



Mutual Funds June 2004



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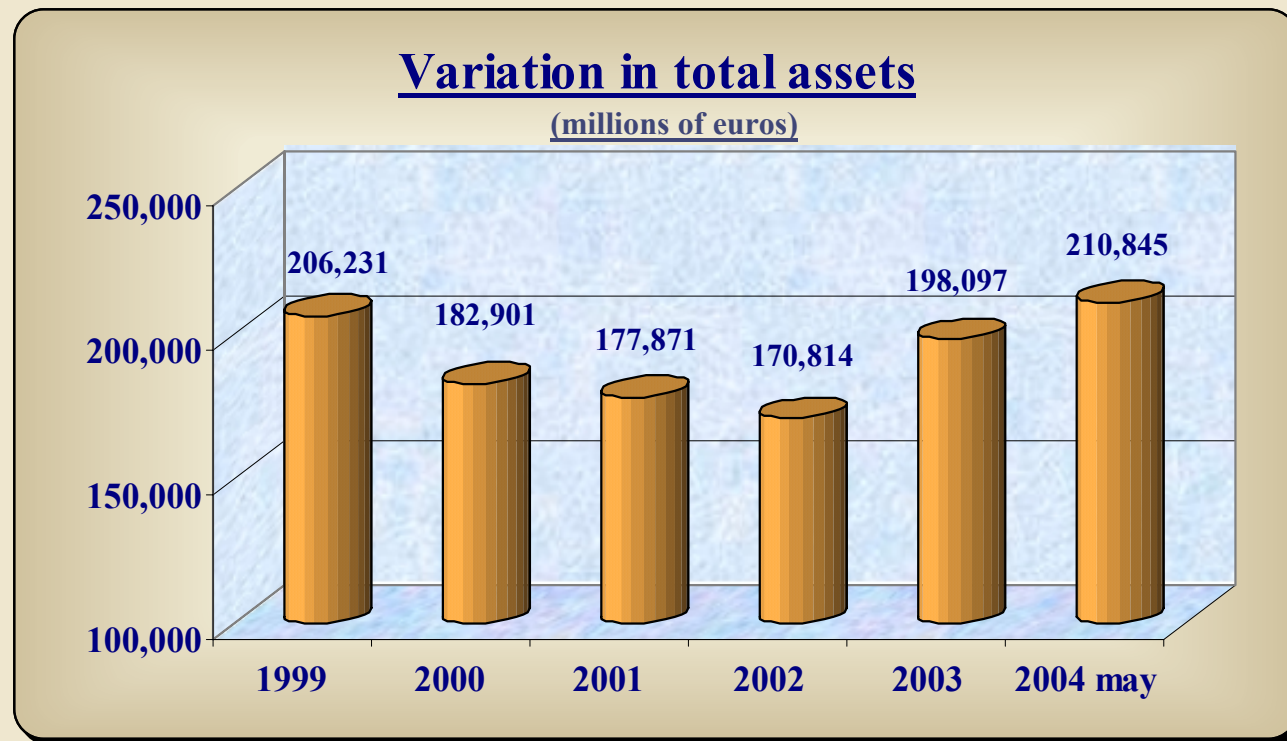
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The 2003 recovery has continued in 2004

- 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.



Data: Inverco

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

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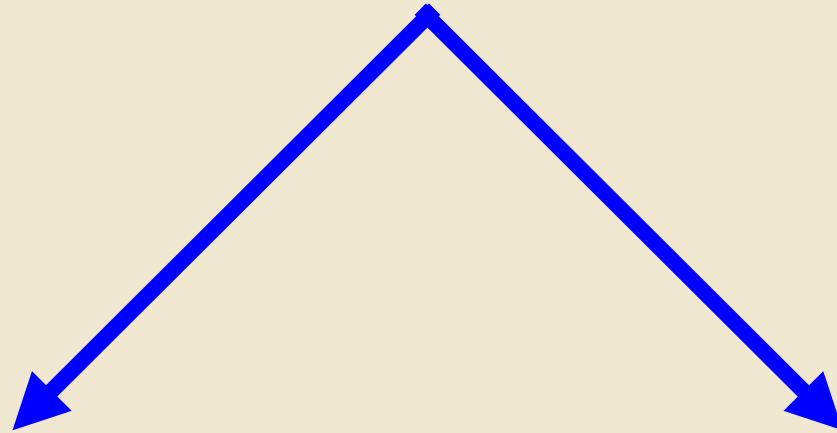
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The BBVA strategy



Innovation

Guidance

Throughout 2003 BBVA continuously launched innovative products

Innovation



BBVA Garantizado Doble 6-2006

BBVA Ranking Garantizado I y II

BBVA 5x5 Extragarantizado

BBVA Extra 5 Garantizado

Planes Protección

... that led the way

Innovation



Un fondo de inversión con el que podrá conseguir un 6% anual y además participar en la revalorización de una cesta de las mayores empresas del mundo*

Infórmese en el teléfono

**Parta con
ventaja**

CAPITAL 100 % GARANTIZADO

+ 4%

**revalorización fija
al vencimiento**

+

**Revalorización variable* garantizada
calculada en base a las MAYORES
RENTABILIDADES de los índices
IBEX 35®, S&P 500® y NIKKEI 225**

Garantía Superior 3. FIM es un fondo de inversión que le garantiza al vencimiento, en sólo 3 años y medio, el 100 % de la inversión inicial más un 4 % de revalorización fija más una revalorización variable, calculada en base a las **mayores rentabilidades** de los componentes de una cesta inicialmente compuesta por los índices: IBEX 35®, S&P 500® y NIKKEI 225.

