

Report presented by the Board of Directors of Banco Bilbao Vizcaya Argentaria, S.A., pursuant to articles 144 of the Companies Act (Consolidated Text approved under Legislative Royal Decree 1564/1989, 22nd December) with respect to the proposed inclusion of a new article 53.b in the corporate bylaws, referred to under agenda item 2.1 of the AGM convened for 12th and 13th March 2009, at first and second summons, respectively.

WARNING: The English version is only a translation of the original in Spanish for information purposes.
In case of a discrepancy, the Spanish original prevails.

This report is filed by the board of directors of Banco Bilbao Vizcaya Argentaria, S.A. (“BBVA” or the “Bank”), pursuant to article 144.1.a) of the Companies Act (Consolidated Text approved under Legislative Royal Decree 1564/1989, 22nd December, hereinafter the “Companies Act”) with respect to the proposed inclusion of a new article 53.b in the BBVA corporate bylaws, regarding the possibility of paying out in kind dividends and the share premium from stock issuance, and of applying this same procedure to the returning of contributions, in the event of a share capital reduction.

Reasons for the proposal

The BBVA board of directors deems it advisable for the corporate bylaws to expressly envisage the possibility that the AGM may resolve to make payments in kind of dividends, either charged to the year's earnings or to unrestricted reserves, and to distribute the share-premium account in kind. This possibility has several precedents in the practices of Spanish mercantile companies.

It is also proposed that this mechanism could be applied, under an AGM resolution, to the cases in which contributions be returned in the event of a reduction in share capital.

These possibilities provide greater flexibility in managing the Bank, allowing greater diversification of the policy for paying out dividends and remunerating BBVA shareholders.

Whatever the case, the possibility of resolving to pay out and distribute in kind would be limited, as further guarantee to BBVA shareholders, to cases in which it is proposed to deliver standardised goods and/or securities that are sufficiently liquid or susceptible to liquidation. Such condition will be presumed met when securities are listed or are going to be listed for trading on a regulated market.

However, it is not deemed to be strictly necessary to include an express provision in the corporate bylaws regarding this. Since the AGM has sufficient legal powers to validly approve such distributions, the board of directors deemed it opportune to establish this amendment to the bylaws in order to endow such transactions with maximum guarantees. To such effects, it is proposed to amend the BBVA corporate bylaws by including a new article 53.b that will expressly cover the possibility described above.

Proposed resolution

The full text of the proposed resolution to include a new article 53.b in the BBVA corporate bylaws that is being submitted to AGM approval is as follows:

“To include a new article 53.b in the Banco Bilbao Vizcaya Argentaria, S.A. bylaws, which will read as follows:

Article 53.b

The AGM may resolve the distribution of dividends (either charged against the

year's earnings or against unrestricted reserves) and/or of the share premium, in kind, provided that the goods or securities being distributed are standardised and sufficiently liquid or susceptible to liquidation. Such condition will be presumed met when securities are listed or are going to be listed for trading on a regulated market.

The regulation in the previous paragraph will also be applicable to the return of contributions in the event of a reduction in share capital."

This amendment to the bylaws must first obtain any authorisation that may be demandable under prevailing laws and/or regulations. The board of directors is expressly delegated the broadest most efficient powers possible at law to obtain said authorisations and/or any others that may be required to implement and effect the preceding resolutions. Said powers may be passed on totally or in part to the Executive committee and/or any of the directors."

Madrid, 5th February 2009

Report presented by the Board of Directors of Banco Bilbao Vizcaya Argentaria, S.A., pursuant to articles 144, 153.1.b and 159.2 of the Companies Act (Consolidated Text approved under Legislative Royal Decree 1564/1989, 22nd December) with respect to the proposed authority conferred on the board of directors to increase share capital up to the maximum amount of 50% of the Bank's share capital at the moment of its approval, with powers to suppress the pre-emptive subscription rights referred to under agenda item five of the AGM convened for 12th and 13th March 2009, at first and second summons, respectively.

**WARNING: The English version is only a translation of the original in Spanish for information purposes.
In case of a discrepancy, the Spanish original prevails.**

This report is filed by the board of directors of Banco Bilbao Vizcaya Argentaria, S.A. (“BBVA” or the “Bank”) in compliance with articles 144.1.a) and 159.2 of the Companies Act (Consolidated Text approved under Legislative Royal Decree 1564/1989, 22nd December) with respect to the proposed resolution presented to the AGM regarding the conferral of authority on the board of directors to increase share capital by virtue of article 153.1.b) of the Companies Act, with the power to suppress pre-emptive subscription rights.

