

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

Financial statements
for the year ended
December 31, 2006

Translation of financial statements originally issued in Spanish and prepared in accordance with generally accounting principles Spain (see Note 47). In the event of a discrepancy, the Spanish-language version prevails.

Translation of a report originally issued in Spanish based on our work performed in accordance with generally accepted auditing standards in Spain and of financial statements originally issued in Spanish and prepared in accordance with Bank of Spain Circular 4/2004 (Note 47). In the event of a discrepancy, the Spanish-language version prevails.

AUDITORS' REPORT ON FINANCIAL STATEMENTS

To the Shareholders of
Banco Bilbao Vizcaya Argentaria, S.A.:

1. We have audited the financial statements of BANCO BILBAO VIZCAYA ARGENTARIA, S.A. (the Bank) comprising the balance sheet at 31 December 2006 and the related income statement, cash flow statement, statement of changes in equity and notes to the financial statements for the year then ended. The preparation of these financial statements is the responsibility of the Bank's directors. Our responsibility is to express an opinion on the financial statements taken as a whole based on our audit work performed in accordance with generally accepted auditing standards in Spain, which require examination, by means of selective tests, of the evidence supporting the financial statements and evaluation of their presentation, of the accounting policies applied and of the estimates made.
2. As required by Spanish corporate and commercial law, for comparison purposes the Bank's directors present, in addition to the figures for 2006 for each item in the balance sheet, income statement, cash flow statement, statement of changes in equity and notes to the financial statements, the figures for 2005. Our opinion refers only to the financial statements for 2006. On 13 February 2006, we issued our auditors' report on the Bank's 2005 financial statements, in which we expressed an unqualified opinion.
3. The directors of the Bank prepared, at the same time as the Bank's individual financial statements for 2006, the 2006 consolidated financial statements of the Banco Bilbao Vizcaya Argentaria Group, on which we issued our auditors' report on 13 February 2007, in which we expressed an unqualified opinion. Based on the content of the aforementioned consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union, the total assets and consolidated equity of the Banco Bilbao Vizcaya Argentaria Group at 2006 year-end amounted to EUR 411,916 million and EUR 22,318 million, respectively, and 2006 consolidated net income attributed to the Group amounted to EUR 4,736 million.
4. In our opinion, the accompanying financial statements for 2006 present fairly, in all material respects, the equity and financial position of the Bank at 31 December 2006 and the results of its operations, the changes in its equity and its cash flows for the year then ended, and contain the required information, sufficient for their proper interpretation and comprehension, in conformity with the accounting principles and standards contained in Bank of Spain Circular 4/2004, which were applied on a basis consistent with that used in the financial statements for 2005, which are presented for comparison purposes.
5. The accompanying directors' report for 2006 contains the explanations which the directors consider appropriate about the Bank's situation, the evolution of its business and other matters, but is not an integral part of the financial statements. We have checked that the accounting information in the directors' report is consistent with that contained in the financial statements for 2006. Our work as auditors was confined to checking the directors' report with the aforementioned scope, and did not include a review of any information other than that drawn from the Bank's accounting records.

DELOITTE, S.L.

Registered in ROAC under no. S0692



Francisco Celma

13 February 2007

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Translation of financial statements originally issued in Spanish and prepared in accordance with generally accounting principles Spain (see Note 47). In the event of a discrepancy, the Spanish-language version prevails.

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

BALANCE SHEETS AS OF DECEMBER 31, 2006 AND 2005 (Notes 1 to 5)

ASSETS	Thousands of Euros	
	2006	2005(*)
CAHS AND BALANCES WITH CENTRAL BANKS (Note 6)	3,264,155	2,707,634
FINANCIAL ASSETS HELD FOR TRADING (Note 7)	35,899,495	31,223,865
Loans and advances to credit institutions	-	-
Money market operations through counterparties	-	-
Loans and advances to other debtors	-	-
Debt securities	14,191,843	13,023,683
Other equity instruments	9,883,555	5,914,947
Trading derivatives	11,824,097	12,285,235
Memorandum item: Loaned and advanced as collateral	5,394,699	4,060,887
OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	-	-
Loans and advances to credit institutions	-	-
Money market operations through counterparties	-	-
Loans and advances to other debtors	-	-
Debt securities	-	-
Other equity instruments	-	-
Memorandum item: Loaned and advanced as collateral	-	-
AVAILABLE-FOR-SALE FINANCIAL ASSETS (Note 8)	17,535,502	32,895,371
Debt securities	8,546,689	24,856,135
Other equity instruments	8,988,813	8,039,236
Memorandum item: Loaned and advanced as collateral	4,839,258	24,290,443
LOANS AND RECEIVABLES (Note 9)	213,027,835	183,250,928
Loans and advances to credit institutions	24,564,764	29,234,370
Money market operations through counterparties	100,051	-
Loans and advances to other debtors	183,852,896	152,538,078
Debt securities	781	1,954
Other equity instruments	4,509,343	1,476,526
Memorandum item: Loaned and advanced as collateral	2,767,314	2,639,897
HELD-TO-MATURITY INVESTMENTS (Note 10)	5,905,636	3,959,264
Memorandum item: Loaned and advanced as collateral	1,250,764	2,845,124
CHANGES IN THE FAIR VALUE OF THE HEDGED ITEMS IN PORTFOLIO HEDGES OF INTEREST RATE RISK HEDGING DERIVATIVES (Note 11)	1,758,932	2,505,102
NON-CURRENT ASSETS HELD FOR SALE (Note 12)	26,393	29,722
Loans and advances to credit institutions	-	-
Loans and advances to other debtors	-	-
Debt securities	-	-
Equity instruments	-	-
Tangible assets	26,393	29,722
Other assets	-	-
INVESTMENTS (Note 13)	14,159,672	13,296,918
Associates	43,646	785,477
Jointly controlled entities	3,330	5,483
Group entities	14,112,696	12,505,958
INSURANCE CONTRACTS LINKED TO PENSIONS REINSURANCE ASSETS (Note 20)	2,114,052	2,089,985
TANGIBLE ASSETS (Note 14)	2,093,446	2,060,765
Property, plants and equipment	2,082,540	2,050,281
Investment properties	10,906	10,484
Other assets leased out under an operating lease	-	-
Memorandum item: Acquired under a finance lease	19	26

(*) Presented for comparison purposes only.

ASSETS (Continuation)	Thousands of Euros	
	2006	2005(*)
INTANGIBLE ASSETS (Note 15)	63,055	51,920
Goodwill	-	-
Other intangible assets	63,055	51,920
TAX ASSETS (Note 26)	3,275,977	3,939,982
Current	140,175	15,483
Deferred	3,135,802	3,924,499
PREPAYMENTS AND ACCRUED INCOME (Note 16)	505,276	512,377
OTHER ASSETS (Note 17)	561,914	616,788
TOTAL ASSETS	300,191,340	279,140,621

(*) Presented for comparison purposes only.

The accompanying Notes 1 to 46 and Appendices I to VI are an integral part of the balance sheet as of December 31, 2006.

Translation of financial statements originally issued in Spanish and prepared in accordance with generally accounting principles Spain (see Note 47). In the event of a discrepancy, the Spanish-language version prevails.

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

BALANCE SHEETS AS OF DECEMBER 31, 2006 AND 2005 (Notes 1 to 5)

LIABILITIES AND EQUITY	Thousands of Euros	
	2006	2005(*)
FINANCIAL LIABILITIES HELD FOR TRADING (Note 7)	13,658,091	14,579,963
Deposits from credit institutions	-	-
Money market operations through counterparties	-	-
Deposits from other creditors	-	-
Debt certificates (including bonds)	-	-
Trading derivatives	13,098,200	12,700,563
Short positions	559,891	1,879,400
OTHER FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	-	-
Deposits from credit institutions	-	-
Deposits from other creditors	-	-
Debt certificates (including bonds)	-	-
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH EQUITY	-	-
Deposits from credit institutions	-	-
Deposits from other creditors	-	-
Debt certificates (including bonds)	-	-
FINANCIAL LIABILITIES AT AMORTISED COST (Note 18)	258,697,166	242,037,543
Deposits from central banks	12,757,368	17,772,094
Deposits from credit institutions	41,631,333	43,010,834
Money market operations through counterparties	223,393	23,252
Deposits from other creditors	146,891,740	129,982,249
Debt certificates (including bonds)	39,859,253	34,079,250
Subordinated liabilities	12,464,445	12,392,657
Other financial liabilities	4,869,634	4,777,207
CHANGES IN THE FAIR VALUE OF THE HEDGED ITEMS IN PORTFOLIO HEDGES OF INTEREST RATE RISK	-	-
HEDGING DERIVATIVES (Note 11)	2,088,420	947,007
LIABILITIES ASSOCIATED WITH NON-CURRENT ASSETS HELD FOR SALE	-	-
Deposits from other creditors	-	-
Other liabilities	-	-
PROVISIONS (Note 19)	6,926,134	6,376,428
Provisions for pensions and similar obligations	5,522,948	4,888,733
Provisions for taxes	-	-
Provisions for contingent exposures and commitments	461,903	424,786
Other provisions	941,283	1,062,909
TAX LIABILITIES (Note 26)	1,249,537	1,579,989
Current	-	331,651
Deferred	1,249,537	1,248,338
ACCRUED EXPENSES AND DEFERRED INCOME (Note 16)	736,057	762,477
OTHER LIABILITIES (Note 17)	104,998	7,004
CAPITAL HAVING THE NATURE OF A FINANCIAL LIABILITY	-	-
TOTAL LIABILITIES	283,460,403	266,290,411

(*) Presented for comparison purposes only.

LIABILITIES AND EQUITY (<i>Continuation</i>)	Thousands of Euros	
	2006	2005(*)
VALUATION ADJUSTMENTS	2,264,193	1,809,782
Available-for-sale financial assets	2,366,650	1,913,403
Financial liabilities at fair value through equity	-	-
Cash flow hedges	(94,717)	(65,607)
Hedges of net investments in foreign operations	-	-
Exchange differences	(7,740)	(38,014)
Non-current assets held for sale	-	-
STOCKHOLDER'S EQUITY	14,466,744	11,040,428
Capital (Note 22)	1,740,465	1,661,518
Issued	1,740,465	1,661,518
Unpaid and uncalled (-)	-	-
Share premium (Note 23)	9,579,443	6,658,390
Reserves (Note 24)	2,085,465	2,001,854
Accumulated reserves (losses)	2,085,465	2,001,854
Retained earnings	-	-
Other equity instruments	25,874	141
Equity component of compound financial instruments	-	-
Other	25,874	141
Less: Treasury shares (Note 25)	(40,283)	(29,773)
Income attributed to the Group	2,439,825	1,918,142
Less: Dividends and remuneration	(1,364,045)	(1,169,844)
TOTAL EQUITY	16,730,937	12,850,210
TOTAL LIABILITIES AND EQUITY	300,191,340	279,140,621

PRO-MEMORIA	Thousands of Euros	
	2006	2005 (*)
CONTINGENT EXPOSURES (Note 29)	80,646,871	59,136,523
Financial guarantees	78,364,059	57,325,687
Assets earmarked for third-party obligations	-	-
Other contingent exposures	2,282,812	1,810,836
CONTINGENT COMMITMENTS (Note 29)	70,713,556	59,657,991
Drawable by third parties	65,849,900	55,596,924
Other commitments	4,863,656	4,061,067

(*) Presented for comparison purposes only.

The accompanying Notes 1 to 46 and Appendices I to VI are an integral part of the balance sheet as of December 31, 2006.

Translation of financial statements originally issued in Spanish and prepared in accordance with generally accounting principles Spain (see Note 47). In the event of a discrepancy, the Spanish-language version prevails.

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

INCOME STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005 (Notes 1 to 5)

	Thousands of Euros	
	2006	2005(*)
INTEREST AND SIMILAR INCOME (Note 34)	9,556,032	7,169,319
INTEREST EXPENSE AND SIMILAR CHARGES (Note 35)	(6,976,992)	(4,473,854)
Income on equity having the nature of a financial liability	-	-
Other	(6,976,992)	(4,473,854)
INCOME FROM EQUITY INSTRUMENTS (Note 36)	1,528,495	1,056,912
Investments in associates	827	1,774
Investments in jointly controlled entity	826	-
Investments in group entities	1,158,355	770,199
Other equity investments	368,487	284,939
NET INTEREST INCOME	4,107,535	3,752,377
FEE AND COMMISSION INCOME (Note 37)	2,062,234	1,928,985
FEE AND COMMISSION EXPENSES (Note 38)	(329,939)	(330,718)
GAINS OR LOSSES ON FINANCIAL ASSETS AND LIABILITIES (NET) (Note 39)	1,246,393	529,671
Held for trading	309,749	244,494
Other financial instruments at fair value through profit or loss	-	-
Available-for-sale financial assets	998,596	238,045
Loans and receivables	-	-
Other	(61,952)	47,132
EXCHANGE DIFFERENCES (NET)	235,899	132,573
GROSS INCOME	7,322,122	6,012,888
OTHER OPERATING INCOME	69,826	80,690
PERSONNEL EXPENSES (Note 40)	(2,158,072)	(2,014,247)
OTHER ADMINISTRATIVE EXPENSES (Note 41)	(849,074)	(804,027)
DEPRECIATION AND AMORTISATION	(200,678)	(196,843)
Tangible assets (Note 14)	(183,542)	(184,739)
Intangible assets (Note 15)	(17,136)	(12,104)
OTHER OPERATING EXPENSES	(64,906)	(62,807)
NET OPERATING INCOME	4,119,218	3,015,654
IMPAIRMENT LOSSES	(645,101)	(441,825)
Available-for-sale financial assets (Note 8)	4,758	14,892
Loans and receivables (Note 9)	(624,993)	(421,325)
Held-to-maturity investments (Note 10)	422	(1,008)
Non-current assets held for sale (Note 12)	(10,644)	(4,808)
Investments (Note 13)	(16,809)	(29,054)
Tangible assets (Note 14)	2,165	(522)
Goodwill	-	-
Other intangible assets	-	-
Other assets	-	-
PROVISION EXPENSE (NET)	(1,024,593)	(378,539)
OTHER GAINS (Note 42)	614,950	107,872
Gains on disposal of tangible assets	56,576	75,436
Gains on disposal of investment	537,405	2,915
Other	20,969	29,521
OTHER LOSSES (Note 42)	(34,922)	(34,985)
Losses on disposal of tangible assets	(5,132)	(6,833)
Losses on disposal of investment	(516)	(885)
Other	(29,274)	(27,267)
INCOME BEFORE TAX	3,029,552	2,268,177
INCOME TAX (Note 26)	(589,727)	(350,035)
INCOME FROM ORDINARY ACTIVITIES	2,439,825	1,918,142
INCOME FROM DISCONTINUED OPERATIONS (NET)	-	-
INCOME FOR THE PERIOD	2,439,825	1,918,142

(*) Presented for comparison purposes only.

The accompanying Notes 1 to 46 and Appendices I to VI are an integral part of the income statement for the year ended December 31, 2006.

Translation of financial statements originally issued in Spanish and prepared in accordance with generally accounting principles Spain (see Note 47). In the event of a discrepancy, the Spanish-language version prevails.

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005 (Notes 1 to 5)

	Thousands of Euros	
	2006	2005(*)
NET INCOME RECOGNISED DIRECTLY IN EQUITY	454,411	876,745
Available-for-sale financial assets	453,247	992,180
Revaluation gains/losses	1,423,307	1,610,513
Amounts transferred to income statement	(640,949)	(54,654)
Income tax	(329,111)	(563,679)
Reclassifications	-	-
Other financial liabilities at fair value	-	-
Revaluation gains/losses	-	-
Amounts transferred to income statement	-	-
Income tax	-	-
Reclassifications	-	-
Cash flow hedges	(29,110)	(65,607)
Revaluation gains/losses	(34,451)	(100,934)
Amounts transferred to income statement	49	-
Amounts transferred to the initial carrying amount of the hedged items	-	-
Income tax	5,292	35,327
Reclassifications	-	-
Hedges of net investment in foreign operations	-	-
Revaluation gains/losses	-	-
Amounts transferred to income statement	-	-
Income tax	-	-
Exchange differences	30,274	(49,828)
Traslation gains/losses	(11,057)	(58,482)
Amounts transferred to income statement	38,014	(11,814)
Income tax	3,317	20,468
Non-current assets held for sale	-	-
Revaluation gains	-	-
Amounts transferred to income statement	-	-
Income tax	-	-
Reclassifications	-	-
CONSOLIDATED INCOME FOR THE YEAR	2,439,825	1,918,142
Published consolidated income for the year	2,439,825	1,918,142
Adjustments due to changes in accounting policy	-	-
Adjustments made to correct errors	-	-
TOTAL INCOME AND EXPENSES FOR THE YEAR	2,894,236	2,794,887
MEMORANDUM ITEM: EQUITY ADJUSTMENTS ALLOCABLE TO PRIOR YEARS	-	-
Due to changes in accounting policies	-	-
Stockholder's Equity	-	-
Valuation adjustments	-	-
Due to errors	-	-
Stockholder's Equity	-	-
Valuation adjustments	-	-

(*) Presented for comparison purposes only.

The accompanying Notes 1 to 46 and Appendices I to VI are an integral part of the statement of changes in equity for the year ended December 31, 2006.

Translation of financial statements originally issued in Spanish and prepared in accordance with generally accounting principles Spain (see Note 47). In the event of a discrepancy, the Spanish-language version prevails.

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

CASH FLOW STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005 (Notes 1 to 5)

	Thousands of Euros	
	2006	2005(*)
CASH FLOW FROM OPERATING ACTIVITIES		
Consolidated profit for the year	2,439,825	1,918,142
Adjustment to profit:	2,035,759	1,414,257
Depreciation of tangible assets (+)	183,542	184,739
Amortisation of intangible assets (+)	17,136	12,104
Impairment losses (net) (+/-)	645,101	441,825
Provision expense (net) (+/-)	1,024,593	378,539
Gains/Losses on disposal of tangible assets (+/-)	(51,444)	(68,603)
Gains/Losses on disposal of investment (+/-)	(536,889)	(2,030)
Taxes (+/-)	589,727	350,035
Other non-monetary items (+/-)	163,993	117,648
Adjusted profit	4,475,584	3,332,399
Net increase/decrease in operating assets	(17,526,778)	(35,678,851)
Financial assets held for trading	(4,675,630)	2,562,259
Loans and advances to credit institutions	-	-
Money market operations through counterparties	-	-
Loans and advances to other debtors	-	-
Debt securities	(1,168,160)	6,756,657
Other equity instruments	(3,968,608)	(669,980)
Trading derivatives	461,138	(3,524,418)
Other financial assets at fair value through profit or loss	-	-
Loans and advances to credit institutions	-	-
Money market operations through counterparties	-	-
Loans and advances to other debtors	-	-
Debt securities	-	-
Other equity instruments	-	-
Available-for-sale financial assets	15,574,430	(4,130,001)
Debt securities	15,828,543	(1,731,900)
Other equity instruments	(254,113)	(2,398,101)
Loans and receivables	(30,201,808)	(34,133,846)
Loans and advances to credit institutions	4,685,814	(9,293,936)
Money market operations through counterparties	(99,999)	241,999
Loans and advances to other debtors	(31,757,460)	(24,545,079)
Debt securities	2,654	22,596
Other financial assets	(3,032,817)	(559,426)
Other operating assets	1,776,230	22,737

(*) Presented for comparison purposes only.

<i>(Continuation)</i>	Thousands of Euros	
	2006	2005(*)
Net increase/decrease in operating liabilities	15,204,261	35,212,225
Financial liabilities held for trading	(921,872)	2,844,136
Deposits from credit institutions	-	-
Money market operations through counterparties	-	-
Deposits from other creditors	-	-
Debt certificates (including bonds)	-	-
Trading derivatives	397,637	2,219,149
Short positions	(1,319,509)	624,987
Other financial liabilities at fair value through profit or loss	-	-
Deposits from credit institutions	-	-
Deposits from other creditors	-	-
Debt certificates (including bonds)	-	-
Financial liabilities at fair value through equity	-	-
Deposits from credit institutions	-	-
Deposits from other creditors	-	-
Debt certificates (including bonds)	-	-
Financial liabilities measured at amortised cost	15,833,182	33,983,507
Deposits from central banks	(5,039,964)	2,713,420
Deposits from credit institutions	(1,500,604)	(1,052,593)
Money market operations through counterparties	200,000	(634,752)
Deposits from other creditors	16,630,461	25,839,271
Debt certificates (including bonds)	5,566,286	6,498,805
Other financial liabilities	(22,997)	619,356
Other operating liabilities	292,951	(1,615,418)
Total net cash flows from operating activities (1)	2,153,067	2,865,773
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment (-)	(4,455,669)	(2,982,316)
Group entities, jointly controlled entities and associates	(1,979,521)	(839,903)
Tangible assets	(237,394)	(231,320)
Intangible assets	(28,271)	(26,321)
Held-to-maturity investments	(2,210,483)	(1,884,772)
Other financial assets	-	-
Other assets	-	-
Divestments (+)	1,689,535	266,755
Group entities, jointly controlled entities and associates	1,355,120	41,587
Tangible assets	60,415	79,168
Intangible assets	-	-
Held-to-maturity investments	274,000	146,000
Other financial assets	-	-
Other assets	-	-
Total net cash flows investing activities (2)	(2,766,134)	(2,715,561)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance/ Redemption of capital (+/-)	2,960,087	-
Acquisition of own equity instruments (-)	(4,728,219)	(2,619,475)
Disposal of own equity instruments (+)	4,760,145	2,615,499
Issuance/Redemption of non-voting equity units (+/-)	-	-
Issuance/Redemption of other equity instruments (+/-)	25,733	141
Issuance/Redemption of capital having the nature of a financial liability (+/-)	-	-
Issuance/Redemption of subordinated liabilities(+/-)	63,942	701,763
Issuance/Redemption of other long-term liabilities (+/-)	-	-
Dividends/Interest paid (-)	(1,915,831)	(1,600,483)
Other items relating to financing activities (+/-)	1,164	(115,435)
Total net cash flows from financing activities (3)	1,167,021	(1,017,990)
EFFECT OF EXCHANGE RATE CHANGES ON CASH OR CASH EQUIVALENTS (4)	2,495	(1,623)
NET INCREASE/DECREASE IN CASH OR CASH EQUIVALENTS (1+2+3+4)	556,449	(869,401)
Cash or cash equivalents at beginning of year	2,707,482	3,576,883
Cash or cash equivalents at end of year	3,263,931	2,707,482

(*) Presented for comparison purposes only.

The accompanying Notes 1 to 46 and Appendices I to VI are an integral part of the cash flow statement for the year ended December 31, 2006.

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

Notes to the financial statements for the year ended December 31, 2006

1. INTRODUCTION, BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS AND OTHER INFORMATION

1.1. Introduction

Banco Bilbao Vizcaya Argentaria, S.A. (“the Bank” or “BBVA”) is a private-law entity governed by the rules and regulations applicable to banks operating in Spain. The Bank conducts its business through branches and offices located throughout Spain and abroad.

The articles of association and other public information on the Bank can be consulted both at its registered office (Plaza San Nicolás, 4, Bilbao) and on its official website, www.bbva.com.

In addition to the operations carried on directly by it, the Bank is the head of a group of subsidiaries, jointly controlled entities and associates that engage in various business activities and which compose, together with the Bank, the Banco Bilbao Vizcaya Argentaria Group (“the Group” or “BBVA Group”). Therefore, the Bank is obliged to prepare, in addition to its own financial statements, the Group’s consolidated financial statements.

The bank’s financial statements for 2005 were approved by the shareholders at the Bank’s Annual General Meeting on March 18, 2006. The 2006 financial statements of the Bank have not yet been approved by their shareholders at the respective Annual General Meeting. However, the Bank’s Board of Directors considers that the aforementioned financial statements will be approved without any changes.

1.2. Basis of presentation of the financial statements

The Bank of Spain issued Circular 4/2004 of 22 December 2004 on Public and Confidential Financial Reporting Rules and Formats.

Circular 4/2004 modifies the accounting policies of Spain’s credit institutions to adapt them to the new accounting scenario established by the adoption by the European Union, with the legislation of several regulations, of the International Financial Reporting Standards (“EU-IFRS”) following stipulations established under Regulation (EC) no, 1606/2002 of the European Parliament and of the Council of July 19, 2002, relative to –International Accounting Standards.

The Bank’s financial statements of 2006 were prepared by the Bank’s directors (at the Board Meeting on February 12, 2007) on the basis of the accounting records kept by the Bank in accordance with Bank of Spain Circular 4/2004, representing fairly the bank’s equity and financial position at December 31, 2006, and the results of its operations, the changes in consolidated equity and the consolidated cash flows in 2006.

All accounting policies and measurement bases with a significant effect on the financial statements were applied in their preparation.

1.3. Comparative information

The information relating to 2005 contained in these notes to the financial statements is presented, solely for comparison purposes, with information relating to 2006 and, accordingly, it does not constitute the Bank’s statutory financial statements for 2005.

1.4. Responsibility for the information and for the estimates made

The information presented in the Bank’s financial statements is the responsibility of the bank directors. In preparing these financial statements estimates were occasionally made by the bank in order to quantify certain of the assets, liabilities, income, expenses and commitments reported herein. These estimates relate mainly to the following:

- The impairment losses on certain assets.
- The assumptions used in the actuarial calculation of the post-employment benefit liabilities and commitments
- The useful life of tangible and intangible assets.
- The fair value of certain unquoted assets.

Although these estimates were made on the basis of the best information available as of December 31, 2006 and 2005 on the events analysed, events that take place in the future might make it necessary to change these estimates (upwards or downwards) in coming years.

1.5. Environmental impact

As of December 31, 2006 the banks financial statements did not disclose any item that should be included in the environmental information document envisaged in the related Ministry of the Economy Order dated October 8, 2001.

1.6. Detail of agents of credit institutions

Exhibit VI contains an inventory of the agents of the banks as required in accordance to the article 22 of the Royal Decree 1245/1995, of July 14 of the Ministry of Economy.

1.7. Report on the activity of the customer care department and the customer ombudsman

The report on the activity of the Customer Care Department and the Customer Ombudsman required pursuant to Article 17 of Ministry of Economy and Finance Order ECO/734/2004 of 11 March is included in the management report accompanying these financial statements.

1.8. Minimum capital

Law 13/1992 of June 1, 1992 and Bank of Spain Circular 5/1993 and subsequent amendments thereto regulate the minimum capital requirements for Spanish credit institutions – both as individual entities and as consolidated groups – and the manner in which these capital requirements are to be calculated.

As of December 31, 2006 and 2005 the Group's qualifying capital exceeded the minimum required under the aforementioned legislation.

1.9. Consolidation

The consolidated financial statements of Group BBVA correspondent to the year finished on December 31, 2006 were prepared in accordance with the EU-IFRS's, taking into account Bank of Spain Circular 4/2004. The board of directors on its February 12, 2007 meeting approved this consolidated financial statements.

The management of the Group's operations is carried out on a consolidated basis, independently of the individual allocation of the correspondent equity changes and its related results. In consequence, the annual financial statements of the Bank have to be consider inside the context of the Group, due to the fact that they don't reflect the financial and equity changes that result from the application of the consolidation policies (full consolidation or proportionate consolidation methods) or by the equity method.

These changes are reflected in the consolidated financial statements of the Banco Bilbao Vizcaya Argentaria Group correspondent to the year 2006, which the Bank prepares as well. Following is a summary of the Groups financial statements.

**BANCO BILBAO VIZCAYA ARGENTARIA, S.A. AND COMPANIES COMPOSING THE BANCO
BILBAO VIZCAYA ARGENTARIA GROUP**

SUMMARIZED CONSOLIDATED BALANCE SHEETS FOR AS OF DECEMBER 31, 2006 AND 2005

ASSETS	Thousands of Euros	
	2006	2005(*)
CASH AND BALANCES WITH CENTRAL BANKS	12,515,122	12,341,317
FINANCIAL ASSETS HELD FOR TRADING	51,835,109	44,011,781
OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	977,114	1,421,253
AVAILABLE-FOR-SALE FINANCIAL ASSETS	42,266,774	60,033,988
LOANS AND RECEIVABLES	279,855,259	249,396,647
HELD-TO-MATURITY INVESTMENTS	5,905,636	3,959,265
HEDGING DERIVATIVES	1,963,320	3,912,696
NON-CURRENT ASSETS HELD FOR SALE	186,062	231,260
INVESTMENT	888,936	1,472,955
REINSURANCE ASSETS	31,986	235,178
TANGIBLE ASSET	4,527,006	4,383,389
INTANGIBLE ASSETS	3,269,265	2,070,049
TAX ASSETS	5,278,197	6,420,745
ACCRUED INCOME	673,818	557,278
OTHER ASSETS	1,742,703	1,941,693
TOTAL ASSETS	411,916,307	392,389,494

TOTAL LIABILITIES AND EQUITY	Thousands of Euros	
	2006	2005(*)
LIABILITIES		
FINANCIAL LIABILITIES HELD FOR TRADING	14,923,534	16,270,865
OTHER FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	582,537	740,088
FINANCIAL LIABILITIES AT AMORTISED COST	348,444,532	331,589,962
HEDGING DERIVATIVES	2,279,740	2,870,086
LIABILITIES UNDER INSURANCE CONTRACTS	10,120,646	10,500,567
PROVISIONS	8,648,834	8,701,085
TAX LIABILITIES	2,369,166	2,100,023
ACCRUED EXPENSES AND DEFERRED INCOME	1,509,573	1,709,690
OTHER LIABILITIES	719,267	605,016
TOTAL LIABILITIES	389,597,829	375,087,382
EQUITY		
MINORITY INTERESTS	768,162	971,490
VALUATION ADJUSTMENTS	3,340,694	3,294,955
SHAREHOLDER'S EQUITY	18,209,622	13,035,667
Capital	1,740,465	1,661,518
Share premium	9,579,443	6,658,390
Reserves	3,628,984	2,172,158
Other equity instruments	34,809	141
Less: Treasury shares	(147,258)	(96,321)
Profit attributed to the Group	4,735,879	3,806,425
Less: Dividends and remuneration	(1,362,700)	(1,166,644)
TOTAL EQUITY	22,318,478	17,302,112
TOTAL EQUITY AND LIABILITIES	411,916,307	392,389,494

(*) Presented for comparison purposes only.

**BANCO BILBAO VIZCAYA ARGENTARIA, S.A. AND COMPANIES COMPOSING THE BANCO
BILBAO VIZCAYA ARGENTARIA GROUP**

**SUMMARIZED CONSOLIDATED INCOME STATEMENTS FOR THE YEARS ENDED DECEMBER 31,
2006 AND 2005**

	Thousands of Euros	
	2006	2005(*)
INTEREST AND SIMILAR INCOME	19,210,234	15,847,674
INTEREST EXPENSE AND SIMILAR CHARGES	(11,215,569)	(8,932,200)
INCOME FROM EQUITY INSTRUMENTS	379,473	292,495
NET INTEREST INCOME	8,374,138	7,207,969
SHARE OF PROFIT OR LOSS OF ENTITIES ACCOUNTED FOR USING THE EQUITY METHOD	307,648	121,495
FEE AND COMMISSION INCOME	5,118,682	4,669,124
FEE AND COMMISSION EXPENSES	(783,802)	(729,128)
INSURANCE ACTIVITY INCOME	650,431	486,923
GAINS/LOSSES ON FINANCIAL ASSETS AND LIABILITIES (NET)	1,655,911	980,164
EXCHANGE DIFFERENCES (NET)	377,628	287,014
GROSS INCOME	15,700,636	13,023,561
SALES AND INCOME FROM THE PROVISION OF NON-FINANCIAL SERVICES	605,227	576,373
COST OF SALES	(473,869)	(450,594)
OTHER OPERATING INCOME	117,070	134,559
PERSONNEL EXPENSES	(3,988,585)	(3,602,242)
OTHER ADMINISTRATIVE EXPENSES	(2,341,836)	(2,160,478)
DEPRECIATION AND AMORTISATION	(472,198)	(448,692)
OTHER OPERATING EXPENSES	(263,340)	(249,403)
NET OPERATING INCOME	8,883,105	6,823,084
IMPAIRMENT LOSSES (NET)	(1,503,549)	(854,327)
PROVISION EXPENSE (NET)	(1,338,205)	(454,182)
FINANCE INCOME FROM NON-FINANCIAL ACTIVITIES	57,602	2,467
FINANCE EXPENSES FROM NON-FINANCIAL ACTIVITIES	(55,227)	(1,826)
OTHER GAINS	1,128,628	284,816
OTHER LOSSES	(142,018)	(208,279)
INCOME BEFORE TAX	7,030,336	5,591,753
INCOME TAX	(2,059,301)	(1,521,181)
INCOME FROM ORDINARY ACTIVITIES	4,971,035	4,070,572
INCOME FROM DISCONTINUED OPERATIONS (NET)	-	-
CONSOLIDATED INCOME FOR THE YEAR	4,971,035	4,070,572
INCOME ATTRIBUTED TO MINORITY INTEREST	(235,156)	(264,147)
INCOME ATTRIBUTED TO THE GROUP	4,735,879	3,806,425

(*) Presented for comparison purposes only.

**BANCO BILBAO VIZCAYA ARGENTARIA, S.A. AND COMPANIES COMPOSING THE BANCO
BILBAO VIZCAYA ARGENTARIA GROUP**

**SUMMARIZED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY – CONSOLIDATED
STATEMENTS OF RECOGNIZED INCOME AND EXPENSE FOR THE YEARS ENDED DECEMBER 31,
2006 AND 2005**

	Thousands of Euros	
	2006	2005(*)
NET INCOME RECOGNISED DIRECTLY IN EQUITY	45,739	1,188,041
Available-for-sale financial assets	352,788	682,651
Financial liabilities at fair value through equity	-	-
Cash flow hedges	119,397	(77,762)
Hedges of net investments in foreign operations	438,985	(726,456)
Exchange differences	(865,431)	1,309,608
Non-current assets held for sale	-	-
INCOME FOR THE YEAR	4,971,035	4,070,572
TOTAL INCOME AND EXPENSES FOR THE YEAR	5,016,774	5,258,613

(*) Presented for comparison purposes only.

**BANCO BILBAO VIZCAYA ARGENTARIA, S.A. AND COMPANIES COMPOSING THE BANCO
BILBAO VIZCAYA ARGENTARIA GROUP**

**SUMMARIZED CONSOLIDATED CASH FLOW STATEMENTS FOR THE YEARS ENDED DECEMBER
31, 2006 AND 2005**

	Thousands of Euros	
	2006	2005(*)
CASH FLOW FROM OPERATING ACTIVITIES		
Consolidated profit for the year	4,971,035	4,070,572
Adjustment to profit:	4,596,678	4,354,633
Adjusted profit	9,567,713	8,425,205
Net increase/decrease in operating assets	(20,293,306)	(55,959,375)
Financial assets held for trading	(7,823,349)	3,330,819
Other financial assets at fair value through profit or loss	444,139	(361,763)
Available-for-sale financial assets	18,345,927	(4,024,366)
Loans and receivables	(34,041,410)	(54,290,431)
Other operating assets	2,781,387	(613,634)
Net increase/decrease in operating liabilities	13,543,414	53,544,980
Financial liabilities held for trading	(1,347,331)	2,136,452
Other financial liabilities at fair value through profit or loss	(157,551)	(94,262)
Financial liabilities at fair value through equity	-	-
Financial liabilities measured at amortised cost	17,799,111	51,218,706
Other operating liabilities	(2,750,815)	284,084
Total net cash flows from operating activities (1)	2,817,821	6,010,810
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments (-)	(5,121,070)	(4,832,207)
Divestments (+)	2,380,304	641,281
Total net cash flows from investing activities (2)	(2,740,766)	(4,190,926)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance/Redemption of capital (+/-)	2,938,600	-
Acquisition of own equity instruments (-)	(5,677,433)	(3,839,510)
Disposal of own equity instruments (+)	5,639,506	3,779,037
Issuance/Redemption of other equity instruments (+/-)	(34,668)	-
Issuance/Redemption of subordinated liabilities (+/-)	103,970	1,387,248
Issuance/Redemption of other long-term liabilities (+/-)	-	-
Increase/Decrease in minority interest (+/-)	(168,009)	233,951
Dividends paid (-)	(1,914,486)	(1,595,222)
Other items relating to financing activities (+/-)	-	(521,323)
Total net cash flows from financing activities (3)	887,480	(555,819)
EFFECT OF EXCHANGE RATE CHANGES ON CASH OR CASH EQUIVALENTS (4)	(785,267)	929,971
NET INCREASE/DECREASE IN CASH OR CASH EQUIVALENTS (1+2+3+4)	179,268	2,194,036
Cash or cash equivalents at beginning of year	12,317,126	10,123,090
Cash or cash equivalents at end of year	12,496,394	12,317,126

(*) Presented for comparison purposes only.

2. ACCOUNTING POLICIES AND MEASUREMENT BASES APPLIED

The accounting policies and measurement bases used in preparing these financial statements were as follows:

a) "Fair value"

The fair value of an asset or a liability on a given date is taken to be the amount for which it could be bought or sold on that date by two knowledgeable, independent parties in an arm's length transaction acting prudently. The most objective and common reference for the fair value of an asset or a liability is the price that would be paid for it on an organised, transparent and deep market ("quoted price" or "market price").

If there is no market price for a given asset or liability, its fair value is estimated on the basis of the price established in recent transactions involving similar instruments and, in the absence thereof, by using mathematical measurement models sufficiently tried and trusted by the international financial community. Such estimates would take into consideration the specific features of the asset or liability to be measured and, in particular, the various

types of risk associated with the asset or liability. However, the limitations inherent to the measurement models developed and the possible inaccuracies of the assumptions required by these models may signify that the fair value of an asset or liability that is estimated does not coincide exactly with the price for which the asset or liability could be purchased or sold on the date of its measurement.

b) Financial instruments

b.1) Classification

Financial assets/liabilities held for trading: these include the financial assets and liabilities acquired with the intention of generating a profit from short-term fluctuations in their prices or from differences between their purchase and sale prices.

These headings also include financial derivatives not considered to qualify for hedge accounting and, in the case of financial liabilities held for trading, the financial liabilities arising from the outright sale of financial assets purchased under reverse repurchase agreements or borrowed (“short positions”).

Other financial assets and financial liabilities at fair value through profit or loss: this heading includes, among others, those that are not held for trading but are:

- Assets and Liabilities which have the nature of “hybrid financial assets and liabilities” and contain an embedded derivative whose fair value cannot reliably be determined, or
- Those assets that are managed jointly with “liabilities under insurance contracts” measured at fair value, with financial derivatives whose purpose and effect is to significantly reduce exposure to changes in fair value, or with financial liabilities and derivatives whose purpose is to significantly reduce overall interest rate risk exposure.

Available-for-sale financial assets: these include debt securities not classified as “held-to-maturity investments” or as “financial assets at fair value through profit or loss”, and equity instruments issued by entities other than subsidiaries, associates and those jointly controlled, provided that such instruments have not been classified as “held for trading” or as “other financial assets at fair value through profit or loss”.

Loans and receivables: this heading relates to the financing granted to third parties, classified on the basis of the nature thereof, irrespective of the nature of the borrower and the form of financing granted, and includes finance leases in which consolidated companies act as lessors.

The Bank generally intends to hold the loans and credits granted by them until their final maturity; therefore, they are presented in the balance sheet at their amortised cost (which includes any corrections required to reflect the estimated losses on their recovery).

Held-to-maturity investments: this heading includes debt securities for which the Bank, from inception and at any subsequent date, has the intention to hold until final maturity, since it has the financial capacity to do so.

Financial liabilities at fair value through equity: these include financial liabilities associated with available-for-sale financial assets arising as a result of a transfer of assets in which the transferor neither transfer not retains substantially all the risk and rewards of ownership of the assets.

Financial liabilities at amortised cost: this heading includes, irrespective of their instrumentation and maturity, the financial liabilities not included in any other heading in the balance sheet which relate to the typical deposit-taking activities carried on by financial institutions.

b.2) Measurement

All financial instruments are initially recognised at fair value, which in the absence of evidence to the contrary, shall be the transaction price. These instruments will subsequently be measured on the basis of their classification. In the case of quoted financial instruments, fair value will be taken to be their market price. For unquoted financial instruments, fair value will be obtained using the valuation techniques customarily used in the market.

Financial assets:

Financial assets are measured at fair value, except for:

- Loans and receivables,
- Held-to-maturity investments, and
- Equity instruments whose fair value cannot be determined in a sufficiently objective manner and financial derivatives that have those instruments as their underlying and are settled by delivery of those instruments.

Loans and receivables and held-to-maturity investments are measured at amortised cost using the effective interest rate method. Amortised cost is understood to be the acquisition cost of a financial asset or liability minus principal repayments, plus or minus the systematic amortisation (as reflected in the income statements) of any difference between the initial cost and the maturity amount, In the case of financial assets, amortised cost also includes any value adjustments for impairment.