Además disfrutará de las **ventajas fiscales** de los fondos de inversión.



ha puesto en marcha un plan de gestión activa. El producto se integro Creciente I y ofrece al consolidación del valor liquidativo la trimestre. Si al final de cada

trimestre natural, el valor del fondo de pensiones es superior al del trimestre anterior, éste se consolida; pasando a ser el nuevo valor garantizado. El producto distribuye su inversión entre renta fija y variable. La proporción de cada una dependerá del resultado de combinar herramientas de gestión financieras y cuantitativas. Su comportamiento debería ser el de un fondo mixto, aunque el efecto de la consolidación del valor liquidativo permite un elevado nivel de seguridad.

. . . and this continued in 2004

Innovation

Fondo BBVA Triple Óptimo

Con el 100% del Capital
garantizado



Con tres alternativas
de cestas



Con un resultado
tres veces óptimo



DEPÓSITO TRIPLE ÓPTIMO

FONDO BBVA TRIPLE ÓPTIMO

PLAN RENTAS 2007

PLAN RENTAS 2009

The *Triple Óptimo* range and the daily liquidity of our guaranteed fixed-income funds broke new ground in the local fund market

At the same time we are focusing on financial advice

Guidance

- 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

Fondos de Inversión BBVA



Usted pone el perfil.
Nosotros ponemos el fondo.

This has helped the new products

Guidance

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

	Assets	Customers
The <i>Triple Optimo</i> Deposit	429	26.8
BBVA Triple Optimo	581	26.6
BBVA Triple Optimo II	354	18.3
2007 Income Plan	447	21.7
2009 Income Plan	721	26.4
TOTAL	2,532	119.6

Figures at 7th June 2004

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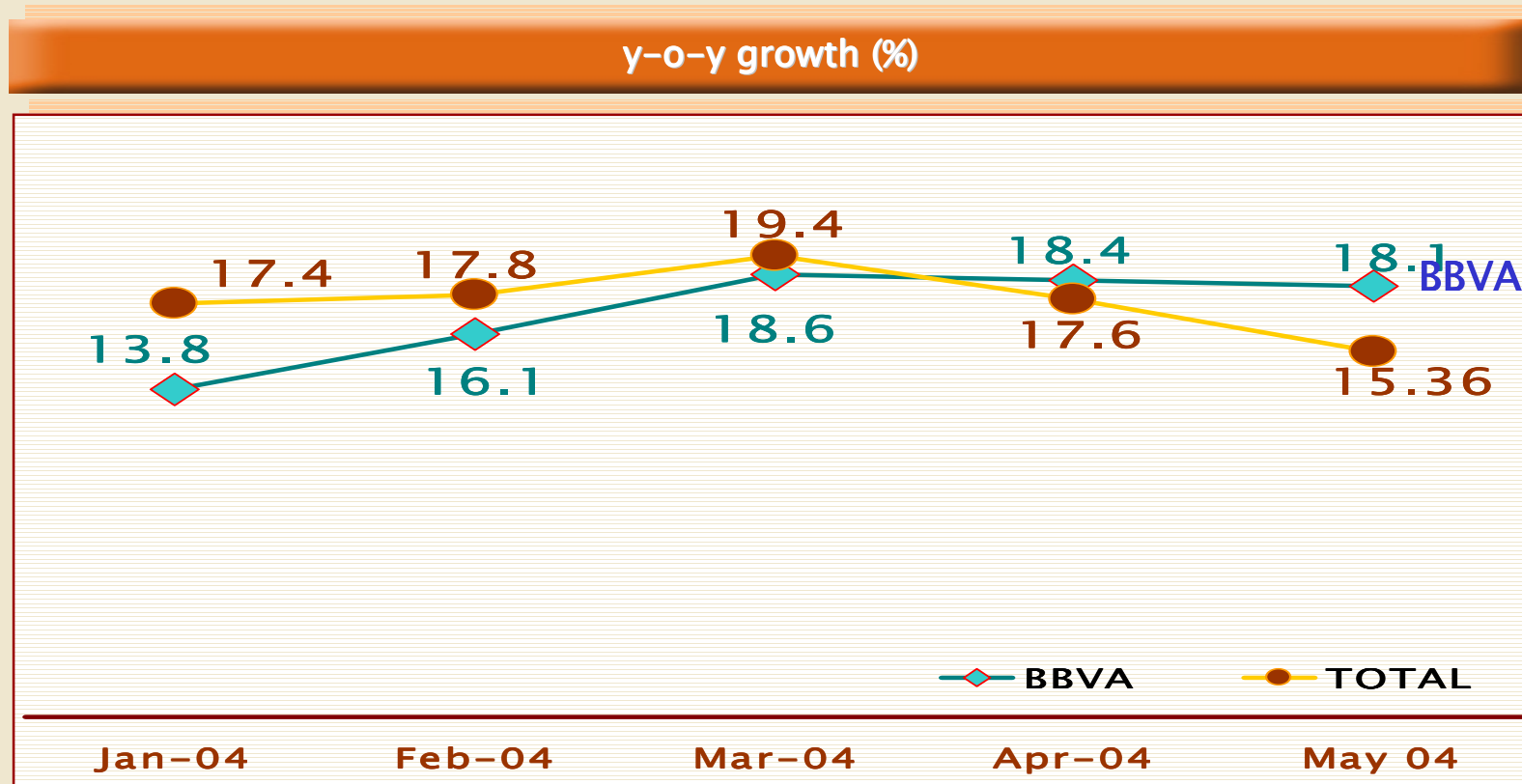
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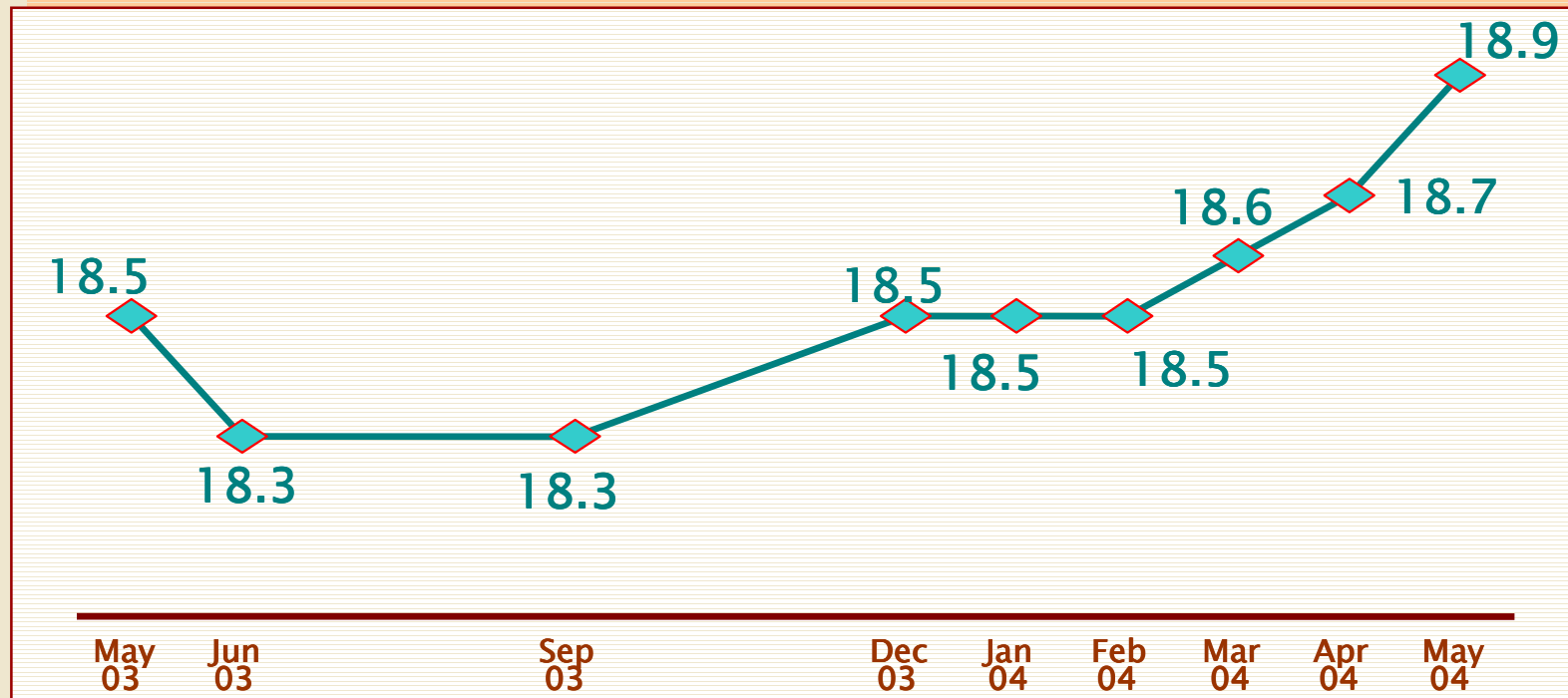
Asset Growth