Article 144.1.a) of the Companies Act, regarding the amendment of bylaws, with respect to article 153, makes it obligatory for directors to draw up a written report justifying the proposed resolution.

1.- Applicable regulations

Article 153.1.b) of the Companies Act enables the General Meeting, with the requirements established for the amendment of corporate bylaws, to delegate authority to the directors to resolve to increase share capital, on one or various occasions, up to a specific figures, according to the timeliness and amount that they may decide, without first having to consult the General Meeting. In no event may such increases be greater than half the Company's capital at the time of authorisation and must be made by cash payments within the maximum term of five years as of the AGM resolution.

Meanwhile, article 159.2 of the Companies Act provides that, in publicly traded companies, when the AGM confers authority to increase share capital pursuant to

article 153.1.b) of said act, it may also empower the board of directors to exclude pre-emptive subscription rights over issues subject to said authority, when the best interests of the company so require. To such end, it establishes that express mention of this proposal to exclude pre-emptive subscription rights must be made in the call to meeting and a directors' report will be made available to shareholders, justifying the proposal. Likewise, when each resolution for capital increase is adopted and charged against this authority, the directors and the account auditors must draw up the reports required under section 1.b) of the Companies Act, with respect to each specific increase. The nominal value of the shares to be issued plus, where applicable, the share premium must correspond with the fair value resulting from said auditors' report. These reports will be made available to the shareholders and communicated to the first General Meeting held after the increase resolution.

2.- Reasons for the proposal to grant authority to increase share capital

The board of directors deems that the proposed resolution presented to the AGM is justified by the advisability of the board having a mechanism, as established under prevailing regulations on companies, that enables it to resolve one or various capital increases, without having to call and hold a further General Meeting, albeit within the limits, terms and conditions that said AGM determines.

In this regard, article 153.1.b) of the Companies Act provides a flexible financing instrument, as it enables the AGM to delegate authority on the board of directors to resolve capital increases within the limits authorised by said AGM that may be necessary in light of the Bank's requirements and the situation of international

financial markets on which the Bank is operating at any time, without needing first to call a General Meeting.

Moreover, a broad-ranging authority is proposed to the AGM, as envisaged under article 153.1.b) of the Companies Act, since the board of directors can decide what conditions best suit the specific transaction for increasing capital at any time, as at the time of granting the authority it is impossible for the AGM to determine the most suitable terms and conditions.

The requirements of enterprises with similar characteristics to BBVA to have an instrument with these specifications for funding and shoring up capital is made manifest in the fact that this authority is a habitual resolution included amongst the proposals that past AGMs have approved, and the fact that similar authorities are also included amongst the resolutions presented to the AGMs of the largest companies on the IBEX index.

The way markets operate requires that the governing and management bodies of mercantile companies, especially publicly traded companies, are able to make use of the possibilities offered to them by the regulations to find speedy, efficient responses to needs arising in the economic trading in which large companies are nowadays engaged. These needs clearly include endowing the Company with new finance. This is frequently articulated as new contributions raised as capital.

However, on many occasions it is impossible to determine in advance exactly what the Company's requirements will be for further capital and anticipate the delays and

increases in costs that may lead it to request the AGM to increase capital, making it hard for the Company to respond efficiently and flexibly to market needs. This makes it recommendable for the board of directors to be able to employ the mechanism for authorising capital issues established under Spanish legislation.

At the moment, given the expiry as the maximum term permitted for such authority, it is proposed that the AGM renew the resolution it adopted at the BBVA AGM, 28th February 2004, under agenda item two. This renewal is justified by the need to be able to cover, over time, any potential financial needs the Bank may have which could be required or necessary in the current financial and economic environment. This will be done within the limits imposed and in compliance with the requirements established in the aforementioned article 153.1.b) of the Companies Act.

The authority that legal regulations recognise under article 153 of the Companies Act is a suitable, flexible mechanism so that at any time, in an efficacious manner and with agility, the Bank may match its equity funds to any additional requirements that may arise. Furthermore, taking into account the current economic environment and the high volatility in the markets, agility in implementation takes on special importance. It becomes a determining factor in the success of any attempt to raise additional funding. Market transactions completed recently have based their success on speedy, agile decision-making and flexibility in implementing any decisions reached.

With all these aims in sight, the AGM is presented with the proposal to confer authority on the board of directors, empowering it to increase the Company's capital

up to a maximum nominal amount equal to half the Company's share capital at the time of granting the authority, allowing it to use this authority on one or several occasions.

The capital increases made under the authority proposed shall be effected by issuing new shares and putting them into circulation. These shares may have voting rights or not, may be ordinary or preferred shares or shares of any other kind permitted under law, including redeemable shares, whose countervalue shall be paid up in cash.

