



Total tax contribution in 2012

A report on the economic contribution made by BBVA Group to public finances



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1 Introduction

Tax payments are an important part of our economic contribution. In BBVA we believe that we are making a economic and social valuable contribution by paying dividends to our shareholders; salaries to our employees; payments to our suppliers; and tax revenues to governments in the countries where we operate.

BBVA is committed to providing transparency about tax payments and that is why we voluntarily disclose in this report all mayor tax payments in the countries in which we have a significant presence.

The data within the Report, includes payments made in all main countries of operation of BBVA and covers the year ended 31 December 2012.

BBVA makes a significant contribution toward public revenue through its own tax payments and third party tax collection due to its economic activity.

Apart from that, BBVA contributes to public finances acting as a tax collector for the governments in the jurisdictions where we operate. This report does not deal with this issue.

We believe that this report gives to all our stakeholders an opportunity to understand our tax payments and represents a forward-thinking approach and commitment to corporate responsibility, assuming a leading role in tax transparency.

This report uses the PwC Total Tax Contribution (TTC) methodology, which looks at all the different taxes that companies pay and administer, including employment taxes, value added tax (VAT) and other taxes, as well as corporate income tax. TTC includes both the taxes borne by companies (those taxes which are a cost to the companies and affect their results) and taxes they collect (where they administer taxes on behalf of the government).

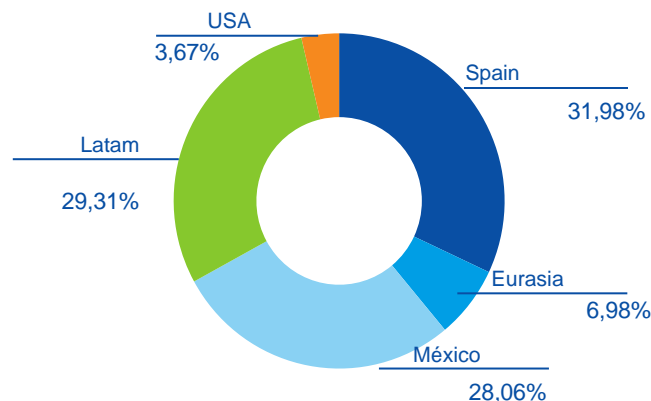
2 Distribution of BBVA Group's tax payments by geographical area

BBVA is a global group that employs 115.852 people in over 30 countries around the world, and has over 50 million costumers and more than 1.000.000 shareholders.

In 2012 almost 56% of gross income was originated in emerging countries.

The chart below shows a breakdown of total tax paid by region in 2012.

Presence of BBVA In the World



Our main revenues come from Spain, Mexico and South America; that is why our tax payments are higher in those locations.

3 Tax responsibility

BBVA is committed to transparency and business ethics everywhere it operates. In this line, in 2011, BBVA adopted the Code of Good Tax Practices in Spain, a government initiative to increase cooperation and transparency between companies and the Spanish Tax Revenue Agency.

The Group has also established ethical and transparent work practices in every country it operates.

In accordance with our tax strategy, services between group companies are conducted on an arms´ length basis.



BBVA Foundation.

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The following tables show the total of all tax payments for each of the regions where the Group BBVA is present.

Country	CIT	Payroll taxes employer	VAT	Other taxes and payments	Total own taxes	Payroll taxes employee	VAT	Other taxes and payments	Total taxes paid or collected
Spain	667	314	253	107	1,342	688	344	635	3,009
Spain	667	314	253	107	1,342	688	344	635	3,009
Eurasia	225	44	29	114	411	92	16	138	657
Belgium	0	1	0	0	1	1	0	0	3
China	17	-	-	-	17	-	-	-	17
France	29	5	1	0	35	1	0	-	37
Germany	9	1	0	7	18	4	0	1	23
Ireland	1	0	0	-	1	0	0	-	2
Italy	30	5	2	-	37	9	7	4	58
Japan	2	0	0	0	2	0	0	-	2
Korea	1	0	0	0	1	1	0	0	1
Luxembourg	2	0	0	5	7	0	-	0	7
Netherlands	3	0	0	0	3	2	0	-	5
Portugal	5	7	5	1	19	9	8	33	69
Romania	0	1	0	0	2	1	0	1	3
Russian Federation	1	-	0	0	1	0	0	0	1
Singapore	1	0	0	-	1	-	-	-	1

9.408€ million of taxes contributed in the year

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Country	CIT	Payroll taxes employer	VAT	Other taxes and payments	Total own taxes	Payroll taxes employee	VAT	Other taxes and payments	Total taxes paid or collected
Switzerland	9	1	0	-	10	3 -	0	4	17
Turkey	109	19	17	99	244	43	0	95	382
United Kingdom	5	3	2	1	12	17	0	0	29
Mexico	431	64	173	19	686	116	469	1,368	2,639
Mexico	431	64	173	19	686	116	469	1,368	2,639
United States	117	43	2	15	177	165	0	3	345
United States	117	43	2	15	177	165	0	3	345
Latam	566	97	100	171	935	105	233	1,485	2,758
Argentina	112	45	6	93	255	23	188	1,172	1,638
Chile	37	-	9	3	49	16	9	21	94
Colombia	140	25	26	15	206	19	11	192	429
Panama	22	1	0	1	24	1	1	5	32
Paraguay	0	2	1	1	3	1	5	1	11
Peru	184	8	20	19	230	31	17	9	287
Uruguay	10	7	4	5	25	10	0	1	37
Venezuela	63	9	34	35	141	3	1	84	229
Total	2,006	562	557	426	3,551	1,166	1,062	3,628	9,408

Total tax contribution in 2012

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Mexico: including tax on cash deposits collected
Argentina: including tax on debits and credits on bank accounts