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

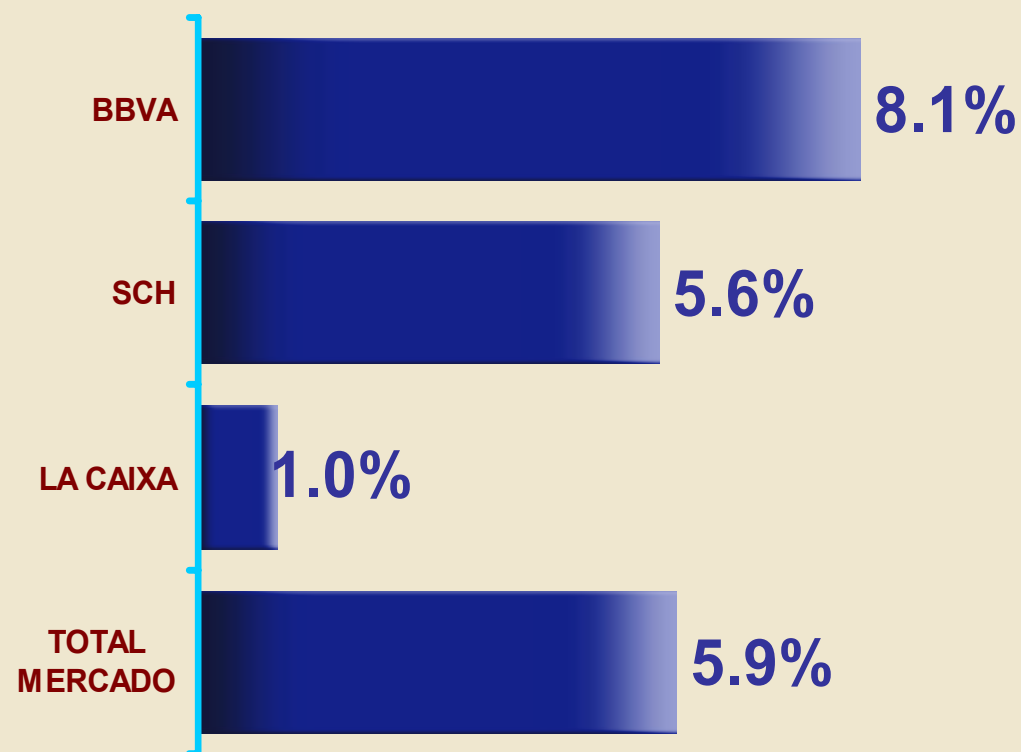
BBVA's market share of domestic Mutual Fund business (%)