The authority thus conferred will also be extended to establishing the different specific terms and conditions for each share capital issue and the characteristics of the shares to be issued. This will include establishing that, in the event of incomplete subscription, the capital will be increased by the amount of the subscriptions paid up, pursuant to article 161.1 of the Companies Act, and re-writing the bylaw article reflecting the share capital and applying for listing of the new shares.

The authority being proposed to the AGM will have a term of five years as of the date on which the AGM is held.

3.- Reasons for the proposal to grant authority to exclude pre-emptive subscription rights

As indicated above, article 159.2 of the Companies Act itself envisages the possibility for the AGM to resolve, when necessary and when adequately justified and in the best interests of the company, to grant authority to the board of directors to exclude the

pre-emptive subscription rights that the company's shareholders and bondholders have been granted under article 158 of said act. This does not necessarily imply that each capital increase made under this authorisation must be carried out by excluding pre-emptive subscription rights. Rather, it is perfectly possible for capital increases to be made under the authorisation with pre-emptive subscription rights.

The power to exclude pre-emptive subscription rights may only be exercised in those cases in which the company's best interests so require, provided that the nominal value of the shares to be issued plus, where applicable, the amount of the share premium on issue, corresponds to the fair market reflected in the report by an account auditor other than the company's account auditor, designated by the competent companies registry. Fair value shall mean the market value, which, unless otherwise justified, shall refer to the listed share price.

As has been explained, for the board of directors to be able to make efficient use of the authority to increase capital, in many cases speed and the ability to select the origin of the funding is important. Given that immediate availability may be limited in time, it may be necessary to exclude the pre-emptive subscription rights of shareholders to meet the very objectives of the transaction. The board considers the objective of creating shareholder returns to be of utmost importance and deems that failing to exclude said pre-emptive subscription rights could undermine said returns.

Only the board of directors may estimate at any time whether the suppression of pre-emptive subscription rights is proportional to the benefits that the company will obtain in the final instance, so that this suppression will be effected because it is in the best

interests of the shareholders. The board will always have to comply with the substantive requirements established by law in this respect.

Although the Companies Act does not in any way limit the AGM's capacity to confer authority on the board of directors to eliminate pre-emptive subscription rights, within the maximum limit of 50% of the company's share capital at the time of authorisation, the board of directors has deemed it more suitable, in line with international recommendations and tendencies in best market practices, and in order to help protect shareholders' interests, to limit this power to a maximum of 20% of the BBVA share capital at the moment of granting the resolutions, provided that, pursuant to article 159.2 of the Companies Act and as made manifest in this report, the Company's best interests are properly explained to the shareholders.

All in all, the globalisation of the financial markets and the speed and agility with which they trade, requires the board of directors to have flexible, suitable instruments to provide adequate response the demands that, at any time, may be required by the corporate interests. This strategy must include the aforementioned authority to the board of directors to exclude, where applicable, pre-emptive subscription rights.

4.- Other considerations

The reasons for conferring authority for these two powers (share capital increase and exclusion or inclusion of the pre-emptive subscription rights) on the Company's board of directors stems from financial institutions' need to have agile mechanisms with which to adapt their funding requirements so that they can develop their business. For

this, they need to maintain suitable levels of shareholder equity in keeping with their business volumes, their market situation and the situation of their competitors, taking advantage of any opportunities that may arise.

Additionally, on the occasion of each issue made under this authority, and at the first General Meeting to be held after each increase, the board of directors will make a directors report and a report by an auditor other than the auditor of the corporate accounts, who shall be appointed by the competent companies registry available to shareholders, explaining the actions taken under the authority conferred upon it.

5.- Proposed resolution

The entire text of the proposed resolution to confer authority on the board of directors, pursuant to articles 153.1.b) and 159.2 of the Companies Act, to resolve the increase of share capital and the exclusion of the pre-emptive subscription rights, which is being put to the annual general meeting of shareholders for approval, is as follows:

“1.- To delegate the board of directors powers as broad as may be necessary under law, to increase share capital, pursuant to article 153.1.b) of the Companies Act, within the legal term of five years as of the date on which this AGM is being held, up to the maximum sum corresponding to 50% of the Company's share capital at the time of this authority. The board of directors may make an increase on one or several occasions, for the amount it decides, by issuing new ordinary or preferred shares with or without voting rights, or shares of any other kind permitted under law, including redeemable shares with or without share premium on issue. The board of directors may establish the terms and conditions of the capital increase, determining the

nominal value of the shares to be issued, their countervalue being payable in cash; the share specifications and any possible privileges they may confer; the attribution of the right to redemption and its terms and conditions, and the Company's right to redemption. Calculations to determine the limit of the maximum amount that may be availed at any time (in terms of consuming the available limit), shall include the amount of the capital increases that, where applicable and in order to cover the conversion of debentures, may be made pursuant to the resolution adopted under agenda item six of the AGM, 14th March 2008.