4 Total tax contribution in 2012

Total taxes borne and collected by the Group in 2012

Country	Own Taxes	Third Party Taxes	Total Tax Contribution
Spain	1,342	1,667	3,009
Spain	1,342	1,667	3,009
Eurasia	411	246	657
Belgium	1	1	3
China	17	-	17
France	35	2	37
Germany	18	5	23
Ireland	1	0	2
Italy	37	21	58
Japan	2	0	2
Korea	1	1	1
Luxembourg	7	0	7
Netherlands	3	2	5
Portugal	19	50	69
Romania	2	2	3
Russian Federation	1	0	1
Singapore	1	-	1

Country	Own Taxes	Third Party Taxes	Total Tax Contribution
Switzerland	10	7	17
Turkey	244	138	382
United Kingdom	12	17	29
Mexico	686	1,953	2,639
Mexico	686	1,953	2,639
United States	177	168	345
United States	177	168	345
Latam	935	1,823	2,758
Argentina	255	1,383	1,638
Chile	49	45	94
Colombia	206	223	429
Panama	24	8	32
Paraguay	3	8	11
Peru	230	57	287
Uruguay	25	12	37
Venezuela	141	88	229
Total	3,551	5,856	9,408

Total tax contribution in 2012

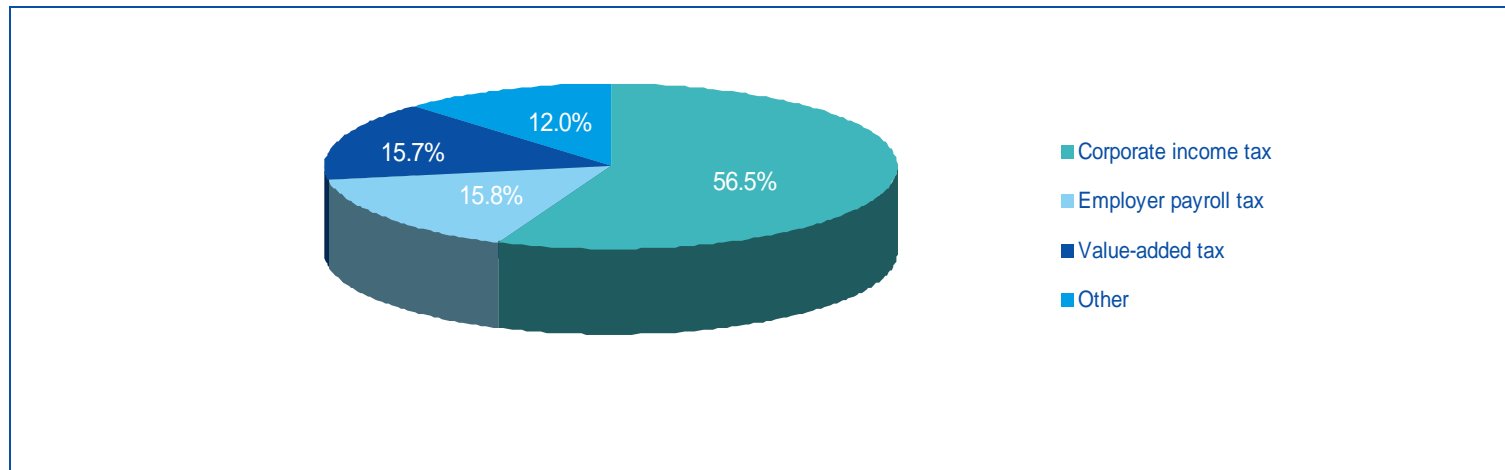
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4 Total tax contribution in 2012

The graph below shows the 3.551€ million of own tax payment in 2012 by type of tax.

Corporate income tax is the largest tax payment, 2.006€ million, representing 56.5% of total BBVA's total tax payments in 2012, but other taxes also make a considerable contribution.

Valued-added taxes account for 15.7%, employer payroll taxes for 15.8% and the other 12% includes property taxes stamp duties and different local levies.



5 Tax charged in the financial statements

5.1 Corporate income tax charge

When reporting the financial result of any particular year, entities report tax numbers in the profit and loss account while tax payments are part of the cash flows. These results will differ, as taxes very few times are paid at the same time as income arises, because governments set the rules as to when tax becomes payable and those rules vary greatly from one country to another.

In 2012 the BBVA Group had tax credits, mostly in Spain, which have the potential to reduce future tax payments, that reduce the total amount of the corporate income tax charged.

The probability of recovery of these assets has been assessed under the relevant International Financial Reporting Standard, IAS12.

Further analysis and reconciliation of tax data can be found in the BBVA Group Annual Report 2012 and at www.bbva.com.



5 Financial statements disclosures

5.2 Deferred taxes

Total deferred tax assets	9.871
Pensions	1.228
Portfolio	1.857
Other assets	277
Impairment losses	2.891
Others	1.212
Tax credits	2.406
Total deferred tax liabilities	2.883
Portfolio	1.109
Depreciation and others	1.774

Deferred tax is an accounting concept, meaning a future tax liability or asset, arising from timing differences that occur when items of income or expense are included in the financial statements in different periods to those in which they are taxable or deductible.

BBVA Group had deferred tax assets of 9.871€ million and deferred tax liabilities of 2.883€ million at 31 December 2012.



Future BBVA Bancomer Tower under construction in Mexico City.

6 Main conclusions

Our three corporate principles are integrity, prudence and transparency. This report aspires to be not only a good example of transparency but also a best practice in the sector.

It is certain that this will not be the only step forward in the field. That is the reason why the comments of our stakeholders are welcome in order to progress. Please let us know your feedback through the website [bancaparatodos](http://bancaparatodos.com) or twitter @bancaparatodos