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



Source: Inverco, May 2004

... in a continuous fashion throughout the year

Net subscriptions in 2004 (€bn)

	Jan	Feb	Mar	Apr	May	TOTAL
BBVA *	-191	725	1,138	657	637	2,966
SCH	790	637	1,028	379	30	2,864
CAIXA	-11	-34	124	31	6	116
CAJA MAD.	178	178	135	167	144	802
AHORRO C.	75	37	106	93	113	424
<hr/>						
SECTOR	1,892	2,600	3,712	2,000	1,457	11,661

* 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

Net subscriptions (Market share %)

	Mar	Apr	May
BBVA	30.66	32.85	43.72
SCH	27.69	18.95	2.06
CAIXA	3.34	1.55	0.41
CAJA MAD.	3.64	8.35	9.88
AHORRO C.	2.86	4.65	7.76

Source: Inverco

This makes BBVA the fastest growing fund manager in the euro zone

Research Europe

Asset Management, Diversified Financials & Banks

Industry Report

Specialists and better private banks enjoying strongest growth in Europe

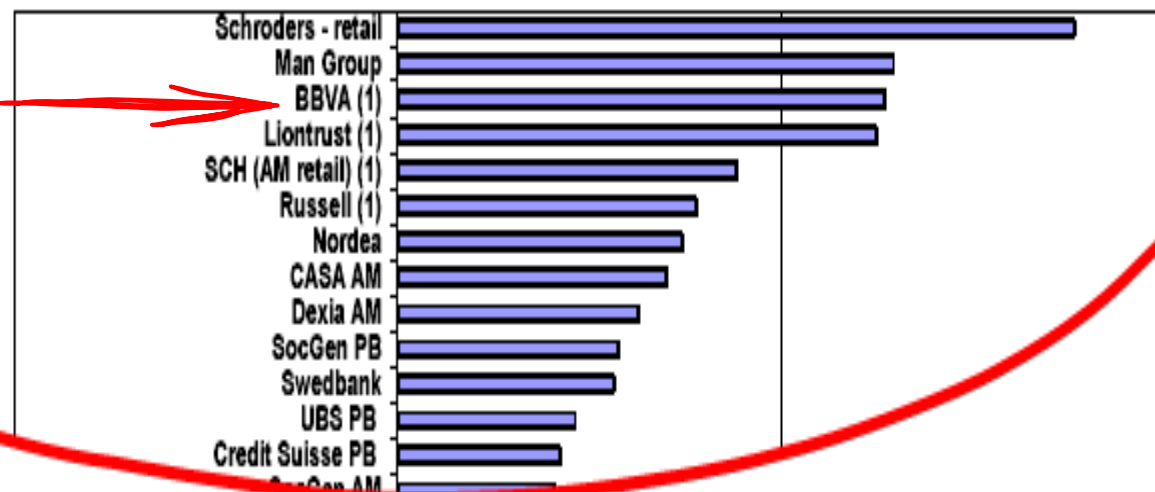
The clear winners in Europe are those with strong specialist offers, such as:

- **Schroders** wholesaling complementary specialist strategies to European banks. It has benefited from banks in-sourcing products such as Asian or UK equities

Man Group – one of the market leaders for fund of funds

successful boutique in the

Net Inflows as % of Starting Assets in 1Q 2004 (not annualised)



Source: Morgan Stanley, June 2004

In addition the structure of this growth is well balanced

Guaranteed funds are an important part of growth

Asset growth – first five months of 2004

	System	BBVA
Global	6.48%	8.47%
Guaranteed	2.39%	10.83%
Other funds	7.36%	6.92%

. . . although in fact contributions are positive in six of the seven types of fund