The effective interest rate is the discount rate that exactly equates the carrying amount of a financial instrument to all its estimated cash flows of all kinds during its residual life. For fixed rate financial instruments, the effective interest rate coincides with the contractual interest rate established on the acquisition date plus, where applicable, the fees and commissions which, because of their nature, can be equated with a rate of interest. In the case of floating rate financial instruments, the effective interest rate coincides with the rate of return prevailing in all connections until the date on which the reference interest rate is to be revised for the first time.

Equity instruments whose fair value cannot be determined in a sufficiently objective manner and financial derivatives that have those instruments as their underlying and are settled by delivery of those instruments are measured at acquisition cost adjusted, where appropriate, by any related impairment loss.

Financial liabilities:

Financial liabilities are measured at amortised cost, except for:

- Those included under the headings “Financial Liabilities Held for Trading”, “Financial Liabilities at Fair Value through Profit or Loss” and “Financial Liabilities at Fair Value through Equity” and the financial liabilities designated as hedged items in fair value hedges or as hedging instruments, which are all measured at fair value, and
- Financial derivatives that have as their underlying equity instruments whose fair value cannot be determined in a sufficiently objective manner and are settled by delivery of those instruments; these derivatives are measured at cost.

b.3) Recognition of changes in the measurement of financial assets and liabilities

Based on the classification of financial instruments, any changes in the carrying amounts of the financial assets and liabilities classified as “held for trading” and as “other financial assets and liabilities through profit or loss” are recognised with a balancing entry in the income statement. A distinction is made between the changes resulting from the accrual of interest and similar items, which are recorded under the headings “Interest and Similar Income” or “Interest Expense and Similar Charges”, as appropriate, and those arising for other reasons, which are recorded at their net amount under the heading “Gains or Losses on Financial Assets and Liabilities” in the income statement.

Valuation adjustments arising on available-for-sale non-monetary financial assets are recognised temporarily under the heading “Valuation Adjustments - Available-for-Sale Financial Assets”, unless they relate to exchange differences, in which case they are recognised temporarily under the heading “Valuation Adjustments - Exchange Differences”.

Items charged or credited to the headings “Valuation Adjustments - Available-for-Sale Financial Assets” and “Valuation Adjustments - Exchange Differences” remain in the Bank’s equity until the asset-giving rise to them is removed from the balance sheet, whereupon they are charged or credited to the income statement.

Valuation adjustments arising on non-current assets held for sale and the liabilities associated with them are recognised with a balancing entry under the heading “Valuation Adjustments - Non-Current Assets Held for Sale”.

Valuation adjustments arising on financial liabilities at fair value through equity are recognised with a balancing entry under the heading “Valuation Adjustments - Financial Liabilities at Fair Value through Equity”.

In the specific case of financial instruments designated as hedged items or qualifying for hedge accounting (Note 2.d), valuation differences are recognised as follows:

- In fair value hedges, the differences arising on both the hedging instruments and the hedged items – with regard to the type of risk being hedged – are recognised directly in the income statement.
- In cash flow hedges and hedges of net investments in foreign operations, the valuation differences relating to the ineffective portion of the hedging transaction are recognised directly in the income statement.
- In cash flow hedges, the valuation differences arising on the effective portion of the hedging instruments are recognised temporarily under the heading “Valuation Adjustments - Cash Flow Hedges”.

- In hedges of net investments in foreign operations, the valuation differences arising on the effective portion of the hedging instruments are recognised temporarily under the heading “Valuation Adjustments - Hedges of Net Investments in Foreign Operations”.

In the two last-mentioned cases, the valuation differences are not recognised in profit or loss until the gains or losses of the hedged item are recognised in the income statement or until the date of maturity of the hedged item.

In fair value portfolio hedges of interest rate risk, the gains or losses that arise on measuring the hedging instruments are recognised directly in the income statement, with a balancing entry under the heading “Hedging derivatives” on the assets or liabilities side of the balance sheet, whereas the gains or losses due to changes in the fair value of the hedged amount are recorded in the income statement with a balancing entry under the heading “Changes in the Fair Value of the Hedged Items in Portfolio Hedges of Interest Rate Risk” on the asset or liability side of the balance sheet, as appropriate.

In cash flow portfolio hedges of interest rate risk, the effective portion of the change in value of the hedging instrument is recognised temporarily under the heading “Valuation Adjustments - Cash Flow Hedges” until the forecast transactions are performed, at which time it is recorded in the income statement. The ineffective portion of the change in value of hedging derivatives is recognised directly in the income statement.

b.4) Impairment

A financial asset is considered to be impaired – and therefore its carrying amount is adjusted to reflect the effect of its impairment – when there is objective evidence that events have occurred which:

- In the case of debt instruments (loans and debt securities), give rise to a negative impact on the future cash flows that were estimated at the time the transaction was arranged.
- In the case of equity instruments, mean that the carrying amount of these instruments cannot be recovered.

As a general rule, the carrying amount of impaired financial instruments is adjusted with a charge to the income statement for the year in which the impairment becomes known, and the recoveries of previously recognised impairment losses are recognised in the income statement for the year in which the impairment is reversed or reduced, with the exception that any recovery of previously recognised impairment losses for an investment in an equity instrument classified as available for sale which are not recognised through consolidated profit or loss but recognised under the heading “Valuation Adjustments – Available for sale Financial Assets” in the balance sheet.

Balances are considered to be impaired, and accrual of the interest thereon is suspended, when there are reasonable doubts that the balances will be recovered in full and/or the related interest will be collected for the amounts and on the dates initially agreed upon, taking into account the guarantees received by the entities to assure (in part or in full) the performance of transactions. Amounts collected in relation to impaired loans and receivables are used to recognise the related accrued interest and any excess amount is used to reduce the principal not yet paid.

When the recovery of any recognised amount is considered to be remote, this amount is removed from the balance sheet, without prejudice to any actions taken by the Bank in order to collect the amount until its rights extinguish in full through expiry, forgiveness or for other reasons.

Debt instruments carried at amortised cost:

The amount of the impairment losses incurred on these instruments relates to the positive difference between their respective carrying amounts and the present values of their expected future cash flows. However, the market value of quoted debt instruments is deemed to be a fair estimate of the present value of their future cash flows.

The following is to be taken into consideration when estimating the future cash flows of debt instruments:

- All the amounts that are expected to be obtained over the residual life of the instrument; including, where appropriate, those which may result from the guarantees provided for the instrument (after deducting the costs required for foreclosure and subsequent sale),
- The various types of risk to which each instrument is subject, and
- The circumstances in which collections will foreseeably be made.

These cash flows are subsequently discounted using the instrument’s effective interest rate (if its contractual rate is fixed) or the effective contractual interest rate at the discount date (if it is variable).

The possible impairment losses on these assets are determined:

- Individually, for all significant debt instruments and for those which, although not significant, cannot be classified in homogenous groups of instruments of similar characteristics, i.e. by instrument type, debtor's industry and geographical location, type of guarantee, age of past-due amounts, etc.
- Collectively, in all other cases.

Bank of Spain's Circular 4/2004 establishes criteria for determining impairment losses resulting from materialization of insolvency risk of the obligors. Under these criteria, a debt instrument is impaired due to insolvency:

- When there is evidence of a deterioration of the obligor's ability to pay, either because it is in arrears or for other reasons, and/or
- When country risk materialises; country risk is considered to be the risk associated with debtors resident in a given country due to circumstances other than normal commercial risk.

Bank of Spain's Circular 4/2004 establishes different classifications of transactions has been established on the basis of the nature of the obligors, the conditions of the countries in which they reside, transaction status, type of associated guarantees, and time in arrears for each of these risk groups it establishes the minimum impairment losses ("identified losses") that must be recognised in the financial statements of entities.

In addition to the recognition of identified losses, it requires provisioning for the losses inherent to the risks classified as standard risk for the different categories of debt instruments not measured at fair value through profit or loss and in contingent risks classified as standard, taking into account the historical experience of impairment and the other circumstances known at the time of the assessment. For these purposes, inherent losses are the losses incurred at the date of the financial statements, calculated using statistical procedures that have not been allocated to specific transactions.

Inherent losses are quantified by applying the parameters established by the Bank of Spain on the basis of its experience and of information on the Spanish banking industry.

Other debt instruments:

The impairment losses on debt securities included in the available-for-sale financial asset portfolio are equal to the positive difference between their acquisition cost (net of any principal repayment) and their fair value after deducting any impairment loss previously recognised in the income statement.

When there is objective evidence that the negative differences arising on measurement of these assets are due to impairment, they are no longer considered as "Valuation Adjustments - Available-for-Sale Financial Assets" and are recognised in the income statement. If all or parts of the impairment losses are subsequently recovered, the amount is recognised in the income statement for the year in which the recovery occurred.

Similarly, in the case of debt instruments classified as "non-current assets held for sale", losses previously recorded in equity are considered to be realised – and are recognised in the income statement – on the date the instruments are so classified.

Equity instruments measured at fair value:

The criteria for quantifying and recognising impairment losses on equity instruments are similar to those for other debt instruments, with the exception that any recovery of previously recognized impairment losses for an investment in a equity instrument classified as available for sale which are not recognized through profit or loss but recognized under the heading "Valuation Adjustments—Available-for-Sale Financial Assets" in the balance sheet.

Equity instruments measured at cost:

The impairment losses on equity instruments measured at acquisition cost are equal to the difference between their carrying amount and the present value of expected future cash flows discounted at the market rate of return for similar securities. These impairment losses are determined taking into account the equity of the investee (except for valuation adjustments due to cash flow hedges) for the last approved balance sheet, adjusted for the unrealised gains at the measurement date.

Impairment losses are recognised in the income statement for the year in which they arise as a direct reduction of the cost of the instrument. These losses may only be reversed subsequently in the event of the sale of the assets.

c) Recognition of income and expenses

The most significant criteria used by the Bank to recognise its income and expenses are summarised as follows:

Interest income and expenses and similar items:

As a general rule, interest income and expenses and similar items are recognised on the basis of their year of accrual using the effective interest method.

Specifically, the financial fees and commissions that arise on the arrangement of loans, basically origination and analysis fees must be deferred and recognised in the income statement over the life of the loan. The direct costs incurred in arranging these transactions can be deducted from the amount thus recognised. Bank of Spain's Circular 4/2004 establishes that, when there are no analytic accounting data to determine those direct costs, they can be compensated with the arrangement commission up to a 0.4% of the amount of the loan with a maximum limit of €400 per operation, which will be credited in the date of arrangement to the income statement and that will diminish the accrued commissions mentioned before.

Also dividends received from other companies are recognised as income when the Bank's right to receive them arises.

However, when a debt instrument is deemed to be impaired individually or is included in the category of instruments that are impaired because of amounts more than three months past-due, the recognition of accrued interest in the income statement is interrupted. This interest is recognised for accounting purposes when it is received, as a recovery of the impairment loss.

Commissions, fees and similar items:

Income and expenses relating to commissions and similar fees are recognised in the income statement using criteria that vary according to their nature. The most significant are:

- Those relating linked to financial assets and liabilities measured at fair value through profit or loss, which are recognised when collected.
- Those arising from transactions or services that are provided over a year of time, which are recognised over the life of these transactions or services.
- Those relating to a single act, which are recognised when the single act is carried out.

Non-financial income and expenses:

These are recorded for accounting purposes on an accrual basis.

Deferred collections and payments:

These are recorded for accounting purposes at the amount resulting from discounting the expected cash flows at market rates.

d) Financial derivatives and hedge accounting

Financial derivatives are instruments that permit the transfer to third parties of all or part of the credit and/or market risks associated with balances and transactions. The underlyings used in these derivatives can be interest rates, specific indices, the prices of certain securities, cross-currency exchange rates or other similar references.

All derivatives are recognised in the balance sheet at fair value from the date of arrangement. If the fair value of a derivative is positive, it is recorded as an asset and if it is negative, it is recorded as a liability. Unless there is evidence to the contrary, it is understood that on the date of arrangement the fair value of the derivatives is equal to the transaction price. Changes in the fair value of derivatives after the date of arrangement are recognised with a balancing entry under the heading "Gains or Losses on Financial Assets and Liabilities" in the income statement of the period in which the changes occur.

The fair value of the financial derivatives included in the held for trading portfolios is determined by their daily quoted price. If, under exceptional circumstances, their quoted price cannot be established on a given date, these derivatives are measured using methods similar to those used in an unofficial markets to measure over-the-counter ("OTC") derivatives.

The fair value of OTC derivatives is equal to the sum of the future cash flows arising from the instrument, discounted at the measurement date ("present value" or "theoretical close"); these derivatives are measured using methods recognised by the financial markets: the net present value (NPV) method, option price calculation models, etc.

Financial derivatives that have as their underlying equity instruments, whose fair value cannot be determined in a sufficiently objective manner and are settled by delivery of those instruments, are measured at cost.

Hedge accounting

A financial derivative may be considered as qualifying for hedge accounting only if it meets the following three conditions:

- It must hedge one of the following three types of risk:
 - Changes in the value of assets and liabilities due to fluctuations in the interest rate and/or exchange rate to which the position or balance to be covered ("fair value hedge"),
 - Changes in the estimated cash flows arising from financial assets and liabilities and highly probable transactions which an entity plans to carry out ("cash flow hedge"),
 - Net investment in a foreign operation ("hedge of net investments in foreign operations"), which, in practice, is equivalent to a cash flow hedge.
- It must effectively eliminate a significant portion of the risk inherent in the hedged item or position over the expected term of the hedge, which means that:
 - At the date of arrangement the hedge is expected, under normal conditions, to be highly effective ("prospective effectiveness") and,
 - There is sufficient evidence that the hedge was fully effective during the whole life of the hedged item or position ("retrospective effectiveness").
- Lastly, there must be adequate documentation evidencing the specific designation of the financial derivative to hedge certain balances or transactions and the manner in which this hedge is expected to be achieved (provided that this is in line with the Bank's management of own risks).

Most of the accounting hedges arranged by the Bank are fair value hedges.

Portfolio hedge of interest rate risk

A portfolio hedge of interest rate risk is that which hedges the interest rate risk exposure of a certain amount of financial assets or financial liabilities forming part of the overall financial instrument portfolio, but not the interest rate risk exposure of specific instruments. Portfolio hedges can take the form of fair value or cash flow hedges.

The gains or losses arising from changes in the fair value of the interest rate risk of effectively financial instruments are charged or credited, as appropriate, to the heading "Changes in the Fair Value of the Hedged Items in Portfolio Hedges of Interest Rate Risk" on the asset or liability side of the balance sheet.

At December 31, 2006 the Bank had no portfolio hedge of interest rate risk operations.

e) Pension commitments and other commitments to employees

The most significant accounting policies as well as the most relevant information concerning "Pension commitments and other commitments to employees" are described in Note 20.

f) Foreign Currency Transactions

Assets, liabilities and futures transactions

The assets and liabilities in foreign currencies, including those of branches abroad, and the unmatured hedging forward foreign currency purchase and sale transactions were translated to euros at the average exchange rates on the Spanish spot currency market (or based on the price of the dollar on local markets for the currencies not listed on this market) at the end of each period, with the exception of:

- non-current investments in securities denominated in foreign currencies and financed in euros or in a currency other than the investment currency, which were translated at historical exchange rates.
- unmatured non-hedging forward foreign currency purchase and sale transactions, which are translated at the exchange rates on the forward currency market at the end of each period published by the Bank of Spain for this purpose.

Structural currency positions

As a general policy, the Bank's investments in foreign subsidiaries and the endowment funds provided to branches abroad are financed in the same currency as the investment in order to eliminate the future currency risk arising from these transactions. However, the investments made in countries whose currencies do not have a market which

permits the obtainment of unlimited, lasting and stable financing at long-term are financed in another currency. In 2006 and 2005 most of this financing was in euros.

The details, by currency, of various balances and headings in these notes to the financial statements include, under the name "foreign currencies", currencies other than the euro.

	Equivalent Value in Thousands of euros			
	2006		2005	
	Assets	Liabilities	Assets	Liabilities
Balance in american dollars				
Financial held for trading	5,212,675	278,077	4,099,084	198,424
Available-for-sale financial assets	1,648,699	-	905,012	-
Loans and receivables	11,320,817	-	9,960,471	-
Investments	1,324,366	-	1,088,212	-
Tangible assets	3,575	-	3,827	-
Financial liabilities at amortised cost	-	35,101,697	-	32,997,692
Other	264,712	74,387	219,821	55,980
	19,774,844	35,454,161	16,276,427	33,252,096
Balance in pound sterling				
Financial held for trading	455,499	45,292	171,160	16,180
Available-for-sale financial assets	206,200	-	142,453	-
Loans and receivables	2,576,091	-	1,443,055	-
Investments	228	-	223	-
Tangible assets	3,622	-	4,351	-
Financial liabilities at amortised cost	-	9,244,173	-	5,320,646
Other	105,770	60,972	21,889	34,168
	3,347,410	9,350,437	1,783,131	5,370,994
Balance in rest of foreign currency				
Financial held for trading	158,883	41,181	116,738	27,931
Available-for-sale financial assets	1,531,422	-	1,596,000	-
Loans and receivables	1,612,521	-	1,538,421	-
Investments	9,225,750	-	7,986,721	-
Tangible assets	733	-	509	-
Financial liabilities at amortised cost	-	2,779,461	-	2,334,605
Other	78,821	603,218	44,422	675,958
	12,608,130	3,423,860	11,282,811	3,038,494
Total	35,730,384	48,228,458	29,342,369	41,661,584

g) Non-current assets held for sale and liabilities associated with non-current assets held for sale

The heading "Non-current Assets Held for Sale" reflects the carrying amount of the assets – composing a "disposal group" or forming part of a business unit that the Bank intends to sell ("discontinued operations") – which will very probably be sold in their current condition within one year from the date of the financial statements. Therefore, the carrying amount of these assets – which can be financial or non-financial – will foreseeably be recovered through the price obtained on their sale.

Specifically, the assets received by the Bank from their debtors in full or part settlement of the debtors' payment obligations are treated as non-current assets held for sale (foreclosed assets), unless the Bank has decided to make continuing use of these assets.

Symmetrically, the heading "Liabilities Associated with Non-current Assets Held for Sale" reflects the balances payable arising on disposal groups and discontinued operations.

h) Tangible assets

Non-current tangible assets for own use:

Assets for own use refer to the non-current assets, which the Bank estimates will be held for continued use as well as the non-current assets acquired under finance leases. It also includes tangible assets received by Bank in full or part settlement of financial assets representing receivables from third parties, tangible assets acquired under finance leases and those assets expected to be held for continued use. Assets for own use are presented at acquisition cost less any accumulated depreciation and, where appropriate, any estimated impairment losses (net carrying amount higher than fair value).

For this purpose, the acquisition cost of foreclosed assets held for own use is equal to the carrying amount of the financial assets delivered in exchange for their foreclosure.

Depreciation is calculated, using the straight-line method, on the basis of the acquisition cost of the assets less their residual value; the land on which the buildings and other structures stand has an indefinite life and, therefore, is not depreciated.

The year tangible asset depreciation charge is recognised with a balancing entry in the income statement and is based on the application of the following depreciation rates (determined on the basis of the average years of estimated useful life of the various assets):

	Annual Percentage
Buildings for own use	1.33% a 4%
Furniture	8% a 10%
Fixtures	6% a 12%
Office supplies and computerisation	8% a 25%
Remodelling of rented offices	6%

At each accounting close, the Bank analyses whether there is any, internal or external, indication that the net carrying amounts of their tangible assets exceed the related recoverable amounts. If there is such an indication, the carrying amount of the asset in question is reduced to its recoverable amount and the future depreciation charges are adjusted in proportion to the asset's new remaining useful life and / or to its revised carrying amount.

Similarly, if there is any indication that the value of a tangible asset has been recovered, the Bank recognises the reversal of the impairment loss recorded in prior years and, consequently, adjust the future depreciation charges. In no circumstances may the reversal of an impairment loss on an asset raise its carrying amount above that which it would have if no impairment losses had been recognised in prior years.

Upkeep and maintenance expenses relating to tangible assets held for own use is charged to the income statement for the year in which they are incurred.

Investments properties and other assets leased out under an operating lease:

The heading "Tangible assets-Investment Properties" in the balance sheet reflects the net values of the land, buildings and other structures held either to earn rentals or for capital appreciation at disposal date, to obtain a surplus in the sale as consequence of the increment in the future market prices.

The criteria used to recognise the acquisition cost of assets leased out under operating leases, to calculate their depreciation and their respective estimated useful lives and to record the impairment losses thereon are the same as those described in relation to assets for own use.

i) Intangible assets

These assets can have an indefinite useful life – when, based on an analysis of all relevant factors, it is concluded that there is no foreseeable limit to the year over which the asset is expected to generate net cash flows for the Bank – or a finite useful life, in all other cases.

Intangible assets with indefinite useful lives are not amortised, but rather at the end of each reporting year the Bank reviews the remaining useful lives of the assets in order to ensure that they continue to be indefinite or, if this is not the case, proceed to recognise them as "definite useful life".

Intangible assets with finite lives are amortised over those useful lives using methods similar to those used to depreciate tangible assets.

The Bank has not recognised any intangible assets with indefinite useful lives.

In both cases the Bank recognises any impairment loss on the carrying amount of these assets with charge to the heading "Impairment Losses (Net) - Other Intangible Assets" in the income statement. The criteria used to recognise the impairment losses on these assets and, where applicable, the recovery of impairment losses recognised in prior years are similar to those used for tangible assets.

j) Tax assets and liabilities

Spanish corporation tax expense and the expense for similar taxes applicable are recognised in the income statement, except when they result from transactions the gains or losses on which are recognised directly in equity, in which case the related tax effect is also recognised in equity.

The current expense on mercantile companies tax (income tax for the period) is calculated by aggregating the current tax arising from the application of the related tax rate to the taxable profit (or tax loss) for the year (after deducting the tax credits allowable for tax purposes) and the change in deferred tax assets and liabilities recognised in the income statement.

Deferred tax assets and liabilities include temporary differences, measured at the amount expected to be payable or recoverable in future fiscal years for the differences between the carrying amounts of assets and liabilities and their tax bases, and tax loss and tax credit carry forwards. These amounts are measured applying to each temporary difference the tax rates that are expected to apply in the year when the asset is realised or the liability settled.

Deferred tax assets are recognised to the extent that it is considered probable that the consolidated entities will have sufficient taxable profits in the future against which the deferred tax assets can be utilised.

The deferred tax assets and liabilities recognised are reassessed by the Bank at each balance sheet date in order to ascertain whether they still exist, and the appropriate adjustments are made on the basis of the findings of the analyses performed.

The income or expenses that go directly through equity are accounted as temporary differences.

k) Leases

Leases are classified as finance leases when they transfer substantially the risks and rewards incidental to ownership of the asset forming the subject matter of the contract. Leases other than finance leases are classified as operating leases.

When the Bank acts as the lessor of an asset, the aggregate present values of the lease payments receivable from the lessee plus the guaranteed residual value (normally the exercise price of the lessee's purchase option on expiration of the lease agreement) are recorded as financing provided to third parties and, therefore, are included under the heading "Loans and Receivables" in the balance sheet.

l) Provisions, assets and contingent liabilities

Provisions are present obligations arising from legal or contractual requirements, valid expectations created by Bank in third parties regarding the assumption of certain types of responsibilities, or virtual certainty as to the future course of regulation in particular respects, especially proposed new legislation that the Bank cannot avoid.

Provisions are recognised in the balance sheet when each and every one of the following requirements is met: the Bank has a present obligation resulting from a past event and, at the balance sheet date, it is more likely than not that the obligation will have to be settled; it is probable that to settle the obligation the entity will have to give up resources embodying economic benefits; and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are possible obligations of the Bank that arise from past events and whose existence is conditional on the occurrence or non-occurrence of one or more future events beyond the control of the Bank. They include the present obligations of the Bank when it is not probable that an outflow of resources embodying economic benefits will be required to settle them or when, in extremely rare cases, their amount cannot be measured with sufficient reliability.

Contingent assets are possible assets that arise from past events and whose existence is conditional on, and will be confirmed only by the occurrence or non-occurrence of, events beyond the control of the Bank. Contingent assets are not recognised in the balance sheet or in the income statement; however, they are disclosed in the notes to financial statements, provided that it is probable that these assets will give rise to an increase in resources embodying economic benefits.

m) Transfers of financial assets and derecognition of financial assets and liabilities

The accounting treatment of transfers of financial assets depends on the extent to which the risks and rewards associated with the transferred assets are transferred to third parties. If substantially all the risks and rewards are transferred to third parties, the transferred financial asset is derecognised and, at the same time, any right or obligation retained or created as a result of the transfer is recognised.

If substantially all the risks and rewards associated with the transferred financial asset are retained, the transferred financial asset is not derecognised and continues to be measured using the same criteria as those used prior to the transfer.

Financial assets are only derecognised when the cash flows they generate have extinguished or when substantially all the risks and rewards incidental to them have been transferred. Similarly, financial liabilities are only derecognised when the obligations they generate have extinguished or when they are acquired (with the intention either settle them or re-sell them).

n) Own equity instruments

The balance of the heading “Shareholder’s Equity - Treasury Shares” in the balance sheet relates to Bank shares held by the Bank as of December 31, 2006, 2005 and 2004. These shares are carried at acquisition cost, and the gains or losses arising on their disposal are credited or debited, as appropriate, to the heading “Shareholder’s Equity—Other Equity Instruments” in the balance sheet (Note 24).

All the shares of the Bank held by itself at December 31, 2006 and 2005 represented 0.0693% and 0.0914%, respectively, of the issued share capital at those dates (the transactions involving treasury shares in the years from January 1, to December 31, 2006 and 2005 are summarised in Note 25).

o) Equity-Settled Share-Based Payment Transaction

Equity-settled share-based payment transactions, when the instruments granted do not vest until the counterparty completes a specified period of service, shall be accounted for those services as they are rendered by the counterparty during the vesting period, with a corresponding increase in equity. The entity shall measure the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. If the entity cannot estimate reliably the fair value of the goods or services received, the entity shall measure their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted, at grant date.

Market conditions shall be taken into account when estimating the fair value of the equity instruments granted, thus, their evolution will not be reflected on the profit and loss account. Vesting conditions, other than market conditions, shall not be taken into account when estimating the fair value of the shares at the measurement date. Instead, vesting conditions shall be taken into account by adjusting the number of equity instruments included in the measurement of the transaction amount so that, ultimately, the amount recognised for goods or services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest. As a consequence the effect of vesting conditions other than market conditions, will be recognized on the profit and loss account with the corresponding increase in equity.

p) Acquire of shares with discount

In the last quarter of 2005, certain Group companies implemented a corporate programme for its permanent employees to enable them to acquire, with a 10% discount, shares of Banco Bilbao Vizcaya Argentaria, S.A. The total number of shares acquired in 2005 as part of this programme amounted to 2.4 million at a market price of €14.68 per share. The possibility of financing the acquisition through a personal loan was offered to the employees. The unamortised balance of the financing granted to employees amounted to €22,819 thousand as of December 31, 2006. Additionally, in 2006 a new phase of this corporate programme has been developed, this time without the possibility of financing for the acquisition of the shares. The total number of shares acquired in this second phase amounted to 489 thousand.

The cost of this program is recorder under the heading “Personnel expenses” in the accompanying income statement

q) Termination benefits

Termination benefits must be recognised when the company is committed to severing its contractual relationship with its employees and, to this end, has a formal detailed redundancy plan. There were no redundancy plans, so it is not necessary to recognise a provision for this issue.

3. DISTRIBUTION OF PROFIT

In 2006 the Board of Directors of Banco Bilbao Vizcaya Argentaria, S.A. resolved to pay the shareholders three interim dividends out of 2006 profit, amounting to a total of €0.396 gross per share. The aggregate amount of the interim dividends declared as of December 31, 2006, net of the amount collected and to be collected by the consolidable Bank companies, was €1,364,045 thousand and is recorded under “Dividends and Remuneration” in the related balance sheet (Note 21). The last of the aforementioned interim dividends, which amounted to €0.132 gross per share and was paid to the shareholders on January 10, 2007, was recorded under the heading “Financial Liabilities at Amortised Cost – Other Financial Liabilities” in the balance sheet as of December 31, 2006 (Note 18).

The provisional accounting statements prepared in 2006 by Banco Bilbao Vizcaya Argentaria, S.A. in accordance with legal requirements evidencing the existence of sufficient liquidity for the distribution of the interim dividends were as follows:

Thousands of euros			
	31-05-2006 Dividend 1	31-08-2006 Dividend 2	30-11-2006 Dividend 3
Interim dividend - Profit at each of the dates indicated, after the provision for income tax	1,535,235	2,376,266	2,244,779
Less -			
Estimated provision for Legal Reserve	-	-	(15,789)
Interim dividends paid	-	(447,592)	(895,184)
Maximum amount distributable	1,535,235	2,376,266	2,244,779
Amount of proposed interim dividend	447,592	447,592	468,861

The Bank's Board of Directors will propose to the shareholders at the Annual General Meeting that a final dividend of €0.241 per share be paid out of 2006 income. Based on the number of shares representing the share capital as of December 31, 2006 (Note 22), the final dividend would amount to €856,025 thousand and profit would be distributed as follows:

Thousands of Euros	
Net profit for 2006	2,439,825
Distribution:	
Dividends	1,364,045
- Interim	856,025
- Final	15,789
To voluntary reserves	203,966

4. REMUNERATION OF THE BANK'S DIRECTORS AND SENIOR MANAGEMENT

Remuneration and other benefits paid to directors and to members of the Management Committee

– REMUNERATION OF NON-EXECUTIVE DIRECTORS

The remuneration paid to the non-executive members of the Board of Directors during 2006 is indicated below. The figures are given individually for each non-executive director and itemised in thousand euros:

Thousands of euros						
	Board	Standing Committee	Auditi	Appointments and Compensation	Risks	Total
Tomás Alfaro Drake	89	-	43	-	-	132
Juan Carlos Álvarez Mezquiriz	119	152	-	-	39	310
Richard C. Breeden	324	-	-	-	-	324
Ramón Bustamante y de la Mora	119	-	65	97	-	281
José Antonio Fernández Rivero (*)	119	-	-	194	-	313
Ignacio Ferrero Jordi	119	101	22	-	58	300
Román Knörr Borrás	119	152	-	-	-	271
Ricardo Lacasa Suárez	119	-	162	97	-	378
Carlos Loring Martínez de Irujo	119	-	65	-	78	262
Enrique Medina Fernández	119	152	-	97	-	368
Susana Rodríguez Vidarte	119	-	65	-	-	184
Telefónica de España, S.A. (Sr. Vila)	119	-	-	-	-	119
Total	1,603	557	422	485	175	3,242

(*) Mr José Antonio Fernández Rivero, apart from the amounts detailed above, also received a total of €652,000 during 2006 in early retirement payments as a former member of the BBVA management.

(**) Mr José María San Martín Espinós, who stood down as director at the AGM, 18th March 2006, received €77,000 in 2006 in payment of his membership of the Board of Directors.

– REMUNERATION OF EXECUTIVE DIRECTORS

The remuneration paid to the executive members of the Board of Directors during 2006 is indicated below. The figures are given individually for each executive director and itemised::

CARGO	Thousands of euros		
	Fixed remunerations	Variable Remunerations (*)	Total (*)
Chairman	1,740	2,744	4,484
Chief Executive Officer	1,287	2,304	3,591
General Secretary	581	703	1,284
Total	3,608	5,751	9,359

(*) Figures relating to variable remuneration for 2005 paid in 2005.

(**) In addition, the executive directors received remuneration in kina in 2006 totalling €37 thousand, of which €3 thousand relates to Chairman, €14 thousand relates to Chief Executive Officer and €15 thousand to General Secretary.

The executive directors also earned a variable remuneration during 2006, which will be satisfied to them during 2007. The amount earned by the Chairman was of €3,255 thousand, the Chief Executive Officer earned €2,730 thousand while the General Secretary earned €794 thousand. These amounts are recognised under the heading "Accrued Expenses and Deferred Income" in the consolidated balance sheet as of December 31, 2006.

– REMUNERATION OF THE MEMBERS OF THE MANAGEMENT COMMITTEE (*)

The remuneration paid in 2006 to the members of BBVA's Management Committee, excluding executive directors, comprised €5,763 thousand of fixed remuneration and €11,403 thousand of variable remuneration earned in 2005 and received in 2006.

In addition, the members of the Management Committee, excluding executive directors, received remuneration in kind totalling €526 thousand in 2006.

The members of the Management Committee earned variable remuneration totalling €12,689 thousand in 2006, and this amount, which is recognised under the heading "Accrued Expenses and Deferred Income" in the balance sheet as of December 31, 2006, will be paid in 2007.

(*) The membership of the Management Committee decreased from 18 to 16 in December 2006. This section includes information relating to all the members of the Management Committee as of December 31, 2006, excluding executive directors.

– LONG TERM INCENTIVE PLAN FOR THE PERIOD 2003-2005

The long-term incentive plan for 2003-2005 was settled in 2006. It applied to all the management team, including executive directors and members of the Management committee, and was pegged to the achievement of the long-term targets established at the beginning of the plan (2003) and to the BBVA Group's comparative performance in earnings per share, cost-income ratio and ROE against their benchmark peers at the end of the plan.

This plan was published in the 2005 Annual Report, estimating the settlement figures on the basis of data from 2003 and 2004 and the published information for 2005 available at the time of going to press.

Once the final data required to settle the plan were obtained (ie, once the benchmark peers published their earnings per share, cost-income ratio and ROE figures and BBVA's performance could be ranked against these) the plan was paid out in 2006. The executive directors received the following amounts for the three years (2003, 2004 and 2005): Chairman and CEO, €5,294,000; President and COO, €4,438,000 and Company Secretary, €1,351,000.

Meanwhile, the members of the Management committee, excluding the executive directors, received the total sum of €13,026 from the plan, for all three years covered under the plan.

– WELFARE BENEFIT OBLIGATIONS

The provisions recorded at 2006 year-end to cater for welfare benefit obligations to executive directors were as follows:

	Thousands of euros
Chairman	53,193
Chief Executive Officer	44,141
General Secretary	7,235
Total	104,569

Of this aggregate amount, €16,795,000 were charged to 2006 earnings. Most of these commitments were insured under policies with BBVA as beneficiary, underwritten by an insurance company belonging to the Group. These insurance policies were matched to financial assets in compliance with Spanish legal regulations. The internal return on the insurance policies associated to said commitments was €3,946,000, which partly offset the amount allocated to provisions during the year.

Also, insurance premiums amounting to €79 thousand were paid on behalf of the non-executive directors members of the Board of Directors.

The provisions charged to 31-Dec-06 for post-employment welfare commitments for the Management committee members, excluding executive directors, amounted to €39,161,000. Of these, €11,215,000 were charged against 2006 earnings.

The internal return on the insurance policies associated to said commitments was €1,021,000, which partly offset the amount allocated to provisions during the year.

– REMUNERATION SYSTEM FOR NON-EXECUTIVE DIRECTORS WITH DEFERRED DELIVERY OF SHARES

The annual general meeting, 18th March 2006, under agenda item eight, resolved to establish a remuneration scheme using deferred delivery of shares to the Bank's non-executive directors, to substitute the earlier scheme that had covered these directors.

The new plan assigns 'theoretical' shares each year to non-executive director beneficiaries equivalent to 20% of the total remuneration paid to each in the previous year, using the average of BBVA stock closing prices from the trading sessions prior to the annual general meetings approving the financial statements for the years covered by the scheme as of 2006. These shares, where applicable, are to be delivered when the beneficiaries cease to be directors on any grounds other than serious dereliction of duties.

The Annual General Meeting resolution granted the non-executive directors who were beneficiaries of the earlier scheme the possibility of choosing to convert the amounts to which they were entitled under the previous scheme for non-executive directors into "theoretical shares". These entitlements amounted to a total of €2,228,000 to 31st December 2006. All the beneficiaries opted for this conversion.

Consequently, the non-executive directors who were beneficiaries of the new system for deferred delivery of shares, approved by the AGM, received the following number of theoretical shares:

	Thousands of euros
Juan Carlos Álvarez Mezquíriz	16,208
Ramón Bustamante y de la Mora	16,941
José Antonio Fernández Rivero (*)	6,595
Ignacio Ferrero Jordi	16,879
Román Knörr Borrás	12,720
Ricardo Lacasa Suárez	16,004
Carlos Loring Martínez de Irujo	4,906
Enrique Medina Fernández	24,134
Susana Rodríguez Vidarte	8,559

– SEVERANCE PAYMENTS

The contracts of the Bank's executive directors (Chairman and CEO, President and COO, and Company Secretary) recognise their entitlement to be compensated should they leave their post for grounds other than their own decision, retirement, disablement or serious dereliction of duty. These entitlements amount to an aggregate compensation of €141,390,000.

In order to receive such compensation, directors must place their directorships at the disposal of the board, resign from any posts that they may hold as representatives of the Bank in other companies, and waive pre-existing employment agreements with the Bank, including any senior management positions and any right to obtain compensation other than that already indicated.

On standing down, they will be rendered unable to provide services to other financial institutions in competition with the Bank or its subsidiaries for two years, as established in the board regulations.

5. RISK EXPOSURE

Activities concerned with financial instruments may involve the assumption or transfer of one or more types of risk by financial entities. The risks associated with financial instruments are:

- a) Market risks: these arise as a consequence of holding financial instruments whose value may be affected by changes in market conditions; they include three types of risk:
 - i) Currency risk: arises as a result of changes in the exchange rate between currencies.
 - ii) Fair value interest rate risk: arises as a result of changes in market interest rates.
 - iii) Price risk: arises as a result of changes in market prices, due either to factors specific to the individual instrument or to factors that affect all instruments traded on the market.
- b) Credit risk: this is the risk that one of the parties to the financial instrument agreement will fail to honour its contractual obligations due to the insolvency or incapacity of the individuals or legal entities involved and will cause the other party to incur a financial loss.
- c) Liquidity risk: occasionally referred to as funding risk, this arises either because the entity may be unable to sell a financial asset quickly at an amount close to its fair value, or because the entity may encounter difficulty in finding funds to meet commitments associated with financial instruments.

The Bank has developed a global risk management system based on three components: a corporate risk management structure, with segregated functions and responsibilities; a set of tools, circuits and procedures that make up the different risk management systems; and an internal control system. Following is a summary of each of the three components:

Corporate risk management structure

The Board of Directors is the body that determines the Bank's risk policy. It approves, where appropriate, any non-delegated financial transactions or programmes involving credit risk, with no restrictions as to the amount. It also authorises the operating limits and the delegation of powers relating to credit risk, market risk and structural risk.

These tasks are performed by the Standing Committee, which reports to the Board.

The Board has a Lending Committee, a specialized body whose functions include, inter alia: assessment of the Bank's risk management in terms of risk profile and capital map, broken down by business and area of activity; evaluation of the general risk policies and establishment of limits by type of risk or business, and of management resources, procedures and systems, structures and processes; approval of individual or group risks that may affect the Bank's solvency, in keeping with the established delegation system; analysis and approval, where appropriate, of credit risks in terms of maximum customer or group exposure; monitoring of the Bank's various risks, ensuring they comply with the profile defined by the Bank; ensuring compliance with the recommendations of regulatory and supervisory bodies, and implementation of these recommendations in the Bank's risk management model; and analysis of the Bank's risk control systems.

The Asset-Liability Committee (ALCO) is the body responsible for actively managing the Bank's structural liquidity, interest rate and currency risks, and its core capital.

The Internal Risk Committee, which is composed of the persons responsible for Bank risk management at corporate level, develops and implements the risk management model at BBVA and ensures that the risks assumed by the Bank are in line with the target risk profile defined by the governing bodies.

The Technical Transactions Committee analyses and approves, where appropriate, the financial transactions and programmes that are within its level of authorisation, and refers any transactions exceeding the scope of its delegated powers to the Lending Committee.

Tools, circuits and procedures

The Bank has implemented an integral risk management system designed to cater for the needs arising in relation to the various types of risk; this prompted it to equip the management processes for each risk with measurement tools for risk acceptance, assessment and monitoring and to define the appropriate circuits and procedures, which are reflected in manuals that also include management criteria. Specifically, the main risk management activities performed are as follows: calculation of the risk exposures of the various portfolios, considering any related mitigating factors (netting, collateral, etc.); calculation of the probability of default (PD), loss severity and expected loss of each portfolio, and assignment of the PD to the new transactions (ratings and scorings); measurement of the values-at-risk of the portfolios based on various scenarios using historical and Monte Carlo simulations; establishment of limits to the potential losses based on the various risks incurred; determination of the possible

impacts of the structural risks on the income statement; setting of limits and alerts to safeguard the Bank's liquidity; identification and quantification of operational risks by business line to enable the mitigation of these risks through corrective measures; and definition of efficient circuits and procedures which contribute to the achievement of the targets set.

