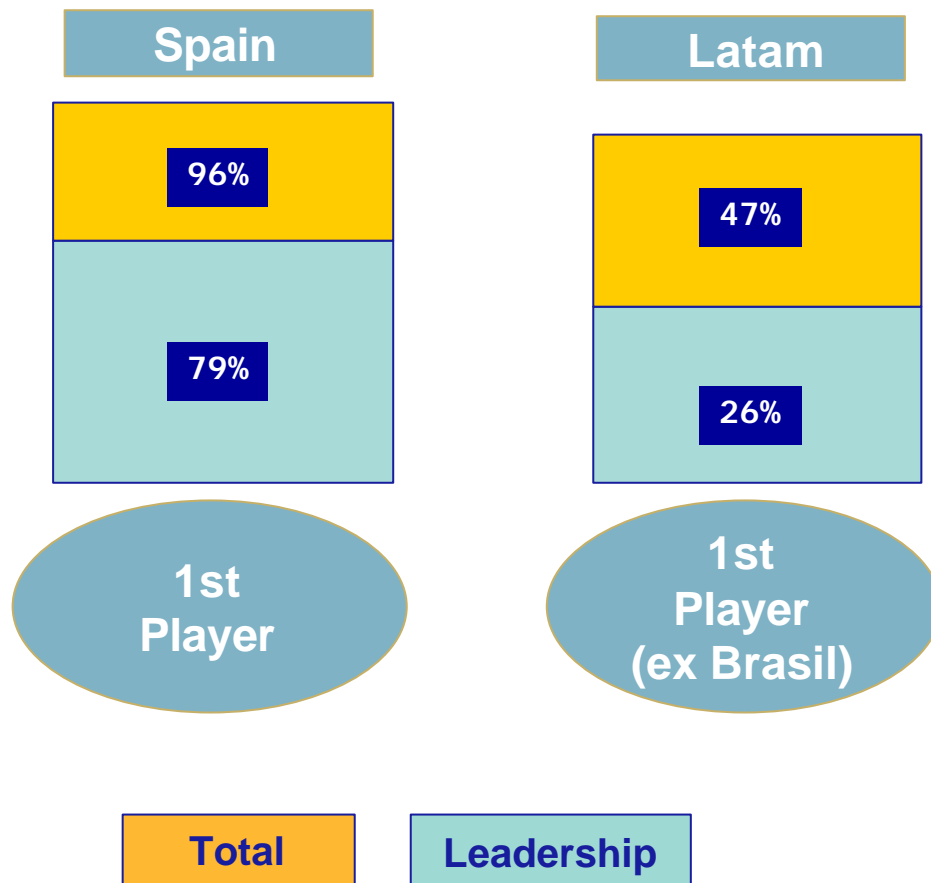
**Laredo
National
Bancshares**

C

BBVA's wholesale business model based on its customer franchise...

BBVA

Corporate Banking



And leadership in Trade Finance and Project Finance opens emerging markets to BBVA