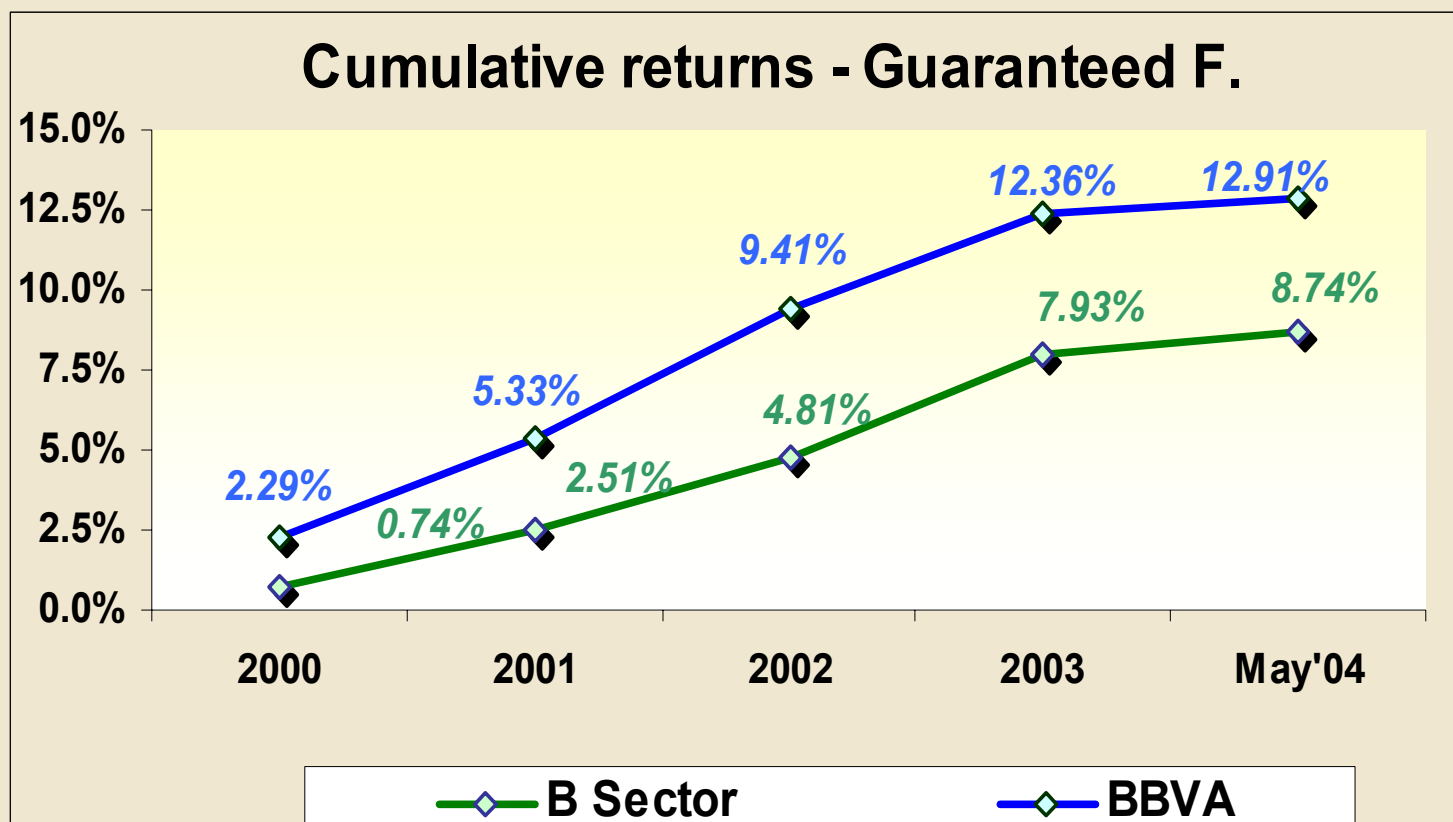
Guaranteed funds – a profitable opportunity for the investor

WEIGHTED AVERAGE ANNUAL RETURNS ON MUTUAL FUNDS AT 31/MAY/04				
Fund Type	2004	1 YEAR	3 YEARS	5 YEARS
F.I.A.M.M. - MONEY FUNDS	0.48	1.19	2.12	2.32
FIXED INCOME	0.68	1.30	2.60	2.50
MIXED	0.84	6.10	-2.60	-1.10
SECURITIES	2.70	19.77	-10.53	-6.12
GLOBAL	0.64	4.36	-5.04	-1.88
GUARANTEED	0.75	1.95	2.04	1.82
TOTAL FUNDS	0.80	3.34	-0.70	-0.15

Data: Inverco

BBVA – the leader in guaranteed funds

BBVA's guaranteed mutual funds have consistently outperformed the competition



Data: Inverco

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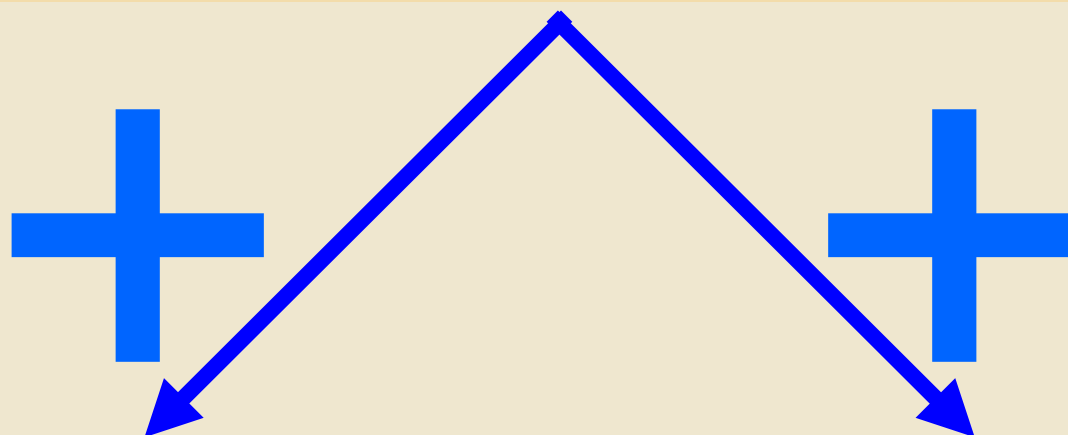
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The BBVA strategy