Internal control – risk maps

The Bank has an independent function which, in keeping with the recommendations of the regulators, draws up Risk Maps identifying any gaps in the Bank's risk management and the best practices, and establishes working plans with the various business areas to remedy these gaps.

a) MARKET RISK MANAGEMENT

a.1) Risk management in market areas

The BBVA Bank manages together credit and market risks in the market and treasury areas through their Central Risk Unit.

With regard to market risk (including interest rate risk, currency risk and equity price risk), BBVA's limit structure determines an overall VaR limit for each business unit and specific sublimits by type of risk, activity and desk. The Bank also has in place limits on losses and other control mechanisms such as delta sensitivity calculations, which are supplemented by a range of indicators and alerts which automatically activate procedures aimed at addressing any situations that might have a negative effect on the activities of the business area.

In 2006, BBVA's market risk (Investment Banking and Corporate positions in Market) is maintained in moderate level, closing the year with a weighted average consume of the limits of 30%.

The market risk profile as of December 31, 2006 and 2005 was as follows:

	Thousands of euros	
	2006	2005
Interest risk	3,280	6,938
Spread risk	5,531	3,343
Currency risk	1,014	1,540
Stock-market risk	5,358	1,685
Vega risk	4,928	4,443
Correlation risk	2,968	1,817

a.2) Structural interest rate risk

The aim of on-balance-sheet interest rate risk management is to maintain the Bank's exposure to market interest rate fluctuations at levels in keeping with its risk strategy and profile. To this end, the ALCO actively manages the balance sheet through transactions intended to optimize the level of risk assumed in relation to the expected results, thus enabling the Bank to comply with the tolerable risk limits.

The ALCO bases its activities on the interest rate risk measurements performed by the Risk Area. Acting as an independent unit, the Risk Area periodically quantifies the impact of interest rate fluctuations on the Bank's net interest income and economic value.

In addition to measuring sensitivity to 100-basis-point changes in market interest rates, the Bank performs probabilistic calculations to determine the economic capital for structural interest rate risk in the BBVA banking activity (excluding the Treasury Area) based on interest rate curve simulation models.

All these risk measurements are subsequently analysed and monitored, and the levels of risk assumed and the degree of compliance with the limits authorised by the Standing Committee are reported to the various managing bodies of the Bank.

The average sensitivity of net interest income to increments in interest rate risk of 100 basis points is negative €129 million (negative 141 in the Euro, positive 15 in the Dollar, negative -1 in the rest foreign currencies) .

The impact in of 100-basis-point increase in interest rates on the Banks economic value €454 million (positive 450 in the Euro, positive 3 in the Dollar and negative 5 in the rest foreign currencies). The economic capital at 99% by structural interest risk amounted €362 million.

As part of the measurement process, the Bank established the assumptions regarding the evolution and behaviour of certain items, such as those relating to products with no explicit or contractual maturity. These assumptions are based on studies that estimate the relationship between the interest rates on these products and market rates and

enable specific balances to be classified into trend-based balances maturing at long term and seasonal or volatile balances with short-term residual maturity.

a.3) Structural currency risk

Structural currency risk derives mainly from exposure to exchange rate fluctuations arising in relation to the Bank's foreign investments in Latin America and from the endowment funds of the branches abroad financed in currencies other than the investment currency.

The ALCO is responsible for arranging hedging transactions to limit the net worth impact of fluctuations in exchange rates, based on their projected trend, and to guarantee the equivalent euro value of the foreign currency earnings expected to be obtained from these investments.

Structural currency risk management is based on the measurements performed by the Risk Area. These measurements use an exchange rate scenario simulation model which quantifies possible changes in value with a confidence interval of 99% and a pre-established time horizon. The Standing Committee limits the economic capital or unexpected loss arising from the currency risk of the foreign-currency investments.

a.4) Structural equity price risk

The Bank's exposure to structural equity price risk derives mainly from investments in industrial and financial companies with medium- to long-term investment horizons. It is reduced by the net short positions held in derivative instruments on the same underlyings in order to limit the sensitivity of the portfolio to possible falls in prices. This figure is determined by considering the exposure on shares measured at market price or, in the absence thereof, at fair value, including the net positions in equity swaps and options on the same underlyings in delta equivalent terms. Treasury Area portfolio positions are not included in the calculation.

The Risk Area measures and effectively monitors the structural equity price risk. To this end, it estimates the sensitivity figures and the capital required to cover the possible unexpected losses arising from fluctuations in the value of the companies in the investment portfolio, with a confidence interval equal to the entity's target rating, taking into account the liquidity of the positions and the statistical behaviour of the assets under consideration. These measurements are supplemented by periodic stress- and back-testing and scenario analyses.

b) CREDIT RISK MANAGEMENT

Evolution of credit risk exposure and quality

The maximum exposure to the credit risk of BBVA reaches €390,529 million at 31 December 2006, 12.8% more than the previous end of the year. By business segments, retail banking explains the 38.8% of the exposure, and wholesale banking the 61.2%.

Customer lending exposure (69% of total risk exposure, including off-balance-sheet) and the amounts drawable by third parties (17%) increased by 24.9% and 18.4%, respectively, while there was a decrease of 25.5% in the potential credit risk exposure in market activities (which accounts for 14% of the total).

By business segments, the breakdown of the credit risk with clients of the Bank as of December 2006 and 2005 is as follows:

	Thousands of euros	
	2006	2005
Retail Banking Spain and Portugal	114,512,922	96,748,290
- Commercial	98,055,407	84,423,416
- Mortgages	14,978,512	11,295,777
- Asset Management and Private Banking	1,438,623	1,028,779
- Research and development projects	40,380	318
Wholesale	118,866,583	93,353,653
- Institutions	11,340,479	11,071,234
- Companies	35,189,704	31,618,630
- Iberian corporative	18,451,769	14,636,786
- Corporate business	257,958	-
- Global business	53,626,673	36,027,003
Subtotal business segments	233,379,505	190,101,943
Corporate Activities	34,572,037	24,486,883
Total credit risk exposure	267,951,542	214,588,826

In 2006, impaired assets amounted €979 million, with an increase of 10.3%, lower than credit risk growth. The volume of impaired assets (€172 million) was lower than in 2005 (€210 million). Loans becoming non-performing (as a percentage of credit risk) stood at 0.36% at 2006 year-end (same rate in 2005). Also, the recovery rate stayed in 35.6% of the critical mass (doubtful balances plus loans becoming doubtful in 2006), as compared with 37.9% in 2005.

The breakdown of impaired assets by business area as of December 31, 2006 and 2005 is as follow:

	Thousands of euros	
	2006	2005
Retail Banking Spain and Portugal	688,718	572,974
- Commercial	672,313	563,079
- Mortgages	14,611	9,829
- Asset Management and Private Banking	124	63
- Research and development projects	1,670	3
Wholesale	237,170	262,696
- Institutions	11,159	9,890
- Companies	196,506	180,584
- Iberian corporative	4,020	7,325
- Corporate business	468	-
- Global business	25,017	64,897
Subtotal business segments	925,888	835,670
Corporate Activities	52,929	51,737
Total credit risk exposure	978,817	887,407

Retail Banking increased its doubtful loans in 2006 until 20.2% due to the strong increase of the credit activities in all its segments and products, with a outstanding impulse of retail customer activity, which is the most profitable activity. Wholesale Banking's performance in 2006 was marked by the absence of loans becoming nonperforming and by high recovery levels, with a decreased of 9.7% due to a strong decrease in Global business.

The result of the dynamic business activity and the efforts to reduce the doubtful balances mentioned above was a further reduction of 4 basis points in BBVA's non-performing loans ratio to 0.37% at 31 December 2006.

This good performance was witnessed across-the-board in all the business segments, most notably in Global Business, with a reduction of 13 basis point to 0.55%, and Companies, with a reduction of 1 basis point to 0.56%. Commercial Banking met a similar level to 2005 (increase 2 basis points to 0.69%), in spite of changes in the structure of the investments.

Credit risk impairment losses for the customer loan portfolio increased by €575 million in 2006. Substantially all of this increase related to impairment losses calculated collectively. In addition, the coverage ratios showed an across-the board increase 2006 in all the business segments, as can be seen in the following table:

	Thousands of euros	
	Credit Risk Provision	
	2006	2005
Retail Banking Spain and Portugal	1,968,518	1,684,288
- Commercial	1,682,038	1,475,565
- Mortgages	254,954	193,421
- Asset Management and Private Banking	30,381	15,302
- Research and development projects	1,145	-
Wholesale	1,936,973	1,663,313
- Institutions	43,755	42,332
- Companies	832,504	808,768
- Iberian corporative	353,487	223,642
- Corporate business	4,735	-
- Global business	702,492	588,571
Subtotal business segments	3,905,491	3,347,601
Corporate Activities	8,124	(8,603)
Total credit risk exposure	3,913,615	3,338,998

C) LIQUIDITY RISK

The aim of liquidity risk management and control is to ensure that the Bank's payment commitments can be met without having to resort to borrowing funds under onerous conditions.

The Bank's liquidity risk is monitored using a dual approach: the short-term approach (90-day time horizon), which focuses basically on the management of payments and collections of Treasury and Markets, ascertains the Bank's possible liquidity requirements; and the structural, medium- and long-term approach, which focuses on the financial management of the balance sheet as a whole.

The Risk Area performs a control function and is totally independent of the management areas of each of the approaches and of the Bank's various units.

For each entity, the management areas request an outline of the quantitative and qualitative limits and alerts for short-, medium- and long-term liquidity risk, which is authorized by the Standing Committee. Also, the Risk Area performs periodic (daily and monthly) risk exposure measurements, develops the related valuation tools and models, conducts periodic stress tests, measures the degree of concentration on interbank counterparties, prepares the policies and procedures manual, and monitors the authorised limits and alerts.

The liquidity risk data are sent periodically to the Bank's ALCO and to the management areas involved. As established in the Contingency Plan, the Technical Liquidity Group (GTL), in the event of an alert of a possible crisis, conducts an initial analysis of the Bank's short- and long-term liquidity situation. The GTL comprises personnel from the Short-Term Cash Desk, Financial Management and Risk Central Unity on Markets Areas-Structural Risk.

If the alert is serious, the GTL reports the matter to the Liquidity Committee, which is composed of the managers of the related areas. The Liquidity Committee is responsible, in situations requiring urgent attention, for calling a meeting of the Crisis Committee chaired by the CEO.

The maturity in euros and dollars as of December 31, 2006, is as follow:

Maturity in euros. Sensitive assets.

Thousands of euros							
2006	Balance	On Demand	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years
Money market	43,110,062	4,455,193	15,164,390	6,501,295	10,746,904	4,441,112	1,801,168
Securities Portfolio	22,601,155	-	517,043	438,847	3,729,427	8,051,499	9,864,339
Loans and Receivables	153,382,401	-	11,294,633	9,113,722	20,446,216	38,292,104	74,235,726
Total	219,093,618	4,455,193	26,976,066	16,053,864	34,922,547	50,784,715	85,901,233

Maturity in euros. Sensitive liabilities.

Thousands of euros							
2006	Balance	On Demand	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years
Money market	36,378,565	-	27,638,198	3,838,859	2,914,203	569,261	1,418,044
Customer Funds	85,650,895	54,537,684	15,018,490	3,764,232	5,867,555	6,195,731	267,203
Wholesale Financing	58,597,766	-	224,264	593,995	4,716,182	21,797,456	31,265,869
Other Sensitive Liabilities	3,329,510	-	281,824	23,006	266,890	1,528,087	1,229,703
Total	183,956,736	54,537,684	43,162,776	8,220,092	13,764,830	30,090,535	34,180,819
GAPS	35,136,882	(50,082,491)	(16,186,710)	7,833,772	21,157,717	20,694,180	51,720,414

Maturity in dollars. Sensitive assets.

Thousands of euros							
2006	Balance	On Demand	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years
Money market	1,663,791	-	440,885	361,498	402,464	367,705	91,239
Securities Portfolio	4,608,165	-	-	49,222	1,088,788	2,444,884	1,025,271
Loans and Receivables	9,355,763	-	986,594	1,079,082	1,413,022	4,275,420	1,601,645
Total	15,627,719	-	1,427,479	1,489,802	2,904,274	7,088,009	2,718,155

Maturity in dollars. Sensitive liabilities.

Thousands of euros							
2006	Balance	On Demand	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years
Money market	16,477,247	-	10,920,552	2,880,150	2,409,046	219,067	48,432
Customer Funds	13,550,559	822,223	6,916,780	3,837,335	1,504,780	458,057	11,384
Wholesale Financing	246,287	-	22,779	-	11,736	46,092	165,680
Total	30,274,093	822,223	17,860,111	6,717,485	3,925,562	723,216	225,496
GAPS	(14,646,374)	(822,223)	(16,432,632)	(5,227,683)	(1,021,288)	6,364,793	2,492,659

6. CASH AND BALANCES WITH CENTRAL BANKS

The breakdown of the balance of this heading in the balance sheets as of December 31, 2006 and 2005 is as follows:

	Thousands of euros	
	2006	2005
Cash	727,828	610,197
Balances at the Bank of Spain	2,353,657	1,936,597
Balances at other central banks	182,446	160,688
Valuation adjustments (*)	224	152
Total	3,264,155	2,707,634

(*) Valuation adjustments include accrued interests

7. FINANCIAL ASSETS AND LIABILITIES HELD FOR TRADING

7.1. BREAKDOWN OF THE BALANCE

The breakdown of the balances of these headings in the balance sheets as of December 31, 2006 and 2005 is as follows:

	Thousands of euros			
	2006		2005	
	Receivable	Payable	Receivable	Payable
Debt securities	14,191,843	-	13,023,683	-
Other equity instruments	9,883,555	-	5,914,947	-
Trading derivatives	11,824,097	13,098,200	12,285,235	12,700,563
Short positions	-	559,891	-	1,879,400
Total	35,899,495	13,658,091	31,223,865	14,579,963

7.2. DEBT SECURITIES

The breakdown of the balance of this heading in the balance sheets as of December 31, 2006 and 2005 is as follows:

	Thousands of euros	
	2006	2005
Spanish government bonds	3,344,543	2,496,134
Foreign government bonds	2,031,513	2,807,629
Issued by Spanish financial institutions	1,588,667	972,794
Issued by foreign financial institutions	4,228,382	4,169,172
Other debt securities	2,998,738	2,577,954
Total	14,191,843	13,023,683

The debt securities included under Financial Assets Held for Trading earned average annual interest of 3.830% in 2006 (3.842% in 2005).

The detail, by geographical area, of the balance of Debt Securities is as follows:

	Thousands of euros	
	2006	2005
Europe	10,567,566	9,403,266
United States	2,875,516	3,187,479
Latin America	12,920	25,721
Rest of the world	735,841	407,217
Total	14,191,843	13,023,683

7.3. OTHER EQUITY INSTRUMENTS

The breakdown of the balance of this heading in the balance sheets as of December 31, 2006 and 2005 is as follows:

	Thousands of euros	
	2006	2005
Shares of Spanish companies	5,299,920	3,325,912
Credit institutions	671,593	502,969
Other	4,628,327	2,822,943
Shares of foreign companies	1,838,260	987,996
Credit institutions	519,183	153,702
Other	1,319,077	834,294
Share in the net assets of mutual funds	2,745,375	1,601,039
Total	9,883,555	5,914,947

7.4. TRADING DERIVATIVES

The detail, by transaction type and market, of the balances of this heading in the balance sheet as of December 31, 2006 and 2005 is as follows:

2006	Thousands of euros					Total
	Currency Risk	Interest Rate Risk	Equity Price Risk	Credit Risk	Commodities risk	
Organised markets	(760,641)	70	275,296	-	1,587	(483,688)
Financial futures	(760,463)	-	-	-	-	(760,463)
Options	(178)	70	275,296	-	1,587	276,775
OTC markets	28,786	833,947	(1,654,127)	(3,863)	4,842	(790,415)
Credit institutions	249	(53,650)	(637,307)	(8,669)	635	(698,742)
Foward transactions	5,801	-	(7,274)	-	-	(1,473)
Future rate agreements (FRAs)	-	1,512	-	-	-	1,512
Swaps	-	87,985	(23,929)	-	635	64,691
Options	(5,552)	(143,147)	(606,104)	(8,669)	-	(763,472)
Other products	-	-	-	-	-	-
Other financial Institutions	(1,749)	952,973	(569,798)	3,157	-	384,583
Foward transactions	-	-	446	-	-	446
Future rate agreements (FRAs)	-	(9)	-	-	-	(9)
Swaps	-	1,045,435	7,068	-	-	1,052,503
Options	(1,749)	(92,453)	(577,312)	3,157	-	(668,357)
Other products	-	-	-	-	-	-
Other sectors	30,286	(65,376)	(447,022)	1,649	4,207	(476,256)
Foward transactions	-	-	-	-	-	-
Future rate agreements (FRAs)	-	(52)	-	-	-	(52)
Swaps	-	(347,261)	(395,712)	-	4,207	(738,766)
Options	30,286	281,937	(51,310)	1,649	-	262,562
Other products	-	-	-	-	-	-
Total	(731,855)	834,017	(1,378,831)	(3,863)	6,429	(1,274,103)
Classification by maturity of trading derivatives						
Up to 1 month	(255,357)	(16,539)	(19,486)	44	-	(291,338)
1 to 3 months	(60,812)	(39,124)	(47,643)	42	4,652	(142,885)
3 months to 1 year	(34,203)	(100,005)	130,503	(71)	1,393	(2,383)
1 to 2 years	(157,378)	(59,019)	(278,527)	(3)	2,561	(492,366)
2 to 3 years	(119,173)	(201,897)	(183,185)	(50)	(2,177)	(506,482)
3 to 4 years	8,263	51,788	(477,151)	(5,651)	-	(422,751)
4 to 5 years	(11,285)	(99,618)	(348,303)	(2,848)	-	(462,054)
Over 5 years	(101,910)	1,298,431	(155,039)	4,674	-	1,046,156
Total	(731,855)	834,017	(1,378,831)	(3,863)	6,429	(1,274,103)
of which: Asset Trading Derivatives	410,602	8,746,302	2,551,489	81,054	34,650	11,824,097
of which: Liability Trading Derivatives	(1,142,457)	(7,912,285)	(3,930,320)	(84,917)	(28,221)	(13,098,200)

Thousands of euros					
2005	Currency	Interest Rate	Equity Price	Credit Risk	Total
Organised markets	(299)	(279)	253,018	-	252,440
Options	(299)	(279)	253,018	-	252,440
OTC markets	(229,549)	676,541	(1,111,352)	(3,408)	(667,768)
Credit institutions	17,249	34,557	(161,985)	(1,345)	(111,524)
Foward transactions	182,597	128,384	(7,614)	-	303,367
Future rate agreements (FRAs)	-	1,599	-	-	1,599
Swaps	(72,482)	(158,236)	29,639	(1,345)	(202,424)
Options	(92,866)	62,810	(184,010)	-	(214,066)
Other financial Institutions	(56,867)	(281,053)	(45,675)	(592)	(384,187)
Foward transactions	(28,103)	-	-	-	(28,103)
Future rate agreements (FRAs)	-	(68)	-	-	(68)
Swaps	2,763	(108,432)	(4,830)	(592)	(111,091)
Options	(31,527)	(172,553)	(40,845)	-	(244,925)
Other sectors	(189,931)	923,037	(903,692)	(1,471)	(172,057)
Foward transactions	(112,891)	-	214	-	(112,677)
Future rate agreements (FRAs)	-	1,736	-	-	1,736
Swaps	(64,606)	748,718	(346,225)	(1,471)	336,416
Options	(12,434)	172,583	(557,681)	-	(397,532)
Total	(229,848)	676,262	(858,334)	(3,408)	(415,328)
Classification by maturity of trading derivatives					
Up to 1 month	(79,191)	41,342	(18,902)	9	(56,742)
1 to 3 months	48,798	8,612	(35,693)	22	21,739
3 months to 1 year	(16,771)	(103,171)	(3,299)	45	(123,196)
1 to 2 years	(2,541)	(108,020)	(118,029)	2,647	(225,943)
2 to 3 years	(68,093)	59,599	(216,949)	(2,365)	(227,808)
3 to 4 years	(17,071)	(226,736)	(61,782)	(118)	(305,707)
4 to 5 years	(1,684)	55,435	(286,095)	(4,538)	(236,882)
Over 5 years	(93,295)	949,201	(117,585)	890	739,211
Total	(229,848)	676,262	(858,334)	(3,408)	(415,328)
of which: Asset Trading Derivatives	1,026,495	9,313,529	1,907,129	38,082	12,285,235
of which: Liability Trading Derivatives	(1,256,343)	(8,637,267)	(2,765,463)	(41,490)	(12,700,563)

8. AVAILABLE-FOR-SALE FINANCIAL ASSETS

8.1. BREAKDOWN OF THE BALANCE

The detail, by transaction type, of the balances of this heading in the balance sheet as of December 31, 2006 and 2005 is as follows:

Thousands of euros		
	2006	2005
Debt securities	8,546,689	24,856,135
Other equity instruments	8,988,813	8,039,236
Total	17,535,502	32,895,371

The detail of the Debt Securities as of December 31, 2006 and 2005, based on the nature of the related transactions, is as follows:

Thousands of euros		
	2006	2005
Issued by central banks	26,941	36,355
Spanish government bonds	2,301,415	9,263,023
Foreign government bonds	2,582,540	11,696,109
<i>of which: doubtfully receivable from foreign general government</i>	1,837	1,837
Issued by credit institutions	1,760,293	2,261,588
Resident	280,706	162,296
Non resident	1,479,587	2,099,292
Other deb securities	1,895,040	1,625,343
Resident	739,124	697,936
Non resident	1,155,916	927,407
Impairments losses	(19,540)	(26,283)
Total net	8,546,689	24,856,135

As of December 31, 2006 the losses net from tax recognised in equity from the heading “Debt securities” under Available-for-sale financial assets amounted to €6,015 thousand, (€163,600 thousand gains, as of December 31, 2005).

The breakdown of “Other Equity instrument” by nature of the operations in the balance sheet as of December 31, 2006 and 2005 is as follows:

	Thousands of euros	
	2006	2005
Shares of Spanish companies	6,205,681	5,821,075
Credit institutions	707	2,501
Unquoted	707	2,501
Other	6,204,974	5,818,574
Quoted	6,171,320	5,759,619
Unquoted	33,654	58,955
Shares of foreign companies	1,251,012	1,268,819
Credit institutions	940,605	898,516
Quoted	940,598	897,938
Unquoted	7	578
Other	310,407	370,303
Quoted	306,870	365,701
Unquoted	3,537	4,602
Shares in the net assets of mutual funds	1,532,120	949,342
Total	8,988,813	8,039,236

As of December 31, 2006 and 2005 the amount of gains net from tax recognised in equity from the heading “Other equity instruments” under Available-for-sale financial assets amounted to €2,372,665 thousand and €1,749,803 thousand, respectively.

In 2006 and 2005, €986,075 thousand and €84,083 thousands, respectively, were debited to Valuation Adjustments and recorded under Gains/Losses on Financial Assets and Liabilities in the income statements for 2006 and 2005.

The detail, by geographical area, of the debt securities and other equity instruments included under this heading, disregarding impairment losses, is as follows:

	Thousands of euros	
	2006	2005
Europe	14,918,117	31,023,274
United States	825,424	666,981
Latin America	777,320	883,671
Rest of the world	1,034,181	347,728
Total	17,555,042	32,921,654

8.2. IMPAIRMENT LOSSES

Following is a summary of the changes in 2006 and 2005 in the impairment losses on “Debt Securities Available-for-sale financial” assets:

	Thousands of euros	
	2006	2005
Balance at beginning of year	26,283	59,293
Increase in impairment losses charged to income	-	879
Decrease in impairment losses credited to income	(6,810)	(18,036)
Elimination of impaired balance due to transfer of asset to write-off	-	(15,834)
Others	67	(19)
Balance at end of year	19,540	26,283
Of which:		
- Determined individually	2,101	2,716
- Determined collectively	17,439	23,567

As of December 31, 2006 and 2005, the balances of the individually determined impairment losses related in full to debt securities from countries belonging to the Latin America geographical area.

Additionally, the heading "Impairment losses of assets (net) – Available-for-sale assets" of income statement include the changes of impairment in "Other equity instruments", amounted €2,052 thousand and €2,265 thousand as of December 31, 2006 and 2005, respectively.

9. LOANS AND RECEIVABLES

9. 1. BREAKDOWN OF THE BALANCE

The detail of the balance of this heading in the balance sheets as of December 31, 2006 and 2005, based on the nature of the related financial instrument, is as follows:

	Thousands of euros	
	2006	2005
Loans and advances to credit institutions	24,571,042	29,249,439
Money market operations through counterparties	100,051	-
Loans and advances to other debtors	187,304,671	155,452,303
Debt securities	9,082	12,762
Other financial assets	4,509,343	1,476,526
Total gross	216,494,189	186,191,030
Less: Impairment losses	(3,466,354)	(2,940,102)
Total net	213,027,835	183,250,928

9. 2. LOANS AND ADVANCES TO CREDIT INSTITUTIONS

The detail of the balance of this heading in the balance sheets as of December 31, 2006 and 2005, based on the nature of the related financial instrument, is as follows:

	Thousands of euros	
	2006	2005
Reciprocal accounts	94,609	320,079
Deposits with agreed maturity	17,795,508	17,443,549
Demand deposits	1,461,882	872,168
Other accounts	5,082,050	10,481,365
Reverse repurchase agreements	6,838	9,982
Total gross	24,440,887	29,127,143
Less: Valuation adjustments (*)	130,155	122,296
Total net	24,571,042	29,249,439

(*) Includes accrued interests.

9. 3. LOANS AND ADVANCES TO OTHER DEBTORS

The detail, by loan type and status, of the balance of this heading in the balance sheets as of December 31, 2006 and 2005, disregarding the balance of the impairment losses, is as follows:

	Thousands of euros	
	2006	2005
Financial paper	10,319,186	9,837,179
Secured loans	92,670,436	80,970,938
Credit accounts	13,639,723	11,485,550
Other loans	57,587,678	42,665,273
Reverse repurchase agreements	1,443,481	1,023,134
Receivable on demand and other	4,226,272	2,947,904
Finance leases	6,233,387	5,583,053
Impaired assets	939,565	859,114
Total gross	187,059,728	155,372,145
Valuation adjustments (*)	244,943	80,158
Total	187,304,671	155,452,303

(*) Includes accrued interests of impaired assets, and Valuation adjustment of heading derivatives associates with loans and advances to other debtors.

The Bank provides financing to its customers to enable them to acquire both personal and real property through finance lease contracts, which are recorded under this heading.

The breakdown, by borrower sector, of the balance of this heading as of December 31, 2006 and 2005, disregarding the balance of impairment losses, is as follows:

Thousands of euros			
2006	Residents	Non residents	Total
Public Sector	7,103,419	711,503	7,814,922
Agriculture	1,775,650	117,734	1,893,384
Industry	14,664,998	1,043,896	15,708,894
Real estate and construction	31,249,752	686,457	31,936,209
Trade and finance	14,241,113	15,879,235	30,120,348
Loans to individuals	76,723,449	1,429,751	78,153,200
Leases	6,193,011	-	6,193,011
Other	14,077,821	1,161,939	15,239,760
Total	166,029,213	21,030,515	187,059,728

Thousands of euros			
2006	Residents	Non residents	Total
Public Sector	6,860,040	773,686	7,633,726
Agriculture	1,543,656	119,386	1,663,042
Industry	13,249,742	1,128,615	14,378,357
Real estate and construction	23,241,279	406,001	23,647,280
Trade and finance	10,976,975	11,633,046	22,610,021
Loans to individuals	66,341,034	1,204,293	67,545,327
Leases	5,505,890	-	5,505,890
Other	11,672,227	716,275	12,388,502
Total	139,390,843	15,981,302	155,372,145

The detail, by geographical area, of the balance of Loans and Advances to Other Debtors as of December 31, 2006 and 2005, disregarding the balance of impairment losses, is as follows:

Thousands of euros		
	2006	2005
Europe	178,746,119	148,542,567
United States	1,748,037	1,045,981
Latin America	4,243,058	4,281,059
Rest of the world	2,322,514	1,502,538
Total	187,059,728	155,372,145

Of the total balance of Loans and Advances to Other Debtors, €9,017,343 thousand and €5,374,589 thousand relate to loans securitised through nine and six securitisation funds created by the Bank as of December 31, 2006 and 2005, respectively; since the Bank retains the risks and rewards of these loans, they cannot be derecognised. The detail of these loans, based on the nature of the related financial instrument, is as follows:

Thousands of euros		
	2006	2005
Securitised mortgage assets	2,320,363	2,172,406
Other securitised assets	6,696,980	3,202,183
Total	9,017,343	5,374,589

Conversely, as of December 31, 2006 and 2005 €617,305 and €900,317 thousand relate to securitised loans that were derecognised because they met the related requirements.

9.4. IMPAIRED ASSETS AND IMPAIRMENT LOSSES

The changes in 2006 and 2005 in the line of the balance "Loans and receivables - Impaired Assets" were as follows:

Thousands of euros		
	2006	2005
Balance at beginning of year	859,114	1,006,076
Additions	876,959	694,210
Recoveries	(617,233)	(643,154)
Transfers to write-off	(171,667)	(211,978)
Exchange differences and other	(7,608)	13,960
Balance at end of year	939,565	859,114

The changes during 2006 in the impaired financial assets derecognized in balance for considering remote its possibility of recovery was as follows:

Thousands of euros	
	TOTAL
Balance at beginning of year	4,587,557
Increase:	252,817
Assets of remote collectability	171,491
Products overdue not collected	81,326
Decrease:	(229,864)
Cash recovery	(104,561)
Foreclosed assets	(4,045)
Other causes	(121,258)
Net exchange differences	(3,818)
Balance at the end of the year	4,606,692

The changes in the balance of the provisions covering the impairment losses on the assets included under “Loans and Receivables”, in 2006 and 2005, were as follows:

Thousands of euros		
	2006	2005
Balance at beginning of year	2,940,102	2,624,574
Increase in impairment losses charged to income	878,163	635,972
Decrease in impairment losses credited to income	(172,763)	(128,521)
Elimination of impaired balance due to transfer of asset to write-off	(171,491)	(210,938)
Transfers	(6,257)	(4,084)
Exchange differences and other	(1,400)	23,099
Balance at end of year	3,466,354	2,940,102
<i>Of which:</i>		
- <i>Determined individually</i>	649,230	636,171
- <i>Determined collectively</i>	2,817,124	2,303,931
<i>Of which:</i>		
Based on the nature of the asset covered:	3,466,354	2,940,102
Loans and advances to credit institutions	6,278	15,069
Loans and advances to other debtors	3,451,775	2,914,225
Debt securities	8,301	10,808
<i>Of which:</i>		
By geographical area:	3,466,354	2,940,102
Europe	3,212,453	2,704,779
United States	9,643	19,189
Latin America	90,770	172,074
Rest of the world	153,488	44,060

Recoveries of assets written off in 2006 and 2005 amounted to €80,407 thousand and €86,126 thousand, respectively, and are deducted from the balance of the heading “Impairment Losses (Net) – Loans and Receivables” in the accompanying income statements.

At December 31, 2006 and 2005, financial income amounting to €415,263 thousand and €362,650 thousand had accrued, respectively, but was not recorded in the income statement because there were doubts regarding its collectability.

10. HELD-TO-MATURITY INVESTMENTS

At December 31, 2006 and 2005, the detail of the balance of this heading in the balance sheets was as follows:

	Thousands of euros	
	2006	2005
Quoted Spanish government bonds	1,416,607	363,022
Quoted foreign government bonds	3,023,261	2,272,186
Issued by Spanish credit institutions	344,185	264,150
Issued by foreign credit institutions	478,508	481,940
Issued by other resident sectors	647,767	583,080
Total gross	5,910,328	3,964,378
Impairment losses	(4,692)	(5,114)
Total	5,905,636	3,959,264

The balance of this heading as of December 31, 2006 and 2005 relates in full to securities of European countries.

The gross changes in 2006 and 2005 in the balance of this heading in the balance sheets, disregarding the balance of the impairment losses, are summarised as follows:

	Thousands of euros	
	2006	2005
Balance at beginning of year	3,964,378	2,225,606
Acquisitions	2,210,483	1,884,772
Redemptions	(274,000)	(146,000)
Other	9,467	-
Balance at end of year	5,910,328	3,964,378

Following is a summary of the changes in 2006 and 2005 in the impairment losses on held-to-maturity investments:

	Thousands of euros	
	2006	2005
Balance at beginning of year	5,114	4,104
Increase in impairment losses charged to income	-	1,008
Decrease in impairment losses credited to income	(422)	-
Other	-	2
Balance at end of year	4,692	5,114
- Determined collectively	4,692	5,114

11. HEDGING DERIVATIVES (RECEIVABLE AND PAYABLE)

The detail of the fair value of the hedging derivatives held by the Bank at December 31, 2006 and 2005 and recognised in the balance sheets is as follows:

	Thousands of euros		
2006	Exchange Risk	Interest Rate Risk	Total
OTC Markets			
Credit institutions	(335,156)	(119,103)	(454,259)
Fair value micro-hedge	(139,688)	(119,103)	(258,791)
Cash flow micro-hedge	(195,468)	-	(195,468)
Other financial institutions	126,214	(2,909)	123,305
Fair value micro-hedge	126,340	(2,909)	123,431
Cash flow micro-hedge	(126)	-	(126)
Other sectors	1,466	-	1,466
Fair value micro-hedge	1,466	-	1,466
Cash flow micro-hedge	-	-	-
Total	(207,476)	(122,012)	(329,488)
of which: Asset Hedging Derivatives	1,714,980	43,952	1,758,932
of which: Liability hedging Derivatives	(1,922,456)	(165,964)	(2,088,420)

2005	Thousands of euros		
	Exchange Risk	Interest Rate Risk	Total
OTC Markets			
Credit institutions	978,927	29,958	1,008,885
Fair value micro-hedge	1,080,088	29,958	1,110,046
Cash flow micro-hedge	(101,161)	-	(101,161)
Other financial institutions	194,522	(307)	194,215
Fair value micro-hedge	194,522	(307)	194,215
Cash flow micro-hedge	354,995	-	354,995
Other sectors	354,768	-	354,768
Fair value micro-hedge	227	-	227
Cash flow micro-hedge	1,528,444	29,651	1,558,095
Total	2,474,657	30,445	2,505,102
of which: Asset Hedging Derivatives	2,474,657	30,445	2,505,102
of which: Liability hedging Derivatives	(946,213)	(794)	(947,007)

12. NON-CURRENT ASSETS HELD FOR SALE AND LIABILITIES ASSOCIATED WITH NON-CURRENT ASSETS HELD FOR SALE

The balance of Non-Current Assets Held for Sale relates in full to foreclosed assets.

The changes in 2006 and 2005 in the balance of this heading in the balance sheets were as follows:

	Thousands of euros	
	2006	2005
Revalued cost		
Balance at beginning of year	35,438	56,879
Additions	42,774	23,078
Retirements	(57,424)	(54,132)
Transfers	14,068	9,613
Balance at end of year	34,856	35,438
Impairment		
Balance at end of year	5,716	4,960
Increase in impairment losses charged to income	11,195	5,175
Decrease in impairment losses credited to income	(551)	(367)
Transfers	6,257	4,084
Disposals	(14,154)	(8,167)
Exchange difference and other	-	31
Balance at end of year	8,463	5,716
Balance total at end of year	26,393	29,722

As of December 31, 2006 and 2005, there were no liabilities associated with non-current assets held for sale.

The fair value of these items was determined by reference to appraisals performed by companies registered as valuers in each of the geographical areas in which the assets are located.

The independent valuation and appraisal companies entrusted with the appraisal of these assets were Eurovaloraciones, S.A., Valtecnic, S.A., General de Valoraciones, S.A., Krata, S.A., Tinsa, S.A., Alia Tasaciones, S.A., Ibertasa, S.A., Tasvalor, S.A. and Gesvalt, S.A. These companies are registered in the Bank of Spain Official register for independent valuation and appraisal companies.

Most of the non-current assets held for sale recorded as assets in the balance sheets at December 31, 2006 and 2005 relate to properties.

These properties classified as "non-current assets held for sale" are assets available for sale, which is considered highly probable. The sale of most of these assets is expected to be completed within one year of the date on which they are classified as "non-current assets held for sale".

The cost of the properties classified as “non-current assets held for sale” as of December 31, 2006 and 2005 is broken down into the following categories:

	Thousands of euros	
	2006	2005
Residential assets	13,864	15,951
Industrial assets	12,792	12,379
Agricultural assets	597	1,293
Total	27,253	29,623

As of December 2006 and 2005 the Bank financed 7.47% and 24.78%, respectively, of the sales of non-current assets held for sale. The amount of the loans granted to the purchasers of these assets in 2006 and 2005 was €5,816 thousand and €31,822 thousand, respectively (giving cumulative totals of €113,346 thousand and €107,530 thousand, respectively).

As a result of the financed sale of assets, the unrecognised gains as of December 31, 2006 and 2005 amounted to €18,812 thousand and €20,680 thousand, respectively.

13. INVESTMENTS

13.1. INVESTMENTS IN ASSOCIATES

The detail, by currency and listing status, of this heading in the accompanying balance sheets is as follows:

	Thousands of euros	
	2006	2005
Currency		
In Euros	43,646	785,477
Por cotización		
Quoted	-	766,786
Unquoted	43,745	18,790
Less-		
Impairment losses	(99)	(99)
Total	43,646	785,477

There is not any significant position in associated entity as of December 31, 2006.

The most significant investment in associates as of December 31, 2005 was that held in Banca Nazionale Lavoro S.p.A. The gains on disposal of that investment, as of May 19, 2006, amounted to € 533,124 thousand, which are recorded under the heading “Other gains –Gains on disposal of investment” of the accompanying income statement (Note 42).

The gross changes in 2006 and 2005 in Investments - Associates in the balance sheets, disregarding the balance of the impairment losses, were as follows:

	Thousands of euros	
	2006	2005
Balance at beginning of year	785,576	793,585
Capital increase and acquisitions	30,100	2,340
Sales	(768,893)	(1,312)
Transfers	1,200	(8,330)
Other	(4,238)	(707)
Balance at end of year	43,745	785,576

13.2. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES

The detail, by currency and listing status, of this heading in the accompanying balance sheets is as follows:

	Thousands of euros	
	2006	2005
Currency		
In Euros	3,330	5,483
Por cotización		
Unquoted	3,330	7,489
Less-		
Impairment losses	-	(2,006)
Total	3,330	5,483

The changes in 2006 and 2005 in the balance of this heading in the balance sheets, disregarding the balance of the impairment losses, were as follows:

	Thousands of euros	
	2006	2005
Balance at beginning of year	7,489	2,620
Acquisitions	-	1,539
Transfers	(4,159)	3,330
Balance at end of year	3,330	7,489

13.3. INVESTMENTS IN GROUP ENTITIES

The heading Investments - Group Entities in the accompanying balance sheets includes the carrying amount of the shares of companies forming part of the BBVA Group. The percentages of direct and indirect ownership and other relevant information on these companies are provided in Appendices I and III.

The detail, by currency and listing status, of this heading in the accompanying balance sheets is as follows:

	Thousands of euros	
	2006	2005
Currency		
In Euros	3,562,352	3,430,802
In foreign currency	10,550,344	9,075,156
Total	14,112,696	12,505,958
Por cotización		
Quoted	619,103	557,214
Unquoted	13,539,357	11,975,693
Less-		
Impairment losses	(45,764)	(26,949)
Total	14,112,696	12,505,958

The changes in 2006 and 2005 in the balance of this heading in the balance sheets, disregarding the balance of the impairment losses, were as follows:

	Thousands of euros	
	2006	2005
Balance at beginning of year	12,532,907	11,272,789
Capital increase and acquisitions	1,949,421	836,024
Sales	(49,338)	(38,245)
Transfers	2,959	5,000
Exchange difference and other	(277,489)	457,339
Balance at end of year	14,158,460	12,532,907

The most notable transactions performed in 2006 and 2005 were as follows:

2006

- On April 2006, the Bank invested €89,607 thousand in the subscription of 1,733,530,703 shares in the increase capital of BBVA Colombia, S.A.
- On July 28, 2006, Telefónica España, S.A., on behalf of the liquidity mechanism to integrate Uno-E Bank, S.A., as established in the agreement between Terra (subsequently merged into Telefónica España, S.A.) and BBVA, proceeded on January 10, 2003 to start selling to BBVA its 33 % ownership interest in Uno-E Bank, S.A. for an aggregated amount of €148.5 million, reaching BBVA a 67.347 % ownership of Uno-E Bank, S.A.
- On November 10, 2006 the Group acquired Texas Regional Bancshares Inc. with an investment of USD 2,141 million (€1,674 million).
- On December 2006, BBVA Uruguay, S.A., reduced his capital paying €9,906 thousand to the Bank.
- In January 3, 2007 the acquisition of State National Bancshares Inc. was accomplished (See Note 46).

