Mutual Funds
June 2004
Disclaimer

This document is only provided for information purposes and does not constitute, nor must it be interpreted as, an offer to sell or exchange or acquire, or an invitation for offers to buy securities issued by any of the aforementioned companies. Any decision to buy or invest in securities in relation to a specific issue must be made solely and exclusively on the basis of the information set out in the pertinent prospectus filed by the company in relation to such specific issue. Nobody who becomes aware of the information contained in this report must regard it as definitive, because it is subject to changes and modifications.

This document contains or may contain forward looking statements (in the usual meaning and within the meaning of the US Private Securities Litigation Act of 1995) regarding intentions, expectations or projections of BBVA or of its management on the date thereof, that refer to miscellaneous aspects, including projections about the future earnings of the business. The statements contained herein are based on our current projections, although the said earnings may be substantially modified in the future by certain risks, uncertainty and others factors relevant that may cause the results or final decisions to differ from such intentions, projections or estimates. These factors include, without limitation, (1) the market situation, macroeconomic factors, regulatory, political or government guidelines, (2) domestic and international stock market movements, exchange rates and interest rates, (3) competitive pressures, (4) technological changes, (5) alterations in the financial situation, creditworthiness or solvency of our customers, debtors or counterparts. These factors could condition and result in actual events differing from the information and intentions stated, projected or forecast in this document and other past or future documents. BBVA does not undertake to publicly revise the contents of this or any other document, either if the events are not exactly as described herein, or if such events lead to changes in the stated strategies and intentions.

The contents of this statement must be taken into account by any persons or entities that may have to make decisions or prepare or disseminate opinions about securities issued by BBVA and, in particular, by the analysts who handle this document. This document may contain summarised information or information that has not been audited, and its recipients are invited to consult the documentation and public information filed by BBVA with stock market supervisory bodies, in particular, the prospectuses and periodical information filed with the Spanish Securities Exchange Commission (CNMV) and the Annual Report on form 20-F and information on form 6-K that are disclosed to the US Securities and Exchange Commission.

Distribution of this document in other jurisdictions may be prohibited, and recipients into whose possession this document comes shall be solely responsible for informing themselves about, and observing any such restrictions. By accepting this document you agree to be bound by the foregoing restrictions.
Mutual funds in 2004

1. The BBVA strategy
2. The results
3. Next steps
4. Conclusions
The 2003 recovery has continued in 2004

- In 2004 mutual funds continue to grow strongly.
- Net fund gathering in the first five months of 2004 is close to 12 billion euros. This is more than half the total for 2003 and contributes to the significant recovery of assets under management.
Main features of this growth

- Guaranteed products are once again the biggest part of market growth.
- Recovery in risk funds remains weak.
- Spanish investors continue to favour the larger entities.
- The Spanish market continues to be one of the most dynamic in Europe.
Mutual funds in 2004

The BBVA strategy

The results

Next steps

Conclusions
The BBVA strategy

- Innovation
- Guidance
Throughout 2003 BBVA continuously launched innovative products.

- BBVA Garantizado Doble 6-2006
- BBVA Ranking Garantizado I y II
- BBVA 5x5 Extragarantizado
- BBVA Extra 5 Garantizado
- Planes Protección

Innovation
... that led the way
... and this continued in 2004

The *Triple Óptimo* range and the daily liquidity of our guaranteed fixed-income funds broke new ground in the local fund market.
We have one of the widest product ranges in the domestic market.
Our distribution networks can offer the best combination of products for each type of customer.
More than 1,500 employees have obtained the Financial Advisor Diploma.
They have appropriate training that is constantly being refreshed.
And the tools they need:

PROFILING TOOL

At the same time we are focusing on financial advice.