Innovation

Guidance

We are extending the profiler

Guidance

GEOGRAPHICALLY: up to 3,500 branches

Fondos de Inversión BBVA



**Usted pone el perfil.
Nosotros ponemos el fondo.**

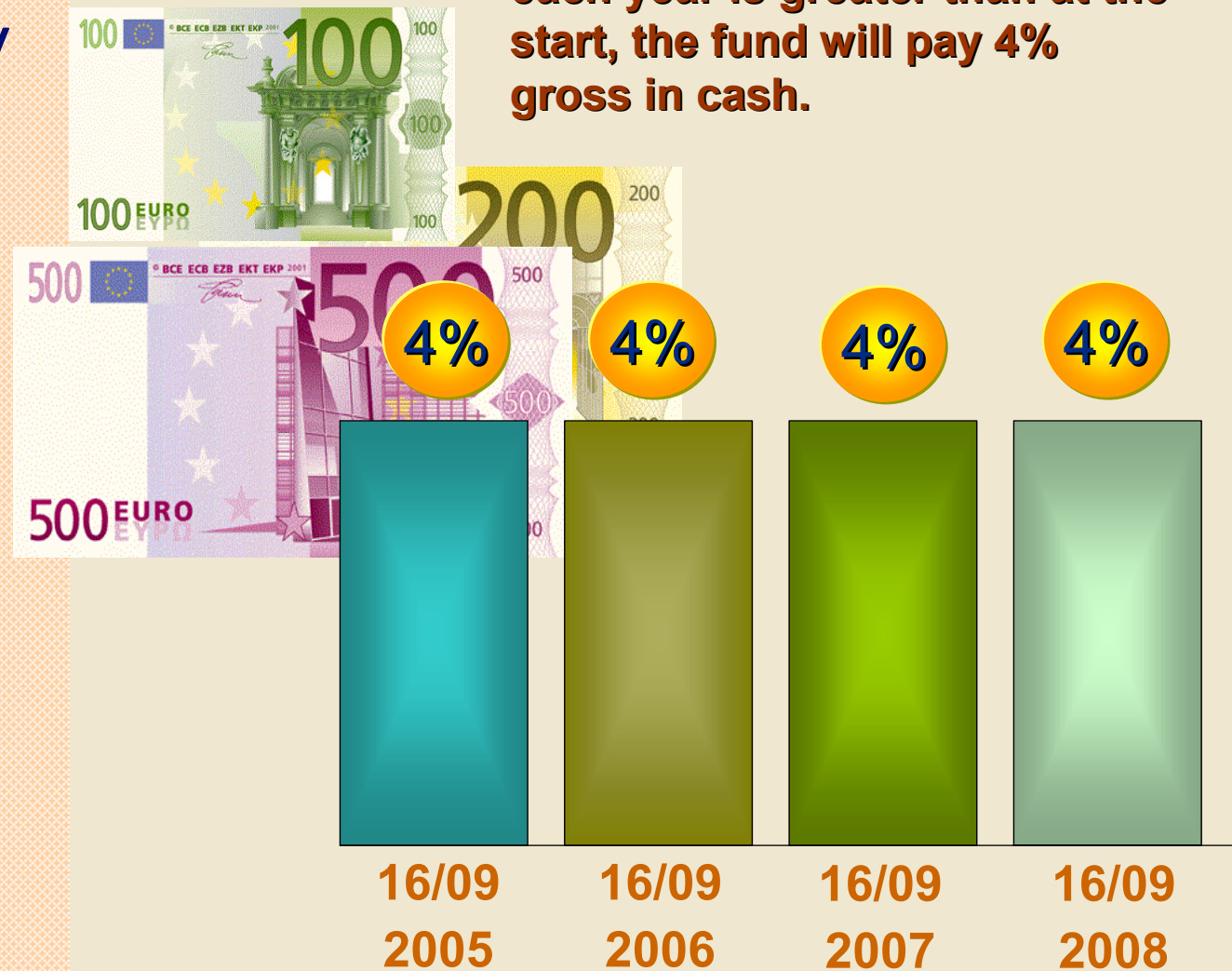
WITH MORE PRODUCTS: life insurance and savings

We have
launched a
fund whose
goal is to pay

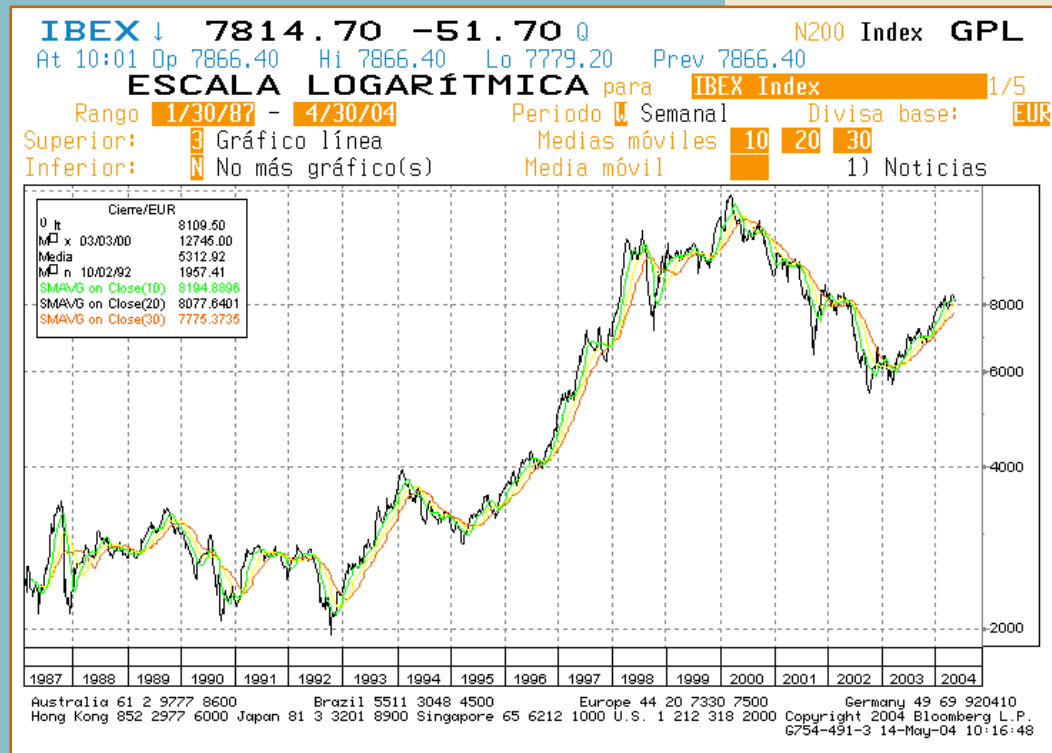
4%

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.