2005

- In 2005 24,318,329 shares of Grupo Financiero BBVA Bancomer were acquired for a disbursement of €20,795 thousand and, accordingly, the Bank's direct ownership was 48.956%.
- In July 2005 the Bank contributed €114,929 thousand through its subscription to 9,723,286 shares in the capital increase of BBVA Seguros, S.A. issued with a par value of €6.01 plus a share premium of €5.81 per share.
- In April 2005, pursuant to the agreement entered into in September 2004 and after obtaining the mandatory authorisations, the Bank acquired all the shares of Laredo National Bancshares, Inc., a bank holding located in Texas (United States) which operates in the banking business through two independent banks: Laredo National Bank and South Texas National Bank. This acquisition gave rise to a disbursement of €666,882 thousand.
- In December 2005, as part of its business and corporate internal restructuring strategies, the Bank decided to acquire the ownership interests of Casa de Bolsa BBVA Bancomer, S.A. de C.V. in BBVA Bancomer Holding Corporation and BBVA Investments Inc. of 100% and 5%, respectively. BBVA Bancomer Holding Corporation in turn holds a 90% ownership interest in BBVA Investments Inc. The Bank acquired the remaining 5% of BBVA Investments Inc. from BBVA Bancomer, S.A. The acquisition of these ownership interests gave rise to a disbursement of €22,039 thousand.
- In October 2005 the Bank, which owns all the shares of Banco Francés (Cayman) Ltd., liquidated this lastmentioned company, generating a gain of €2,569 thousand.
- In December 2005 BBVA Uruguay, S.A. reduced capital and €8,425 thousand were refunded to the Bank.

At 31 December 2006 and 2005 no other capital increases were underway at any Group companies.

In 1990, 1994 and 1995, tax assessments for 1986 to 1990 were issued to BBVA Seguros, S.A. (formerly euroseguros, S.A.) and Senorte Vida y Pensiones, S.A. totalling €88,066 thousand of principal and €39,072 thousand of latepayment interest, plus €66,057 thousand of penalties, after correction pursuant to the revised General Tax Law. The companies filed pleadings and appeals against the assessments and several administrative decisions and court rulings were handed down in 1997 through 2000. As a result of application of the criteria set forth in these court rulings, some of which have been appealed against by the Group and by the Spanish tax authorities, the tax debts would be reduced to €50,677 thousand of principal and €19,851 thousand of interest. In order to file these appeals, the Bank provided guarantees totalling €97,876 thousand to the tax authorities. In 2003 further court rulings were handed down, which have been appealed against. However, the Bank's directors and legal advisers consider that, in any case, the possible effects of these rulings would not materially affect the consolidated financial statements and, additionally, in accordance with the accounting principle of prudence, adequate provisions have been recorded therefor. Lastly, in 2005 the check relating to Senorte Vida y Pensiones was completed with no material effect on the Group.

13. 4. Notifications of the acquisition of investments

Appendix IV lists the Bank's acquisitions and disposals of holdings in associates or jointly controlled entities and the notification dates thereof, in compliance with Article 86 of the Spanish Corporations Law and Article 53 of Securities Market Law 24/1988.

13. 5. Impairment

The detail of the changes in impairment losses in 2006 and 2005 in this heading is as follows:

	Thousands of euros	
	2006	2005
Balance at beginning of year	29,054	-
Increase in impairment losses charged to income	24,998	29,054
Decrease in impairment losses credited to income	(8,189)	-
Balance at end of year	45,863	29,054

14. TANGIBLE ASSETS

The detail of the changes in 2006 and 2005 in this heading in the balance sheets, based on the nature of the related items, were as follows:

2006	Thousands of euros			Total
	Property, plants and equipment Land and Buildings	Furniture, Fixtures and Vehicles	Investment Properties	
Revalued cost -				
Balance at 1 January 2006	1,500,884	2,769,357	15,062	4,285,303
Additions	43,683	193,703	8	237,394
Retirements	(518)	(88,704)	(22)	(89,244)
Transfers	(19,135)	-	454	(18,681)
Exchange difference and other	-	(981)	-	(981)
Balance at 31 December 2006	1,524,914	2,873,375	15,502	4,413,791
Accumulated depreciation -				
Balance at 1 January 2006	389,917	1,828,100	3,203	2,221,220
Additions	22,003	161,331	208	183,542
Retirements	(135)	(80,131)	(7)	(80,273)
Transfers	(4,725)	-	111	(4,614)
Exchange difference and other	-	(683)	-	(683)
Balance at 31 december 2006	407,060	1,908,617	3,515	2,319,192
Impairment -				
Balance at 1 January 2006	1,943	-	1,375	3,318
Increase in impairment losses charged to income	-	-	-	-
Decrease in impairment losses credited to income	(1,871)	-	(294)	(2,165)
Balance at 31 December 2006	72	-	1,081	1,153
Net tangible assets -				
Balance at 1 January 2006	1,109,024	941,257	10,484	2,060,765
Balance at 31 December 2006	1,117,782	964,758	10,906	2,093,446

2005	Thousands of euros			
	Property, plants and equipment		Investment Properties	Total
	Land and Buildings	Furniture, Fixtures and Vehicles		
Revalued cost -				
Balance at 1 January 2006	1,432,621	2,683,610	34,348	4,150,579
Additions	63,492	167,828	-	231,320
Retirements	(560)	(84,192)	-	(84,752)
Transfers	5,211	-	(19,166)	(13,955)
Exchange difference and other	120	2,111	(120)	2,111
Balance at 31 December 2006	1,500,884	2,769,357	15,062	4,285,303
Accumulated depreciation -				
Balance at 1 January 2006	367,019	1,738,124	8,627	2,113,770
Additions	21,499	162,943	297	184,739
Retirements	(151)	(74,036)	-	(74,187)
Transfers	1,342	-	(5,684)	(4,342)
Exchange difference and other	208	1,069	(37)	1,240
Balance at 31 december 2006	389,917	1,828,100	3,203	2,221,220
Impairment -				
Balance at 1 January 2006	2,796	-	-	2,796
Increase in impairment losses charged to income	-	-	1,375	1,375
Decrease in impairment losses credited to income	(853)	-	-	(853)
Balance at 31 December 2006	1,943	-	1,375	3,318
Net tangible assets -				
Balance at 1 January 2006	1,109,024	941,257	10,484	2,060,765
Balance at 31 December 2006	1,117,782	964,758	10,906	2,093,446

The net tangible asset impairment losses credited to the accompanying income statement for 2006 amounted to €2,165 thousand (€522 thousand charged to the accompanying income statements for 2005).

The gains and losses on tangible asset disposals amounted to €56,576 thousand and €5,132 thousand in 2006, respectively (€75,436 thousand and €6,833 thousand, respectively in 2005) and are presented under the headings "Others Gains" and "Others Losses" the accompanying consolidated income statements (Note 42).

The Bank conducts its business mainly through a branch network which at 31 December 2006 was as follows:

	Number of branches	
	2006	2005
Spain	3,475	3,469
Rest of the world	17	17
Total	3,492	3,486

At 31 December 48.53% of the branches in Spain were leased from third parties. The remaining branches were owned by the Bank.

15. INTANGIBLE ASSETS

The detail of the balance of this heading in the balance sheets at 31 December 2006 and 2005 relates in full to the net balance of the disbursements made on the acquisition of computer software.

The detail of the changes in 2006 and 2005 in the balance of this heading in the balance sheets is as follows:

	Thousands of euros	
	2006	2005
Balance at beginning of year	51,920	37,316
Additions	28,271	26,321
Period amortization	(17,136)	(12,104)
Exchange differences and other	-	387
Balance at end of year	63,055	51,920

16. PREPAYMENTS AND ACCRUED INCOME AND ACCRUED EXPENSES AND DEFERRED INCOME

The detail of the balance of these headings in the balance sheets as of December 31, 2006 and 2005 is as follows:

	Thousands of euros	
	2006	2005
Assets -		
Prepaid expenses	6,550	6,569
Other prepayments and accrued income	498,726	505,808
Total	505,276	512,377
Liabilities -		
Funds taken at a discount	14,130	2,828
Unmatured accrued expenses	561,492	609,279
Other accrued expenses and deferred income	160,435	150,370
Total	736,057	762,477

17. OTHER ASSETS AND LIABILITIES

The detail of the balances of these headings in the balance sheets as of December 31, 2006 and 2005 is as follows:

	Thousands of euros	
	2006	2005
Assets -		
Transactions in transit	22,106	1,968
Other	539,808	614,820
Total	561,914	616,788
Liabilities -		
Transactions in transit	104,897	6,071
Other	101	933
Total	104,998	7,004

18 FINANCIAL LIABILITIES AT AMORTISED COST

The detail of the items composing the balances of this heading in the accompanying balance sheets is as follows:

	Thousands of euros	
	2006	2005
Deposits from central banks	12,757,368	17,772,094
Deposits from credit institutions	41,631,333	43,010,834
Money markets operations	223,393	23,252
Deposits from other creditors	146,891,740	129,982,249
Debt certificates (including bonds)	39,859,253	34,079,250
Subordinated liabilities	12,464,445	12,392,657
Other financial liabilities	4,869,634	4,777,207
Total	258,697,166	242,037,543

As of , December 31 2006 and 2005, Other Financial Liabilities included €468,861 thousand and €389,948 thousand, respectively, relating to the third interim dividend (Note 3).

18.1. Deposits from central banks

The breakdown of the balance of this heading in the balance sheets is as follows:

	Thousands of euros	
	2006	2005
Bank of Spain		
Credit account drawdowns	2,056,503	3,409,451
Other	153,525	383,423
Other assets under repurchase agreement	3,254,897	8,931,130
Other central banks	7,247,430	5,028,315
Valuation adjustments - Accrued expenses	45,013	19,775
Total	12,757,368	17,772,094

As of December 31, 2006 and 2005, the financing limit assigned to the Bank by the Bank of Spain and other central banks was €4,693,464 thousand and €5,345,350 thousand, respectively, of which €2,056,503 thousand and €3,409,451 thousand had been drawn down.

18.2 Deposits from credit institutions

The breakdown of the balance of this heading in the accompanying balance sheets, based on the nature of the related transactions, is as follows:

Thousands of euros		
	2006	2005
Reciprocal	48,125	229,684
Deposits with agreed	33,001,028	33,346,342
Other	1,955,291	983,380
Repurchase	6,309,527	8,255,169
Valuation	317,362	196,259
Total	41,631,333	43,010,834

The detail, by geographical area, of this heading as of December 31, 2006 disregarding the balance of valuation adjustment is as follows:

Thousands of euros				
2006	Demand Deposits	Deposits with Agree Maturity	Repurchase Agreement	Total
Europe	1,702,678	26,360,352	6,284,891	34,347,921
United States	89,707	2,148,000	24,636	2,262,343
Latin America	151,119	546,391	-	697,510
Rest of the world	59,912	3,946,285	-	4,006,197
Total	2,003,416	33,001,028	6,309,527	41,313,971

The detail, by geographical area, of this heading as of December 31, 2005 disregarding the balance of valuation adjustment is as follows:

Thousands of euros				
2005	Demand Deposits	Deposits with Agree Maturity	Repurchase Agreement	Total
Europe	977.865	23.154.982	8.255.169	32.388.016
United States	39.660	2.341.954	-	2.381.614
Latin America	149.571	184.265	-	333.836
Rest of the world	45.968	7.665.141	-	7.711.109
Total	1.213.064	33.346.342	8.255.169	42.814.575

18.3 Deposits from other creditors

The breakdown of the balance of this heading in the accompanying consolidated balance sheets, based on the nature of the related transactions, is as follows:

	Thousands of euros	
	2006	2005
General Government	6,623,512	10,504,786
Spanish	4,860,531	7,765,714
Foreign	1,762,981	2,739,072
Other resident sectors -	116,231,828	92,251,615
Current accounts	24,870,599	21,408,775
Savings accounts	23,543,635	20,057,925
Fixed-term deposits	58,641,500	38,561,167
Repurchase agreements	9,176,094	12,223,748
Non-resident sectors	22,658,535	26,002,641
Current accounts	1,157,594	1,341,584
Savings accounts	1,179,904	1,068,210
Fixed-term deposits	19,871,615	22,226,442
Repurchase agreements	449,422	1,366,405
Valuation Adjustments (*)	1,377,865	1,223,207
Total	146,891,740	129,982,249
Of which:		
In euros	121,514,824	107,840,169
In foreign currency	25,376,916	22,142,080

(*)Includes accrual accounts, valuation adjustments of hedging derivatives and others.

The detail, by geographical area, of this heading as of December 31, 2006 disregarding the balance of valuation adjustment is as follows:

2006	Thousands of euros				
	Demand Deposits	Saving Deposits	Deposits with Agreed Maturity	Repurchase agreements	Total
Europe	30.040.339	24.649.083	66.476.476	10.846.297	132.012.195
United States	104.075	18.800	8.370.653	766	8.494.294
Latin America	252.068	82.415	1.739.207	1.000	2.074.690
Rest of the world	282.566	38.304	2.611.826	-	2.932.696
Total	30.679.048	24.788.602	79.198.162	10.848.063	145.513.875

The detail, by geographical area, of this heading as of December 31, 2005 disregarding the balance of valuation adjustment is as follows:

2005	Thousands of euros				
	Demand Deposits	Saving Deposits	Deposits with Agreed Maturity	Repurchase agreements	Total
Europe	27,624,415	21,070,454	48,222,590	17,344,718	114,262,177
United States	122,229	13,488	8,344,715	218	8,480,650
Latin America	220,963	70,995	1,777,733	637	2,070,328
Rest of the world	226,407	45,085	3,674,346	49	3,945,887
Total	28,194,014	21,200,022	62,019,384	17,345,622	128,759,042

18.4 Debt certificates (including bonds)

The breakdown of the balance of this heading in the accompanying balance sheets is as follows:

	Thousands of euros	
	2006	2005
Bonds and debentures issued:		
Mortgage-backed securities	35,821,774	26,726,893
Other non-convertible securities	3,655,057	5,775,057
Treasury shares	(2,403)	(32,523)
Valuation adjustments		
Accrued expenses, hedged derivatives adjustments and other	384,825	1,609,823
Total	39,859,253	34,079,250

The detail, disregarding valuation adjustments and own bonds, of the balance of this heading in the accompanying balance sheets, based on the currency in which the bonds and debentures are issued, and of the related interest rates is as follows:

	Thousands of euros	
	2006	2005
Non-convertible bonds and debentures at floating interest rates	3,424,753	5,594,753
Non-convertible bonds and debentures at weighted fixed interest rate	230,304	180,304
Covered bonds	35,821,774	26,726,893
Total	39,476,831	32,501,950

The "Nonconvertible bonds and debentures at floating rate debentures" account, as of December 31, 2006, includes the following:

- Issue of €60,101 thousand of nonconvertible debentures launched by the Bank in July 1998, which bears variable annual interest through final maturity in July 2008, which is calculated as 83% of the simple average between the offer and bid rate offered by certain reference institutions, in accordance with the calculation procedure for a 30-year peseta-denominated swap against the 6-month LIBOR interest rate in pesetas on the date the rate is set.
- Issue of €30,051 thousand, launched in August 1998, maturing in August 2008, which bears variable annual interest on the nominal amount of the debentures, which is calculated as the 10-year swap rate multiplied by a coefficient of 0,865.
- February 2004 issue amounting to €1,000,000 thousand which bears variable quarterly interest of three-month EURIBOR plus 10 basis points through final redemption in February 2009.
- Issue of €2,000,000 thousand, launched in June 2004 and maturing in June 2008, which bears variable quarterly interest on the face value of the bonds equal to three-month EURIBOR plus 10 basis points.
- Issue of €330,000 thousand, launched in November 2006 and maturing in May 2008, which bears variable quarterly interest on the face value of the bonds equal to three-month EURIBOR plus 1.5 basis points.

As of December 31, 2006, the Non-convertible Bonds and Debentures at Fixed Interest Rates account includes:

- Issue of €180,304 thousand, launched in February 1997 with a fixed interest rate of 6.81% repayable at one time in February 2007.
- Launch at December 2006, with a fixed interest rate of 4.125% and maturity in December 2011. The Bank has the right to anticipate the redemption in December 2008, and subsequently at the same time of the interest payment.

The Covered Bonds account includes several issues, the last of which has final redemption in 2037.

The valuation adjustments include mostly adjustments for accrued interest, microhedging transactions and issuance Fees.

The accrued interest of the Debt certificates amounted to €1,472,657 thousand and €1,163,501 thousand (Note 35).

18.5. Subordinated debt

These issues are non-convertible subordinated debt and, accordingly, for debt seniority purposes, they rank behind ordinary debt.

The detail, disregarding valuation adjustments, of the balance of this heading in the accompanying balance sheets, based on the related issue currency and interest rate, is as follows:

ISSUER	Thousand of euros		Prevailing Interest Rate	Maturity Date
	2006	2005		
NON-CONVERTIBLES BONDS				
In euros				
July-96	-	82,291		
July-96	27,332	27,332	9.37%	December 22, 2016
February-97	60,101	60,101	6.97%	December 18, 2007
September-97	36,061	36,061	6.65%	December 17, 2007
December-01	1,500,000	1,500,000	3.50%	January 1, 2017
July-03	600,390	600,390	3.85%	July 17, 2013
November-03	749,782	749,782	4.50%	November 12, 2015
October-04	992,000	992,000	4.37%	October 20, 2019
Subordinated deposits	8,338,586	7,971,290		
TOTAL	12,304,252	12,019,247		

In 2006 and 2005 there were no early redemptions of these issues.

As of December 31, 2006, the Subordinated Deposits account of the foregoing detail includes the subordinated deposits taken relating to the subordinated debt and preference share issues launched by BBVA Global Finance Ltd., BBVA Capital Funding Ltd., BBVA Subordinated Capital S.A.U., BBVA International Preferred S.A.U., BBVA International Ltd., and BBVA Capital Finance, S.A. which are unconditionally and irrevocably secured by the Bank.

In 2006 and 2005 the subordinated debt bore interest of €493,923 thousand and €468,584 thousand, respectively (Note 35).

19. PROVISIONS

The detail of the balance of this heading in the balance sheets as of December 31, 2006 and 2005 is as follows:

	Thousands of euros	
	2006	2005
Provisions for pensions and similar obligations	5,522,948	4,888,733
Provisions for contingent exposures and commitments	461,903	424,786
Other provisions	941,283	1,062,909
Total	6,926,134	6,376,428

The changes in 2006 and 2005 in the balances of the headings in the accompanying balance sheets were as follows:

	2006			2005		
	Provisions for Pensions and	Commitments and contingent	Other provisions	Provisions for Pensions and	Commitments and contingent	Other provisions
Balance at beginning of year	4,888,733	424,786	1,062,909	4,952,047	333,086	1,007,335
Add -						
Year provision with a charge to income for the year	1,132,181	52,823	116,437	425,615	99,669	57,098
Other Changes	24,990	-	-	758	-	110,071
Less -						
Available funds	(8,608)	(5,334)	(99,063)	-	(1,386)	(85,916)
Payments to early Retirees	(499,561)	-	-	(475,303)	-	-
Provisions used and other changes	(14,787)	(6,711)	(34,043)	(14,384)	-	(25,679)
Other Changes	-	(3,661)	(104,957)	-	(6,583)	-
Balance at end of year	5,522,948	461,903	941,283	4,888,733	424,786	1,062,909

The year provisions for pensions charged to income in 2006 under the headings "Interest expenses and similar charges", "Personal expenses" and "Provision expenses" in the consolidated income statement amounted to €99,035 thousand, €6,312 thousand and €1,026,834 thousand, respectively (€101,610 thousand, €6,356 thousand and €317,649 thousand, respectively in 2005). In 2006, the available funds amounted to €8,608 thousand, recorded under the heading "Allowance Provision (net)".

Period provisions relating to the heading Provisions for contingent exposures and commitments were recorded under the heading Provisions Expense (Net) of the income of statements.

Also, period provisions totalling €49,518 thousand, €8,978 thousand and €57,941 thousand relating to the heading Provisions - Other Provisions were recorded in 2006 under the headings Interest expenses and similar charges,

Personnel Expenses and Provisions Expense (Net) (€1,319 thousand, €7,256 thousand and €48,523 thousand, respectively, in 2005). Available funds were recorded in the heading Provisions Expense (Net) in the accompanying income statements of 2006 and 2005, and amounted to €99,063 thousand and €85,916 thousand, respectively.

20. COMMITMENTS TO EMPLOYEES

20.1. Commitments in Spain

20.1. Pots-employment benefit

Following is a description of the most significant accounting criteria and the salient data relating to the post-employment benefit commitments of the Bank in Spain. These commitments include :

- the undertaking to supplement the public social security benefits in the event of retirement, permanent disability or death;
- compensation and indemnities payable; and contributions to employee welfare systems for early retirees and
- post-employment welfare benefits.

20.1.1. Public social security system benefit supplement

Under the collective labour agreement, Spanish banks are required to supplement the social security benefits received by employees or their beneficiary rightholders in the event of retirement (except for those hired after 8 March 1980), permanent disability, death of spouse or death of parent.

The employee welfare system in place at the Bank supersede and improve the terms and conditions of the collective labour agreement for the banking industry; the commitments envisaged in the event of retirement, death and disability cover all employees, including those hired after 8 March 1980. The Bank externalised all its commitments to serving and retired employees pursuant to Royal Decree 1588/1999. These commitments are instrumented in pension plans, insurance contracts with a non-Group company and insurance contracts with BBVA Seguros, S.A. de Seguros y Reaseguros, which is 99.94% owned by the Banco Bilbao Vizcaya Argentaria Group. This employee welfare system includes defined contribution commitments, the amounts of which are determined, on a case-by-case basis, as a percentage of certain compensation and/or as a pre-established fixed amount. Defined benefit commitments are funded by insurance contracts.

Defined contribution commitments: The current contributions made by the Bank for defined contribution retirement commitments covering substantially all current employees, which are recognised with a charge to the heading “Personnel Expenses – Contributions to pension funds” in the accompanying income statements, amounted to € 31,756 and €37,462 thousand in 2006 and 2005, respectively.

Defined benefit commitments: The Bank has defined benefit commitments for permanent disability and death of current employees and early retirees; for death of certain retired employees; and for retirement of certain specific groups of current employees, early retirees and retired employees (benefits in progress).

The present values of the vested obligations were quantified on a case-by-case basis. The valuation method used for current employees is the projected unit credit method, which views each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately. The actuarial assumptions used in quantifying these obligations are unbiased and mutually compatible and comply with Bank of Spain Circular 4/2004. Specifically, the most significant actuarial assumptions used in 2006 and 2005 were as follows:

Mortality tables	PERM/F 2000P.
Discount rate (cumulative annual)	4% (AA corporate bond yield curve)
Consumer price index	1,5%
Salary growth rate	At least 2.5% (depending on employee group)
Retirement ages	First date at which the employees are entitled to retire

The defined benefit commitments at 31 December 2006 and 2005 were as follows:

	Thousands of Euros	
	2006	2005
Pension commitments to retired employees	2,494,398	2,494,515
Pension contingencies in respect of current employees	183,398	216,455
	2,677,796	2,710,970
Coverage at end of each year:		
Insurance contracts with related insurance companies	2,114,052	2,089,985
Insurance contracts with unrelated insurance companies	563,744	620,985
Total	2,677,796	2,710,970

The current contributions made by the Bank in relation to defined benefit retirement commitments are recorded with a charge to the "Personnel Expenses – Contributions to pension funds" account of the accompanying income statement and amounted to € 23,713 thousand and € 27,722 thousand in 2006 and 2005, respectively.

20.1.1.2. Early retirements

The commitments to early retirees include the compensation and indemnities and contributions to external pension funds payable during the period of early retirement. The commitments relating to this group of employees after they have reached the age of effective retirement are included in the employee welfare system.

In 2006 and 2005 the Bank offered certain employees the possibility of taking early retirement before reaching the age stipulated in the collective labour agreement in force. This offer was accepted by 1,875 and 673 employees, respectively. The total cost of these agreements amounts to € 1,013,956 thousand and € 284,803 thousand (€ 185,122 thousand and € 369,644 thousand, net of the related tax effect) and the corresponding provisions were recognised with a charge to the heading Provisioning Expense (Net) - Transfers to Funds for Pensions and Similar Obligations - Early Retirements in the accompanying income statement.

The present values of the vested obligations are quantified on a case-by-case basis. The actuarial assumptions used in quantifying these obligations are unbiased and mutually compatible and comply with Bank of Spain Circular 4/2004. Specifically, the most significant actuarial assumptions used in 2006 and 2005 were as follows:

Mortality tables	PERM/F 2000P.
Discount rate (cumulative annual)	4% (AA corporate bond yield curve)
Consumer price index	1,5%
Retirement ages	First date at which the employees are entitled to retire

The changes in 2006 and 2005 in the present value of the vested obligations for commitments to early retirees were as follows:

	Thousands of Euros	
	2006	2005
Present actuarial value at beginning of the year	2,555,244	2,625,909
+ Interest cost	90,583	93,432
+ Early retirements in the year	1,013,956	284,803
- Payments made	(499,561)	(475,303)
+/- Other changes	(2,469)	9,768
+/- Actuarial losses (gains)	(610)	16,635
Present actuarial value at end of the year	3,157,143	2,555,244
Internal provisions	3,157,143	2,555,244

20.1.1.3. Post-employment welfare benefits

The Bank has welfare benefit commitments, the effects of which extend beyond the retirement of the employees entitled to the benefits. These commitments relate to certain current employees and retirees, depending upon the employee group to which they belong.

The present value of the vested obligations for post-employment welfare benefits were quantified on a case-by-case basis. The valuation method used for current employees is the projected unit credit method. The actuarial assumptions used in quantifying these obligations are unbiased and mutually compatible and comply with Bank of Spain Circular 4/2004. Specifically, the most significant actuarial assumptions used in 2006 and 2005 were as follows:

Mortality tables	PERM/F 2000P.
Discount rate (cumulative annual)	4% (AA corporate bond yield curve)
Consumer price index	1,5%
Retirement ages	First date at which the employees are entitled to retire

The detail of these commitments as of 31 December 2006 and 2005 is as follows:

	Thousands of Euros	
	2006	2005
Post-employment welfare benefit commitments to retired employees	167,721	157,868
Vested post-employment welfare benefit contingencies in respect of current employees	53,451	51,262
Total:	221,172	209,130
Coverage at end of each year:		
Internal provisions	221,172	209,130

The changes in 2006 and 2005 in the present value of the vested obligation for post-employment welfare benefit commitments were as follows:

	Thousands of Euros	
	2006	2005
Present actuarial value at the beginning of the year	209,130	202,332
+ Interest cost	8,452	8,178
+ Normal cost for the year	2,181	2,107
- Payments made	(13,275)	(12,075)
+/- Other movements	6,601	-
+/- Actuarial losses (gains)	8,083	8,588
Present actuarial value at the end of the year	221,172	209,130

20.1.1.4. Summary

Following is a summary of the charges recorded in the 2006 and 2005 income statements for post-employment benefit commitments:

	Thousands of Euros	
	2006	2005
Interest expense and similar charges:		
Interest cost of pension funds	99,035	101,610
Personnel expenses:		
Social attentions	2,181	2,107
Transfers to pension plans	59,600	68,664
Provision expense (net):		
Transfers to funds for pensions and similar obligations		
Pension funds	7,473	25,223
Early retirement	1,013,956	284,803
Total	1,182,245	482,407

As of 31 December 2006 and 2005 there were no unfunded actuarial gains or losses arising from differences between the actuarial assumptions and what had actually occurred or, where appropriate, from the effects of changes in the actuarial assumptions used.

20.1.2. Other commitments to employees:

20.1.2.1. Compensation in kind

The Bank is obliged to deliver partially or fully subsidised goods and services under the collective banking labour agreements applicable to it and the related corporate agreements. The most significant employee welfare benefits, in terms of the type of compensation and the event giving rise to the commitment, are loans to employees, life insurance, study aid and long-service bonuses. They may be applied differently to the various employee groups.

Long-service bonuses are a form of long-term compensation, entitlement to which is conditional upon the qualifying beneficiary employees remaining in service for a stipulated number of years (15, 25, 40 or 50 years' effective service in the case of share-based bonuses and 45 years' effective service in the case of cash bonuses).

The present values of the vested obligation at 31 December 2006 and 2005 for long-service cash bonuses and for the gifts and vacation days relating to long-service share-based bonuses (the treatment applicable to share-based payment is summarised in section 4 below) was quantified on a case-by-case basis using the projected credit unit valuation method. The main actuarial assumptions used in the quantification process are unskewed, mutually compatible and comply with the criteria of Bank of Spain Circular 4/2004. Specifically, the most significant actuarial assumptions used in 2006 and 2005 are as follows:

Mortality tables	PERM/F 2000P.
Disability tables	IASS - 90 (reflecting the experience of the Spanish Social Security authorities)
Discount rate (cumulative annual)	4% (AA corporate bond yield curve)
Retirement ages	First date at which the employees are entitled to retire

The changes in 2006 and 2005 in the present value of the vested obligation for these commitments were as follows:

	Thousands of Euros	
	2006	2005
Present actuarial value at beginning of the year	30,033	31,590
+ Interest cost	1,265	284,803
+ Normal cost for the year	1,594	-475,303
- Payments made	(532)	9,768
- Cash settlements for long-service bonus redemptions due to early retirement	(643)	16,635
+/- Actuarial losses (gains)	64	64
Present actuarial value at end of the year	31,781	30,033
Coverage at end of each year:		
Internal provision	31,781	30,033

(*) These funds are recognised in the heading "Provisions- Other provisions" in the accompanying balance sheet.

Since all other employee welfare benefits for current employees accrue and are settled on a yearly basis, it is not necessary to record a provision in this connection.

The total cost of the employee welfare benefits provided by the Bank to its current employees in the 2006 and 2005 was € 36,606 thousand and € 28,822 thousand, respectively, and these amounts were recognised with a charge to Personnel Expenses - Other in the accompanying income statements.

20.1.2.2. Bank share-based compensation system

In 2006 and 2005 the Bank had no target-based compensation plans involving the delivery of stock options or shares of Banco Bilbao Vizcaya Argentaria, S.A.

However, the Bank is obliged, under the related corporate agreement, to deliver shares of Banco Bilbao Vizcaya Argentaria, S.A. to certain of its employees when they complete a given number of years of effective service:

	Number of Shares
15 years	180
25 years	360
40 years	720
50 years	900

The present values of the vested obligation at 31 December 2006 and 2005, in terms of the probable number of shares, were quantified on a case-by-case basis using the projected unit credit method. The main actuarial assumptions used in quantifying this obligation are summarised as follows:

Mortality tables	PERM/F 2000P.
Disability tables	IASS - 90 (reflecting the experience of the Spanish Social Security authorities)
Retirement ages	First date at which the employees are entitled to retire

The changes in 2006 and 2005 in the present value of the vested obligation, in terms of the probable number of shares, for share-based long-service bonuses were as follows:

	Thousands of Euros	
	2006	2005
Present actuarial value at the beginning of the year	6,946,467	6,658,067
+ Year accrual	407,487	399,753
- Deliveries made	(186,480)	(269,100)
+/- Actuarial losses (gains)	(628,526)	157,747
Present actuarial value at the end of year	6,538,948	6,946,467

In March 1999, pursuant to a resolution adopted by the Bank's shareholders at the Annual General Meeting on February 27, 1999, 32,871,301 new shares were issued at a price of €2.14 per share (similar to the average reference price of the share-based commitments to Group employees existing at that date which the new shares were assigned to fund). These shares were subscribed and paid by a non-Group company and, simultaneously, the Bank acquired a call option on these shares which can be exercised on any date, at one or several times, prior to December 31, 2011, at an exercise price equal to the share issue price, adjusted on the basis of the related antidilution clauses. Since 1999 the call option has been partially exercised to meet share-based commitments to Group employees, for a total of 28,500,236 shares, which means that on December 31, 2006, the Bank still held an option on a total of 4,371,065 shares at a price of €2.09 per share (4,557,545 shares as of December 31, 2005). In addition, it had arranged a futures transaction with a non-Group entity on a total of 2,167,883 shares at an exercise price of €18.24 per share (2,388,922 shares at an exercise price of 15.06 per share as of December 31, 2005).

The changes in 2006 and 2005 in the related internal provisions, which take into account the present value of the vested obligation, at any given date, in terms of the probable number of shares and the instruments assigned to the commitment, were as follows:

	Thousands of Euros	
	2006	2005
Internal provision at beginning of year	45,550	32,614
+ Normal cost for the year	6,787	5,879
- Payments relating to partial exercises of the call option (Settlement of long-service bonuses when they fall due)	(390)	(562)
+/- Other changes	(783)	5,244
+/- Actuarial losses (gains)	(2,487)	2,375
Internal provision at end of year	48,677	45,550

(*) These funds are recognised in the heading "Provisions- Other provisions" in the accompanying balance sheet.

20.2. Commitments abroad

Part of the Bank's Foreign Network has post-employment benefit commitments to certain current and/or retired employees. The most salient data relating to these commitments are as follows:

Defined benefit commitments recorded in internal provisions: the accrued liability for defined benefit commitments to current and/or retired employees, net, where appropriate, of the specific assets assigned to fund them, amounted to € 30,581 thousand and € 34,374 thousand as of 31 December 2006 and 2005, respectively, and is included under Provisions – Provisions for Pensions and Similar Obligations in the accompanying balance sheets.

The present values of the vested obligations of the Foreign Network are quantified on a case-by-case basis, and the projected unit credit valuation method is used for current employees. As a general rule, the actuarial assumptions used are as follows: the discount rate is the AA corporate bond yield curve; the mortality tables are those applicable in each local market when an insurance contract is arranged; and the inflation and salary growth rates are those applicable in each local market. These assumptions should be prudent and mutually compatible.

The changes in 2006 and 2005, in the Foreign Network as a whole, in the balances of Provisions – Provisions for Pensions and Similar Obligations were as follows:

	Thousands of Euros	
	2006	2005
Balance at beginning of period	34,374	26,430
+ Period provisions charged to income	(3,204)	8,392
- Payments made	(1,512)	(2,309)
+/- Other changes	863	829
+/- Exchange differences	60	1,032
Balance at end of period	30,581	34,374

Cost of commitments of the Foreign Network: The total charges recorded in the 2006 and 2005 income statements for the defined contribution and defined benefit post-employment compensation commitments of the Foreign Network amounted to €628 thousand and €11,976 thousand, respectively, of which € 3,832 thousand and € 3,584 thousand are related to contribution to external pension funds, in 2006 and 2005, respectively.

As of 31 December 2006 and 2005 there were no unfunded actuarial gains or losses arising from differences between the actuarial assumptions and what had actually occurred or, where appropriate, from the effects of changes in the actuarial assumptions used.

21. CHANGES IN TOTAL EQUITY

The changes in equity in the years ended December 31, 2006 and 2005 were as follows:

	Thousands of euros							
	Share Capital (Note 22)	Reserves (*) (Note 23 and 24)	Other Equity Instruments	Treasury Shares	Profit for the year	Interim Dividends (Note 3)	Valuation Adjustments	Total
2006								
Balance at 31 December 2005	1,661,518	8,660,244	141	(29,773)	1,918,142	(1,169,844)	1,809,782	12,850,210
Revaluation gains/losses	-	-	-	-	-	-	1,377,799	1,377,799
Amounts transferred to income statement	-	-	-	-	-	-	(602,886)	(602,886)
Income tax	-	-	-	-	-	-	(320,502)	(320,502)
Profit for the period	-	-	-	-	2,439,825	-	-	2,439,825
Distribution of the profit	-	117,600	-	-	(1,918,142)	1,800,542	-	-
Dividends	-	-	-	-	-	(1,994,743)	-	(1,994,743)
Treasury shares	78,947	2,921,053	-	-	-	-	-	3,000,000
Issuance fee	-	(39,913)	-	-	-	-	-	(39,913)
Transactions with treasury shares	-	5,924	-	(10,510)	-	-	-	(4,586)
Payments with equity instruments	-	-	25,733	-	-	-	-	25,733
Balance at 31 December 2006	1,740,465	11,664,908	25,874	(40,283)	2,439,825	(1,364,045)	2,264,193	16,730,937

(*) The balance of Reserves includes the amounts of the headings "Reserves" and "Share Premium" of the consolidated balance sheet.

	Thousands of euros							
	Share Capital (Note 22)	Reserves (*) (Note 23 and 24)	Other Equity Instruments	Treasury Shares	Profit for the year	Interim Dividends (Note 3)	Valuation Adjustments	Total
2005								
Balance at 31 December 2005	1,661,518	8,560,321	-	(8,500)	1,581,382	(1,017,256)	933,037	11,710,502
Revaluation gains/losses	-	-	-	-	-	-	1,451,097	1,451,097
Amounts transferred to income statement	-	-	-	-	-	-	(66,468)	(66,468)
Income tax	-	-	-	-	-	-	(507,884)	(507,884)
Profit for the period	-	-	-	-	1,918,142	-	-	1,918,142
Distribution of the profit	-	82,625	-	-	(1,581,382)	1,498,757	-	-
Dividends	-	-	-	-	-	(1,651,345)	-	(1,651,345)
Transactions with treasury shares	-	17,298	-	(21,273)	-	-	-	(3,975)
Payments with equity instruments	-	-	141	-	-	-	-	141
Balance at 31 December 2006	1,661,518	8,660,244	141	(29,773)	1,918,142	(1,169,844)	1,809,782	12,850,210

(*) The balance of Reserves includes the amounts of the headings "Reserves" and "Share Premium" of the consolidated balance sheet.

22. CAPITAL STOCK

As of December 31, 2006 and 2005, the capital of Banco Bilbao Vizcaya Argentaria, S.A. amounted to €1,740,464,869.29, and consisted of 3,551,969,121 fully subscribed and paid registered shares of €0.49 par value each.

All the shares of BBVA, S.A. carry the same voting and dividend rights and no single shareholder enjoys special voting rights.

In November 2006 capital was increased through the issuance of 161,117,078 shares with a par value of €0.49 each and a share premium of €18.13 per share. In 2005 there were no variations in the share capital.

The shares of Banco Bilbao Vizcaya Argentaria, S.A. are quoted on the computerized trading system of the Spanish stock exchanges and on the New York, Frankfurt, London, Zurich, Milan and Mexico stock markets.

American Depositary Shares (ADSs) quoted in New York are also traded on the Lima (Peru) Stock Exchange, by virtue of an exchange agreement entered into between these two markets.

As of December 31, 2006, no individual shareholder owned more than 5% of the capital of the Bank. However, at the date of filing of this registration document, Chase Nominees Ltd. And State Street Bank and Trust Co., in their capacity as international depositary banks, held more than 5%.

BBVA is not aware of any direct or indirect interests through which ownership or control of the Bank may be exercised.

BBVA has not been notified of the existence of any side agreements that regulate the exercise of voting rights at the Bank's General Meetings, or which restrict or place conditions upon the free transferability of BBVA shares. Neither is the Bank aware of any agreement that might result in changes in the control of the issuer.

The BBVA Group has not issued any convertible and/or exchangeable debentures or any warrants on BBVA shares.

At the Annual General Meeting on February 28, 2004 the shareholders resolved to delegate to the Board of Directors, in accordance with Article 153.1.b) of the Spanish Corporations Law, the power to increase capital, on one or several occasions, by a maximum par value equal to 50% of the Company's subscribed and paid capital at the date of the resolution, i.e. €830,758,750.54. The legally stipulated year within which the directors can carry out this increase is five years. As of December 31, 2006, the Board of Directors had not made use of this power.

In addition to the aforementioned resolutions, at the Annual General Meetings held in February 2005 and in February 2004, the shareholders authorized the Board of Directors, for a year of five years, to issue fixed-income securities of any class or type, up to a maximum of €121,750 million.

23. SHARE PREMIUM

The balance of this heading in the balance sheet amounts to € 9,579,443 thousand and includes, inter alia, the amounts of the share premiums arising from the capital increases and the surpluses arising from the merger of Banco Bilbao, S.A. and Banco Vizcaya, S.A., the detail of which is as follows:

	Thousands of Euros
Revaluation of	
Buildings	592,243
Equity securities portfolio	278,383
Less-	
Appropriations in 1998	(229,484)
Total	641,142

The revised Spanish Corporations Law expressly permits the use of the share premium balance to increase capital and establishes no specific restrictions as to its use.

24. RESERVES

The breakdown of the balance of this heading in the accompanying balance sheets is as follows:

	Thousands of Euros	
	2006	2005
Restricted reserves:		
Legal reserve	332,303	332,303
Restricted reserve for retired capital	87,918	87,918
Restricted reserve for Parent Company shares	814,870	356,821
Restricted reserve for redenomination of capital in euros	1,861	1,861
Revaluation Royal Decree-Law 7/1996	176,281	176,281
Unrestricted reserves:		
Voluntary reserves and other	672,232	1,046,670
Total	2,085,465	2,001,854

24.1. LEGAL RESERVE:

Under the revised Corporations Law, 10% of profit for each year must be transferred to the legal reserve until the balance of this reserve reaches 20% of capital. This limit had already been reached by Banco Bilbao Vizcaya Argentaria, S.A. as of December 31, 2006, after deliberation on the 2006 income application proposal (Note 3). The legal reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased capital amount.