Fondos de Inversión BBVA

Usted pone el perfil.
Nosotros ponemos el fondo.
This has helped the new products

Marketing of the new range has focused on the customer and on our profiling tools
1. With no advertising in the mass media
2. With no campaigns to support sales
3. Up to three funds marketed simultaneously

<table>
<thead>
<tr>
<th>Product</th>
<th>Assets</th>
<th>Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>The <em>Triple Optimo</em> Deposit</td>
<td>429</td>
<td>26.8</td>
</tr>
<tr>
<td>BBVA Triple Optimo</td>
<td>581</td>
<td>26.6</td>
</tr>
<tr>
<td>BBVA Triple Optimo II</td>
<td>354</td>
<td>18.3</td>
</tr>
<tr>
<td>2007 Income Plan</td>
<td>447</td>
<td>21.7</td>
</tr>
<tr>
<td>2009 Income Plan</td>
<td>721</td>
<td>26.4</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>2,532</strong></td>
<td><strong>119.6</strong></td>
</tr>
</tbody>
</table>

Figures at 7th June 2004

The *Triple Optimo* Deposit
Mutual funds in 2004

The BBVA strategy

The results

Next steps

Conclusions
INNOVACIÓN + ASESORAMIENTO = CRECIMIENTO
Exceeding the banking sector year-on-year (18.11% vs 15.36%) and in the first five months of the year (8.47% vs 6.48%)
Market Share Growth

BBVA’s market share of domestic Mutual Fund business (%)

Gaining 40 bp market share in the last twelve months and 33 bp in the first five months of 2004
Beating the market and our main competitors in net fund gathering

NET FUND GATHERING (1st five months of 2004) OVER VOLUME AT DEC 03

<table>
<thead>
<tr>
<th>Bank</th>
<th>Net Fund Gathering (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>BBVA</td>
<td>8.1%</td>
</tr>
<tr>
<td>SCH</td>
<td>5.6%</td>
</tr>
<tr>
<td>LA CAIXA</td>
<td>1.0%</td>
</tr>
<tr>
<td>TOTAL MERCADO</td>
<td>5.9%</td>
</tr>
</tbody>
</table>

Source: Inverco, May 2004
... in a continuous fashion throughout the year

### Net subscriptions in 2004 (€bn)

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>BBVA *</td>
<td>-191</td>
<td>725</td>
<td>1,138</td>
<td>657</td>
<td>637</td>
<td>2,966</td>
</tr>
<tr>
<td>SCH</td>
<td>790</td>
<td>637</td>
<td>1,028</td>
<td>379</td>
<td>30</td>
<td>2,864</td>
</tr>
<tr>
<td>CAIXA</td>
<td>-11</td>
<td>-34</td>
<td>124</td>
<td>31</td>
<td>6</td>
<td>116</td>
</tr>
<tr>
<td>CAJA MAD.</td>
<td>178</td>
<td>178</td>
<td>135</td>
<td>167</td>
<td>144</td>
<td>802</td>
</tr>
<tr>
<td>AHORRO C.</td>
<td>75</td>
<td>37</td>
<td>106</td>
<td>93</td>
<td>113</td>
<td>424</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>SECTOR</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,892</td>
<td>2,600</td>
<td>3,712</td>
<td>2,000</td>
<td>1,457</td>
</tr>
</tbody>
</table>

* The BBVA figure for January reflects accounting changes related to reclassification of one of our funds of funds. During this month there were no effective withdrawals by investors.

Source: Inverco
... and especially in the last few months

<table>
<thead>
<tr>
<th>Source: Inverco</th>
<th>BBVA</th>
<th>SCH</th>
<th>CAIXA</th>
<th>CAJA MAD.</th>
<th>AHORRO C.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mar</td>
<td>Apr</td>
<td>May</td>
<td>Mar</td>
<td>Apr</td>
</tr>
<tr>
<td>BBVA</td>
<td>30.66</td>
<td>32.85</td>
<td>43.72</td>
<td>27.69</td>
<td>18.95</td>
</tr>
<tr>
<td>SCH</td>
<td></td>
<td></td>
<td></td>
<td>3.64</td>
<td>8.35</td>
</tr>
<tr>
<td>CAIXA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CAJA MAD.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AHORRO C.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Net subscriptions (Market share %)**
This makes BBVA the fastest growing fund manager in the euro zone.

Source: Morgan Stanley, June 2004
In addition the structure of this growth is well balanced.

Guaranteed funds are an important part of growth.