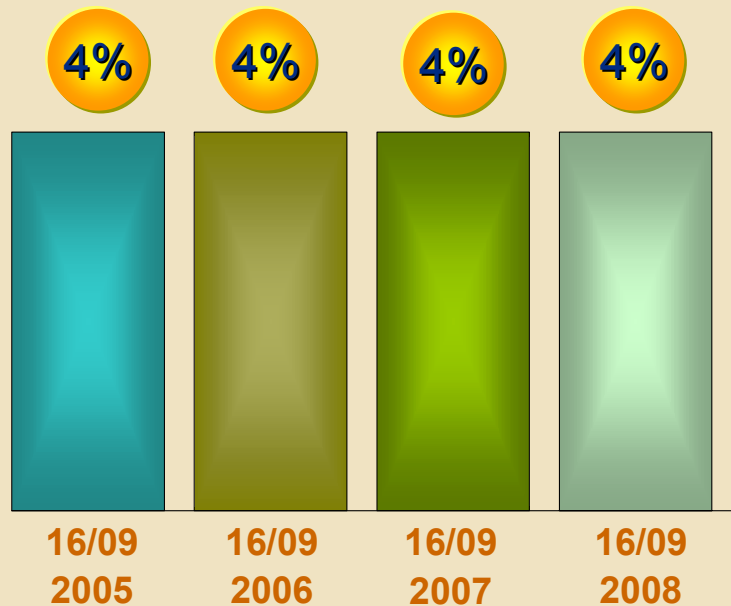
And on expiry it will pay any gains in the stock market



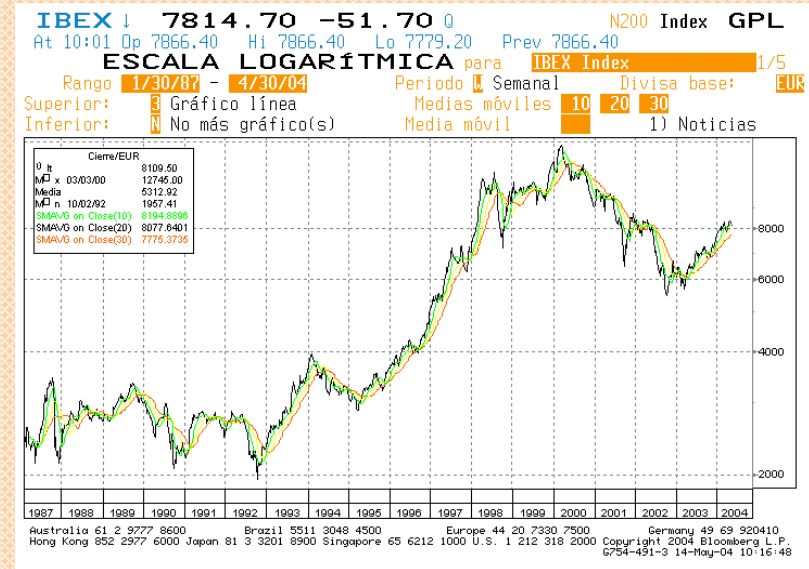
A *final coupon* will be paid on 29th January 2010, equal to the difference between the cumulative average monthly variation in the IBEX 35 since the start, less the coupons already paid.

The amount can never be negative.