Except as mentioned above, until the legal reserve exceeds 20% of capital, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

24.2. RESTRICTED RESERVES:

According to the revised Corporations Law, a restricted reserve is registered to the reduction of the par value of each share in April 2000 to the redenomination of capital stock in euros and, another restricted reserve related to the amount of the treasury shares owned by the bank at the end of each period, as well as to the amounts of the credits still in effect at those dates granted to clients for buying shares of the Bank or with the guarantee of those shares.

Pursuant to Law 46/1998 on the introduction of the euro, the respective restricted reserves were recorded in relation to the redenomination of capital in euros.

24.3. REVALUATION ROYAL DECREE-LAW 7/1996 (ASSET REVALUATIONS):

Prior to the merger, Banco de Bilbao, S.A. and Banco de Vizcaya, S.A. availed themselves of the asset revaluation provisions of the applicable enabling legislation. In addition, on December 31, 1996, the Bank revalued its tangible assets pursuant to Royal Decree-Law 7/1996 by applying the maximum coefficients authorized, up to the limit of the market value arising from the existing measurements. The resulting increases in the cost and accumulated depreciation of tangible assets and, where appropriate, in the cost of equity securities, were allocated as follows:

	Thousands of Euros
Legal revaluations of tangible assets:	
Cost	186,692
Less -	
Single revaluation tax (3%)	(5,601)
Balance at 31 December 1999	181,091
Adjustment as a result of review by the tax authorities in 2000	(4,810)
Total	176,281

Following the review of the balance of the account Revaluation Reserve Royal Decree-Law 7/1996 by the tax authorities in 2000, this balance can only be used, free of tax, to offset recorded losses and to increase capital through January 1, 2007. From that date, the remaining balance of this account can also be taken to unrestricted reserves, provided that the surplus has been depreciated or the revalued assets have been transferred or derecognised. If this balance were used in a manner other than that described above, it would be subject to tax.

25. TREASURY SHARES

In 2006 and 2005 the Group companies performed the following transactions involving Bank shares:

	Number of shares	Thousands of euros
Balance as of December 31, 2005	2,873,964	35,846
+ Purchases	279,496,037	3,839,510
- Sales	(274,760,734)	(3,756,669)
+/- Other	-	(5,976)
- Derivatives over BBVA shares	-	(16,390)
Balance as of December 31, 2005	7,609,267	96,321
+ Purchases	338,017,080	5,677,431
- Sales	(337,319,748)	(5,639,506)
+/- Other	(394)	(1,361)
- Derivatives over BBVA shares	-	14,373
Balance as of December 31, 2006	8,306,205	147,258

The average purchase price of the Bank's shares in 2006 was €16.80 per share and the average selling price of the Bank's shares in 2006 was €16.77 per share.

The net gains or losses on transactions with shares issued by the Bank were recognised in equity under the heading "Stockholder's Equity-Reserves". As of December 31, 2006, the gains on transactions involving treasury shares amounted to €17,131 thousand in the Group (€5,924 thousand in the Bank).

The Bank and certain consolidated instrumentality companies held 8,306,205 and 7,609,267 shares of Banco Bilbao Vizcaya Argentaria S.A. at December 31, 2006 and 2005, respectively, representing 0.234% and 0.2244% of share capital outstanding in 2006 and 2005, respectively. The carrying amount of these shares was €147 million and €96 million at December 31, 2006 and 2005, respectively. In 2006 the Group's treasury shares ranged between a minimum of 0.020% and a maximum of 0.858% of share capital (between 0.07% and 0.66% in 2005).

DATE	ENTITY	Number of Shares	% CAPITAL
31 December 2006	BBVA	2.462.171	0,069%
	Corporación General Financiera	5.827.394	0,164%
	Other	16.640	0,000%
	Total	8.306.205	0,233%
31 December 2005	BBVA	3.099.470	0,091%
	Corporación General Financiera	4.420.015	0,130%
	Other	89.782	0,003%
	Total	7.609.267	0,224%

26. TAX MATTERS

The balance of the heading "Other Liabilities - Tax Collection Accounts" in the accompanying balance sheets contains the liability for applicable taxes, including the provision for corporation tax of each year, net of tax withholdings and prepayments for that period, and the provision for current period corporation tax in the case of companies with a net tax liability. The amount of the tax refunds due to Group companies and the tax withholdings and prepayments for the current period are included under "Other Assets - Tax Receivables" in the accompanying balance sheets.

Banco Bilbao Vizcaya Argentaria, S.A. and its tax-consolidable subsidiaries file consolidated tax returns. The subsidiaries of Argentaria, which had been in Tax Group 7/90, were included in Tax Group 2/82 from 2000, since the merger had been carried out under the tax neutrality system provided for in Title VIII, Chapter VIII of Corporation Tax Law 43/1995. On 30 December 2002, the pertinent notification was made to the Ministry of Economy and Finance to extend its taxation under the consolidated taxation regime indefinitely, in accordance with current legislation.

In 2003, as in prior years, the Bank has performed or participated in corporate restructuring transactions under the special tax neutrality system regulated by Law 29/1991 of 16 December adapting certain tax to EU directives and regulations and by Title VIII, Chapter VIII of Corporation Tax Law 43/1995 of 27 December. The disclosures required under the aforementioned legislation are included in the notes to the financial statements of the relevant Group entities for the period in which the transactions took place.

A) YEARS OPEN FOR REVIEW BY THE TAX AUTHORITIES

As of December 31, 2006, 2005 and 2004, the Consolidated Tax Group had 2001 and subsequent years open for review by the tax authorities for the main taxes applicable to it.

In 2005, as a result of the tax audit conducted by the tax authorities, tax assessments were issued against several Group companies for the years up to and including 2000, some of which were signed on a contested basis. After considering the temporary nature of certain of the items assessed, the amounts, if any, that might arise from these assessments were provisioned in full in at 2006 year-end.

Also, in 2005 and 2006, notification was received of the commencement of tax audits for 2001 to 2003 for the main taxes to which the Tax Group is subject. These tax audits had not been completed at 2006 year-end.

In view of the varying interpretations that can be made of the applicable tax legislation, the outcome of the tax audits of the open years that could be conducted by the tax authorities in the future could give rise to contingent tax liabilities which cannot be objectively quantified at the present time. However, the Banks' Board of Directors and its tax advisers consider that the possibility of these contingent liabilities becoming actual liabilities is remote and, in any case, the tax charge which might arise therefrom would not materially affect the Group's consolidated financial statements.

B) RECONCILIATION

The reconciliation of the corporation tax expense resulting from the application of the standard tax rate to the corporation tax expense recognised is as follows:

	Thousands of euros	
	2006	2005
Corporation tax at 35%	1,060,343	793,862
Decreases due to permanent differences:		
Tax credits and tax relief at consolidated Companies	(496,074)	(201,273)
Other items net	(21,871)	(146,356)
Net increases (decreases) due to temporary differences	176,768	(47,101)
Charge for income tax and other taxes	719,166	399,132
Deferred tax assets and liabilities recorded (utilised)	(176,768)	47,101
Income tax and other taxes accrued in the year	542,398	446,233
Adjustments to prior years' income tax and other taxes	47,329	(96,198)
Income tax and other taxes	589,727	350,035

The Bank avails itself of the tax credits for investments in new fixed assets (in the scope of the Canary Islands tax regime, for a non-material amount), tax relief, and training and double taxation tax credits, in conformity with corporate income tax legislation.

The Bank and certain Group companies have opted to defer corporation tax on the gains on disposals of tangible assets and shares in investees more than 5% owned by them, the breakdown of which by year is as follows:

Year	Thousands of euros
1996	26,097
1997	150,346
1998	567,733
1999	117,286
2000	75,199
2001	731,223

Under the regulations in force until 31 December 2001, the amount of the aforementioned gains for each year had to be included in equal parts in the taxable profit of the seven tax years ending from 2000, 2001, 2002, 2003, 2004 and 2005, respectively. Following inclusion of the portion relating to 2001, the amount of the gains not yet included was €1,638,883 thousand, with respect to which the Bank availed itself of Transitional Provision Three of Law 24/2001 (of 27 December) on Administrative, Tax, Labour and Social Security Measures, Substantially all this amount (€1,633,643 thousand) was included as a temporary difference in the 2001 taxable profit.

The share acquisitions giving rise to an ownership interest of more than 5%, particularly investments of this kind in Latin America, were assigned to meet reinvestment commitments assumed in order to qualify for the above-mentioned tax deferral.

Since 2002 the Bank has availed itself of the tax credit for reinvestment of extraordinary income obtained on the on the transfer for consideration of properties and shares representing ownership interests of more than 5%. The

acquisition of shares over a 5%, affected compliance with the reinvestment commitments relating to the aforementioned tax credit

The amount assumed in order to qualify for the above-mentioned tax deferral., is as follows:

Year	Thousands of euros
2002	275,990
2003	26,909
2004	332,172
2005	79,960

In 2006 the amount assumed in order to qualify for the above-mentioned tax deferral amounted to €424,760 thousand. Principally of the acquisition of Texas Regional Bancshares, Inc.

C) TAX RECOGNISED IN EQUITY

In addition to the income tax recognised in the Bank income statements, in 2006 and 2005 the Bank recognised the following amounts in equity:

	Thousands of euros	
	2006	2005
Charged to equity		
Fixed-income securities portfolio	-	(88,092)
Equity securities portfolio	(1,016,857)	(942,202)
Credited to equity		
Debt securities	2,578	-
Other	43,910	55,796
Total	(970,369)	(974,498)

D) Deferred taxes

The balance of the heading Tax Assets in the balance sheets includes the tax receivables relating to deferred tax assets; in turn, the balance of the heading Tax Liabilities includes the liability relating to the Bank's various deferred tax liabilities.

As a result of the tax reforms enacted in Spain in 2006, including, inter alia, the modification of the standard income tax rate, which was set at 32.5% for 2007 and at 30% for 2008 and subsequent years, Spanish companies have adjusted their deferred tax assets and liabilities on the basis of tax rates that are expected to apply when they are recovered or settled. AS a result of the tax reform the expenses tax increase in € 299,773 thousand.

Deferred tax assets amounted to € 2,975,038 thousand and € 3,326,367 thousand in 2006 and 2005, respectively. The main for which deferred tax assets were recognised are provisions for pension commitments and similar obligations to employees (€ 1,582,335 thousand and € 1,491,141 thousand in 2006 and 2005, respectively) and period loan loss provisions (€ 718,378 thousand and € 687,230 thousand in 2006 and 2005, respectively).

Deferred tax liabilities amounted to € 1,249,537 thousand and € 1,248,338 thousand in 2006 and 2005, respectively.

27. RESIDUAL MATURITY OF TRANSACTIONS

Following is a detail, by maturity, of the balances of certain headings in the balance sheet, disregarding the balance of valuation adjustment, as of December 31, 2006:

2006	Thousands of euros						
	Total	Demand	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years
ASSETS -							
Cash and balances with central banks	3,263,931	3,262,824	942	-	-	-	165
Loans and advances to credit institutions	24,440,887	1,552,581	10,656,891	2,375,147	4,233,010	4,212,134	1,411,124
Loans and advances to other debtors	187,059,728	515,946	17,652,036	15,496,162	27,177,661	44,189,274	82,028,649
Money market operations through counterparties	99,999	-	99,999	-	-	-	-
Debt securities	28,667,080	-	438,780	497,272	4,649,740	11,078,510	12,002,778
Other held-to-maturity assets	4,509,343	3,168,252	76,330	-	-	1,264,761	-
PASIVO -							
Deposits from central banks	12,712,355	2,152	10,363,466	1,850,141	496,596	-	-
Deposits from credit institutions	41,313,971	2,003,415	20,197,989	6,146,211	6,148,315	4,673,489	2,144,552
Money market operations through counterparties	223,245	-	223,000	-	-	245	-
Deposits from other creditors	145,513,875	55,453,883	33,676,215	8,610,647	12,303,387	33,070,801	2,398,942
Debt certificates including bonds	39,474,428	-	-	180,304	2,999,790	17,351,551	18,942,783
Subordinated liabilities	12,304,253	-	-	45,735	172,856	1,674,648	10,411,014
Other held-to-maturity liabilities	4,869,634	4,400,766	468,868	-	-	-	-

28. FAIR VALUE OF ASSETS AND LIABILITIES

Following is a comparison of the carrying amounts of the Bank's financial assets and liabilities and their respective fair values at year-end 2006 and 2005:

Thousands of Euros		
2006	Book value	Fair value
Assets		
Cahs and balances with central banks	3,264,155	93,432
Financial assets held for trading	35,899,495	284,803
Available-for-sale financial assets	17,535,502	-475,303
Loans and receivables	213,027,835	9,768
Held-to-maturity investments	5,905,636	16,635
Hedging derivatives	1,758,932	2,555,244
Liabilities		
Financial liabilities held for trading	13,658,091	13,658,091
Financial liabilities at amortised cost	258,697,166	257,949,654
Hedging derivatives	2,088,420	2,088,420

Thousands of euros		
2005	Book value	Fair value
Assets		
Cahs and balances with central banks	2,707,634	2,707,634
Financial assets held for trading	31,223,865	31,223,865
Available-for-sale financial assets	32,895,371	32,895,371
Loans and receivables	183,250,928	203,262,360
Held-to-maturity investments	3,959,264	4,074,742
Hedging derivatives	2,505,102	2,505,102
Liabilities		
Financial liabilities held for trading	14,579,963	14,579,963
Financial liabilities at amortised cost	242,037,543	250,748,969
Hedging derivatives	947,007	947,007

The fair value of "Cash and Balances with Central Banks" is the same that the book value because it is short-terms operations. The fair value of the "Held-to-Maturity Investments" corresponds with the quoted market price. The fair value of "Loans and Receivables" and "Financial Liabilities at Amortised Cost" was estimated by discounting the expected cash flows using the markets interest rates at each year-end.

29. FINANCIAL GUARANTEES AND DRAWABLE BY THIRD PARTIES

The memorandum items Contingent Exposures and Contingent Commitments in the balance sheets include the amounts that would be payable by the Bank on behalf of third parties if the parties originally obliged to pay fail to do so, in connection with the commitments assumed by the Bank in the course of their ordinary business.

The breakdown of the balances of these items as of December 31, 2006 and 2005 is as follows:

Thousands of euros		
	2006	2005
Contingent exposures -	80,646,871	59,136,523
Collateral, bank guarantees and indemnities	64,565,637	50,496,199
Rediscounts, endorsements and acceptances	13,798,422	6,829,488
Other	2,282,812	1,810,836
Contingent commitments -	70,713,556	59,657,991
Drawable by third parties:		
Credit institutions	4,336,161	2,978,474
General government sector	2,272,812	2,382,394
Other resident sectors	39,211,496	32,547,030
Non-resident sector	20,029,431	17,689,026
Other commitments	4,863,656	4,061,067
Total	151,360,427	118,794,514

Since a significant portion of these amounts will reach maturity without any payment obligation materializing for the Bank, the aggregate balance of these commitments cannot be considered as an actual future requirement for financing or liquidity to be provided by the Bank to third parties.

Income from the guarantee instruments is recorded under the heading Fee and Commission Income in the income statement and is calculated by applying the rate established in the related contract to the nominal amount of the guarantee.

30. ASSETS ASSIGNED TO OTHER OWN AND THIRD-PARTY OBLIGATIONS

As of December 31, 2006 and 2005, the face amount of the assets owned by the Bank pledged as security for own transactions, amounted to €43,036,303 thousand and €34,679,816 thousand, respectively, and related basically to the pledge of certain assets as security for financing liabilities with the Bank of Spain and to a portion of the assets assigned to mortgage bond issues, which pursuant to the Mortgage Market Law are admitted as security for obligation to third parties.

31. OTHER CONTINGENT ASSETS

As of December 31, 2006 and 2005, there were no significant contingent assets registered in the financial statements attached.

32. PURCHASE AND SALE COMMITMENTS

The financial instruments sold with a commitment to subsequently repurchase them are not derecognized from the balance sheets and the amount received from the sale is considered financing from third parties.

As of December 31, 2006 and 2005, the Bank had sold financial assets totalling €20,635,732 thousand and €34,555,166 thousand, respectively, with a commitment to subsequently repurchase them, and had purchased financial assets totalling €6,626,472 thousand and €11,505,077 thousand, respectively, with a commitment to subsequently resell them.

33. TRANSACTIONS FOR THE ACCOUNT OF THIRD PARTIES

The detail of the most significant items composing this heading is as follows:

	Thousands of euros	
	2006	2005
Financial instruments entrusted by third parties	371.638.245	366.023.392
Asset transfers	9.634.648	6.274.906
Derecognised in full from the balance sheet	617.305	900.317
Retained in full on the balance sheet (Note 9)	9.017.343	5.374.589
Conditional bills and other securities received for collection	2.344.174	1.553.646
Borrowed securities	69.747	-
Off-balance-sheet customer funds Managed by the Group (*)	71.457.445	65.315.735
- Investment companies and mutual funds	47.701.943	44.905.985
- Pension funds	14.665.098	13.543.623
- Insurance-cum-savings contracts	3.071.871	2.923.004
- Customer portfolios managed on a discretionary basis	6.018.533	3.943.123
Total	455.144.259	439.167.679

(*) All of the off balance sheet customer funds correspond to funds commercialised by the Bank.

34. INTEREST AND SIMILAR INCOME.

The breakdown of the most significant interest and similar income earned by the Bank in 2006 and 2005 is as follows:

	Thousands of euros	
	2006	2005
Central Banks	59,170	38,965
Loans and advances to credit institutions	918,560	548,344
Loans and advances to other debtors	7,138,633	5,262,937
General government	264,026	220,816
Resident sector	6,020,279	4,564,413
Non resident sector	854,328	477,708
Debt securities	1,278,447	1,278,129
Rectification of income as a result of hedging transactions	33,808	(83,238)
Other income	127,414	124,182
Total	9,556,032	7,169,319

35. INTEREST EXPENSE AND SIMILAR CHARGES.

The breakdown of the balance of this heading in the accompanying income statements is as follows:

	Thousands of euros	
	2006	2005
Bank of Spain and other central banks	223,819	251,238
Deposits from credit institutions	1,833,479	1,237,387
Deposits from other creditors	3,576,381	2,038,727
Debt certificates (including bonds) (Note 18)	1,472,657	1,163,501
Subordinated liabilities (Note 18)	493,923	468,584
Rectification of expenses as a result of hedging transactions	(779,026)	(794,404)
Cost attributable to pension funds (Note 20)	100,300	102,929
Other charges	55,459	5,892
Total	6,976,992	4,473,854

36. INCOME FROM EQUITY INSTRUMENTS

The breakdown of the balance of this heading in the accompanying income statements is as follows:

	Thousands of euros	
	2006	2005
Associates	827	1,774
Jointly controlled entities	826	-
Subsidiaries	1,158,355	770,199
Other securities and equity instruments	368,487	284,939
Total	1,528,495	1,056,912

37. FEE AND COMMISSION INCOME

The breakdown of the balance of this heading in the accompanying income statements is as follows:

	Thousands of euros	
	2006	2005
Commitment fees	47,410	42,086
Contingent liabilities	163,134	142,501
Documentary credits	21,253	21,594
Bank and other guarantees	141,881	120,907
Arising from exchange of foreign currencies and banknotes	3,657	3,790
Collection and payment services	753,592	759,187
Securities services	180,418	154,977
Counselling on and management of one-off transactions	44,058	33,142
Financial and similar counselling services	37,743	27,085
Non-banking financial products sales	646,890	593,128
Other fees and commissions	185,332	173,089
Total	2,062,234	1,928,985

38. FEE AND COMMISSION EXPENSES

The breakdown of the balance of this heading in the accompanying income statements is as follows:

	Thousands of euros	
	2006	2005
Brokerage fees on lending and deposit transactions	1,503	1,666
Fees and commissions assigned to third parties	187,423	210,990
Other fees and commissions	141,013	118,062
Total	329,939	330,718

39. GAINS/LOSSES ON FINANCIAL ASSETS AND LIABILITIES

The detail of the balance of this heading in the accompanying income statements is as follows:

	Thousands of euros	
	2006	2005
Net gains or losses on sale or measurement of assets		
Financial assets held for trading	309.749	244.494
Available-for-sale financial assets (*)	998.596	238.045
Derivatives	(61.952)	47.132
Total	1.246.393	529.671

(*)Includes € 522,287 thousand that corresponds to the gains obtained in the sale of the ownership interest in Repsol-YPF,S.A.

The breakdown, by type, of the financial instruments which gave rise to the above balances is as follows:

	Thousands of euros	
	2006	2005
Debt instruments	7,861	26,833
Equity instruments	2,424,722	932,365
Derivatives	(1,226,547)	(470,496)
Other	40,357	40,969
Total	1,246,393	529,671

40. PERSONNEL EXPENSES

The detail of the balance of this heading in the accompanying income statements is as follows:

	Thousands of euros	
	2006	2005
Wages and salaries	1,629,419	1,536,376
Social security costs	317,222	310,770
Transfers to internal pension provisions (Note 20)	4,131	3,480
Contributions to external pension funds (Note 20)	59,301	68,768
Other personnel expenses	147,999	94,853
Total	2,158,072	2,014,247

The average number of employees in the Bank, by professional category and country, was as follows:

	2006	2005
Executives	1,082	1,067
Technical staff	21,510	21,543
Administrative staff	6,719	6,980
General Services	55	62
Abroad	676	674
Total	30,042	30,326

Equity-instrument-based employee remuneration -

At the Annual General Meeting held on 18 March 2006, the Bank's shareholders approved a long-term share-based remuneration plan for the members of the Group's management team ("the Plan"). The Plan has a term of three years from 1 January 2006 and will be settled in the first half of 2009.

Under this Plan the Bank promises to deliver ordinary shares of BBVA, S.A. to the members of the Group's management team (including executive directors and management committee members). A number of "theoretical shares" will be allocated to the beneficiaries based on the annual variable remuneration earned by each member in the last three years and on their level of responsibility. This number will serve as the basis for the calculation of the BBVA shares that will be delivered, as the case may be, when the Plan expires. The specific number of BBVA shares to be delivered to each beneficiary on expiry of the Plan will be calculated by multiplying the number of "theoretical shares" allocated by a coefficient ranging from 0 to 2. The value of the coefficient established by comparing the performance of the Total Shareholder Return (TSR) - share appreciation plus dividends - of the Bank over the term of the Plan with the performance of the same indicator for 14 leading European banks. The amount of the obligation that will be registered in the consolidated financial statements will be determined by multiplying the number of the shares by the estimated average price at the moment of the liquidation of the Plan. (€15.02 at the moment of approved the Plan).

Both TSR and estimated average price per share were considered market variations at the moment of calculated the cost of the Plan when the Plan was initiated (Note 2.o). The value of the TSR (0.896) was calculated by Montecarlo simulations. The estimated average price (15.02) was calculated by the future price.

As of December 31, 2006, the estimated number of theoretical shares for the Group as a whole, including executive directors and BBVA's Management Committee members (see Note 4), was 9,998,202, representing 0.281% of the Bank's share capital (6,886,769 shares in the Bank).

As of December 31, 2006, the total accrued amount during the Plan's life is €92,682 thousand.

As of December 31, 2006, the expense recognized in this period amounted to €30,894 thousand (€3,095 thousand corresponding to executive directors and was recognised under "Personnel Expenses – Other" in the Group's consolidated income statement with a charge to "Equity-Other equity instrument-Rest" in the consolidated balance sheet as of December 31, 2006, net of tax.

41. OTHER ADMINISTRATIVE EXPENSES

The breakdown of the balance of this heading in the accompanying income statements is as follows:

	Thousands of euros	
	2006	2005
Technology and systems	261,233	241,796
Communications	60,130	58,708
Advertising	89,380	78,530
Property, fixtures and materials	168,627	156,090
Taxes other than income tax	25,555	24,775
Other expenses	244,149	244,128
Total	849,074	804,027

The heading "Property, Fixtures and Materials" includes expenses relating to operating leases of buildings amounting to €79,627 thousand and €73,077 thousand in 2006 and 2005, respectively. The company does not expect to terminate the lease contracts early.

The balance of the heading "Other administrative expenses" in the foregoing table includes the audit fees paid by the Bank to their respective auditors, the detail for 2006 being as follows:

	Thousands of euros
Audits of the companies audited by firms belonging to the Deloitte worldwide organisation	3,836
Fees for audits conducted by other firms	70
Other reports required pursuant to applicable legislation and tax regulations issued by the national supervisory bodies of the countries in which the Group operates, reviewed by firms belonging to the Deloitte worldwide organisation	5,238

The detail of the other services provided to the Bank is as follows:

	Thousands of euros
Firms belonging to the Deloitte worldwide organisation	1,199
Other firms	1,373

The services provided by our accountants meet the independence requirements established in Law 44/2002, of 22 November, on Measures Reforming the Financial System and in the Sarbanes-Oxley Act of 2002 adopted by the Securities and Exchange Commission (SEC), and accordingly they did not include the performance of any work that is incompatible with the auditing function.

42. OTHER GAINS AND OTHER LOSSES

The breakdown of the balances of these headings in the accompanying income statements is as follows:

	Thousands of euros	
	2006	2005
Losses	34,922	34,985
Net losses on fixed asset disposals (Note 14)	5,132	6,833
Net losses on long-term investments	516	885
Other losses	29,274	27,267
Gains	614,950	107,872
Net gains on sales of long term investment (Note 13)	537,405	2,915
Net gains on sale of fixed asset (Note 14)	56,576	75,436
Income from the provision of non-typical services	7,384	7,368
Other income	13,585	22,153
Total	580,028	72,887

43. RELATED PARTIES TRANSACTIONS

43.1. TRANSACTIONS WITH BBVA GROUP

The balances of the main aggregates in the financial statements arising from the transactions carried out by the Bank with associated and jointly controlled companies of the Group, which consist of ordinary business and financial transactions carried out on an arm's-length basis, in 2005 and 2006, are as follows:

	Thousands of euros	
	2006	2005
Assets:		
Due from credit institutions	13,425,619	12,992,303
Loans and receivables	776,280	459,396
Available for sale	120,008	197,313
Liabilities:		
Due to credit institutions	9,218,813	10,012,130
Deposits from other debtors	27,225,049	17,771,469
Memorandum accounts:		
Contingent liabilities	42,065,136	31,415,456
Commitments and contingents liabilities	888,722	881,526
Statement of income:		
Income	1,146,647	1,007,442
Expenses	1,721,229	1,000,430

There are no other material effects on the financial statements of the Group arising from dealings with these companies, other than the effects arising from using the equity method, and from the insurance policies to cover pension or similar commitments (Note 20).

As of December 31, 2006, 2005 and 2004, the notional amount of the futures transactions arranged by the Group with the main related companies amounted to approximately €7,835,468 thousand and €4,862,941 thousand, respectively.

In addition, as part of its normal activity, the Bank has entered into agreements and commitments of various types with shareholders of subsidiaries and associates of the Group, which have no material effects on the financial statements.

43.2. TRANSACTIONS WITH KEY ENTITY PERSONNEL

The information on the remuneration of key personnel (members of the Board of Directors of BBVA, S.A. and of the Management Committee) is included in Note 4.

As of December 31, 2006 the Bank had not granted any loans or provided any guarantees to members of the Board of Directors of BBVA, S.A.

The loans granted as of December 31, 2006, to the members of the Management Committee, excluding the executive directors, amounted to €2,355 thousand. As of December 31, 2006, guarantees had been provided on behalf of members of the Management Committee amounted to €12 thousand.

As of December 31, 2006, the loans granted to parties related to key personnel (the aforementioned members of the Board of Directors of BBVA, S.A. and of the Management Committee) totalled €12,676 thousand. At December 31, 2006, the other exposure to parties related to key personnel (guarantees, finance leases and commercial loans) amounted to €14,545 thousand.

The demand and time deposits held on an arm's length basis as part of BBVA's ordinary banking business by directors, Management Committee members and their related parties totalled €15,467 thousand as of December 31, 2006.

In addition, BBVA and other Group companies, in the normal course of their business and in their capacity as financial institutions, habitually perform transactions with members of the Board of Directors of BBVA, S.A. and of the Management Committee and their respective related parties. All these transactions, which are scantily material, are conducted on an arm's length basis.

43.3. TRANSACTIONS WITH OTHER RELATED PARTIES

There are no other material transactions with other related parties.

44. OTHER INFORMATION

On March 22, 2002, BBVA notified the supervisory authorities of the stock markets on which its shares are listed that the Bank of Spain had commenced a proceeding against BBVA and 16 of its former directors and executives. These proceedings arose as a result of the existence of funds belonging to BBV that were not included in the entity's financial statements until they were voluntarily regularized by being recorded in the 2000 consolidated income statement as extraordinary income, for which the related corporation tax was recorded and paid. These funds totalled Ptas. 37,343 million (approximately €225 million) and arose basically from the gains on the sale of shares of Banco de Vizcaya, S.A. and Banco Bilbao Vizcaya, S.A. from 1987 to 1992, and on the purchase and sale by BBV of shares of Argentaria, Caja Postal and Banco Hipotecario, S.A. in 1997 and 1998.

After dissolving the legal vehicles where the unrecorded funds were located and including the funds in its accounting records, BBVA notified the Bank of Spain of these matters on January 19, 2001. The Bank of Spain's supervisory services commenced an investigation into the origin of the funds, their use and the persons involved, the findings of which were included in the supervisory services' report dated March 11, 2002. On March 15, 2002, the Bank of Spain notified the Bank of the commencement of a proceeding relating to these events.

On May 22, 2002, the Council of the Spanish National Securities Market Commission (CNMV) commenced a proceeding against BBVA for possible contravention of the Securities Market Law (under Article 99 ñ) thereof owing to the same events as those which gave rise to the Bank of Spain's proceeding.

Since various court proceedings are in progress to determine the possible criminal liability of the persons involved in the aforementioned events, the conduct of the two administrative proceedings was stayed until the final court decision is handed down.

At the date of preparation of these consolidated financial statements, none of the persons party to the proceedings or prosecuted in relation to the events referred to above was a member of the Board of Directors or the Management Committee or held executive office at BBVA, BBVA is not party to the criminal proceedings and no charges or claim for liability have been levelled against the Bank.

The proceedings DP 161/00 initiated in 2000 relating to the alleged participation of certain BBVA Privanza Bank employees in purported tax offences resulting from the marketing of BBVA Privanza Jersey fiduciary products, as well as to the purported tax offence by BBVA, S.A. for not including in its balance sheet the net assets of Canal Trust Company (a wholly-owned subsidiary of BBVA Privanza) are still at the initial investigative stage.

The Group's legal advisers do not expect the aforementioned administrative and criminal proceedings to have any material impact on the Bank.

45. DETAIL OF THE DIRECTORS' HOLDINGS IN COMPANIES WITH SIMILAR BUSINESS ACTIVITIES

Pursuant to Article 127 ter. of the Spanish Corporations Law, introduced by Law 26/2003 of 17 July amending Securities Market Law 24/1988 of 28 July, and the revised Corporations Law, in order to reinforce the transparency of listed companies, set forth below are the companies engaging in an activity that is identical, similar or complementary to that which constitutes the corporate purpose of BBVA, in which the members of the Board of Directors have a direct or indirect ownership interest.

None of the directors discharge executive or administrative functions at these companies.

Surname (s) and First Name	Company	Investments	
		Number of Shares	Type of Ownership Interest
Alfaro Drake, Tomás	--	--	--
Alvarez Mezquiriz, Juan Carlos	--	--	--
Breeden, Richard C.	--	--	--
Bustamante y de la Mora, Ramón	--	--	--
Fernández Rivero, José Antonio	--	--	--
Ferrero Jordi, Ignacio	Santander Central Hispano	9,940	Indirecta
	Banco Popular Español	2,490	Indirecta
Goirigolzarri Tellaeche, José Ignacio	--	--	--
González Rodríguez, Francisco	Bancoval	76,040	Indirecta
Knörr Borrás, Román	--	--	--
Lacasa Suárez, Ricardo	Banco Popular Español	91,440	Directa
Loring Martínez de Irujo, Carlos	--	--	--
Maldonado Ramos, José	--	--	--
Medina Fernández, Enrique	Banco Español de Crédito	482.88	Indirecta
	Banco Popular Español	863.95	Indirecta
	Bankinter	268.96	Indirecta
	BNP Paribas	94.96	Indirecta
	Royal Bank of Scotland	349.35	Indirecta
	Santander Central Hispano	1618.26	Indirecta
	Standard Chartered	245.70	Indirecta
Rodríguez Vidarte, Susana	--	--	--
Vilá Boix, Angel (representante de Telefónica de España, S.A.)	Banco Sabadell	3,125.0000	Directa
	BNP Paribas	500	Directa

46. SUBSEQUENT EVENTS

Acquisition of State National Bancshares Inc.

On 12 June 2006, BBVA entered into an agreement to purchase the US banking group, State National Bancshares, Inc., which is domiciled and conducts its main business activity in the State of Texas. Once the approval of the General Meeting of this company has been obtained together with the necessary administrative authorisations, the transaction was concluded on 3 January 2007. The agreed purchase price was \$484 million (approximately €368 million at this date).

47. EXPLANATION ADDED FOR TRANSLATION IN ENGLISH.

These financial statements are presented on the basis of accounting principles generally accepted in Spain, Certain accounting practices applied by the Bank that conform with accepted accounting principles in Spain may not conform with generally accepted accounting principles in other countries.

APPENDIX I
ADDITIONAL INFORMATION ON CONSOLIDATED SUBSIDIARIES
COMPOSING THE BANCO BILBAO VIZCAYA ARGENTARIA GROUP

Company	Location	Activity	% of Voting Rights			Thousands of Euros (*)			
			Controlled by the Bank			Investee Data			
			Direct	Indirect	Total	Net Carrying Amount	Assets as of 31.12.06	Liabilities as of 31.12.06	Equity 31.12.06
(ASA) AG.DE INSURANCE DE ARGENTARIA, S.A.	SPAIN	SERVICES	100.00	-	100.00	1,368	7,600	5,375	1,949
ADMINISTRAD. DE FONDOS PARA EL RETIRO-BANCOMER,S.A DE C.V.	MEXICO	PENSIONS	17.50	82.50	100.00	358,061	203,769	46,748	105,890
ADMINISTRADORA DE FONDOS DE PENSIONS PROVIDA(AFP PROVIDA)	CHILE	PENSIONS	12.70	51.62	64.32	204,805	410,196	117,337	226,639
AFP GENESIS ADMINISTRADORA DE FONDOS, S.A.	ECUADOR	PENSIONS	-	100.00	100.00	1,928	3,436	1,508	616
AFP HORIZONTE, S.A.	PERU	PENSIONS	24.85	75.15	100.00	26,618	41,789	16,030	15,678
AFP PREVISION BBV-ADM.DE FONDOS DE PENSIONS S.A.	BOLIVIA	PENSIONS	75.00	5.00	80.00	2,063	9,166	3,425	2,645
ALMACENADORA FINANCIERA PROVINCIAL	VENEZUELA	SERVICES	-	100.00	100.00	1,197	1,463	267	877
ALMACENES GENERALES DE DEPOSITO, S.A.E. DE	SPAIN	PORTFOLIO	83.90	16.10	100.00	12,649	100,377	3,037	94,312
ALTITUDE INVESTMENTS LIMITED	UNITED KINGDOM	FINANCIAL SERV.	51.00	-	51.00	225	1,971	1,246	721
ALTURA MARKETS, A.V., S.A.	SPAIN	SECURITIES	50.00	-	50.00	5,000	787,877	764,434	12,041
ANIDA DESARROLLOS INMOBILIARIOS, S.L.	SPAIN	REAL ESTATE	-	100.00	100.00	112,477	329,735	111,694	167,426
ANIDA GRUPO INMOBILIARIO, S.L.	SPAIN	PORTFOLIO	100.00	-	100.00	198,357	509,943	62,396	410,625
ANIDA REAL ESTATE, S.A. DE C.V.	MEXICO	PORTFOLIO	-	100.00	100.00	55,199	52,615	23	53,994
ANIDA PROYECTOS INMOBILIARIOS, S.A. DE C.V.	MEXICO	REAL EST.INSTR.	-	100.00	100.00	51,990	52,457	467	53,029
ANIDA SERVICES INMOBILIARIOS, S.A. DE C.V.	MEXICO	REAL EST.INSTR.	-	100.00	100.00	451	1,587	1,157	833
APLICA SOLUCIONES ARGENTINAS, S.A.	ARGENTINA	SERVICES	-	100.00	100.00	1,209	1,232	61	1,232
APLICA TECNOLOGIA AVANZADA	MEXICO	SERVICES	100.00	-	100.00	4	47,725	46,160	581
APOYO MERCANTIL S.A. DE C.V.	MEXICO	REAL EST.INSTR.	-	100.00	100.00	2,070	11,721	9,651	1,826
ARAGON CAPITAL, S.L.	SPAIN	PORTFOLIO	99.90	-0.10	100.00	37,925	30,948	-	29,191
ARGENTARIA SERVICES, S.A.	CHILE	SERVICES	100.00	-	100.00	676	1,360	7	1,249
ASERLOCAL, S.A.	SPAIN	SERVICES	-	100.00	100.00	32	32	-	43
ASSUREX, S.A.	ARGENTINA	INSURANCE	87.50	12.50	100.00	68	458	392	62
ATUEL FIDEICOMISOS, S.A.	ARGENTINA	SERVICES	-	100.00	100.00	4,954	5,117	163	3,241
AUTOMERCANTIL-COMERCIO E ALUGER DE VEICULOS AUTOM., LDA.	PORTUGAL	FINANCIAL SERV.	-	100.00	100.00	17,217	67,403	57,489	9,711
BAHIA SUR RESORT, S.C.	SPAIN	REAL ESTATE	99.95	-	99.95	1,436	1,438	15	1,423
BANCO BILBAO VIZCAYA ARGENTARIA (PANAMA), S.A.	PANAMA	BANKING	54.12	44.81	98.93	19,464	852,708	722,400	106,770
BANCO BILBAO VIZCAYA ARGENTARIA (PORTUGAL), S.A.	PORTUGAL	BANKING	9.52	90.48	100.00	278,916	5,285,506	5,052,258	264,100
BANCO BILBAO VIZCAYA ARGENTARIA CHILE, S.A.	CHILE	BANKING	60.92	6.92	67.84	273,426	6,534,127	6,113,769	377,009
BANCO BILBAO VIZCAYA ARGENTARIA PUERTO RICO	PUERTO RICO	BANKING	-	100.00	100.00	105,348	4,797,356	4,402,685	372,231
BANCO BILBAO VIZCAYA ARGENTARIA URUGUAY, S.A.	URUGUAY	BANKING	100.00	-	100.00	17,049	354,457	328,550	21,261
BANCO CONTINENTAL, S.A.	PERU	BANKING	-	92.08	92.08	374,183	4,426,905	4,020,555	287,599
BANCO DE CREDITO LOCAL, S.A.	SPAIN	BANKING	100.00	-	100.00	509,597	11,563,355	11,283,023	239,410
BANCO DE PROMOCION DE NEGOCIOS, S.A.	SPAIN	BANKING	-	99.81	99.81	15,149	32,608	247	31,791
BANCO DEPOSITARIO BBVA, S.A.	SPAIN	BANKING	-	100.00	100.00	1,595	1,219,922	1,169,201	167
BANCO INDUSTRIAL DE BILBAO, S.A.	SPAIN	BANKING	-	99.93	99.93	97,218	281,609	26,342	176,465
BANCO OCCIDENTAL, S.A.	SPAIN	BANKING	49.43	50.57	100.00	15,512	16,667	787	15,345
BANCO PROVINCIAL OVERSEAS N.V.	NETHERLANDS ANTILLES	BANKING	-	100.00	100.00	30,135	411,944	381,809	23,126
BANCO PROVINCIAL S.A. - BANCO UNIVERSAL	VENEZUELA	BANKING	1.85	53.75	55.60	162,180	6,561,057	6,085,778	330,112
BANCO UNO-E BRAZIL, S.A.	BRAZIL	BANKING	100.00	-	100.00	16,166	31,661	4,523	25,082
BANCOMER ASSET MANAGEMENT INC.	UNITED STATES	FINANCIAL SERV.	-	100.00	100.00	2	2	-	2
BANCOMER FINANCIAL SERVICES INC.	UNITED STATES	FINANCIAL SERV.	-	100.00	100.00	3,812	4,342	529	4,193
BANCOMER FOREIGN EXCHANGE INC.	UNITED STATES	FINANCIAL SERV.	-	100.00	100.00	3,191	4,136	945	2,451
BANCOMER PAYMENT SERVICES INC.	UNITED STATES	FINANCIAL SERV.	-	100.00	100.00	11	17	6	16
BANCOMER TRANSFER SERVICES, INC	UNITED STATES	FINANCIAL SERV.	-	100.00	100.00	34,013	109,047	75,034	20,908
BANCOMERCIO INSURANCE, S.A. AGENCIA DE INSURANCE	SPAIN	SERVICES	99.99	-	100.00	60	81	1	80
BANKERS INVESTMENT SERVICES, INC	UNITED STATES	FINANCIAL SERV.	-	100.00	100.00	651	693	41	880
BBV AMERICA, S.L.	SPAIN	PORTFOLIO	100.00	-	100.00	479,328	472,590	-	491,627
BBV SECURITIES HOLDINGS, S.A.	SPAIN	PORTFOLIO	99.86	-0.14	100.00	19,550	53,493	33,943	30,561
BBVA & PARTNERS ALTERNATIVE INVESTMENT A.V., S.A.	SPAIN	SECURITIES	7	-	7	1,331	8,142	5,077	2,399
BBVA ADMINISTRADORA GENERAL DE FONDOS S.A.	CHILE	FINANCIAL SERV.	-	100.00	100.00	16,597	16,949	343	13,910
BBVA AMERICA FINANCE, S.A.	SPAIN	FINANCIAL SERV.	100.00	-	100.00	60	52,274	52,221	56
BBVA BANCO DE FINANCIACION S.A.	SPAIN	BANKING	-	100.00	100.00	64,200	7,452,455	7,383,045	68,581
BBVA BANCO FRANCES, S.A.	ARGENTINA	BANKING	45.65	30.44	76.09	46,534	4,176,363	3,695,871	434,097
BBVA BANCOMER FINANCIAL HOLDINGS, INC.	UNITED STATES	PORTFOLIO	-	100.00	100.00	42,554	60,680	17,875	40,541
BBVA BANCOMER GESTION, S.A. DE C.V.	MEXICO	FINANCIAL SERV.	-	99.99	99.99	19,252	35,796	16,540	6,739
BBVA BANCOMER HOLDING CORPORATION	UNITED STATES	PORTFOLIO	-	100.00	100.00	4,876	4,876	-	3,539
BBVA BANCOMER OPERADORA, S.A. DE C.V.	MEXICO	SERVICES	-	100.00	100.00	2,912	455,026	452,114	1,761