...aiming to expand into other areas

Corporate
Banking

Growth Plan in Asia

Currently in Beijing, Shanghai,
Tokio, Hong Kong

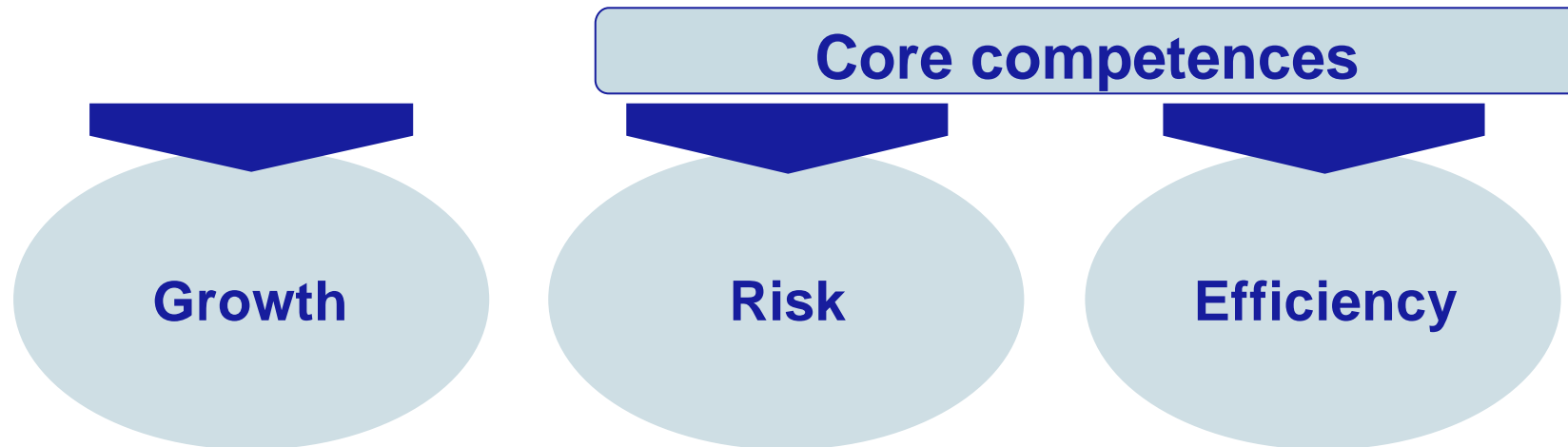
Future openings: Korea, Taiwan,
Mumbai, Singapore, Sydney

Global
Markets and
Distribution

Benchmark in Spain

Extension to Latam

**In BBVA, we see this environment as
an excellent opportunity**



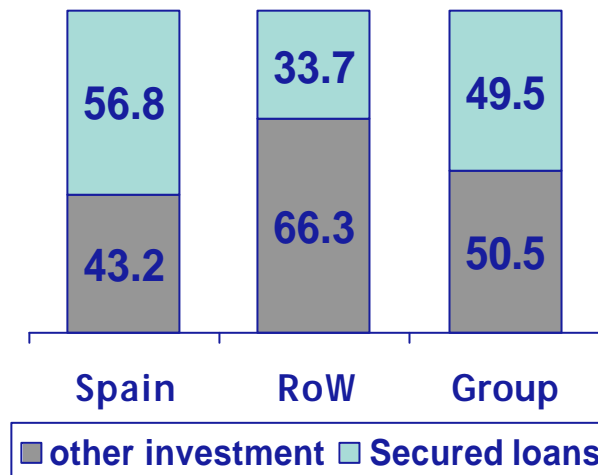
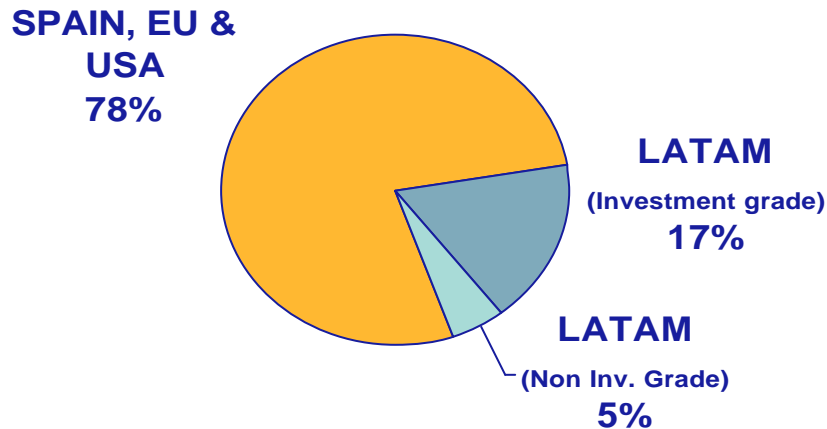
BBVA has high asset quality...