<table>
<thead>
<tr>
<th>Asset growth – first five months of 2004</th>
<th>System</th>
<th>BBVA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global</td>
<td>6.48%</td>
<td>8.47%</td>
</tr>
<tr>
<td>Guaranteed</td>
<td>2.39%</td>
<td>10.83%</td>
</tr>
<tr>
<td>Other funds</td>
<td>7.36%</td>
<td>6.92%</td>
</tr>
</tbody>
</table>

... although in fact contributions are positive in six of the seven types of fund.
Guaranteed funds – a profitable opportunity for the investor

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>2004</th>
<th>1 YEAR</th>
<th>3 YEARS</th>
<th>5 YEARS</th>
</tr>
</thead>
<tbody>
<tr>
<td>F.I.A.M.M. - MONEY FUNDS</td>
<td>0.48</td>
<td>1.19</td>
<td>2.12</td>
<td>2.32</td>
</tr>
<tr>
<td>FIXED INCOME</td>
<td>0.68</td>
<td>1.30</td>
<td>2.60</td>
<td>2.50</td>
</tr>
<tr>
<td>MIXED</td>
<td>0.84</td>
<td>6.10</td>
<td>-2.60</td>
<td>-1.10</td>
</tr>
<tr>
<td>SECURITIES</td>
<td>2.70</td>
<td>19.77</td>
<td>-10.53</td>
<td>-6.12</td>
</tr>
<tr>
<td>GLOBAL</td>
<td>0.64</td>
<td>4.36</td>
<td>-5.04</td>
<td>-1.88</td>
</tr>
<tr>
<td>GUARANTEED</td>
<td>0.75</td>
<td>1.95</td>
<td>2.04</td>
<td>1.82</td>
</tr>
<tr>
<td>TOTAL FUNDS</td>
<td>0.80</td>
<td>3.34</td>
<td>-0.70</td>
<td>-0.15</td>
</tr>
</tbody>
</table>

Data: Inverco
BBVA – the leader in guaranteed funds

BBVA’s guaranteed mutual funds have consistently outperformed the competition

Cumulative returns - Guaranteed F.

Data: Inverco
Mutual funds in 2004

The BBVA strategy

The results

Next steps

Conclusions
The BBVA strategy

Inovation

Guidance
We are extending the profiler

GEOGRAPHICALLY: up to 3,500 branches

Fondos de Inversión BBVA

Usted pone el perfil. Nosotros ponemos el fondo.

WITH MORE PRODUCTS: life insurance and savings
We have launched a fund whose goal is to pay 4% each year.

If the IBEX 35 at the end of each year is greater than at the start, the fund will pay 4% gross in cash.

16/09 2005
16/09 2006
16/09 2007
16/09 2008
A final coupon will be paid on 29th January 2010, equal to the difference between the cumulative average monthly variation in the IBEX 35 since the start, less the coupons already paid.

The amount can never be negative.
The BBVA 4 - 100 IBEX Fund covers the two main concerns of any investor

Very high returns – predefined and paid out periodically

Benefits are not capped – you continue to gain if the market goes up
The BBVA 4 – 100 IBEX fund has all the advantages of the best investments

1º Stock exchange profits
2º The attraction of income
3º The safety of a guaranteed fund

With daily LIQUIDITY and no cancellation fees after the end of the first year
Por fin, un fondo que da frutos por anticipado.
Mutual funds in 2004

The BBVA strategy

The results

Next steps

Conclusions
Conclusion: BBVA – a strategy of success

In 2003 we adopted a new organisation structure focused on the CUSTOMER

1. Integrated with Retail Banking
2. Creation of savings and investment services
3. Reinforcing BBVA Fund Management

from “factory” to “shop”
Conclusion: BBVA – a strategy of success

And we defined three vectors:

- Innovative products and management
- Wide and diversified range (not a one-product focus)
- Focused on guidance
Conclusion: BBVA – a strategy of success

And a year and a half later . . .

Steady gains in market share since June (from 18.3% to 18.9%)

The leader in fund gathering in the euro zone and third in Europe in the first quarter

Leader in Spain up to May in absolute terms (€2.97 bn) as well as in growth terms (8.1%)

Diversified fund gathering across a wide range of products
adelante, ahora a fondo.