Company	Location	Activity	% of Voting Rights Controlled by the Bank			Thousands of Euros (*) Investee Data			
			Direct	Indirect	Total	Net	Assets as	Liabilities	Equity
						Carrying Amount	of 31.12.06	as of 31.12.06	31.12.06
BBVA BANCOMER SERVICES ADMINISTRATIVOS, S.A. DE C.V.	MEXICO	FINANCIAL SERV.	-	100.00	100.00	708	8,917	8,210	462
BBVA BANCOMER SERVICES, S.A.	MEXICO	BANKING	-	100.00	100.00	401,963	417,752	15,788	321,698
BBVA BANCOMER USA	UNITED STATES	BANKING	-	100.00	100.00	12,833	84,000	71,103	19,695
BBVA BANCOMER, S.A. DE C.V.	MEXICO	BANKING	-	100.00	100.00	4,889,024	54,058,936	49,166,559	3,583,706
BBVA BROKER, CORREDURIA DE INSURANCE Y REINSURANCE, S.A.	SPAIN	SERVICES	-	100.00	100.00	337	7,290	1,615	3,281
BBVA CAPITAL FINANCE, S.A.	SPAIN	FINANCIAL SERV.	100.00	-	100.00	60	1,992,153	1,991,980	145
BBVA CAPITAL FUNDING, LTD.	CAYMAN ISLANDS	FINANCIAL SERV.	100.00	-	100.00	-	1,281,682	1,279,763	1,804
BBVA PORTFOLIO DE INVERSIONES,SICAV,S.A.	SPAIN	PORTFOLIO	92.25	-	92.25	46,876	119,377	170	115,479
BBVA COLOMBIA, S.A.	COLOMBIA	BANKING	76.20	19.23	95.43	265,946	4,764,806	4,327,516	353,968
BBVA CONSOLIDAR SALUD S.A.	ARGENTINA	INSURANCE	15.35	84.65	100.00	13,361	39,598	26,075	10,479
BBVA CONSOLIDAR INSURANCE, S.A.	ARGENTINA	INSURANCE	87.78	12.22	100.00	5,946	24,997	13,047	10,678
BBVA CORREDORA TECNICA DE INSURANCE BHIF LTDA.	CHILE	SERVICES	-	100.00	100.00	15,500	16,849	1,342	11,539
BBVA CORREDORES DE BOLSA, S.A.	CHILE	SECURITIES	-	100.00	100.00	20,544	290,060	269,341	19,583
BBVA CORREDURIA TECNICA ASEGURADORA, S.A.	SPAIN	SERVICES	99.94	0.06	100.00	297	16,566	6,040	6,237
BBVA CRECER AFP, S.A.	DOMINICAN REPUBLIC	FINANCIAL SERV.	35.00	35.00	70.00	1,982	7,933	2,518	5,850
BBVA DINERO EXPRESS, S.A.U	SPAIN	FINANCIAL SERV.	100.00	-	100.00	2,186	8,064	5,233	2,257
BBVA E-COMMERCE, S.A.	SPAIN	SERVICES	100.00	-	100.00	30,879	34,420	224	35,429
BBVA FACTORING E.F.C., S.A.	SPAIN	FINANCIAL SERV.	-	100.00	100.00	126,447	5,467,812	5,262,341	185,802
BBVA FIDUCIARIA , S.A.	COLOMBIA	FINANCIAL SERV.	-	99.99	99.99	8,036	8,689	536	6,694
BBVA FINANCE (DELAWARE) INC.	UNITED STATES	FINANCIAL SERV.	100.00	-	100.00	110	380	-	380
BBVA FINANCE (UK), LTD.	UNITED KINGDOM	FINANCIAL SERV.	-	100.00	100.00	3,324	27,186	13,939	12,936
BBVA FINANCE SPA.	ITALY	FINANCIAL SERV.	100.00	-	100.00	4,648	6,018	1,060	4,946
BBVA FINANCIAMIENTO AUTOMOTRIZ, S.A.	CHILE	PORTFOLIO	-	100.00	100.00	83,054	83,054	-	76,971
BBVA FINANZIA, S.P.A	ITALY	FINANCIAL SERV.	50.00	50.00	100.00	19,214	286,466	271,331	15,858
BBVA FUNDOS, S.G. DE FUNDOS DE PENSOES, S.A.	PORTUGAL	FINANCIAL SERV.	-	100.00	100.00	998	5,712	483	3,750
BBVA GEST, S.G. DE FUNDOS DE INVESTIMENTO MOBILIARIO, S.A.	PORTUGAL	FINANCIAL SERV.	-	100.00	100.00	998	7,813	621	4,901
BBVA GESTION,SOCIEDAD ANONIMA, SGIIC	SPAIN	FINANCIAL SERV.	17.00	83.00	100.00	11,436	245,160	154,143	9,659
BBVA GLOBAL FINANCE LTD.	CAYMAN ISLANDS	FINANCIAL SERV.	100.00	-	100.00	-	1,750,748	1,746,903	3,612
BBVA HORIZONTE PENSIONS Y CESANTIAS, S.A.	COLOMBIA	PENSIONS	78.52	21.43	99.95	35,696	60,193	10,115	36,206
BBVA REAL ESTATE E INVERSIONES S.A.	CHILE	REAL EST.INSTR.	-	68.11	68.11	4,870	24,260	17,110	7,892
BBVA INSERVEX, S.A.	SPAIN	SERVICES	100.00	-	100.00	1,205	3,327	4	2,875
BBVA INTERNATIONAL INVESTMENT CORPORATION	PUERTO RICO	FINANCIAL SERV.	100.00	-	100.00	2,769,952	2,265,049	19	1,981,286
BBVA INTERNATIONAL LIMITED	CAYMAN ISLANDS	FINANCIAL SERV.	100.00	-	100.00	1	1,009,727	1,006,220	2,829
BBVA INTERNATIONAL PREFERRED, S.A.U.	SPAIN	FINANCIAL SERV.	100.00	-	100.00	60	1,059,300	1,059,228	63
BBVA INVESTMENTS, INC.	UNITED STATES	FINANCIAL SERV.	-	100.00	100.00	5,410	6,705	1,293	3,926
BBVA IRELAND PUBLIC LIMITED COMPANY	IRELAND	FINANCIAL SERV.	100.00	-	100.00	180,381	4,346,978	4,062,078	272,935
BBVA LUXINVEST, S.A.	LUXEMBOURG	PORTFOLIO	36.00	64.00	100.00	255,843	1,429,887	50,652	950,890
BBVA NOMINEES LIMITED	UNITED KINGDOM	SERVICES	100.00	-	100.00	-	1	-	1
BBVA PARAGUAY, S.A.	PARAGUAY	BANKING	99.99	-	99.99	22,598	330,011	289,562	28,318
BBVA PARTICIPACIONES INTERNACIONAL, S.L.	SPAIN	PORTFOLIO	92.69	7.31	100.00	273,366	326,951	1,459	319,702
BBVA PATRIMONIOS GESTORA SGIIC, S.A.	SPAIN	FINANCIAL SERV.	99.99	0.01	100.00	3,907	42,630	2,554	31,804
BBVA PENSIONS CHILE, S.A.	CHILE	PENSIONS	32.23	67.77	100.00	281,182	348,823	4,814	309,071
BBVA PENSIONS, SA, ENTIDAD GESTORA DE FONDOS DE PENSIONS	SPAIN	PENSIONS	100.00	-	100.00	12,922	68,619	30,883	25,938
BBVA PLANIFICACION PATRIMONIAL, S.L.	SPAIN	FINANCIAL SERV.	80.00	20.00	100.00	1	512	40	455
BBVA PREFERRED CAPITAL, LTD.	CAYMAN ISLANDS	NO ACTIVITY	100.00	-	100.00	1	1,066	-	941
BBVA PRIVANZA (JERSEY), LTD.	CHANNEL ISLANDS	NO ACTIVITY	-	100.00	100.00	20,610	106,854	489	101,693
BBVA PUERTO RICO HOLDING CORPORATION	PUERTO RICO	PORTFOLIO	100.00	-	100.00	255,804	105,966	6	106,017
BBVA RE LIMITED	IRELAND	INSURANCE	-	100.00	100.00	656	39,127	28,952	7,991
BBVA RENTING, S.A.	SPAIN	FINANCIAL SERV.	-	100.00	100.00	20,976	574,743	483,232	80,922
BBVA RESEARCH, S.A.	SPAIN	FINANCIAL SERV.	99.99	-	100.00	501	3,475	2,713	674
BBVA SECURITIES HOLDINGS (UK) LIMITED	UNITED KINGDOM	FINANCIAL SERV.	-	100.00	100.00	75	6,307	6,259	364
BBVA SECURITIES INC.	UNITED STATES	FINANCIAL SERV.	-	100.00	100.00	31,750	29,407	4,058	27,932
BBVA SECURITIES LTD.	UNITED KINGDOM	FINANCIAL SERV.	-	100.00	100.00	3,315	9,464	2,658	3,548
BBVA SECURITIES OF PUERTO RICO, INC.	PUERTO RICO	FINANCIAL SERV.	100.00	-	100.00	4,726	4,830	396	4,601

% of Voting Rights Controlled by the Bank	Thousands of Euros (*)			
	Investee Data			

Company	Location	Activity	% of Voting Rights			Net Carrying Amount	Assets as of 31.12.06	Liabilities as of 31.12.06	Equity 31.12.06
			Direct	Indirect	Total				
BBVA INSURANCE COLOMBIA COMPANIA DE INSURANCE, S.A.	COLOMBIA	INSURANCE	94.00	6.00	100.00	9,174	30,979	20,371	10,500
BBVA INSURANCE DE VIDA COLOMBIA, S.A.	COLOMBIA	INSURANCE	94.00	6.00	100.00	13,207	105,066	78,002	20,003
BBVA INSURANCE DE VIDA, S.A.	CHILE	INSURANCE	-	100.00	100.00	24,832	191,974	167,141	20,772
BBVA INSURANCE INC.	PUERTO RICO	SERVICES	-	100.00	100.00	190	3,377	542	1,858
BBVA INSURANCE, S.A.	SPAIN	INSURANCE	94.30	5.64	99.94	414,519	12,284,726	11,397,656	702,149
BBVA INSURANCE, S.A. (DOMINICAN REPUBLIC)	DOMINICAN REPUBLIC	INSURANCE	-	99.98	99.98	1,556	4,259	2,686	552
BBVA SENIOR FINANCE, S.A.U.	SPAIN	FINANCIAL SERV.	100.00	-	100.00	60	17,911,860	17,911,518	141
BBVA SERVICES, S.A.	SPAIN	SERVICES	-	100.00	100.00	354	1,052	21	956
BBVA SOCIEDAD LEASING HABITACIONAL BHIF	CHILE	FINANCIAL SERV.	-	97.48	97.48	8,906	28,943	19,833	8,906
BBVA SUBORDINATED CAPITAL S.A.U.	SPAIN	FINANCIAL SERV.	100.00	-	100.00	130	2,954,128	2,953,928	73
BBVA SWITZERLAND, S.A. (BBVA SWITZERLAND)	SWITZERLAND	BANKING	39.72	60.28	100.00	54,024	538,897	292,537	222,630
BBVA TRADE, S.A.	SPAIN	SERVICES	-	100.00	100.00	6,379	22,162	19,428	17,492
BBVA U.S.SENIOR S.A.U.	SPAIN	FINANCIAL SERV.	100.00	-	100.00	132	4,031,854	4,031,813	132
BBVA USA BANCSHARES OF DELAWARE, INC	UNITED STATES	PORTFOLIO	-	100.00	100.00	679,265	679,267	-	664,000
BBVA USA BANCSHARES, INC	UNITED STATES	PORTFOLIO	100.00	-	100.00	695,628	687,402	12,203	661,433
BBVA USA, INC.	UNITED STATES	SERVICES	-	100.00	100.00	4,566	6,705	1,626	8,735
BBVA VALORES COLOMBIA, S.A. COMISIONISTA DE BOLSA	COLOMBIA	FINANCIAL SERV.	-	100.00	100.00	3,208	3,321	109	2,765
BBVA, INSTITUIÇÃO FINANCEIRA DE CREDITO, S.A.	PORTUGAL	FINANCIAL SERV.	-	100.00	100.00	40,417	301,104	269,408	29,213
BCL INTERNATIONAL FINANCE, LTD.	CAYMAN ISLANDS	FINANCIAL SERV.	-	100.00	100.00	-	160,565	160,537	51
BCL PARTICIPACIONES, S.L.	SPAIN	PORTFOLIO	-	100.00	100.00	1,565	1,565	-	1,908
BEX AMERICA FINANCE INCORPORATED	UNITED STATES	NO ACTIVITY	100.00	-	100.00	-	1	1	-
BEXPORTFOLIO, SICAV S.A.	SPAIN	PORTFOLIO	-	80.84	80.84	9,341	13,500	64	12,947
BHIF ASESORIAS Y SERVICIOS FINANCIEROS, S.A.	CHILE	FINANCIAL SERV.	-	98.60	98.60	12,548	13,789	1,064	7,807
BIBJ MANAGEMENT, LTD.	CHANNEL ISLANDS	NO ACTIVITY	-	100.00	100.00	-	-	-	-
BIBJ NOMINEES, LTD.	CHANNEL ISLANDS	NO ACTIVITY	-	100.00	100.00	-	-	-	-
BILBAO VIZCAYA AMERICA B.V.	NETHERLANDS	PORTFOLIO	-	100.00	100.00	348,940	348,960	20	331,644
BILBAO VIZCAYA HOLDING, S.A.	SPAIN	PORTFOLIO	89.00	11.00	100.00	34,771	123,740	534	58,724
BILBAO VIZCAYA INVESTMENT ADVISORY COMPANY S.A.	LUXEMBOURG	FINANCIAL SERV.	100.00	-	100.00	77	27,820	1,444	11,144
BROOKLINE INVESTMENTS, S.L.	SPAIN	PORTFOLIO	100.00	-	100.00	33,969	32,395	475	32,001
CANAL COMPANY, LTD.	CHANNEL ISLANDS	NO ACTIVITY	-	100.00	100.00	37	1,058	20	1,199
CANAL INTERNATIONAL HOLDING (NETHERLANDS) BV.	NETHERLANDS	NO ACTIVITY	-	100.00	100.00	494	87	22	38
PORTFOLIO E INVERSIONES S.A., CIA DE	SPAIN	PORTFOLIO	100.00	-	100.00	60,541	506,982	443,482	-52,122
CASA DE BOLSA BBVA BANCOMER, S.A. DE C.V.	MEXICO	FINANCIAL SERV.	-	100.00	100.00	49,932	74,777	24,842	23,672
CASA DE CAMBIO MULTIDIVISAS, S.A DE C.V.	MEXICO	NO ACTIVITY	-	100.00	100.00	191	191	1	188
CIA. GLOBAL DE MANDATOS Y REPRESENTACIONES, S.A.	URUGUAY	NO ACTIVITY	-	100.00	100.00	108	190	2	188
CIDESSA DOS, S.L.	SPAIN	PORTFOLIO	-	100.00	100.00	11,243	11,435	191	11,183
CIDESSA UNO, S.L.	SPAIN	PORTFOLIO	-	100.00	100.00	4,754	285,293	88,213	68,229
CIERVANA, S.L.	SPAIN	PORTFOLIO	100.00	-	100.00	53,164	54,968	178	54,320
COMPANÍA CHILENA DE INVERSIONES, S.L.	SPAIN	PORTFOLIO	100.00	-	100.00	232,976	173,294	2,088	171,594
CONSOLIDAR A.F.J.P., S.A.	ARGENTINA	PENSIONS	46.11	53.89	100.00	61,784	94,401	28,112	66,266
CONSOLIDAR ASEGURADORA DE RIESGOS DEL TRABAJO, S.A.	ARGENTINA	INSURANCE	87.50	12.50	100.00	33,490	129,937	87,400	37,089
CONSOLIDAR CIA. DE INSURANCE DE RETIRO, S.A.	ARGENTINA	INSURANCE	33.33	66.67	100.00	10,649	459,959	443,989	12,326
CONSOLIDAR CIA. DE INSURANCE DE VIDA, S.A.	ARGENTINA	INSURANCE	34.04	65.96	100.00	21,147	78,082	45,389	20,300
CONSOLIDAR COMERCIALIZADORA, S.A.	ARGENTINA	SERVICES	-	100.00	100.00	298	3,074	2,776	81
CONSULTORES DE PENSIONS BBV, S.A.	SPAIN	PENSIONS	-	100.00	100.00	175	781	-	829
CONTINENTAL BOLSA, SDAD. AGENTE DE BOLSA S.A.	PERU	SECURITIES	-	100.00	100.00	3,023	4,950	1,927	1,967
CONTINENTAL S.A. SOCIEDAD ADMINISTRADORA DE FONDOS	PERU	FINANCIAL SERV.	-	100.00	100.00	3,236	3,482	245	3,084
CONTINENTAL SOCIEDAD TITULIZADORA, S.A.	PERU	SERVICES	-	100.00	100.00	717	719	2	700
CONTRATACION DE PERSONAL, S.A. DE C.V.	MEXICO	SERVICES	-	100.00	100.00	126	9,757	9,632	5
CORPORACION DE ALIMENTACION Y BEBIDAS, S.A.	SPAIN	PORTFOLIO	-	100.00	100.00	138,508	154,585	1,214	150,575

Company	Location	Activity	% of Voting Rights Controlled by the Bank			Thousands of Euros (*) Investee Data			
			Direct	Indirect	Total	Net Carrying Amount	Assets as of 31.12.06	Liabilities as of 31.12.06	Equity 31.12.06
CORPORACION GENERAL FINANCIERA, S.A.	SPAIN	PORTFOLIO	100.00	-	100.00	452,431	1,164,306	18,167	894,385
CORPORACION INDUSTRIAL Y DE SERVICIOS, S.L.	SPAIN	PORTFOLIO	-	100.00	100.00	1,251	5,552	806	2,914
CORPORATIVO VITAMEDICA, S.A. DE C.V.	MEXICO	SERVICES	-	99.98	99.98	197	1,431	1,234	190
DESARROLLADORA Y VENDEDORA DE CASAS, S.A. DE C.V.	MEXICO	REAL EST.INSTR.	-	100.00	100.00	83	37	1	40
DESARROLLO URBANISTICO DE CHAMARTIN, S.A.	SPAIN	REAL ESTATE	-	72.50	72.50	30,535	61,743	19,592	42,448
DESITEL TECNOLOGIA Y SISTEMAS, S.A. DE C.V.	MEXICO	SERVICES	-	100.00	100.00	1,479	1,587	110	1,394
DEUSTO, S.A. DE INVERSION MOBILIARIA	SPAIN	PORTFOLIO	-	100.00	100.00	11,005	11,005	0	11,203
DINERO EXPRESS SERVICES GLOBALES, S.A.	SPAIN	FINANCIAL SERV.	100.00	-	100.00	13,138	17,942	4,714	17,987
EL ENCINAR METROPOLITANO, S.A.	SPAIN	REAL ESTATE	-	98.76	98.76	5,130	9,269	4,087	6,052
EL OASIS DE LAS RAMBLAS, S.L.	SPAIN	REAL ESTATE	-	70.00	70.00	140	655	527	-1,182
ELANCHOVE, S.A.	SPAIN	PORTFOLIO	100.00	-	100.00	1,500	3,853	1,403	2,457
EMPRESA INSTANT CREDIT, C.A.	VENEZUELA	NO ACTIVITY	-	100.00	100.00	-	-	-	-
ESPANHOLA COMERCIAL E SERVIÇOS, LTDA.	BRAZIL	FINANCIAL SERV.	100.00	-	100.00	-	671	189	4,399
ESTACION DE AUTOBUSES CHAMARTIN, S.A.	SPAIN	SERVICES	-	51.00	51.00	31	31	-	31
EUROPEA DE TITULIZACION, S.A., SDAD.GEST.DE FDOS.DE TITUL.	SPAIN	FINANCIAL SERV.	82.97	-	82.97	1,506	5,654	553	3,096
EURORISK, S.A.	SPAIN	SERVICES	-	100.00	100.00	60	70,679	69,220	1,041
EXPLOTACIONES AGROPECUARIAS VALDELEYEGUA, S.A.	SPAIN	REAL ESTATE	-	100.00	100.00	10,000	9,989	-6	9,990
FIDEICOMISO 29763-0 SOCIO LIQUIDADOR OP.FINAN.POSICION PRO	MEXICO	FINANCIAL SERV.	-	100.00	100.00	14,721	14,831	110	12,588
FIDEICOMISO 29764-8 SOCIO LIQUIDADOR POSICION DE TERCEROS	MEXICO	FINANCIAL SERV.	-	100.00	100.00	32,342	32,810	468	28,653
FIDEICOMISO 474031 MANEJO DE GARANTIAS	MEXICO	SERVICES	-	100.00	100.00	3	3	-	3
FIDEICOMISO BANCO FRANCES	ARGENTINA	FINANCIAL SERV.	100.00	-	100.00	-	1,197	903	497
FIDEICOMISO CENTRO CORPORATIVO REGIONAL F/47433-8	MEXICO	SERVICES	-	100.00	100.00	21,656	35,042	13,386	13,658
FIDEICOMISO INGRAL	COLOMBIA	SERVICES	-	100.00	100.00	-	44	2	813
FIDEICOMISO INVEX 228	MEXICO	FINANCIAL SERV.	-	100.00	100.00	-	49,784	49,783	1
FIDEICOMISO INVEX 367	MEXICO	FINANCIAL SERV.	-	100.00	100.00	-	39,964	39,964	-
FIDEICOMISO INVEX 393	MEXICO	FINANCIAL SERV.	-	100.00	100.00	-	37,390	37,390	-
FIDEICOMISO INVEX 411	MEXICO	FINANCIAL SERV.	-	100.00	100.00	-	35,460	35,460	-
FINANCEIRA DO COMERCIO EXTERIOR S.A.R.	PORTUGAL	SERVICES	100.00	-	100.00	51	45	-	46
FINANCIERA ESPAÑOLA, S.A.	SPAIN	PORTFOLIO	85.85	14.15	100.00	4,522	4,879	-	5,370
FINANZIA AUTORENTING, S.A.	SPAIN	SERVICES	-	85.00	85.00	14,369	614,129	585,289	26,820
FINANZIA, BANCO DE CREDITO, S.A.	SPAIN	BANKING	-	100.00	100.00	56,203	3,573,146	3,412,676	140,405
FORO LOCAL, S.L.	SPAIN	SERVICES	-	60.13	60.13	2	13	7	6
FRANCES ADMINISTRADORA DE INVERSIONES, S.A. G.F.C.INVERS.	ARGENTINA	FINANCIAL SERV.	-	100.00	100.00	4,469	8,243	3,773	2,743
FRANCES VALORES SOCIEDAD DE BOLSA, S.A.	ARGENTINA	FINANCIAL SERV.	-	100.00	100.00	1,476	1,835	358	1,750
FUTURO FAMILIAR, S.A. DE C.V.	MEXICO	INSURANCE	-	100.00	100.00	151	307	155	122
GENERAL DE PARTICIPACIONES EMPRESARIALES, S.L.	SPAIN	PORTFOLIO	65.68	34.32	100.00	1,215	2,116	-	2,081
GENTE BBVA, S.A.	CHILE	FINANCIAL SERV.	-	100.00	100.00	140	1,913	1,772	144
GESTION DE PREVISION Y PENSIONS, S.A.	SPAIN	PENSIONS	60.00	-	60.00	8,830	25,892	2,246	20,551
GESTION Y ADMINISTRACION DE RECIBOS, S.A.	SPAIN	SERVICES	-	100.00	100.00	150	1,069	354	623
GOBERNALIA GLOBAL NET, S.A.	SPAIN	SERVICES	-	100.00	100.00	1,335	1,886	549	1,512
GRAN JORGE JUAN, S.A.	SPAIN	NO ACTIVITY	100.00	-	100.00	10,115	10,293	175	10,113
GRANFIDUCIARIA	COLOMBIA	FINANCIAL SERV.	-	90.00	90.00	-	321	112	135
GRELAR GALICIA, S.A.	SPAIN	PORTFOLIO	-	100.00	100.00	4,329	4,330	-	4,216
GRUPO FINANCIERO BBVA BANCOMER, S.A. DE C.V.	MEXICO	FINANCIAL SERV.	48.96	51.00	99.96	6,171,072	6,242,893	1,685	4,662,032
HIPOTECARIA NACIONAL MEXICANA INCORPORATED	UNITED STATES	REAL EST.INSTR.	-	100.00	100.00	126	182	8	169
HIPOTECARIA NACIONAL, S.A. DE C.V.	MEXICO	FINANCIAL SERV.	-	100.00	100.00	224,503	720,772	496,270	148,947
HOLDING CONTINENTAL, S.A.	PERU	PORTFOLIO	50.00	-	50.00	123,019	402,492	10	287,773
HOMEOWNERS LOAN CORPORATION	UNITED STATES	FINANCIAL SERV.	-	100.00	100.00	5,576	7,809	2,222	15,116
HYDROX HOLDINGS, INC.	UNITED STATES	NO ACTIVITY	-	100.00	100.00	-	-	-	-
IBERDROLA SERVICES FINANCIEROS, E.F.C. S.A.	SPAIN	FINANCIAL SERV.	-	84.00	84.00	7,290	9,279	162	9,043
IBERNEGOCIO DE TRADE, S.L.	SPAIN	SERVICES	-	100.00	100.00	615	31,139	18,998	9,047
INENSUR BRUNETE, S.L.	SPAIN	REAL ESTATE	-	100.00	100.00	23,745	82,332	85,283	-2,443
INGENIERIA EMPRESARIAL MULTIBA	MEXICO	SERVICES	-	99.99	99.99	-	-	-	-
INICIATIVAS RESIDENCIALES EN INTERNET, S.A.	SPAIN	SERVICES	-	100.00	100.00	2	1,156	1,189	1,519
REAL ESTATE ASUDI, S.A.	SPAIN	REAL EST.INSTR.	-	100.00	100.00	2,886	2,998	42	2,872
REAL ESTATE BILBAO, S.A.	SPAIN	REAL EST.INSTR.	-	100.00	100.00	3,514	3,551	36	3,438
INMUEBLES Y RECUPERACIONES CONTINENTAL, S.A.	PERU	REAL EST.INSTR.	-	100.00	100.00	18,035	18,316	281	13,502
INVERAHORRO, S.L.	SPAIN	PORTFOLIO	100.00	-	100.00	474	491	2	480
INVERSIONES ALDAMA, C.A.	VENEZUELA	NO ACTIVITY	-	100.00	100.00	-	-	-	-
INVERSIONES BANPRO INTERNATIONAL INC. N.V.	NETHERLANDS ANTILLES	PORTFOLIO	48.01	-	48.01	11,390	31,996	72	24,829
INVERSIONES BAPROBA, C.A.	VENEZUELA	SERVICES	100.00	-	100.00	1,307	1,663	48	1,507
INVERSIONES MOBILIARIAS, S.L.	SPAIN	PORTFOLIO	100.00	-	100.00	660	693	-	674
INVERSIONES P.H.R.4, C.A.	VENEZUELA	NO ACTIVITY	-	60.46	60.46	-	53	-	53
INVERSIONES T, C.A.	VENEZUELA	NO ACTIVITY	-	100.00	100.00	-	-	-	-
INVERSORA OTAR, S.A.	ARGENTINA	PORTFOLIO	-	99.96	99.96	4,077	49,783	4,128	41,295

Company	Location	Activity	% of Voting Rights Controlled by the Bank			Thousands of Euros (*) Investee Data			
			Direct	Indirect	Total	Net Carrying Amount	Assets as of 31.12.06	Liabilities as of 31.12.06	Equity 31.12.06
INVESCO MANAGEMENT Nº 1, S.A.	LUXEMBOURG	FINANCIAL SERV.	-	99.99	99.99	11,656	16,070	261	15,809
INVESCO MANAGEMENT Nº 2, S.A.	LUXEMBOURG	FINANCIAL SERV.	-	96.88	96.88	31	12,555	23,732	-8,749
JARDINES DE SARRIENA, S.L.	SPAIN	REAL ESTATE	-	85.00	85.00	255	997	611	-2,342
LAREDO NATIONAL BANK	UNITED STATES	BANKING	-	100.00	100.00	674,695	3,389,411	2,714,544	655,945
LEASIMO - SOCIEDADE DE LOCACAO FINANCEIRA, S.A.	PORTUGAL	FINANCIAL SERV.	-	100.00	100.00	11,576	71,960	60,533	10,701
MAGGIORE FLEET, S.P.A.	ITALY	SERVICES	-	100.00	100.00	70,191	136,769	102,508	34,495
MARQUES DE CUBAS 21, S.L.	SPAIN	REAL ESTATE	100.00	-	100.00	2,869	7,552	5,223	2,465
MEDITERRANIA DE PROMOCIONS I GESTIONS INMOBILIARIES, S.A.	SPAIN	NO ACTIVITY	-	100.00	100.00	726	2,610	1,882	650
MERCURY TRUST LIMITED	CAYMAN ISLANDS	FINANCIAL SERV.	-	100.00	100.00	4,019	4,148	105	3,989
MILANO GESTIONI, SRL.	ITALY	REAL EST.INSTR.	-	100.00	100.00	46	4,384	4,012	328
MIRADOR DE LA CARRASCOSA, S.L.	SPAIN	REAL ESTATE	-	55.90	55.90	9,724	26,467	9,399	17,071
MISAPRE, S.A. DE C.V.	MEXICO	FINANCIAL SERV.	-	100.00	100.00	8,305	9,586	2	8,541
MONESTERIO DESARROLLOS, S.L.	SPAIN	REAL ESTATE	-	100.00	100.00	19,990	54,432	34,610	19,805
MONTEALIAGA,S.A.	SPAIN	REAL ESTATE	-	100.00	100.00	21,154	77,331	61,689	9,932
MULTIASISTENCIA, S.A. DE C.V.	MEXICO	SERVICES	-	100.00	100.00	7,364	13,864	5,440	7,182
MULTIVAL, S.A.	SPAIN	PORTFOLIO	-	100.00	100.00	71	178	107	78
OCCIVAL, S.A.	SPAIN	NO ACTIVITY	100.00	-	100.00	8,211	9,171	8	8,907
OPCION VOLCAN, S.A.	MEXICO	REAL EST.INSTR.	-	100.00	100.00	57,643	67,114	9,471	52,214
PARTICIPACIONES ARENAL, S.L.	SPAIN	NO ACTIVITY	-	100.00	100.00	6,270	7,451	1,179	6,150
PENSIONES BANCOMER, S.A. DE C.V.	MEXICO	INSURANCE	-	100.00	100.00	87,022	1,276,431	1,189,406	70,085
PERI 5.1 SOCIEDAD LIMITADA	SPAIN	REAL ESTATE	-	54.99	54.99	1	1	-	1
PORT ARTHUR ABSTRACT & TITLE COMPANY	UNITED STATES	FINANCIAL SERV.	-	100.00	100.00	1,827	2,069	243	1,811
PREMEXSA, S.A. DE C.V.	MEXICO	FINANCIAL SERV.	-	100.00	100.00	507	519	7	541
PREVENTIS, S.A.	MEXICO	INSURANCE	-	75.01	75.01	3,541	11,392	6,671	5,508
PRO-SALUD, C.A.	VENEZUELA	SERVICES	-	58.86	58.86	-	-	1	-1
PROMOCION EMPRESARIAL XX, S.A.	SPAIN	FINANCIAL SERV.	100.00	-	100.00	1,522	2,075	31	1,998
PROMOTORA DE RECURSOS AGRARIOS, S.A.	SPAIN	SERVICES	100.00	-	100.00	139	146	-	148
PROMOTORA RESIDENCIAL GRAN EUROPA, S.L.	SPAIN	REAL ESTATE	-	58.50	58.50	318	1,611	1,068	574
PROVIDA INTERNACIONAL, S.A.	CHILE	PENSIONES	-	100.00	100.00	54,464	54,908	244	48,034
PROVINCIAL DE VALORES CASA DE BOLSA, C.A.	VENEZUELA	FINANCIAL SERV.	-	90.00	90.00	4,437	6,324	851	4,683
PROVINCIAL SDAD.ADMIN.DE ENTIDADES DE INV.COLECTIVA, C.A.	VENEZUELA	FINANCIAL SERV.	-	100.00	100.00	1,553	1,823	276	1,264
PROVIVIENDA, ENTIDAD RECAUDADORA Y ADMIN.DE APORTES, S.A.	BOLIVIA	PENSIONES	-	100.00	100.00	288	1,648	1,345	208
PROXIMA ALFA INVESTMENTS, SGIIC S.A.	SPAIN	FINANCIAL SERV.	51.00	-	51.00	5,100	13,301	1,928	10,000
PROYECTO MUNDO AGUILON, S.L	SPAIN	REAL ESTATE	-	100.00	100.00	9,317	32,219	9,621	19,720
PROYECTOS EMPRESARIALES CAPITAL RIESGO I,S.C.R.SIMP., S.A.	SPAIN	FINANCIAL SERV.	100.00	-	100.00	1,200	11,697	10,510	1,200
PROYECTOS EMPRESARIALES CAPITAL RIESGO, S.G.E.C.R.,S.A.	SPAIN	FINANCIAL SERV.	100.00	-	100.00	1,200	1,345	49	1,195
PROYECTOS INDUSTRIALES CONJUNTOS, S.A. DE	SPAIN	PORTFOLIO	-	100.00	100.00	3,148	3,484	-	3,481
RESIDENCIAL CUMBRES DE SANTA FE, S.A. DE C.V.	MEXICO	REAL ESTATE	-	100.00	100.00	10,265	14,847	5,123	10,283
RIVERWAY HOLDINGS CAPITAL TRUST I	UNITED STATES	FINANCIAL SERV.	-	100.00	100.00	235	7,877	7,640	234
RIVERWAY HOLDINGS CAPITAL TRUST II	UNITED STATES	FINANCIAL SERV.	-	100.00	100.00	118	4,076	3,953	121
S.GESTORA FONDO PUBL.REGUL.MERCADO HIPOTECARIO, S.A.	SPAIN	FINANCIAL SERV.	77.20	-	77.20	138	217	67	152
SCALDIS FINANCE, S.A.	BELGIUM	PORTFOLIO	-	100.00	100.00	3,416	3,625	135	3,486
INSURANCE BANCOMER, S.A. DE C.V.	MEXICO	INSURANCE	24.99	75.01	100.00	253,739	912,179	775,039	60,174
INSURANCE PROVINCIAL, C.A.	VENEZUELA	INSURANCE	-	100.00	100.00	5,895	21,321	15,396	930
SERVICES CORPORATIVOS BANCOMER, S.A. DE C.V.	MEXICO	SERVICES	-	100.00	100.00	130	9,040	8,910	287
SERVICES CORPORATIVOS DE INSURANCE, S.A. DE C.V.	MEXICO	SERVICES	-	100.00	100.00	121	3,698	3,602	105
SERVICES EXTERNOS DE APOYO EMPRESARIAL, S.A. DE C.V.	MEXICO	SERVICES	-	100.00	100.00	1,741	6,575	4,834	1,461
SERVICES TECNOLOGICOS SINGULARES, S.A.	SPAIN	SERVICES	99.99	0.01	100.00	60	7,329	7,228	95
SERVICES VITAMEDICA, S.A. DE C.V.	MEXICO	SERVICES	-	99.98	99.98	116	755	640	47
SOCIEDAD DE ESTUDIOS Y ANALISIS FINANCI., S.A.	SPAIN	PORTFOLIO	100.00	-	100.00	114,518	188,113	65	183,555
SOCIEDAD PARA LA PRESTACION DE SºS ADMINISTRATIVOS, S.A.	SPAIN	SERVICES	-	100.00	100.00	100	1,237	961	100
SOCIETE IMMOBILIERE BBV D'ILBARRIZ	FRANCE	REAL ESTATE	-	100.00	100.00	91	113	31	155
SOUTHEAST TEXAS INSURANCE SERVICES HOLDINGS, L.L.C.	UNITED STATES	NO ACTIVITY	-	100.00	100.00	-	-	-	-
SOUTHEAST TEXAS INSURANCE SERVICES, L.P.	UNITED STATES	INSURANCE	-	100.00	100.00	363	358	-5	358
SOUTHEAST TEXAS TITLE COMPANY	UNITED STATES	FINANCIAL SERV.	-	100.00	100.00	693	1,051	358	683
SPORT CLUB 18, S.A.	SPAIN	PORTFOLIO	100.00	-	100.00	23,745	41,115	17,844	23,744
TEXAS INTERNATIONAL INSURANCE GROUP, INC.	UNITED STATES	SERVICES	-	100.00	100.00	374	385	10	340
TEXAS REGIONAL BANCSHARES, INC.	UNITED STATES	PORTFOLIO	100.00	-	100.00	1,673,906	1,637,086	5,785	1,619,943

% of Voting Rights Controlled by the Bank	Thousands of Euros (*)			
	Investee Data			

Company	Location	Activity	% of Voting Rights Controlled by the Bank			Net Carrying Amount	Assets as of 31.12.06	Liabilities as of 31.12.06	Equity 31.12.06
			Direct	Indirect	Total				
TEXAS REGIONAL DELAWARE, INC.	UNITED STATES	PORTFOLIO	-	100.00	100.00	1,604,875	1,658,834	53,959	1,593,469
TEXAS REGIONAL STATUTORY TRUST I	UNITED STATES	FINANCIAL SERV.	-	100.00	100.00	1,175	39,265	38,086	1,165
TEXAS STATE BANK	UNITED STATES	BANKING	-	100.00	100.00	1,646,080	6,507,464	4,861,385	1,634,320
TRANSITORY CO	PANAMA	REAL EST.INSTR.	-	100.00	100.00	216	5,383	5,167	312
TSB PROPERTIES, INC.	UNITED STATES	REAL EST.INSTR.	-	100.00	100.00	-1,500	805	2,304	-1,499
TSB SECURITIES, INC.	UNITED STATES	FINANCIAL SERV.	-	100.00	100.00	276	302	26	272
UNICOM TELECOMUNICACIONES S.DE R.L. DE C.V.	MEXICO	SERVICES	-	99.98	99.98	-12	12	23	-9
UNIDAD DE AVALUOS MEXICO S.A. DE C.V.	MEXICO	FINANCIAL SERV.	-	90.00	90.00	672	1,207	459	631
UNISEAR REAL ESTATE, S.A.	SPAIN	REAL ESTATE	-	100.00	100.00	15,626	18,630	703	16,822
UNITARIA GESTION DE PATRIMONIOS INMOBILIARIOS, S.A.	SPAIN	SERVICES	-	100.00	100.00	2,410	2,471	8	2,421
UNIVERSALIDAD "E5"	COLOMBIA	FINANCIAL SERV.	-	100.00	100.00	-	11,175	11,175	-
UNIVERSALIDAD - BANCO GRANAHORRAR	COLOMBIA	FINANCIAL SERV.	-	100.00	100.00	-	19,689	22,147	-1,875
UNO-E BANK, S.A.	SPAIN	BANKING	67.35	32.65	100.00	174,751	1,427,998	1,291,599	126,079
URBANIZADORA SANT LLORENC, S.A.	SPAIN	REAL ESTATE	60.60	-	60.60	-	108	-	108
VALLEY MORTGAGE COMPANY, INC.	UNITED STATES	FINANCIAL SERV.	-	100.00	100.00	9,692	13,789	4,096	9,494
VISACOM, S.A. DE C.V.	MEXICO	SERVICES	-	100.00	100.00	352	353	1	591
VITAMEDICA S.A. DE C.V.	MEXICO	INSURANCE	-	50.99	50.99	2,914	8,893	3,179	5,777

Information on foreign companies at exchange rate on 31-12-06
(*) Unaudited data

APPENDIX II
ADDITIONAL INFORMATION ON JOINTLY CONTROLLED COMPANIES PROPORTIONATELY
CONSOLIDATED IN THE BANCO BILBAO VIZCAYA ARGENTARIA GROUP

COMPANY	LOCATION	ACTIVITY	% of voting rights Controlled by the bank			Thousand of Euros (*)				
			Direct	Indirect	Total	Net carrying amount	Assets 31.12.06	Liabilities 31.12.06	Equity 31.12.06	Profit (loss) for the Period 2006
DARBY-BBVA LATIN AMERICAN INVESTORS, LTD	CAYMAN ISLAND	FINANCIAL SERV	50.00	-	50.00	-	2,490	1,358	410	722
ECASA, S.A.	CHILE	FINANCIAL SERV	-	51.04	51.04	1,770	3,893	359	2,304	1,230
FORUM DISTRIBUIDORA, S.A.	CHILE	SERVICES	-	51.04	51.04	5,612	32,698	25,306	6,160	1,232
FORUM SERVICIOS FINANCIEROS, S.A.	CHILE	FINANCIAL SERV	-	51.00	51.00	77,441	326,269	268,502	47,073	10,694
HOLDING DE PARTICIPACIONES INDUSTRIALES 2000, S.A.	SPAIN	PORTFOLIO	-	50.00	50.00	1,518	4,180	-	4,094	86
PSA FINANCE ARGENTINA COMPAÑIA FINANCIERA, S.A.	ARGENTINA	FINANCIAL SERV	-	50.00	50.00	3,331	26,910	20,210	5,924	776

Information on foreign companies at exchange rate on 12/3/05
(*) Unaudited data.