Country risk

Commercial risk

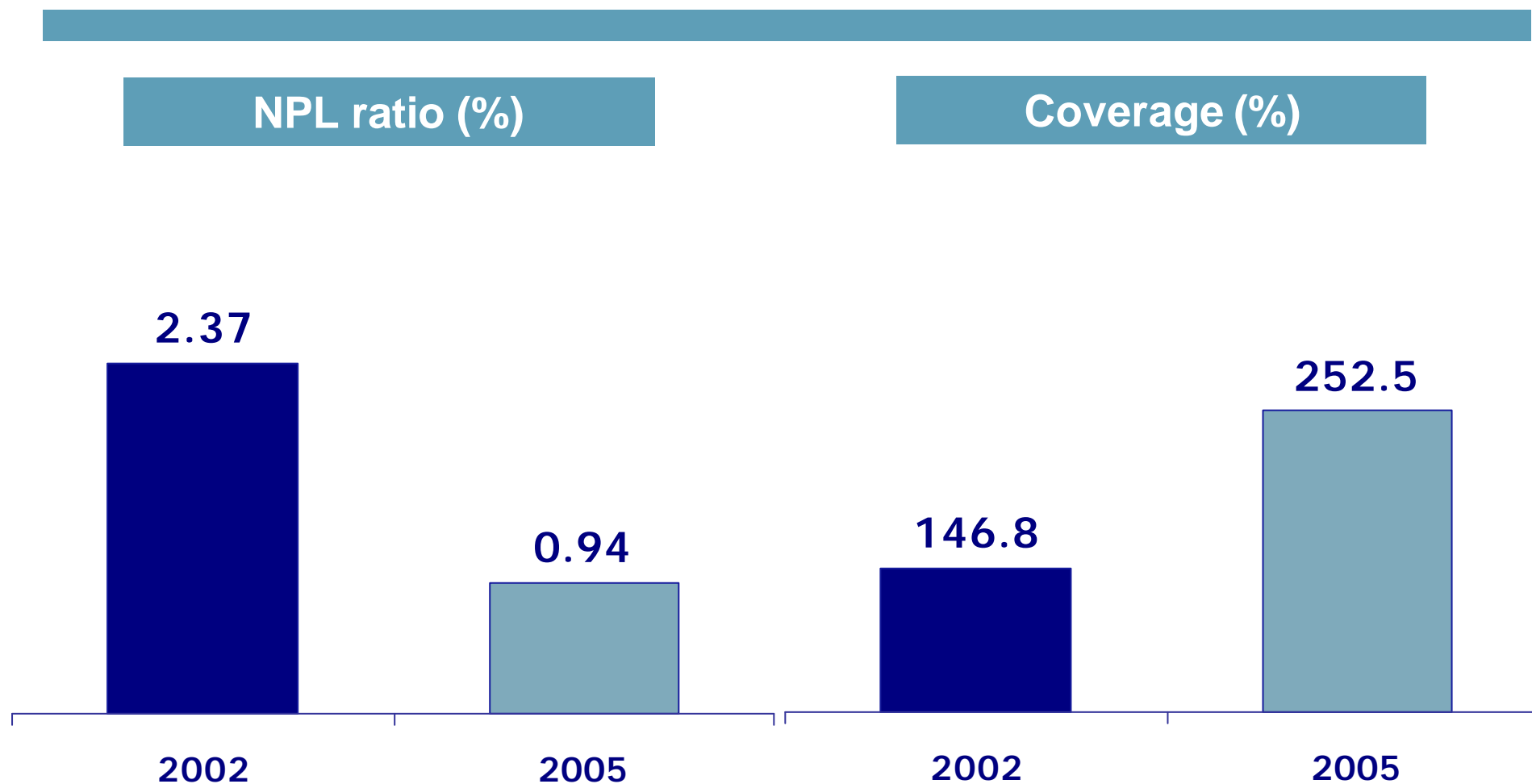
Assets by region

Breakdown of gross lending

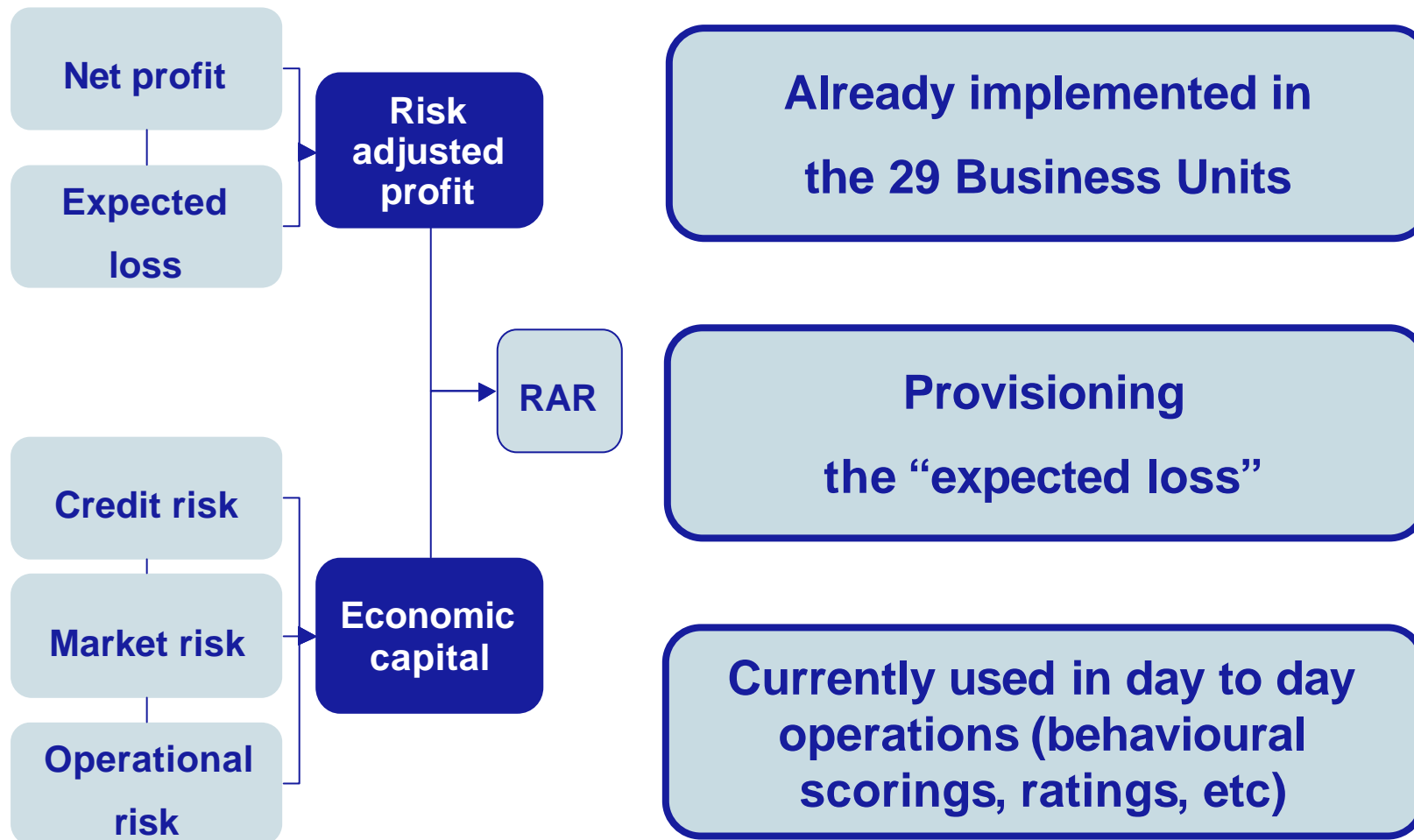


Structural risks actively hedged

...with an excellent track record

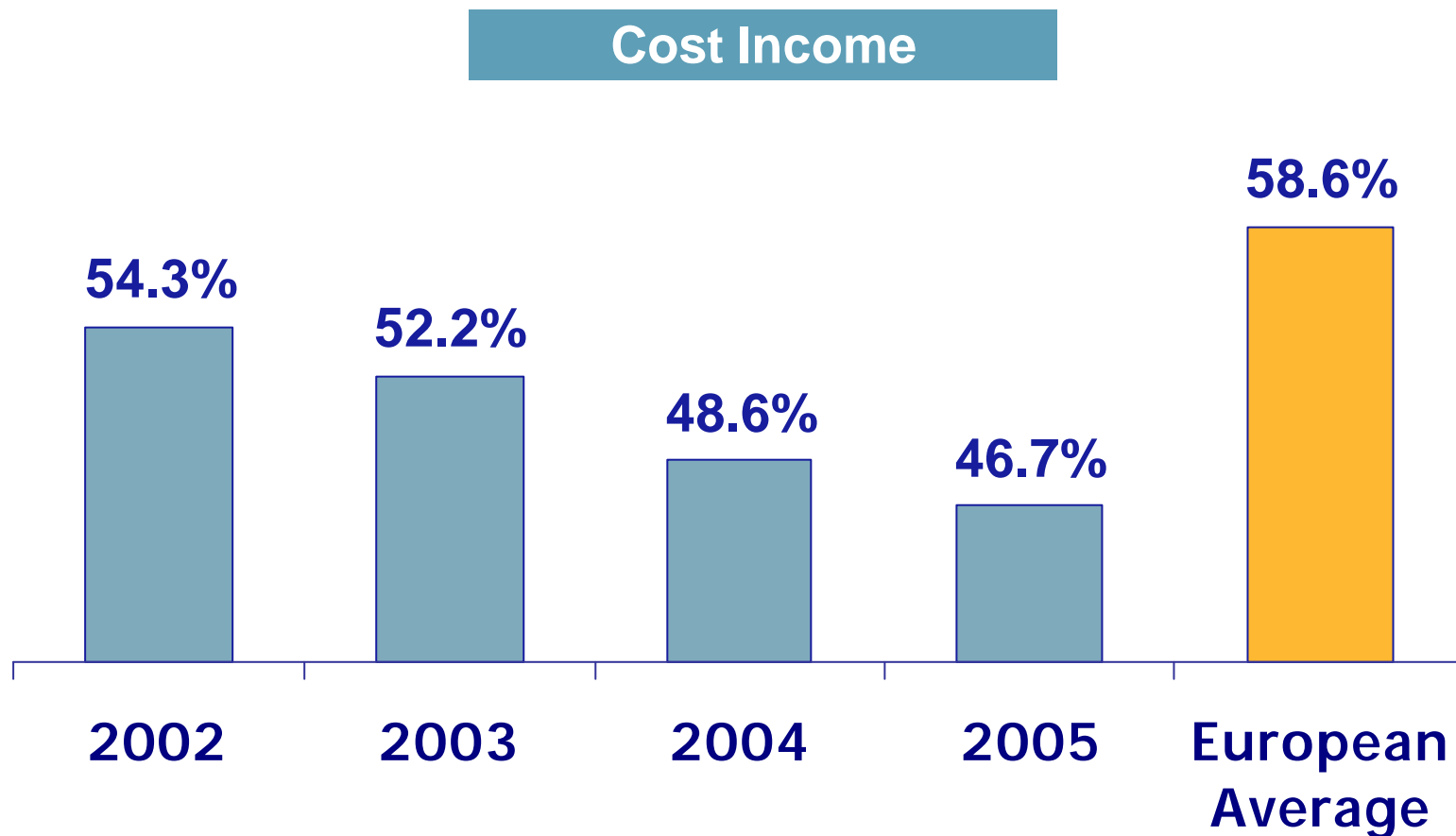