To attribute the power to the board of directors to exclude pre-emptive subscription rights on the share issues made under this authority, pursuant to article 159.2 of the Companies Act.

Likewise, to attribute to the board of directors the power to freely offer the shares not subscribed within the pre-emptive subscription period(s), when any such period is granted, and to establish that in the event of incomplete subscription the capital will be increased by the amount effectively subscribed, pursuant to article 161.1 of the Companies Act and the new wording of article 5 of the corporate bylaws.

All this will be done pursuant to applicable legal and bylaw provisions at any time, and conditional on obtaining due permits.

2.- *Likewise, it is resolved to request the listing of any shares that may be issued by virtue of the above resolution for trading on domestic and international securities exchanges on which the Bank shares are listed at the time when each capital increase is made, subject to compliance with any applicable regulations. To such end, the board of directors is given authority, with express powers to substitute itself through the Executive committee or the director(s) or Company proxy(ies) it deems pertinent, to grant any documents and engage in any acts that may be necessary, including any*

act, declaration or arrangement before the competent authorities of the United States of America for the listing of the shares represented as ADSs or any other competent authority.

3.- Likewise, to authorise the board of directors, in compliance with article 141 of the Companies Act, to pass on to the Executive committee the powers delegated to it by the AGM regarding the aforementioned resolutions, with express authority for substitution by the chairman of the board (CEO), the chief operating officer (COO) or any other director or proxy of the Bank.”

Madrid, 5th February 2009

Report presented by the Board of Directors of Banco Bilbao Vizcaya Argentaria, S.A., for the purposes established under articles 144 and 164 of the Consolidated Companies Act (consolidation of text approved under Legislative Royal Decree 1564/1989, 22nd December) regarding the resolution authorising the Company to directly or indirectly acquire treasury stock and, where applicable, reduce the share capital, referred to under agenda item seven of the Annual General Meeting, convened for 12th and 13th March 2009 at first and second summons, respectively.

**WARNING: The English version is only a translation of the original in Spanish for information purposes.
In case of a discrepancy, the Spanish original prevails.**

Articles 74 and following in the Companies Act permit Spanish companies' portfolios, either directly or through their subsidiaries, to hold shares issued by the company itself. However, to do so, they must comply with the requirements established under said articles.

Once the derivative acquisition of treasury stock has taken place, there are various legally established mechanisms by which to reduce or eliminate the company's treasury stock: The company may opt to redeem said stock or sell the shares on the market.

When deciding which mechanism to use, the market conditions must be taken into account, as these may be unfavourable for selling treasury stock directly to the market.

As it is impossible to determine a priori which of the mechanisms is most advisable, and in the absence of elements that make it possible to make a reasoned decision regarding the most suitable method at this moment, it is proposed to authorise the board of directors to evaluate and decide on these issues whenever they may arise.

Redemption of the treasury stock will require an AGM resolution to reduce capital.

Given that it is opportune and advisable to carry out this financial transaction as a function of the changing circumstances influencing the securities market, the socio-economic context, the financial situation and the objectives and policy of the company itself, which means that it is not possible now to determine its specific terms and conditions, the resolution to reduce capital must be conceived with broad-ranging criteria. The board of directors is delegated a set of powers in order to make this option

possible, including the power to determine the amount of the reduction and whether it be earmarked to a restricted reserve, pursuant to number 3 of article 167 of the Companies Act or an unrestricted reserve, in which case it must comply with the legal requirements to guarantee creditors.

Pursuant to the Companies Act, the resolution being proposed also envisages the possibility of the treasury stock being delivered to Company workers, managers and/or directors, when there is a recognised entitlement, either directly or as a consequence of the option rights that they may hold.

Thus, the treasury stock may serve to meet commitments to deliver shares that the Company has undertaken with its employees, managers and directors in the remuneration schemes already submitted to the consideration of the AGM or any other that may be established in the future.

The aim of this resolution is to endow the Company with suitable instruments to operate on domestic and international financial markets under equal conditions with the rest of the financial institutions trading on them, and thus safeguard the best interests of the Company and its shareholders.

This report is issued in compliance with articles 144 and 164 of the Companies Act.

Madrid, 5th February 2009