APPENDIX III
ADDITIONAL INFORMATION ON INVESTMENTS AND JOINTLY CONTROLLED
COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD IN THE BANCO BILBAO VIZCAYA ARGENTARIA GROUP

(Includes the most significant companies which, taken as a whole, represent 98% of the total investment in this respect)

COMPANY	LOCATION	ACTIVITY	% of voting rights			Thousand of Euros (*)				
			Controlled by the bank			Net Carrying amount	Investee Data			Profit (loss) for the period
			Direct	Indirec	Total		Assets	Liabilities	Equity	
ADQUIRA ESPAÑA, S.A.	SPAIN	SERVICES	-	40.00	40.00	2,669	16,041	10,260	8,134	-2,353
ALMAGRARIO, S.A.	COLOMBIA	SERVICES	-	35.38	35.38	5,935	21,778	4,809	16,286	683
AUREA, S.A. (CUBA)	CUBA	REAL ESTATE	-	49.00	49.00	4,339	11,924	3,049	8,665	210
BBVA ELCANO EMPRESARIAL II, S.C.R., S.A.	SPAIN	SERV.FINANCIER.	45.00	-	45.00	29,342	3,416	2,260	1,200	-44
BBVA ELCANO EMPRESARIAL, S.C.R., S.A.	SPAIN	SERV.FINANCIER.	45.00	-	45.00	29,347	3,928	2,772	1,200	-44
CAMARATE GOLF, S.A. (*)	SPAIN	REAL ESTATE	-	26.00	26.00	4,625	66,968	49,041	17,971	-44
COMPAÑIA ESPAÑOLA DE FINANCIACION DEL DESARROLLO S.A.	SPAIN	SERVICES	21.82	0.00	21.82	10,673	59,574	12,455	46,048	1,071
COMPAÑIA MEXICANA DE PROCESAMIENTO, S.A. DE C.V.	MEXICO	SERVICES	-	50.00	50.00	3,088	7,846	1,896	9,321	-3,371
CORPORACION IBV PARTICIPACIONES EMPRESARIALES, S.A. (*)	SPAIN	PORTFOLIO	-	50.00	50.00	564,762	1,236,368	303,371	869,472	63,525 (1)
FERROMOVIL 3000, S.L.	SPAIN	SERVICES	-	20.00	20.00	6,361	-	-	-	- (2)
FERROMOVIL 9000, S.L.	SPAIN	SERVICES	-	20.00	20.00	4,155	-	-	-	- (2)
FIDEICOMISO 70191-2 PUEBLA (*)	MEXICO	REAL ESTATE	-	25.00	25.00	12,213	-	-	-	- (2)
GRUPO PROFESIONAL PLANEACION Y PROYECTOS, S.A. DE C.V. (*)	MEXICO	SERVICES	-	44.39	44.39	4,406	24,490	14,937	8,616	937 (1)
HESTENAR, S.L. (*)	SPAIN	REAL ESTATE	-	43.34	43.34	7,835	26,577	20,668	5,942	-33
IMOBILIARIA DAS AVENIDAS NOVAS, S.A.	PORTUGAL	REAL ESTATE	-	49.97	49.97	2,603	5,767	450	5,560	-243
IMOBILIARIA DUQUE DE AVILA, S.A. (*)	PORTUGAL	REAL ESTATE	-	50.00	50.00	4,725	26,171	16,323	7,771	2,077
INMUEBLES MADARIAGA PROMOCIONES, S.L. (*)	SPAIN	REAL ESTATE	50.00	-	50.00	3,123	8,072	1,745	6,354	-27
JARDINES DEL RUBIN, S.A. (*)	SPAIN	REAL ESTATE	-	50.00	50.00	2,999	36,607	32,504	3,990	113
LA ESMERALDA DESARROLLOS, S.L.	SPAIN	REAL ESTATE	-	45.00	45.00	8,948	-	-	-	- (2)
LAS PEDRAZAS GOLF, S.L. (*)	SPAIN	REAL ESTATE	-	50.00	50.00	15,817	73,616	41,707	31,979	-70
MOBIPAY INTERNATIONAL, S.A. (*)	SPAIN	SERVICES	-	50.00	50.00	2,403	6,214	341	8,243	-2,370
MONTEALMENARA GOLF, S.L. (*)	SPAIN	REAL ESTATE	-	50.00	50.00	15,893	49,326	33,720	15,663	-57
PARQUE REFORMA SANTA FE, S.A. DE C.V.	MEXICO	REAL ESTATE	-	30.00	30.00	4,652	30,368	11,309	19,736	-678
PART. SERVIRED, SDAD. CIVIL	SPAIN	SERVICES	20.50	0.92	21.42	10,615	53,084	3,713	49,346	25
PROMOTORA METROVACESA, S.L. (*)	SPAIN	REAL ESTATE	-	50.00	50.00	9,067	73,644	56,091	19,007	-1,454 (1)
ROMBO COMPAÑIA FINANCIERA, S.A.	ARGENTINA	SERV.FINANCIER.	-	40.00	40.00	3,285	32,736	24,314	8,481	-59
SERVICIOS ELECTRONICOS GLOBALES, S.A. DE C.V.	MEXICO	SERVICES	-	45.98	45.98	4,680	21,577	10,748	10,433	397
TELEFONICA FACTORING, E.F.C., S.A.	SPAIN	SERV.FINANCIER.	30.00	-	30.00	2,839	95,422	85,761	6,905	2,756
TELEPEAJE ELECTRONICO, S.A. DE C.V. (*)	MEXICO	SERVICES	-	50.00	50.00	10,747	69,686	70,935	2,330	-3,579
TUBOS REUNIDOS, S.A.	SPAIN	INDUSTRIAL	0.01	24.26	24.27	69,284	578,059	333,518	212,419	32,122 (1)
OTHER COMPANIES						27,506				
TOTAL						888,936	2,639,260	1,148,697	1,401,073	89,490

Data relating to the latest financial statements (generally for 2004) approved at the date of preparation of these notes to the consolidated financial statements.

For the companies abroad the exchange rates ruling at the reference date are applied,

(1) Consolidated data

(2) Company incorporated in 2006

(*) Jointly controlled entities accounted for using the equity method

**APPENDIX IV
NOTIFICATION OF ACQUISITION OF INVESTEES**

COMPANY	ACTIVITY	% of Ownership		Date of Notification to Investee
		Net% Acquired (Sold) in the Year	% at Year-End	
Acquisitions made until December 31, 2005				
FRANQUICIA TEXTURA, S.A. (1)	INDUSTRIAL	100.00	-	March 10, 2005
INICIATIVAS RESIDENCIALES EN INTERNET, S.A.	SERVICES	50.00	100.00	March 10, 2005
MONTEALIAGA, S.A.	REAL ESTATE	40.00	100.00	March 10, 2005
TEXTIL TEXTURA, S.L.	INDUSTRIAL	64.50	64.50	March 10, 2005
TEXTURA GLOBE, S.A. (2)	INDUSTRIAL	100.00	-	March 10, 2005
Acquisitions made until December 31, 2006				
BBVA CARTERA DE INVERSIONES SICAV, S.A.	PORTFOLIO	17.40	92.25	January 9, 2007
HESTENAR, S.L.	REAL ESTATE	3.34	43.34	January 18, 2007
INENSUR BRUNETE, S.L.	REAL ESTATE	50.00	100.00	October 20, 2006
TECNICAS REUNIDAS, S.A.	SERVICES	(15.23)	10.16	June 26, 2006
UNO-E BANK, S.A.	BANKING	33.00	100.00	August 10, 2006

(1) Company absorbed by Textura Textil, S.L. in December 2005

APPENDIX V
SUBSIDIARIES FULLY CONSOLIDATED AS OF DECEMBER 31, 2006
WITH MORE THAN 5% OWNED BY NON-GROUP SHAREHOLDERS

Company	Activity	% of voting rights Controlled by the bank			
		Direct	Indirect	Other	Total
ADMINISTRADORA DE FONDOS DE PENSIONES PROVIDA(AFP PROVIDA)	PENSIONS	12.70	51.62	-	64.32
AFP PREVISION BBV-ADM.DE FONDOS DE PENSIONES S.A.	PENSIONS	75.00	5.00	-	80.00
ALTITUDE INVESTMENTS LIMITED	FINANCIAL SERV.	51.00	-	-	51.00
ALTURA MARKETS, A.V., S.A.	SECURITIES	50.00	-	-	50.00
BANCO BILBAO VIZCAYA ARGENTARIA CHILE, S.A.	BANKING	60.92	6.92	-	67.84
BANCO PROVINCIAL S.A. - BANCO UNIVERSAL	BANKING	1.85	53.75	-	55.60
BBVA & PARTNERS ALTERNATIVE INVESTMENT A.V., S.A.	SECURITIES	70.00	-	-	70.00
BBVA CARTERA DE INVERSIONES,SICAV,S.A.	PORTFOLIO	92.25	-	-	92.25
BBVA CRECER AFP, S.A.	FINANCIAL SERV.	35.00	35.00	-	70.00
BBVA INMOBILIARIA E INVERSIONES S.A.	REAL ESTATE	-	68.11	-	68.11
DESARROLLO URBANISTICO DE CHAMARTIN, S.A.	REAL ESTATE	-	72.50	-	72.50
EL OASIS DE LAS RAMBLAS, S.L.	REAL ESTATE	-	70.00	-	70.00
ESTACION DE AUTOBUSES CHAMARTIN, S.A.	SERVICES	-	51.00	-	51.00
FINANZIA AUTORENTING, S.A.	SERVICES	-	85.00	-	85.00
FORO LOCAL, S.L.	SERVICES	-	60.13	-	60.13
GESTION DE PREVISION Y PENSIONES, S.A.	PENSIONS	60.00	-	-	60.00
HOLDING CONTINENTAL, S.A.	PORTFOLIO	50.00	-	-	50.00
IBERDROLA SERVICIOS FINANCIEROS, E.F.C, S.A.	FINANCIAL SERV.	-	84.00	-	84.00
INVERSIONES BANPRO INTERNATIONAL INC. N.V.	PORTFOLIO	48.01	-	-	48.01
JARDINES DE SARRIENA, S.L.	REAL ESTATE	-	85.00	-	85.00
MIRADOR DE LA CARRASCOSA, S.L.	REAL ESTATE	-	55.90	-	55.90
PERI 5.1 SOCIEDAD LIMITADA	REAL ESTATE	-	54.99	-	54.99
PREVENTIS, S.A.	INSURANCES	-	75.01	-	75.01
PRO-SALUD, C.A.	SERVICES	-	58.86	-	58.86
PROMOTORA RESIDENCIAL GRAN EUROPA, S.L.	REAL ESTATE	-	58.50	-	58.50
PROVINCIAL DE VALORES CASA DE BOLSA	FINANCIAL SERV.	-	90.00	-	90.00
PROXIMA ALFA INVESTMENTS, SGIIC S.A.	FINANCIAL SERV.	51.00	-	-	51.00
UNIDAD DE AVALUOS MEXICO S.A. DE C.V.	FINANCIAL SERV.	-	90.00	-	90.00
VITAMEDICA S.A. DE C.V.	INSURANCES	-	50.99	-	50.99

**APPENDIX VI
LIST OF AGENTS**

ABELLAN YEPES, SUSANA
 ABOGADOS & ASESORES EUROPEOS SL
 ABRA CAPITAL SL
 ACCURACY CONSULTING SL
 ACOFIRMA SL
 ACREMUN SL
 AFDA XXI SL
 AFFINITY 2002 S.L.
 AFITEC INVERSIONES SL
 AGENCIA FERRERO Y LAGARES SL
 AGESAD ASESORIAMIENTO Y ADMINISTRACION SL
 AGUILAR MORELL, ANTONIO
 AGUILAR TORO, JOSE DAMIAN
 AGUSTIN VILAPLANA SL
 AHUJA AHUJA, RAKESH
 ALARINVEST SERVICIOS PATRIMONIALES SL
 ALBA MORADO, ISIDRO
 ALBIÑANA BOLUDA, AMPARO
 ALCALA JARA, FRANCISCO JAVIER
 ALCANTARA IZQUIERDO, CRISTINA
 ALDA CLEMENTE, MARIA LUISA
 ALFEVA 2000 SL
 ALFONSO PALOP & ASOCIADOS SC
 ALIGUE BALLUS, JOSEP
 ALMAGRO OTERO, ANTONIO
 ALONSO BAJO, LORENZO
 ALONSO HEVIA, AMPARO
 ALONSO VALLE, ESTEBAN
 ALSINA MARGALL, MIREIA
 ALTURA PLATA, PASTORA
 AMILLS MUJAL FERNANDEZ SL
 ANABEL MORENO JIMENEZ ASESORES, S.L.
 ANDERSEN VIELWERTH, PAUL ERIK
 ANDRADA RINCON, SOLEDAD
 ANGELA YUS PUERTA & ASOCIADOS SL
 ANGOITIA LIZARRALDE, MARIA DEL CARMEN
 ANTEQUERA ASESORES, S.L.
 ANTIUM GESTION INMOBILIARIA SL
 APALATEGUI GARCIA, JOSE RAMON
 APYME GESTION ASESORAMIENTO INTEGRAL DE EMPRESAS, S.L.
 ARANDA GARRANCHO, ANA MARIA
 ARAQUE ALONSO BLASO ASESORES, S.L.
 ARCOS GONZALEZ, FELIX
 AREA SEIS GESTION S.L.
 ARECHAVALA CASUSO, CARLOS
 AREVALO AREVALO, MARIA DEL CARMEN
 ARIAS TORRES, MIGUEL
 ARISGESTION FINANCIERA S.L.
 ARMENDARIZ BARNECHEA, MIKEL
 ARNELA MAYO, JUAN MANUEL
 ARROYO ROMERO, CARLOS GUSTAVO
 ARRUFAT Y ASOCIADOS SL
 ARTEAGA PARDO, JOSE
 ARTSIOMAYA, RITA
 ASALPER ASESORES SL
 ASC SCCL
 ASDE ASSESSORS, S.L.
 ASEMYL SL
 ASENSIO ASESORES SL
 ASENSIO CANO, AMBROSIO JESUS
 ASESORIA AREGUME, S.L.U.
 ASESORIA ASETRA, S.L.
 ASESORIA CM CB
 ASESORIA DE EMPRESAS HERNANDEZ CAMINO SL
 ASESORIA EMPRESARIAL POSE SL
 ASESORIA EMPRESAS J. MADERA S.C
 ASESORIA EUROBILBAO SL
 ASESORIA GONZALEZ VALDES, S.L.
 ASESORIA GORROTXA ASEGUROAK S.L.
 ASESORIA INMOBILIARIA JOYMAR S.L.
 ASESORIA INMOBILIARIA SOLPISOS SL
 ASESORIA LIZARDI, S.L.
 ASESORIA NEMARA COOP. V
 ASESORIA SANCHEZ & ALCARAZ SL
 ASESORIA SILLA, S.L.
 ASESORIA TOLEDO SL
 ASESORIA TXILAR SL
 ASESORIA ZAFRA VALERO SL
 ASESPA SL
 ASFI SERVICIOS INTEGRALES SL
 ASSESORIA VIGUE S.L.
 ASSESSORIA VISERTA SL
 ASSET EUROCONSULTING, S.L.
 ASTLEY, MARTIN ARTHUR
 ASTURPRAU INMOBILIARIO, S.L.
 ATIPA MAKER SL
 ATTENERI ASESORIA Y GESTION, S.L.
 AVC CONSULTORES DE EMPRESAS S.L.
 AVENIDA DE CONSULTING DE NEGOCIOS SL
 AYALA BENITO, JOSE NICOLAS
 AYZA MIRALLES, JOAQUIN MIGUEL
 B&S GLOBAL OPERATIONS CONSULTING S.A
 BAIDIA GESTION S.L.
 BAILEN ASESORES CONSULTORES S.L.
 BALADA ROLDAN, MARIA DEL ROSARIO
 BALLESTER VAZQUEZ, JOSE LUIS
 BALLESTEROS CORDERO, VICENTE
 BANCAT 2004 SL
 BARDAJI PLANA, AGUSTIN
 BARO CLARIANA, SERGI
 BARRAGAN ORTIZ, JUAN
 BARRANTES MIRANDA, JULIAN
 BARRIONUEVO VACA, JOSE LUIS
 BATISTE ANGLAS, JOSEFA
 BAUSA PASTOR, JOSE ANTONIO
 BELLO RECOSO, MANUEL
 BELTRAN GAMIR, PEDRO
 BELTRAN REIG, MARIA DEL CARMEN JOSE
 BENITO ZABACO, ANTONIO JOSE
 BERLINCHES TORGUET, JUAN ANTONIO
 BERMEJO REDONDO, ADRIAN
 BERNAD RUBIO, ANA MARIA
 BERNAL FERNANDEZ ASESORES SL
 BERNAOLA ASEGURADO ARTEKARITZA SL
 BERNIER RUIZ DE GOREGUI, MARIA ISABEL
 BETA MERCAT INMOBILIARI SL
 BETRIU ADVOCATS, S.C.P.
 BIRMANI PROMOCIONS, S.L.
 BKF HIPOVENTA INMUEBLES, S.L.
 BLADYDUNA S.L.
 BLAI GABINET DE SERVEIS SL
 BLANCO GOMEZ, MARIA VICENTA
 BOBET BRIEBA, AUGUSTO
 BONILLA HERRIEGA, VICTORIANO
 BONILLO GOMEZ, LOURDES
 BORONDO ALCAZAR, JOSE
 BRANLI CONSULTORES ASOCIADOS S.L.
 BRIONES PEREZ DE LA BLANCA, FERNANDO
 BRIONES SERRANO, CLARA MARIA
 BUESO ARNAU, ANA MARIA
 BUFETE MARTINEZ GARCIA, C.B.
 BUIXEDA RUANA, JOSE MARIA
 BUSTAMANTE FONTES, MAYDA LOURDES
 CABEZAS LABRADOR, JUAN JOSE
 CABRADILLA ANTOLIN, LEONILA
 CADION SL
 CALDERON CALDERON, CLEMENCIA
 CALDERON CARDENOSA, MARIA LUISA
 CALLEJON VILLEGAS, MIGUEL
 CALVO NUÑEZ, ANTONIO
 CAMACHO MARTINEZ, PEDRO
 CAMPDEPADROS CORREDURIA D'ASSEGURANCES SL
 CAMPOMANES IGLESIAS, MARIA TERESA
 CAMPOS CARRERO, MARIA JOSEFA
 CAMPOY RUEDA, GABRIEL
 CANDELA AZORIN, FRANCISCO
 CANOVAS MOJICA, ROBERTO
 CANOVAS PEREZ, ISABEL
 CANTARERO MARTINEZ, BARTOLOME
 CANTELAR Y SAINZ DE BARANDA SL
 CAPAFONS Y CIA SL
 CARBAJO OTERO, MARIA ANGELES
 CARBO ROYO, JOSE JORGE
 CARBONELL CHANZA, FRANCISCO
 CARDENAS SANCHEZ, GABRIEL
 CARDENO CHAPARRO, FRANCISCO MANUEL
 CARO JIMENEZ, JOSE MARIA
 CARO VIEJO, JUAN ANTONIO
 CARRASCAL PRIETO, LUIS EUSEBIO
 CARRASCO GONZALEZ, MARIA DEL AMOR
 CARRIL GONZALEZ BARROS, ALEJANDRO SERGIO
 CARRILERO PEREZ, AGUSTIN
 CASADO DE AMEZUA BUESA, GABRIEL
 CASADO GALLARDO, GERARDO
 CASSO MAYOR, FRANCISCA
 CASTAÑOSA ALCÁINE, IGNACIO
 CASTELL AMENGUAL, MARIA
 CASTELLANOS JARQUE, MANUEL
 CASTILLA ALVAREZ, RAFAEL JOSE
 CASTILLA CARRETERO, MARIA DEL AMOR
 CASTRO JESUS, FRANCISCO JAVIER
 CASTRO VAZQUEZ, JOSE ANTONIO
 CAÑAS AYUSO, FRANCISCO
 CEBRIAN CLAVER, JOSE JUAN
 CEBRIAN PASCUAL, JUSTO JAVIER
 CEIDE CANZOBRE, FERNANDO
 CELMA JIMENEZ, JOSE MANUEL
 CERQUEIRA CRUCIO, FERNANDO
 CERRATO LUJAN, JOSE
 CERTOVAL, S.L.
 CHACON ARRUE, MARIA
 CHICAN AMERIGRUP SL
 CHINCHILLA IGEA, RAFAEL
 CHULIA OLMOS, ENRIQUE SALVADOR
 CIGANDA BARBERIA, ROSA MARIA
 CL CONSULTORIA 23 SL
 CLIMENT MARTOS, MARIA ROSARIO
 CMS ASESORES LEGALES SL
 COB ASSESSORS SL
 COLLELL RIERA, FRANCISCO JAVIER
 COLOMINA, CEBRIAN Y ANTON ABOGADOS
 COMPAÑIA VIZCAINA DE ASESORIA, S.L.
 CONMEDIC GESTIONS MEDICAS SL
 CONSULTING INMOBILIARIA 4B S.L.
 CONSULTOR FINANCIERO Y TRIBUTARIO SA
 CONSULTORIA ADMINISTRATIVA DE EMPRESAS CADE SL
 CONSULTORIA BARCELONA, SERVEIS I ASSESSORAMENT SL
 CONSULTORS SOCIO-LABORALS EMPURIABRAVA S.L.
 CONTABILIDAD TECNICA AULES SL
 COOP AGRICOLA SAN ISIDRO DE ALCALA DE XIVERT. COOP.V.
 CORCUERA BRIZUELA, JOSE MARIA
 CORDERO PIRIZ, MANUEL
 CORIBA SL
 CORNADO CUBELLS, GEORGINA
 CORPORACION INDUSTRIAL DE PROYECTOS S.A
 COSEFINAN, S.L.
 COSTA CALAF, MONTSERRAT
 COSTA CAMBRA, ANGEL
 COSTAS SUAREZ, ISMAEL
 CREIXELL GALLEGU, XAVIER
 CRESPO JULIA, SALVADOR
 CRESPO SANTIAGO, MARIA GLORIA
 CRIADO ANAYA, LUIS

APPENDIX VI
LIST OF AGENTS

CRISTOBAL LOPEZ, MANUEL DE
CUADRADO BOIZA, ANTONIO
CUENCA OLIVEIRA, ANTONIO
DANIEL MARTIN, JUAN JOSE
DE CAMBRA ANTON, VICTOR
DE CASTRO DIAZ, SILVANO
DE DIEGO MARTI, FRANCISCO JOSE
DE LEON SOLARES, JOSE CARLOS
DE VREDE, LEONARDUS CORNELIS ANTONIUS
DEAS FILCO SL
DECALA GESTION SL
DEL GUAYO MARTIN, MARIA NOEMI
DEL RIO OLIVARES, FRANCISCO
DELGADO GARCIA, JOSE LUIS
DESPACHO ABACO, S.A.
DESPACHO GUADALIX PAJARES SCP
DESPACHO TRAMITACION Y GESTION DE DOCUMENTOS SL
DESPASEG S.L.
DIANA VALDEOLIVAS, ANGEL
DIAZ DE ESPADA LOPEZ DE GAUNA, LUIS MARIA
DIAZ FLORES, JUAN FRANCISCO
DIAZ FONT, JOSEP MARIA
DIAZ GARCIA, MARINA
DIAZ LORENZO, LORENZO
DIAZ VARELA, DOMINGO ADRIAN
DIAZ-BENITO DIAZ-MADROÑERO, JUAN
DIEZ PADIERNA, CARLOS
DOBLAS GEMAR, ANTONIO
DOMINGO GARCIA-MILA, JORDI
DOMINGUEZ CAMBIL, MARIA JOSE
DOMINGUEZ CANELA, INES
DOMINGUEZ JARA, RAFAEL JESUS
DOMINGUEZ RODES, JUAN LUIS
ECHANIZ LIZUAR, MARIA BELEN
EGADI CONSULTORES, S.L.
EKO - LAN CONSULTORES SL
ELGUEA OMATOS, EMILIO
ELIAS RIVAS, GREGORIO
ELKARLAN U&P ASESORES
ENRIQUE AMOR CORREDURIA DE SEGUROS SL
ENRIQUE BLANCO, MARIA CONCEPCION
EPC ASSESORS LEGALS I TRIBUTARIS SL
ESCUADERO SANCHEZ, RAFAEL PEDRO
ESINCO CONSULTORIA SL
ESPACIO DE ASESORES FINANCIEROS SL
ESPALLARGAS MONTSERRAT, MARIA TERESA
ESPARCIA CUESTA, FELISA
ESPASA ROIG, YOLANDA
ESPIN CALVO, ALMUDENA
ESPUNY CURTO, M: NATIVIDAD
ESTEBAN TAVIRA, ANTONIO
ESTHA PATRIMONIOS SL
ESTRADA DA GRANXA 6 SL
ESTUDIO JURIDICO MEXUAR S.L.
EUROCAN ASIFF S.L.
EUROFOMENTO EMPRESARIAL SL
EUROGESTION XXI, S.L.
EXPOSITO SOSA, MARIA ROSA
EZQUERRO TEJADO, MARIA DOLORES
F B J VILLANUEVA GARJO HNOS INVERSIONES Y SEGUROS SLL
FALGUERA GAMINDE, ALVARO DE
FALVA, S.C.
FANDIÑO RODRIGUEZ, JESUS ANGEL
FEBRER LLAURADO, JUAN
FELEZ MARTIN, FERMIN
FEO MORALES, JUAN
FERNANDEZ ALMANSA, ANGEL A.
FERNANDEZ CASAR, MANUEL
FERNANDEZ DE FRUTOS, ROBERTO
FERNANDEZ DE TROCONIZ CAMARA, EMILIO
FERNANDEZ JIMENEZ, M: CRISTINA

FERNANDEZ MARTINEZ, JULIO
FERNANDEZ MENEGON, ANTONIO SANTIAGO
FERNANDEZ ONTANON, DANIEL
FERNANDEZ PALOMARES, MIGUEL ANGEL
FERNANDEZ RIOS, MARIA GORETTI
FERNANDEZ RIVERO, JAVIER
FERNANDEZ RODRIGUEZ, ANGEL MANUEL
FERNANDEZ SERRA, SL
FERNANDEZ SOUTO, MARIA TERESA
FERNANDEZ-LERGA GARRALDA, JESUS
FERNANDEZ-MARDOMINGO BARRIUSO, MIGUEL JOSE
FERNANDO BAENA SL
FINQUES BANYOLES SL
FINQUES GUARDIET S.L.
FINSECRET S.L.L.
FISCHER, MARTINA
FISHER, COLLETTE
FLORIDO VILLANUEVA, PILAR
FONDO BERMUDEZ, CANDIDO
FONTECHA MAISO SL
FORCEN CANTIN, JAIME LORENZO
FORCEN LOPEZ, MARIA ESTHER
FORNER POWER SL
FORNIELES PEREZ, OLGA
FORNIES ABADIA, MATIAS CARLOS
FORNOS MONLLAU, MARC
FORUARGI SL
FRANCES Y BARCELO CB
FRANCIAMAR SL
FRANCO MARTINEZ, JUAN JOSE
FUENTESECA FERNANDEZ, MIGUEL
FUERTES CASTREJON, JOSE ANDRES
FUNDECO SERVICIOS FINANCIEROS SL
FUNES TOLEDO, FRANCISCO JAVIER
G H G ASESORES SA
G.A.C. GRUP CONSULTORIA ESPECIALIZADO S.L.
G.T.E. ASESORES, S.L.
GABINET D'ECONOMISTES ASSESSORS FISCALS SC
GABINETE AFIMECO ASESORES SAL
GABINETE ASCEM SL
GABINETE DE RIESGOS S.L.
GABINETE SALMANTINO DE ECONOMIA APLICADA S.L.
GABINETE TECNICO SP.SL
GADEA MENGUAL, ANGEL
GAGO FREITAS, MARIA CARMEN
GALINDO GOMEZ, ANGEL
GALINDO SANCHO, PALMIRA
GALLARDO BENITEZ, JUAN MANUEL
GALLARDO LOPEZ, GEMA
GALLART ORTIZ, JOSEP MARIA
GALMES RIERA, ANDRES
GAMBOA DONES, SUSANA
GAMERO ROSA, JOSE
GANDARA DUQUE, MARIA DE LOS MILAGROS
GANDARIAS ZUAZUA, ANDER
GARCES ABAD, JOSE LUIS
GARCIA AGUILERA, EMILIA
GARCIA ALVAREZ-REMENTERIA, ANTONIO
GARCIA AREVALO, JUAN JESUS
GARCIA BASCUÑANA, MARÍA CRISTINA
GARCIA CALLE, ANGEL
GARCIA DEL BLANCO, SATURNINO JULIAN
GARCIA DIAZ, MARIA DEL CARMEN
GARCIA FONDON, CONSTANTINO
GARCIA GARCIA, REMEDIOS
GARCIA HIERRO JIMENEZ, FRANCISCO JAVIER
GARCIA LUCHENA ASESORES SL
GARCIA MARTIN, MARIA JOSE
GARCIA MEJIAS, JUAN ANTONIO
GARCIA NIEVAS, ANTONIO
GARCIA OVALLE, OSCAR

GARCIA PEREZ, ALICIA
GARCIA ROCAMORA, PATRICIO ENRIQUE
GARCIA SANCHEZ, PABLO
GARCIA VIESCA, MARIA MERCEDES JUSTINA
GARCIA-VALENCIANO LOPEZ, LUIS
GASEM SERVICIOS S.L.
GAVRILOV, ROUSLAN
GEFISCAL SANTA AMALIA SL
GENE TICO, REMEI
GENERAL ASESORA DE CARRIZO SL
GENERAL DE SERVEIS LA SEGARRA SL
GEP HIPOTECAS SL
GESPIME ROMERO MIR SL
GESTILAR CARBALLO SL
GESTION 93 ASESORES DE EMPRESAS SL
GESTION DE AISLAMIENTO SCL
GESTION DE FINCAS TREVI SL
GESTION FINANCIERA MIGUELTURRA SL
GESTION JURIDICA BOENSA, S.L.
GESTIONES MARTIN BENITEZ SL
GESTIONS I ASSEGURANCES PERSONALITZADES SL
GESTORIA ADMINISTRATIVA ESTANOL S.L.
GESTORIA HERMANOS FRESNEDA SL
GI & EM ASSESSORAMENT I SERVEIS SLL
GIL BELMONTE, SUSANA
GIL FERNANDEZ, JUAN JOSE
GIL GARCIA, PEDRO ALFREDO
GIL MANSER GAS CB
GIL TIO, JULIA
GIL VERONA, ANTONIO
GIMENO CONSULTORES, S.L.
GIMFERRER PASCUAL, JOSE MANUEL
GOLOBART SERRA, ROSA MARIA
GOMEZ ANDRES, JUAN JOSE
GOMEZ CASTAÑO, MIGUEL ANGEL
GOMEZ EBRI, CARLOS
GOMEZ GARCIA, MARINO
GOMEZ LOBO, JUAN
GOMEZ MARTINEZ, LUIS
GOMEZ PEREZ, MARIA DEL PILAR
GOMEZ VAZQUEZ, MARIA JESUS
GOMIS HERNANDEZ, PEDRO
GONMAR, S C P
GONZALEZ BELTRAN, OLGA
GONZALEZ CASTAN, JORGE
GONZALEZ DELGADO, ARTURO ISAAC
GONZALEZ GALLEGOS, MANUEL MARIANO
GONZALEZ GONZALEZ, MARIA ANGELES
GONZALEZ MARTINEZ, J ANTONIO
GONZALEZ MOSQUERA, FERNANDO
GONZALEZ UGIDOS, ALFREDO
GOPAR MARRERO, PABLO
GONI IDARRETA, ANA MARIA
GRASSA VARGAS, FERNANDO
GRAUPERA GASSOL, MARTA
GRILLO GRILLO, JUAN ATILANO
GRINVE ASESORES, S.L.
GRUP DE GESTIO PONENT DOS ASSEGURANCES SL
GRUPO FERRERO DE ASESORIA SL
GUIMERA ASSESSORS SL
GUTIERREZ DE GUEVARA SL
GUTIERREZ GIL, MARIA SOLEDAD
GUZMAN GONZALEZ, EMILIANO
HARTMANN, ALFRED
HELGUERO IRANZO & COMPANY Y CONSULTORES, S.L.
HERGOC SL
HERMOSO NUÑEZ, PEDRO
HERNANDEZ LOPEZ, ESTANISLAO
HERNANDEZ MANRIQUE, CARLOS MANUEL
HERRERA MORENO, MONICA
HERRERO RIBELLES, MARIA MAGDALENA

APPENDIX VI
LIST OF AGENTS

HIPOCASA 2030, S.L.
HOME MANAGEMENT SERVICES SL
HORNOS CASTRO, JAVIER
HUERTAS FERNANDEZ, JUAN ANTONIO
IBAÑEZ GINER, JOSEF
IBAÑEZ IBAÑEZ, LUIS
IBAÑEZ NIETO, ADORACION MAR
IGLESIAS CASANOVA, JOSE LUIS
IMAGOMETRICA DE DIFUSION Y MERCADOTECNIA, S.L.
INFORMES Y SERVICIOS SL
INMOBILIARIA CARDICASA, S.L.
INMOBILIARIA DONADAVI S.L.
INSTITUTO DE ASESORAMIENTO EMPRESARIAL INSESA, SL
INVAL02, S.L.
INVERSIONES TECNICAS GRUPO CHAHER, S.L.
INVEST FINANZAS SL
IRESE S.L.
ISACH GRAU, ANA MARIA
ISDAGAR 2000 S.L.
ISIDRO ISIDRO, ISABEL DEL CARMEN
IURISTEC CONSULTING SLL
J. A. GESTIO DE NEGOCIS, S.A.
J. E. BARTOLI & ASOCIADOS, S.L.
J. MIRO - P. LOPEZ SL
JANIS INFO SERVICES SL
JIMENEZ CALERO, CONSUELO
JIMENEZ ORTIZ, FERNANDO
JIMENEZ SAAVEDRA, ALBERTO
JORDA MORAGUES, TERESA
JOSE ANGEL ALVAREZ SLU
JOSE ANTONIO VAZQUEZ ADMINISTRADOR DE FINCAS S.L.
JOSE LUIS MARQUES MENENDEZ-INDALECIO JAÑEZ GONZALEZ ABOGADOS
ASOCIADOS, C.B.
JOVER BENAVENT, ENRIQUE
JUAN JOSE ORTIZ S.L.
JUDEL ALCALA ASESORES SL
JULIAN ARRIBAS LOSADA Y SERGIO CONTRERAS IBARRA, C.B.
JULIAN SANZ, MARIA
JUNCOSA SEPULVEDA, TERESA
JUSTE CARRASCAL, LUIS
L DE H CONSULTORES SL
LABAT PASCUAL, CRISTINA
LAFUENTE ALVAREZ, JOSE ANTONIO
LAGERGREN, INGVAR BERNT
LAMY GARCIA, ANTONIO
LECHE GAZA, S.L.
LEGARDA REY, ENRIQUE
LEGIO SERVICIOS INMOBILIARIOS SL
LEON CRISTOBAL, JOSE LUIS
LEON MARTIN, JESUS JAVIER
LEON VALENZUELA, FRANCISCO
LEÑA CAMACHO, ROSA MARIA
LIMONCHI LOPEZ, HERIBERTO
LINARES LOPEZ, RAMÍN
LOPEZ DIEZ, RICARDO
LOPEZ FERNANDEZ, JUAN ANTONIO
LOPEZ FERRER, MARIA JOSE
LOPEZ MALLO, FRANCISCO JAVIER
LOPEZ MARTINEZ, ROBERTO
LOPEZ RASCON, MARIA JESUS
LOPEZ VALLEJO, CARLOS
LOPEZ VIGIL, JOSE MANUEL
LORENZO VELEZ, JUAN
LOSADA LOPEZ, ANTONIO
LOSADA Y MORELL, S.L.
LOZANO BRIONES, JULIAN
LOZANO CARO, ANTONIO
LUACES BOUZA, CARLOS JOSE
LUDEÑA JUAN, ANDRES
LUNA CASTRILLON, JOSE
MACORPIVAL ASESORES SL

MAERKEL GEB.HOSER, HEIDEMARIE KATHARINA E.
MANUEL LEMA PUÑAL Y FERNANDO GARCIA CASTRO, S.C.
MANUEL SAEZ-BENITO FERRER, JAVIER CALVO FUERTES, ABOGADOS
ASOCIADOS S.C
MARANDI ASSL, MOHAMMAD
MARGALIDA GATNAU, JOSE MARIA
MARQUEZ GOMEZ, NATIVIDAD
MARTI BALSELLS, BUENAVENTURA
MARTIN DE LA HIGUERA, JESUS MANUEL
MARTIN GRANADOS, CARLOS
MARTIN GRANADOS, JUAN
MARTIN JIMENEZ, MANUEL MARIA
MARTIN MARTINEZ, ROSA MARIA
MARTIN RODRIGUEZ, MINERVA
MARTIN SANCHEZ, IGNACIO
MARTIN VIZAN, MILAGROS
MARTINEZ CASTRO, MANUEL FRANCISCO
MARTINEZ CATALA, PASCUAL
MARTINEZ CORUÑA, DOMINGO
MARTINEZ FUNES, MARIO EDUARDO
MARTINEZ GEADA, JOSE LUIS
MARTINEZ GOMEZ, RAFAEL
MARTINEZ MONCHE CONSULTORES S.L.
MARTINEZ MOYA, DIEGO
MARTINEZ PEREZ, JOSE FRANCISCO
MARTINEZ PEREZ, JOSE MARIA
MARTINEZ PUJANTE, ALFONSO
MARTINEZ RODRIGUEZ, SOLEDAD
MAS FORNS, MARIA ANGELES
MAS NEBOT, JOSE MARIA
MATA MARCO, CARMEN
MATEO BORREGUERO, ANGEL
MATEO HERNANDEZ, JOSE LUIS DE
MAYOLAS GARCIA, RAFAEL
MAYOR CONSULTING EMPRESARIAL SL
MAZA HURTADO, MARIA ILENIA
MBM GESTION CORREDURIA FINANCIERA S.C.
MDF SERVICIOS FINANCIEROS E INMOBILIARIOS, S.L.
MECIA FERNANDEZ, RAMON
MENA JUEZ, FRANCISCO
MENCHACA ECHEVARRIETA, JOSE IGNACIO
MERCADO CONTINUO 2100 SL
MERCADO GARCIA, LUIS
MERGES GEB. BECKER, MONIKA WILMA MARIA
MERIDIAN ASESORES SL
MERIGO LINDAHI, JOSEF MARIA
MERINO CORCOSTEGUI, ALVARO
MESA IZQUIERDO ASOCIADOS SL
MESANZA QUERAL, ALBERTO GUILLERMO
MEXICO NOROESTE GESTION EMPRESARIAL SL
MEZAN ASOCIADOS, S.L.
MILLAN VICO, MANUELA
MODOL PIFARRE, JORDI
MOLINA LOPEZ, RAFAEL
MOLINA LUCAS, MARIA ALMUDENA
MOLINA MILLS, JOSE MANUEL
MOLINER VIDAL, CONCEPCIÓN
MOLLA COLOMER, VICENTE
MOLPECERES MOLPECERES, ANGEL
MONROY CABAÑAS, JULIAN
MONSALVEZ SEGOVIA, MARIA PILAR
MONSERRAT OBRADOR, RAFAEL
MONTEAGUDO NAVARRO, MARIA
MONTES SANTA OLALLA, ANTONIO MARIA
MONTESERIN MOHEDANO, FRANCISCO JAVIER
MONTIEL GUARDIOLA, MARIA JOSEFA
MOR FIGUERAS, JOSE ANTONIO
MORENO AVILA, MARIA
MORENO LOPEZ, ANTONIO
MORENO MORENO, DANIEL
MORERA GESTIO EMPRESARIAL SL