And risk management as a core competence



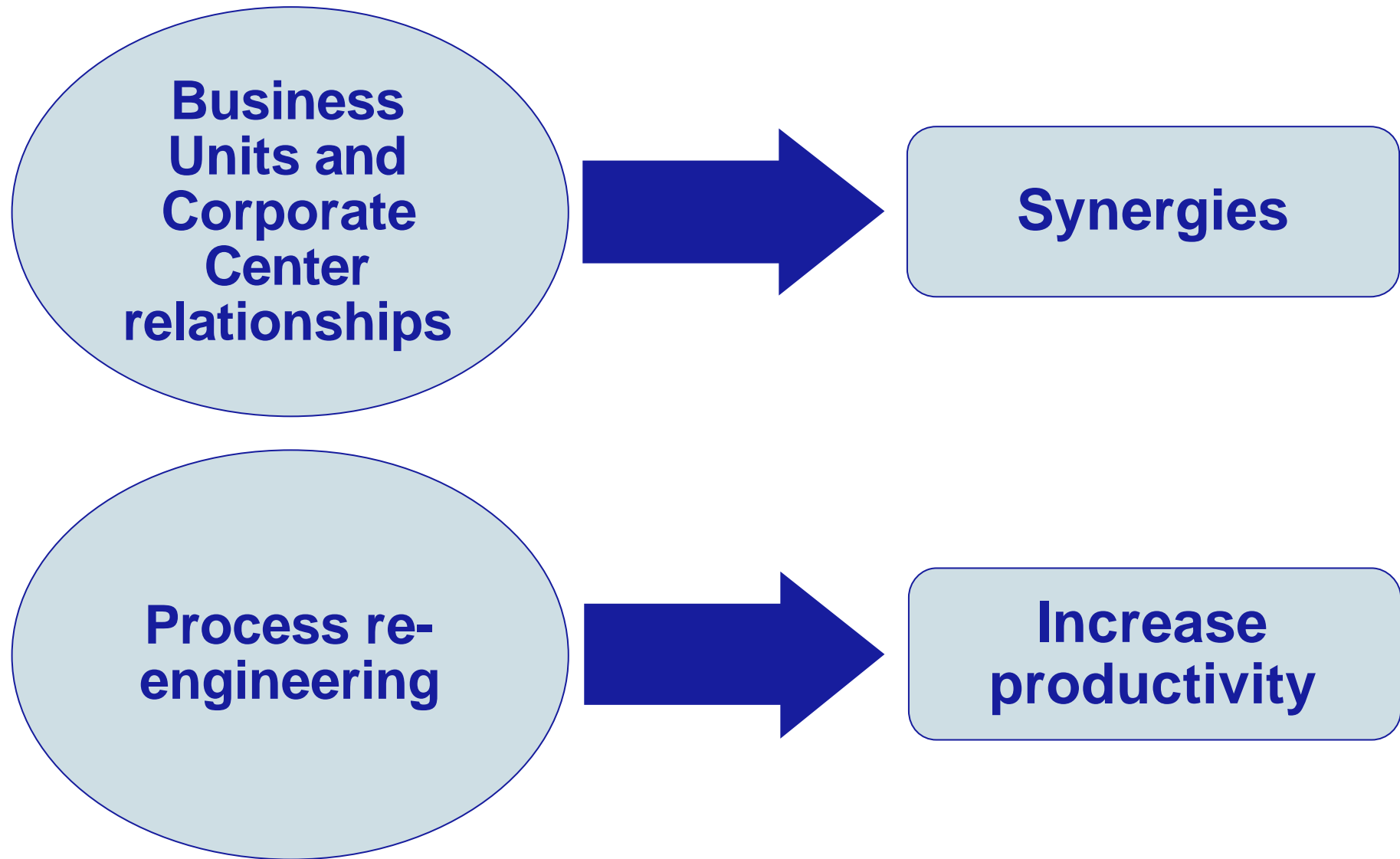
Committed to Basel II

Efficiency is another core competence in BBVA

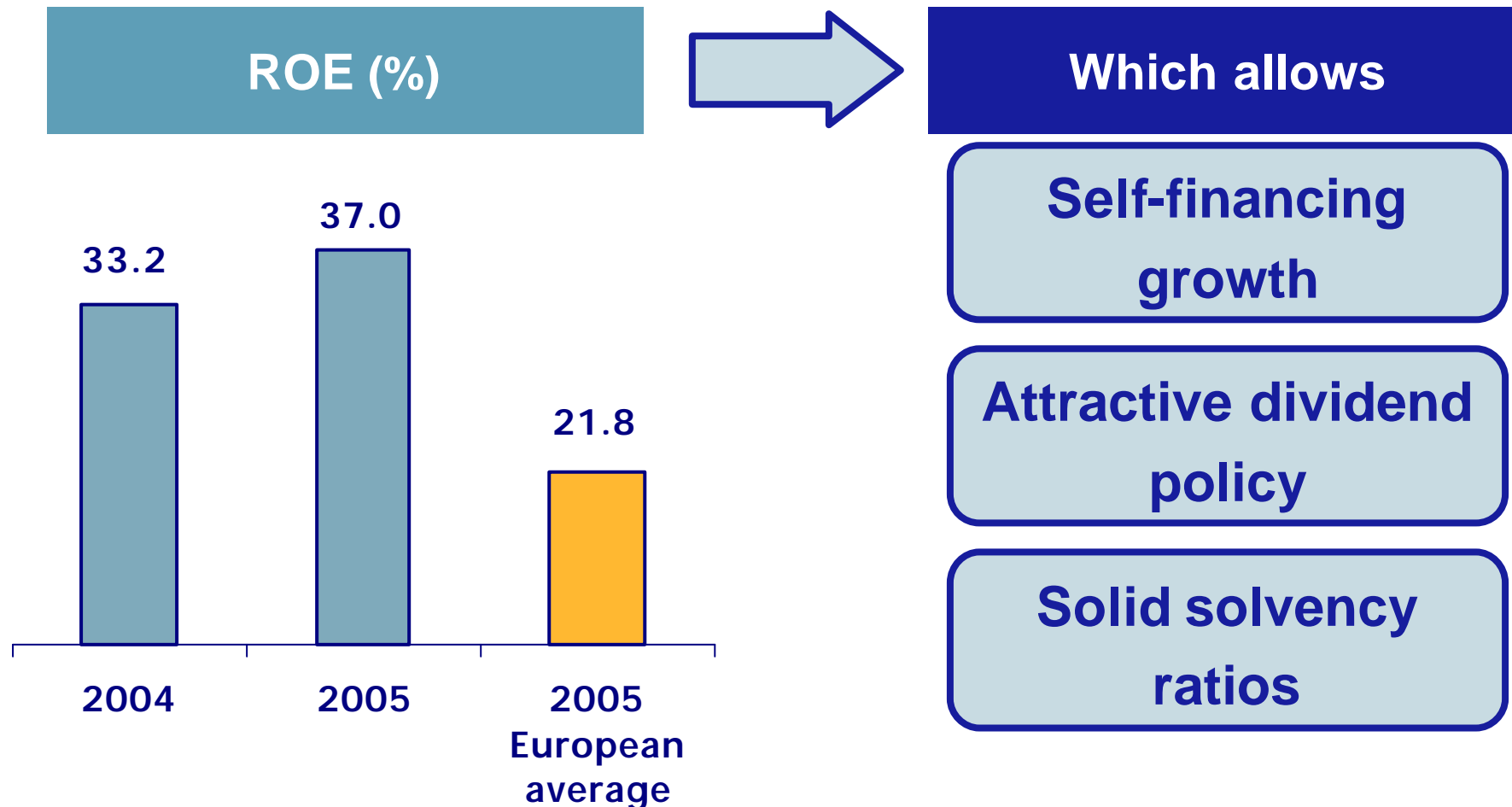


Still room for improvement: transformation & productivity

Note: Data refers to largest European groups. Efficiency ratio includes amortizations (for 2002-03 estimation Pre-IAS)



BBVA's business model leads to high profitability



Conclusions

BBVA is absolutely committed to value creation

We are aiming to take full advantage of the great changes happening in the world

BBVA is positioned with leading franchises in the most important high growth markets

With a solid business model in terms of risk management, efficiency and profitability

Excellent combination Profitability – Risk

ROE: 37.0%

- 95% of assets in “investment grade” countries
- Rating: AA-

With strong growth

EPS CAGR 05-02
+27.7%

DPS CAGR 05-02
+15.1%

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