The BBVA 4 – 100 IBEX Fund covers the two main concerns of any investor

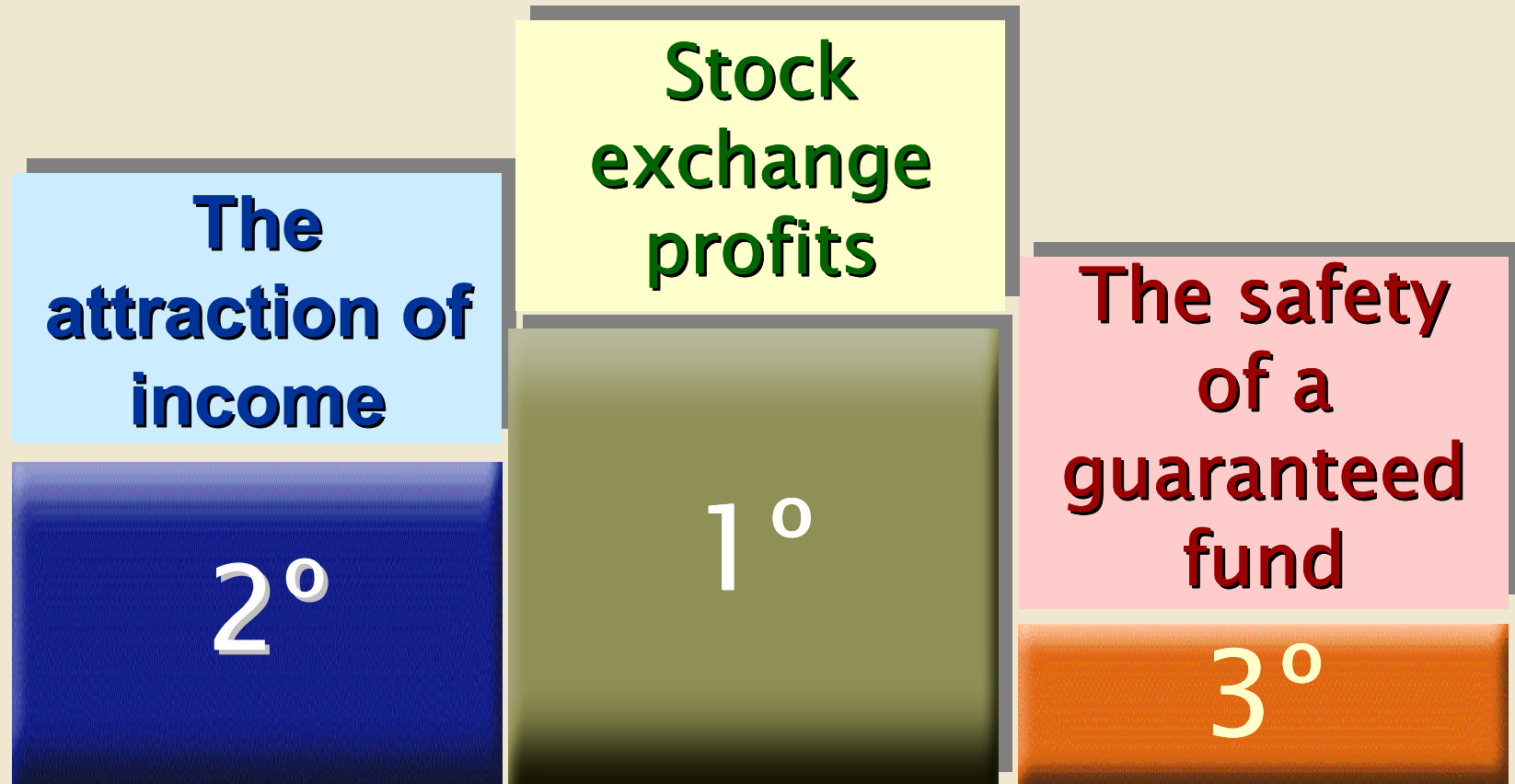


**Very high returns –
predefined and paid out
periodically**



**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



With daily **LIQUIDITY** and no cancellation fees after the end of the first year

Fondo BBVA 4 -100 IBEX

BBVA

Por fin, un fondo
que da frutos
por anticipado.

adelante.

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Conclusion: BBVA – a strategy of success

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

1. Integrated with Retail Banking

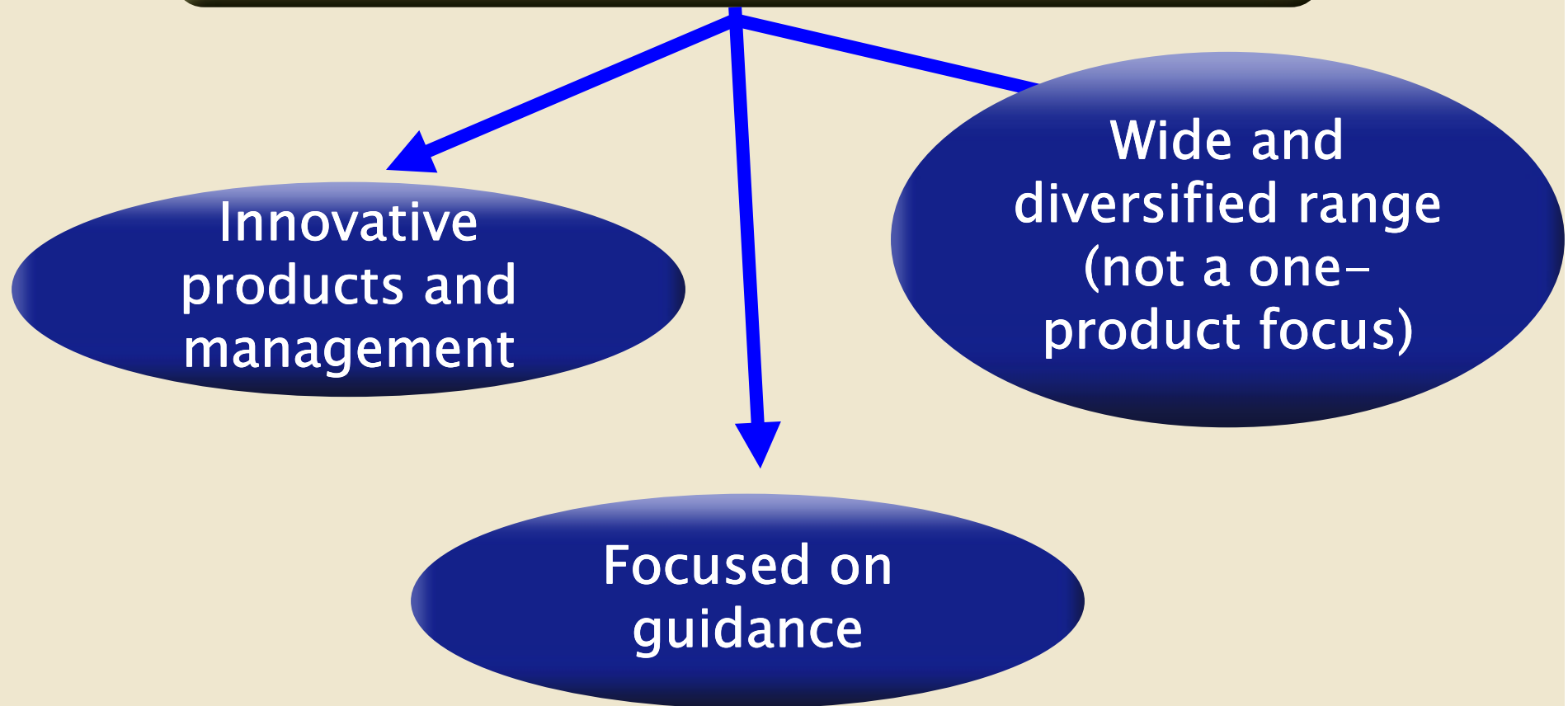
2. Creation of savings and investment services

3. Reinforcing BBVA Fund Management

from “factory” to
“shop”

Conclusion: BBVA – a strategy of success

And we defined three vectors



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

BBVA: ASSET MANAGEMENT