MORILLO MUÑOZ CB
MOROTE ESPADERO, RAFAEL
MUR CEREZA, ALVARO JESUS
MURILLO FERNANDEZ, MARIA PAZ
MURO ALCORTA, MARIA ANTONIA
MUSA MOHAMED, ABDELAZIZ
MUÑOZ BERZOSA, JOSE RAMON
MUÑOZ BUSTOS, JOSE LUIS
MUÑOZ MACIAN, GASPAR FELIX
MUÑOZ MOLIO, JOSE
MUÑOZ PIZARRO, ELIAS
MUÑOZ VIÑOLES SL
NANOBOLSA, S.L.
NAPA GESTORES DE PATRIMONIO SL
NAVARRO GONZALEZ, JOSE GREGORIO
NAVARRO GONZALO, JESUS
NAVARRO PADRON, MARIA DE LOURDES
NAZARENA DE FINANZAS SL
NICOLAS GOMEZ, FRANCISCO
NOGUER BAU, JORDI
NOVAGESTION MARINA BAIXA SL
NUNEZ LORENZO, CARLOS HENRIQUE
NUNEZ MAILLO, VICENTE JESUS
NUÑO NUÑO, AZUCENA
NYRELIUS, KERSTIN MARITA
OFICINAS EMA SL
OFITESEC S.A. CORREDURIA DE SEGUROS
OLABE GARAITAGIOTIA, MARIA ELENA
OLALDE GOROSTIZA, LEONCIO LUIS
OLAVARRIETA BALCAZAR, LUIS
OLAZABAL Y ASOCIADOS, S.C.
OMEGA FINANCA SL
OPTIMA SAT SL
ORDEN MONTOLIO, SANDRA DE LA
ORDOYO CASAS, ANA MARIA
OROL CASTRO, FIACRO ARTURO
ORTEGA JIMENEZ, FRANCISCO
ORTEGA PAUNEDO, JESUS
ORTIS TOLEDANO, FRANCISCO
ORTIZ SOLANA, CRESCENCIO
ORTIZ TORRES, ANTONIA MARIA
ORTUÑO CAMARA, JOSE LUIS
OTTESA FISCAL ASSOCIATS SL
PACCHIALAT MORALES, JOSE GERARDO
PADILLA AZNAR, MARIANO JOSE
PALAU CEMELI, MARIA PILAR
PARDO LOPEZ, CIRA HAIR
PAREDES RODRIGUEZ, ANTONIO ELIAS
PASCUAL BASTERRA, IÑIGO DE
PASCUAL BASTERRA, VERONICA DE
PATIÑO ROBLES, MARIA CONCEPCION
PB GESTION SL
PEDEVILLA BURKIA, ADOLFO
PEIRO CERVERA, AMPARO
PELLAEZ REINAL, GONZALO
PELLICER BARBERA, MARIANO
PERARNAU PUJOL, MONTSERRAT
PEREZ CARRASCO, JOSE CARLOS
PEREZ COSTAS, JESUS ANTONIO
PEREZ GARCIA, JAVIER
PEREZ GUTIERREZ, SANTIAGO
PEREZ MAGALLARES, EMILIO
PEREZ MASCUÑAN, JORGE
PEREZ RODRIGUEZ, MARIA
PEREZ SANCHEZ, JUAN CARLOS
PEREZ Y FERNANDEZ CONSULTORES S.L.
PEREZ-FANDON ASESORES, S.L.
PERICH FAURA, FRANCISCO
PEROLADA VALLDEPEREZ, ANDRES
PEROSANZ PLAZA, ANA MARIA
PEÑA PEÑA, MANUEL

APPENDIX VI
LIST OF AGENTS

PEÑALVER GOMEZ, MARIA DOLORES
PINTO FERNANDEZ, MARIA JOSE
PIQUERO FERNANDEZ, AGUSTIN
PISO FACIL S.L.
PLA NAVARRO, EMILIA
PLAMBECK, WALTER GERT
POGGIO SA
PONS PONS, JUAN ANTONIO
PONS SOLVES, CONCEPCION
PORTABELLA CAMAÑES, MARINA
PORTILLA ARROYO, ALICIA
PRADA PRADA, MARIA CARMEN
PRADO PAREDES, ALEJANDRO
PRATS MONTEJO, EDUARDO
PRESTACION DE SERVICIOS Y ASESORAMIENTO EN GENERAL Y
CONSTRUCCIONES SOLPEMAR , S.L.
PRIMICIA AZPILICUETA, ALEJANDRO
PROCOSTA ATLANTICO, S.L.
PROFESIONALES DE LA EMPRESA REUNIDOS SA
PROMOCIONES BOHNWAGNER SL
PUJOL HUGUET, AMADEU
PULIDO ALCON, MARIA LOURDES
PYME'S ASESORIA SL
QUINTANA O'CON, RAFAEL DE
R. & J. ASSESSORS D' ASSEGUANCES ASEGUR XXI, S.L.
REBOLLO CAMBRILES, JUAN ROMAN
REDONDO BARRENA, MARIA DEL PILAR
REGLERO BLANCO, MARIA ISABEL
REIFS PEREZ, MANUEL
REY DE LA BARRERA, MANUEL
REYES BLANCO, FRANCISCO JAVIER
REYES BLANCO, RAFAEL
RIBERA AIGE, JOSEFA
RICO FONT, FRANCISCO JAVIER
RINCON GUTIERREZ, MARIA PILAR
RIO RODRIGUEZ, MARIA VICTORIA
RIVAS FERNANDEZ, RAFAEL
ROBLES AGUILAR, JUAN ALBERTO
RODES BIOSCA, CARLOS RAFAEL
RODRIGO TORRADO, JUAN JOSE
RODRIGUEZ DELGADO, RENE
RODRIGUEZ GALACHE, MODESTO
RODRIGUEZ GALVAN, MARIA
RODRIGUEZ GONZALEZ, MOISES
RODRIGUEZ HERNANDEZ, FERMINA BELEN
RODRIGUEZ LLOPIS, MIGUEL ANGEL
RODRIGUEZ MARTIN, JOSE MANUEL
RODRIGUEZ VAZQUEZ, MARIA
ROFER CONSULTORES SL
ROGADO ROLDAN, ROSA
ROIG FENOLLOSA, JUAN BAUTISTA
ROMAN BERMEJO, MARIA ISABEL
ROMERO JIMENEZ, ANTONIO MIGUEL
ROMERO MENDEZ, JUAN ANTONIO
ROS PERIS, FRANCISCO
ROS PETIT SA
ROVIROSA FERRERAS, MARTIN
ROY ASSESSORS SA
RUA PIRAME, ENRIQUE
RUBIO ARPON, FRANCISCO
RUIZ AGUILAR, ANTONIO
RUIZ BIOTA, ANA BELEN
RUIZ CASAS, JUAN BAUTISTA
RUIZ DE VELASCO Y DEL VALLE, ADOLFO
RUIZ DEL RIO, ROSA MARIA
RUIZ GARCIA, ANA
RUIZ GONZALEZ, JUAN CRISTOBAL
RUIZ NAVAJO, JOSE IGNACIO
RUIZ TARI, ROGELIO
RUZAFÁ VILLAR, SALVADOR
SABATE NOLLA, TERESA

SABES TORQUET, JUAN CARLOS
SAEZ SAUGAR, ALEJANDRO JOSE
SALADICH OLIVE, LUIS
SALAMANCA ARROYO, ANTONIO
SALAS GARCIA, JUAN MANUEL
SALES HERNANDEZ, JOSE
SALMON ALONSO, JOSE LUIS
SALVIA FABREGAT, M. PILAR
SAMGUM INTERMEDIT SL
SAMPER CAMPANALS, PILAR
SAN VICENTE ORTEGO, MIRARI
SANCHEZ CRUZ, JOSEP MARIA
SANCHEZ ELIZALDE, JUAN FRANCISCO
SANCHEZ ESPINOSA, ANTONIO
SANCHEZ GARCIA, YOLANDA
SANCHEZ LOPEZ, ELOY
SANCHEZ MARTIN, ROSA MARIA
SANCHEZ MESA, FRANCISCO
SANCHEZ NUEZ, JOSE ANTONIO
SANCHIS MARTIN, LAURA
SANFRUTOS Y GONZALEZ ABOGADOS C.B
SANTOS CARBAYO, MARIA JESUS
SANTOS GARCIA, MANUEL
SANZ ALONSO, MARIA DEL MAR
SANZ CALDERON, FRANCISCO JAVIER
SANZ CASAS, ALVARO
SARDA ANTON, JUAN IGNACIO
SARMIENTO MANJON, GONZALO
SARRATE POU, JOAQUIM
SARRIO TIERRASECA, LEON
SARROCA GIL, MOISES
SAS CUBELLS, NURIA
SAYAGO REINA, ANTONIO
SEB GESTIO PYMES S.L.
SEBASTIAN FRANCH, PABLO
SEMPERE RICA, JOSE MIGUEL
SEOANE LEON, MARIA INMACULADA
SEQUEIRO DEL MORAL, ALBERTO
SERRANO GALLEGO, JOSE MARIA
SERRANO GOMEZ, RAFAEL
SERRANO QUEVEDO, RAMON
SERTE RIOJA S.A
SERVEIS FINANCERS DE CATALUNYA, SL
SERVEIS GENERALS LAIAN 'S SL
SERVICIO Y CALIDAD ALBACETE , S.L.
SERVICIOS FINANCIEROS LEGALES SL
SERVICIOS Y ASESORAMIENTO LEYVA S.L.
SERVIGEST GESTION EMPRESARIAL SL
SERVIMPASA SL
SIERRA TORRE, MIGUEL
SIMON SAN JOSE, JUAN
SOBRINO MORA, JULIAN
SOCIEDAD CONSULTORA DE ACTUARIOS SCA
SOCIEDAD COOPERATIVA ANDALUZA GESTION THULE
SOCUASTUR.S.L.
SOLIS FUENTE, PEDRO
SOLLA VIÑAS, ANA MARIA
SOLMUNDI FEM SL
SOLUCIONES DEL PATRIMONIO INMOBILIARIO, S.L.
SOSA BLANCO, SERVANDO
SOUTO FERRAZ, JOSE LUIS
SUAREZ GARRUDO, JUAN FRANCISCO
SUAREZ GUTIERREZ, PABLO
SUGRAÑES ASSESSORS S.L.
TABORGA ONTAÑON, ANTONIO JOAQUIN
TAMG SC
TARRES PUJOL, JULITA
TARRIDA MIGUEL, JAIME
TEBAR LILLO, JULIO JAVIER
TECNICOS BANCARIOS Y FINANCIEROS, S.L.
TENA LAGUNA, LORENZO

TESER ASSESSORS SL
TIO & CODINA ASSESSOR D'INVERSIONS SL
TOLEDO ANDRES, RAFAEL
TOLEDO GUADALUPE, FEDERICO
TORRECILLA BARREDO, EFREN
TORRECILLAS BELMONTE, JOSE MARIA
TORRES BONACHE, MARIA DEL CARMEN
TORRES MONTEJANO, FELIX
TORRES TEMIÑO, JOSE IGNACIO
TRUJILLO RODRIGUEZ, MANUEL JESUS
UBK PATRIMONIOS SL
UCAR ESTEBAN, ROSARIO
UNGEST SL
URDIALES LLORENTE, MARIA LUISA
URIAGUERCA CARRILERO, FRANCISCO JAVIER
URRESTI SERBITZUAK SL
USKARTZE SL
VALCARCE LOPEZ, JOSE
VALCARCEL GRANDE, FRANCISCO JAVIER
VALCARCEL LOPEZ, ALFONSO A
VALCOR VENTA Y ALQUILERES S.L.
VALENCIA TRENADO, MANUEL RODRIGO
VALMALEX S.L
VAZ FERNANDEZ, JUAN BENITO
VAZQUEZ DIEGUEZ, JOSE ANDRES
VEGA & ASOCIADOS SCCL
VEGA MOIRON, MARIA TERESA
VEGA VEGA, ANTONIO DOMINGO
VEIGA DUPRE, JOSE ANGEL
VEIGUELA LASTRA, CARLOS MARIA
VELASCO LOZANO, FRANCISCO
VELASCO PEREZ, MANUEL IGNACIO
VELEZ VALDIVIESO, FRANCISCO
VELSINIA SL
VICIOSO SOTO, JOSE
VIDAL JAMARDO, LUIS R
VIDAL NOGUES, GERARDO
VIGNOTE PEÑA, MARIA ANGELA
VILLACE MEDINA, JUAN CARLOS
VILLALBA TRUJILLO, SUSANA
VILLAMERIEL FERNANDEZ, BEATRIZ
VILLANUEVA MUGURUZA, GERARDO
VIVER MIR, JAIME JAVIER
VIÑAS LIMONCHI, CANDIDO ALBERTO
WEISSE KUSTE S.L.
YUS ICM CONSULTORES SA
YUSTE CONTRERAS, ANGEL
ZAMBRANO LINERO, ANTONIO
ZARATE SAINZ, ASIER
ZARIC DOUDAREVA, NATALIA
ZURAWKA, ERHARD RUDOLF

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

MANAGEMENT REPORT

FOR THE YEAR ENDED DECEMBER 31, 2006

Banco Bilbao Vizcaya Argentaria, S.A. ("the Bank" or "BBVA") is a private-law entity governed by the rules and regulations applicable to banks operating in Spain. The Bank conducts its business through branches and offices located throughout Spain and abroad.

The Bank's management report was prepared from the individual accounting and management records of Banco Bilbao Vizcaya Argentaria, S.A.

BBVA is the parent company of the internationally diversified finance group ("the Group") with a significant presence in traditional retail banking, asset management, private banking and wholesale banking.

ECONOMIC ENVIRONMENT 2006

With world growth at about 5%, 2006 became an extension of the economic boom that started in 2003. Despite the risks (oil prices, adjustments in asset prices such as the US housing market, increased disparity of trade balances, etc), the world's economy encountered significant support in technical innovation and the emerging economies. This facilitated substantial growth and low inflation. China and India played important roles but practically all regions contributed. This generated a considerable increase in world trade. With long-term interest rates at relatively low levels and buoyant company earnings, share prices enjoyed an excellent year and recovered levels not seen since the recession in 2001.

In the USA, with the economy slowing gradually in the second quarter, the Federal Reserve halted the upward cycle in interest rates at 5.25% in June. From that moment, long-term rates started a decline that led to a negative slope on the yield curve. The 10-year US bond fell below the Fed's benchmark rate.

The European Union enjoyed solid growth in 2006; domestic demand recovered and exceeded expectations. The Spanish economy benefited from these conditions and exceeded the forecasts made at the beginning of the year. Growth was around 3.7%, helped by a smaller gap between the positive contributions of domestic demand and the negative effect of the trade balance. As soon as the momentum in activity was confirmed, the ECB raised interest rates faster, in the second half of 2006, bringing them to 3.5% at year-end. This increase was reflected in short-term market rates (one-year euribor moved up to 4% by year-end). However, after gaining ground in the first half, long-term rates declined in the second (although not as fast as the US bond). This resulted in a flat yield curve at the end of the year.

The financial information included in this management report is presented in accordance with the criteria established by Bank of Spain Circular 4/2004.

CAPITAL AND TREASURY SHARES

As of December 31, 2006 and 2005, the capital of Banco Bilbao Vizcaya Argentaria, S.A. amounted to €1,740,464,869.29, and consisted of 3,551,969,121 fully subscribed and paid registered shares of €0.49 par value each.

All the shares of BBVA, S.A. carry the same voting and dividend rights and no single shareholder enjoys special voting rights.

In November 2006 capital was increased through the issuance of 161,117,078 shares with a par value of €0.49 each and a share premium of €18.13 per share. In 2005 there were no variations in the share capital.

The shares of Banco Bilbao Vizcaya Argentaria, S.A. are quoted on the computerized trading system of the Spanish stock exchanges and on the New York, Frankfurt, London, Zurich, Milan and Mexico stock markets.

American Depositary Shares (ADSs) quoted in New York are also traded on the Lima (Peru) Stock Exchange, by virtue of an exchange agreement entered into between these two markets.

As of December 31, 2006, no individual shareholder owned more than 5% of the capital of the Bank. However, at the date of filing of this registration document, Chase Nominees Ltd. And State Street Bank and Trust Co., in their capacity as international depositary banks, held more than 5%.

BBVA is not aware of any direct or indirect interests through which ownership or control of the Bank may be exercised.

BBVA has not been notified of the existence of any side agreements that regulate the exercise of voting rights at the Bank's General Meetings, or which restrict or place conditions upon the free transferability of BBVA shares. Neither is the Bank aware of any agreement that might result in changes in the control of the issuer.

The BBVA Group has not issued any convertible and/or exchangeable debentures or any warrants on BBVA shares.

At the Annual General Meeting on February 28, 2004 the shareholders resolved to delegate to the Board of Directors, in accordance with Article 153.1.b) of the Spanish Corporations Law, the power to increase capital, on one or several occasions, by a maximum par value equal to 50% of the Company's subscribed and paid capital at the date of the resolution, i.e. €830,758,750.54. The legally stipulated year within which the directors can carry out this increase is five years. As of December 31, 2006, the Board of Directors had not made use of this power.

In addition to the aforementioned resolutions, at the Annual General Meetings held in February 2005 and in February 2004, the shareholders authorized the Board of Directors, for a year of five years, to issue fixed-income securities of any class or type, up to a maximum of €121,750 million.

In 2006 and 2005 the Group companies performed the following transactions involving Bank shares:

	Number of shares	Thousands of euros
Balance as of December 31, 2005	2,873,964	35,846
+ Purchases	279,496,037	3,839,510
- Sales	(274,760,734)	(3,756,669)
+/- Other	-	(5,976)
- Derivatives over BBVA shares	-	(16,390)
Balance as of December 31, 2005	7,609,267	96,321
+ Purchases	338,017,080	5,677,431
- Sales	(337,319,748)	(5,639,506)
+/- Other	(394)	(1,361)
- Derivatives over BBVA shares	-	14,373
Balance as of December 31, 2006	8,306,205	147,258

The average purchase price of the Bank's shares in 2006 was €16.80 per share and the average selling price of the Bank's shares in 2006 was €16.77 per share.

The net gains or losses on transactions with shares issued by the Bank were recognised in equity under the heading "Stockholder's Equity-Reserves". As of December 31, 2006, the gains on transactions involving treasury shares amounted to €17,131 thousand in the Group (€5,924 thousand in the Bank).

The Bank and certain consolidated instrumentality companies held 8,306,205 and 7,609,267 shares of Banco Bilbao Vizcaya Argentaria S.A. at December 31, 2006 and 2005, respectively, representing 0.234% and 0.2244% of share capital outstanding in 2006 and 2005, respectively. The carrying amount of these shares was €147 million and €96 million at December 31, 2006 and 2005, respectively. In 2006 the Group's treasury shares ranged between a minimum of 0.020% and a maximum of 0.858% of share capital (between 0.07% and 0.66% in 2005).

Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version Prevails.

DATE	ENTITY	Number of Shares	% CAPITAL
31 December 2006	BBVA	2.462.171	0,069%
	Corporación General Financiera	5.827.394	0,164%
	Other	16.640	0,000%
	Total	8.306.205	0,233%
31 December 2005	BBVA	3.099.470	0,091%
	Corporación General Financiera	4.420.015	0,130%
	Other	89.782	0,003%
	Total	7.609.267	0,224%

DISTRIBUTION OF PROFIT

In 2006 the Board of Directors of Banco Bilbao Vizcaya Argentaria, S.A. resolved to pay the shareholders three interim dividends out of 2006 profit, amounting to a total of €0.396 gross per share. The aggregate amount of the interim dividends declared as of December 31, 2006, net of the amount collected and to be collected by the consolidable Bank companies, was €1,364,045 thousand and is recorded under "Dividends and Remuneration" in the related balance sheet. The last of the aforementioned interim dividends, which amounted to €0.132 gross per share and was paid to the shareholders on January 10, 2007, was recorded under the heading "Financial Liabilities at Amortised Cost – Other Financial Liabilities" in the balance sheet as of December 31, 2006 .

The provisional accounting statements prepared in 2006 by Banco Bilbao Vizcaya Argentaria, S.A. in accordance with legal requirements evidencing the existence of sufficient liquidity for the distribution of the interim dividends were as follows:

	Thousands of euros		
	31-05-2006 Dividend 1	31-08-2006 Dividend 2	30-11-2006 Dividend 3
Interim dividend - Profit at each of the dates indicated, after the provision for income tax	1,535,235	2,376,266	2,244,779
Less -			
Estimated provision for Legal Reserve	-	-	(15,789)
Interim dividends paid	-	(447,592)	(895,184)
Maximum amount distributable	1,535,235	2,376,266	2,244,779
Amount of proposed interim dividend	447,592	447,592	468,861

The Bank's Board of Directors will propose to the shareholders at the Annual General Meeting that a final dividend of €0.241 per share be paid out of 2006 income. Based on the number of shares representing the share capital at December 31, 2006, the final dividend would amount to €856,025 thousand and profit would be distributed as follows:

Thousands of Euros	
Net profit for 2006	2,439,825
Distribution:	
Dividends	1,364,045
- Interim	856,025
- Final	15,789
To voluntary reserves	203,966

GROUP CAPITAL

According to the rules of the Bank for International Settlements (BIS), the capital base of the BBVA Group at the end of 2006 was €30,164m, an increase of 15.8% compared to 2005. Risk-weighted assets increased 16.4% in 2006 to €252,373m. Therefore, the capital base surplus, in

excess of the 8% of risk-weighted assets required by the rules, was €9,974m, an increase of 14.7% since the end of 2005.

This means the BIS ratio stands at 12.0%, in December 2005.

In November, the BBVA Group increased share capital by €3,000m, which it placed entirely with institutional investors. It issued 161,117,078 new shares at €18.62 per share. This capital has considerably increased the bank's capital adequacy, particularly the core capital ratio, which measures the high quality equity applicable to banks.

As of December 31, 2006, core capital stands at €15,549m, after increasing 28.0% during the 2006. This is 6.2% of risk-weighted assets, compared to 5.6% as of December 31, 2005.

After adding preference shares, Tier I capital came to €19,574m at the end of 2006. This amount is 7.8% of risk-weighted assets (7.5% as of December 31, 2005). The ratio of preference shares to core equity, in accordance with the BIS rules, fell to 20.6%.

Other eligible capital, which mainly consists of subordinate debt and revaluation reserves, amounted to €10,591m. Thus, Tier II came to 4.2% (4.5% as of December 31, 2005).

According to the rules of the Bank for International Settlements (BIS), the capital base of the

BALANCE SHEET AND BUSINESS ACTIVITY

As of December 31, 2006, the Bank's total balance sheet amounted to €300,191 million (€279,141 million, in 2005). In 2006 loans increased by €29,777 million (16.257%) with respect to 2005. In relation with debt securities the increase amounted €13,195 millions (31.45%) with respect to 2005.

Also, as of December 31, 2006, customer funds grow €16,909 million (13.01%) with respect to 2005.

INCOME STATEMENT

In 2006 the Bank posted a pre-tax profit of €3,030 million (€2,268 million in 2005). Its income after taxes amounted to €2,440 million (€1,918 million in 2005).

General administrative expenses did not vary significantly with respect to the preceding year, evidencing the efforts made to control these expenses in 2006 and 2005.

The gross operating income amounted €7,322 million in 2006, €6,013 million in 2005. This increase is caused by the commissions and the market operation.

The net interest income amounted €4,108 million in 2006 (€3,752 million in 2005).

Lastly, worthy of mention is the fact that the basic margin (financial revenues less financial expenses without income from equities portfolio) amounted €2,579 million in 2006, €2,695 million in 2005.

THE RISK MANAGEMENT SYSTEM AT BBVA

The BBVA Group considers risk management to be an intrinsic part of the banking business and a source of its competitive advantage

One of the main axis of the Group's management policies is the maintenance of an adequate equilibrium between the performance and risk in the development and implementation of the business plans for the units that compose it.

Accordingly to the Group's corporate strategy, the Board of directors defines a target risk profile for the entity, which includes different types of risks (market, credit, operational and technical). This profile is defined taking account the volatility of the income statement, the annual provisions and typologies or levels of risk which the group considers acceptable.

The analysis of the volatility of the income statement, in the context of the definition of a risk profile, takes into account not only the impact of the normal changes that occur in the market,

which are implicitly included in the expected losses amounts and economic capital, but also the different stress analysis which the Group performs.

One of the main tasks carried out during 2006 has been the development and analysis of the impact of stress scenarios. The development has focused, among other subjects, on the definition of adverse circumstances both from a macroeconomic and a market point of view and a rigorous examination and review of the impact of those aforementioned in one and each of the businesses.

The Group, starting from a global strategic vision and once defined the target risk profile coherent with each unit's strategy, establishes a limit system that makes it possible to develop a business that integrates that risk profile in its daily decisions.

Corporate risk management structure

The Board of Directors is the highest-ranking body that determines the Group's risk policy. It approves, where appropriate, any non-delegated financial transactions or programmes involving credit risk, with no restrictions as to the amount. It also authorises the operating limits and the delegation of powers relating to credit risk, market risk and structural risk.

These tasks are performed by the Standing Committee, which reports to the Board.

The Board has a Lending Committee, a specialized body whose functions include, inter alia:

- Assessment of the Group's risk management in terms of risk profile and capital map, broken down by business and area of activity.
- Evaluation of the general risk policies and establishment of limits by type of risk or business, and of management resources, procedures and systems, structures and processes.
- Approval of individual or Group risks that may affect the Bank's solvency, in keeping with the established delegation system.
- Analysis and approval, where appropriate, of credit risks in terms of maximum customer or Group exposure.
- Monitoring of the Group's various risks, ensuring they comply with the profile defined by the Group.
- Ensuring compliance with the recommendations of regulatory and supervisory bodies, and implementation of these recommendations in the Group's risk management model.
- Analysis of the Group's risk control systems.

The Asset-Liability Committee (ALCO) is the body responsible for actively managing BBVA's structural liquidity, interest rate and currency risks, and its core capital.

The Internal Risk Committee, which is composed of the persons responsible for Group risk management at corporate level, develops and implements the risk management model at BBVA and ensures, on a day-to-day basis, that the risks assumed by the Group are in line with the target risk profile defined by the senior governing bodies.

The Technical Transactions Committee analyses and approves, where appropriate, the financial transactions and programmes that are within its level of authorisation, and refers any transactions exceeding the scope of its delegated powers to the Lending Committee.

Tools, databases, human resources, circuits and procedures

The management of the risk factor and the comprehension of its concept in its whole sense constitute for the group one of its main action lines in which it bases the creation of value in the banking business. The internal mechanisms of decision make use of the different metrics and statistics that quantify the different type of risk in a consistent and homogeneous way. The development of these metrics requires and adequate identification and measurement of the different typologies of risk as well as a integral and unified management of these in accordance with a Global Risk Management System.

This system includes the following four basic groups of elements:

- Homogeneous tools of measurement of the type of risk inherent in each of the Group businesses, that incorporates the methodology developments of measurement of risks, to which the Group will assign a lot of resources in the following years.
- Historical Databases are an input for the different measurement systems of expected losses and economic capital for the different levels of decisions.
- Procedures, circuits and management criteria that include the risk management model to the procedures of decision taking, both strategic, tactical and operative decisions in a daily basis.
- A group of highly qualified, efficient and experienced individuals that perform the tasks associated to the function of Risk managements in the Group.

Internal Control – Risk Maps

The development, implementation and continuous improvement of a risk management system requires the establishment of controls and indicators to guarantee, on the basis of the targets set, that the management structures function adequately and that progress is made in developing the management model. Also, the best practices in risk management are identified and adopted.

To this end, BBVA has an independent function which, in keeping with the recommendations of the regulators, draws up Risk Maps identifying any gaps in the Group's risk management and the best practices, and establishes working plans with the various business areas to resolve these gaps.

Basel II

In tandem with the process of integrating further the risk management and business decision-making functions, the Group is entering into the final stage of adaptation to Basel II. From the outset, the Group has opted to use the most advanced models for both credit and operational risk (it already has an internal market risk model to calculate capital utilization which has been approved by the Bank of Spain).

In accordance with timetable established by the regulators, in 2006 the Group submitted the mandatory documentation on the models being presented by it for validation.

In this matter the Group is collaborating actively with the supervisors in general, especially with the Bank of Spain and the National Banking and the Securities Commission of Mexico (CNBV for its initials in Spanish) to make consistent and coordinated progress on the process of validating advanced models in accordance with timeframe set forth and due for completion by December 2007.

RESEARCH AND DEVELOPMENT

Innovation is one of the key ways in which BBVA differentiates itself and is the means to accessing new segments, tapping new financial solutions and entering into related non-financial businesses.

BBVA's approach to innovation was marked in 2006 by the development of a decentralized model that empowers the individual business units with spearheading their innovation strategies and endows them with total autonomy to execute the resulting programs.

As a result of the new organizational Group structure defined at the end of 2006, BBVA set up a corporate "Innovation and Development" department with the aim of designing a corporate framework to guide the business units' strategies in innovation. The new unit has defined two new lines of activity: customer and market analysis and business development leveraging the network. The idea is to get closer to our customers, based on technical analysis of trends and behavior.

In addition, BBVA has set up a top-level Innovation Committee with the aim of promoting the innovation and transformation strategy throughout the Group. The launch of this committee, a first in the banking sector, represents a new step forward for the Group in its strategy of getting closer to the end customer by garnering more in-depth knowledge of his or her present and future needs.

ENVIRONMENTAL INFORMATION

The environmental impacts of a financial services group such as BBVA are basically of two kinds:

- Direct impacts: arising from the consumption of energy and raw materials (paper consumption, air-conditioning systems in buildings, waste management, etc.).
- Indirect impacts: resulting from the Group's risk policy (granting of loans to projects that might damage the environment) and the creation and marketing of products and services.

The Environmental Policy approved by the Group in 2003 addresses both direct and indirect impacts. This policy is implemented through an advanced Environmental Management System which, based on ISO 14001, promotes an integral mechanism for ongoing improvement that is applicable to the entire Group in all the activities carried on by it in all the countries in which it operates.

The key aspects of this policy are:

- Fulfillment of prevailing legislation in all the Group's operating markets.
- Efficient use of natural resources.
- Incorporation of environmental criteria in financial transaction risk analysis.
- Development of products and services that are environmentally friendly.
- Exercising a positive influence on the environmental behavior of stakeholders.
- Promotion of internal training and awareness in environmental matters.
- Support for social initiatives with a beneficial impact on the environment.

The Department of Corporate Responsibility and Reputation, which reports to the Communication and Image Department since 2005 is responsible for coordinating this policy.

- The Group's environmental activities in 2006 included most notably:
 - - 1) Adoption of the new and revised Equator Principles. The Equator Principles (sponsored by the World Bank's International Finance Corporation) are a group of guidelines for the management of environmental and social risks implicit in project financing transactions greater than US\$10m in size. As of year-end 2006, BBVA was the only Spanish bank to have adopted these principles.
 - 2) Extension of ISO 14001 certification to specific Group buildings in Spain housing 7% of all employees. In 2006 one of BBVA's main headquarters in Bilbao was certified.
 - 3) Commitment by Anida (BBVA's real estate entity) to demanding sustainability criteria in all of its activities; 0.7% of net profit is allocated to corporate responsibility initiatives, with a special focus on environmental patronage.
 - 4) Participation in the Clean Development Mechanisms provided for in the Kyoto Treaty to reduce carbon emissions in Central America.
 - 5) Financing of projects with a positive environmental impact, with a special focus on renewable energies, most notably wind farms: according to *Project Finance International*, BBVA was the largest financer of wind farms in 2006.
 - 6) Signature by BBVA Banco Continental (Peru) of a US\$30m credit facility with the International Finance Corporation to enable the Bank to extend its portfolio of loans to SMEs that invest in businesses that promote the efficient use of energy and/or sustainable forestation.
 - 7) Progress on the development of the so-called "Ecorating" tool designed to evaluate the environmental risk of loan portfolios.
 - 8) Numerous public acts and intense publishing activity under the auspices of the BBVA Foundation's Environmental Program, designed to promote excellence in investigation and the dissemination of environmental knowledge and awareness. Among the many

initiatives undertaken in 2006, we would highlight the second edition of the BBVA Foundation Prizes for the Preservation of Biodiversity, the fourth edition of the grants for environmental investigation, the development of environmental investigation centre activity promoted by the Cap Salines Foundation (Balearic Islands), the *Proyecto Felinos Sudamericanos* (the South American Felines Project in collaboration with the *Instituto de Biología y Medicina Experimental* or Institute for Biology and Experimental Medicine, the *Consejo Superior de Investigaciones Científicas* -the "CSIC" or the Superior Council of Scientific Investigation- and the University of Castile-La Mancha) and the project for preserving the protected nature park at Doñana in collaboration with the CSIC.

At 31 December 2006, there were no items in the Group's consolidated financial statements that warranted inclusion in the separate environmental information document envisaged in the Ministry of the Economy Order dated October 8, 2001.

REPORT ON THE ACTIVITY OF THE CUSTOMER CARE AND CUSTOMER OMBUDSMAN DEPARTMENT

In Spain the BBVA Group has a Customer Care Service in place to manage customer complaints and grievances. In addition, if a customer were unsatisfied with the solution proposed by the Customer Care Service, he or she has a second line of defense in the Customer Ombudsman.

In accordance with the stipulations of article 17 of the Ministry for the Economy Order ECO/734/2004, dated March 11 regarding customer care and consumer ombudsman departments at financial institutions, and in line with the BBVA Group's "Internal Regulations for Customer Protection in Spain" approved by the Board of Directors of Banco Bilbao Vizcaya Argentaria, S.A. in its session of July 23, 2004, the following is a summary of related activities in 2006:

REPORT ON THE ACTIVITY OF THE CUSTOMER CARE DEPARTMENT IN 2006

a) Statistical summary of the grievances and complaints handled by BBVA's Customer Care Service in 2006,

The number of customer complaints received by BBVA's Customer Care Service in 2006 was 6,679, of which 208 were ultimately not processed because they did not comply with the requirements of Ministry of the Economy Order ECO/734/2004. 94.4% of the complaints (6,112 files) were resolved in the year and 359 complaints had not yet been analysed at 31 December 2006.

The complaints managed can be classified as follows:

	Percentage of Complaints
Commission and expenses	19.6%
Operations	17.6%
Assets products	14.9%
Customer information	11.6%
Collection and payment services	8.8%
Financial and welfare products	8.0%
Other complaints	19.5%

The detail of the complaints handled in 2006, by the nature of their final resolution, is as follows:

	Number of Complaints
In favour of the person submitting the complaint	2,366
Partially in favour of the person submitting the complaint	608
In favour of the BBVA Group	3,138

The principles and methods used by the Customer Care Service to resolve complaints are based on the application of the rules on transparency and customer protection and best banking practices. The Service adopts its decisions independently, notifying the various units involved of any actions which require review or adaptation to the related regulations.

- b) Recommendations or suggestions deriving from your experience, with a view to better attaining the aims of your work.

In 2006 the Customer Care Service encouraged the use of the branch network to resolve a large number of complaints through closer contact with customers. This facilitated the obtainment of amicable agreements, which without doubt resulted in a greater perception of quality by customers.

Various recommendations were implemented which led to a series of initiatives designed to improve banking practices at the companies subject to banking industry regulations.

We would highlight that as a result of the strategic and operational improvements implemented at this unit, in continuation of the effort begun in 2005, the number of complaints presented before the various public supervisory entities fell again in 2006. During 2006 the number of complaints lodged with the Bank of Spain and referred to BBVA totalled 237 (including the matters detailed below in the report on the activity of the customer ombudsman), representing a 15.4% decline year-on-year.

REPORT ON THE ACTIVITY OF THE CONSUMER OMBUDSMAN OF BBVA

- a) Statistical summary of the grievances and complaints handled by BBVA's Consumer Ombudsman in 2006

The number of customer complaints received by BBVA's Consumer Ombudsman in 2006 was 1,441 of which 45 were ultimately not processed because they did not comply with the requirements of Ministry of the Economy Order ECO/734/2004. 93.82% of the complaints (1,352 files) were resolved in the year and 44 complaints had not yet been analysed at 31 December 2006.

The grievances and complaints handled are classified in the table below in line with the criteria established by the Claims Service of the Bank of Spain in its half-yearly data compilations:

	Number of Complaints
Assets operations	183
Liabilities operations	234
Other banking products (Cash, Automated teller...)	116
Collection and payment services	84
Investment services	228
Insurance and welfare products	441
Other complaints	66

The final outcome of the 1,352 files resolved in 2006 can be classified as follows:

	Number of Complaints
In favour of the person submitting the complaint	196
Partially in favour of the person submitting the complaint	493
In favour of the BBVA Group	663

Based on the above, over 50% of the customers bringing a complaint before the BBVA Consumer Ombudsman, were in some way satisfied.

The Ombudsman issues its verdicts based on prevailing legislation, the contractual relationships in place among the parties, current standards on transparency and customer protection on best banking practices and, especially, on the principle of equality.

The independent nature of the role of the Consumer Ombudsman is vital and is a requirement to earn the trust of the institution's clientele. Verdicts handed down by the Ombudsman in favour of the customer are binding on the affected Group entity.

b) Recommendations or suggestions from your experience, with a view to better attaining the aims of your work.

Among the various initiatives implemented by the Entity at the behest of the Ombudsman in 2006, we would highlight the following:

- Certain contracts were modified to increase the size of the font setting forth the terms of the contract to 1.5 mm, the mandatory font size in certain Spanish autonomous regions: the immediate loan policy, "*Pide*" (Ask).
- The Ombudsman had the opportunity to work with BBVA Seguros in order to make the wording of the surrender provision in the *BBVA Rentas* product clearer.
- The Values Department opted, in light of studies carried out at the behest of the Ombudsman, to provide assistance cards to general meetings of companies with registered shares, something not done in the past.

We would highlight that the number of complaints brought before the various public supervisory entities, after being handled by the Consumer Ombudsman, fell again in 2006. In 2006, the number of complaints brought before the Bank of Spain, the CNMV and the Spanish General Directorate of Insurance and referred on to BBVA, after being handled by the Consumer Ombudsman, totalled 102 compared to 171 in 2005, i.e., a reduction of 40.35%.

This is a very significant decline, all the more remarkable considering that the total number of cases handled by the Consumer Ombudsman increased by 144, or 11.1%, year-on-year.

FUTURE OUTLOOK

Against a scenario of world economic growth of around 5%, 2006 represented the continuation of the expansionary phase that began in 2003. World trade increased substantially and the European Union achieved robust economic growth.

In 2006 the Spanish economy grew two-tenths of a percentage point more than in 2005 to record its highest level of growth in the last six years: 3.7%.

The forecasts for 2007 continue to signal a moderation in growth, albeit less drastic than that expected in previous years.

The world today is marked by increasingly rapid, constant change and expansion. Fully aware that these changes create opportunities for growth, BBVA is currently implementing a unique project that sets it apart from its competitors. By harnessing these opportunities, anticipating change and adapting to it, BBVA aims to offer its customers an entirely "new form of banking".

SUBSEQUENT EVENTS

On 12 June 2006, BBVA entered into an agreement to purchase the US banking group, State National Bancshares, Inc., which is domiciled and conducts its main business activity in the State of Texas. Once the approval of the General Meeting of this company has been obtained together with the necessary administrative authorisations, the transaction was concluded on 3 January 2007. The agreed purchase price was \$484 million (approximately €368 million at this date).