

***BBVA, better placed in the
current environment***

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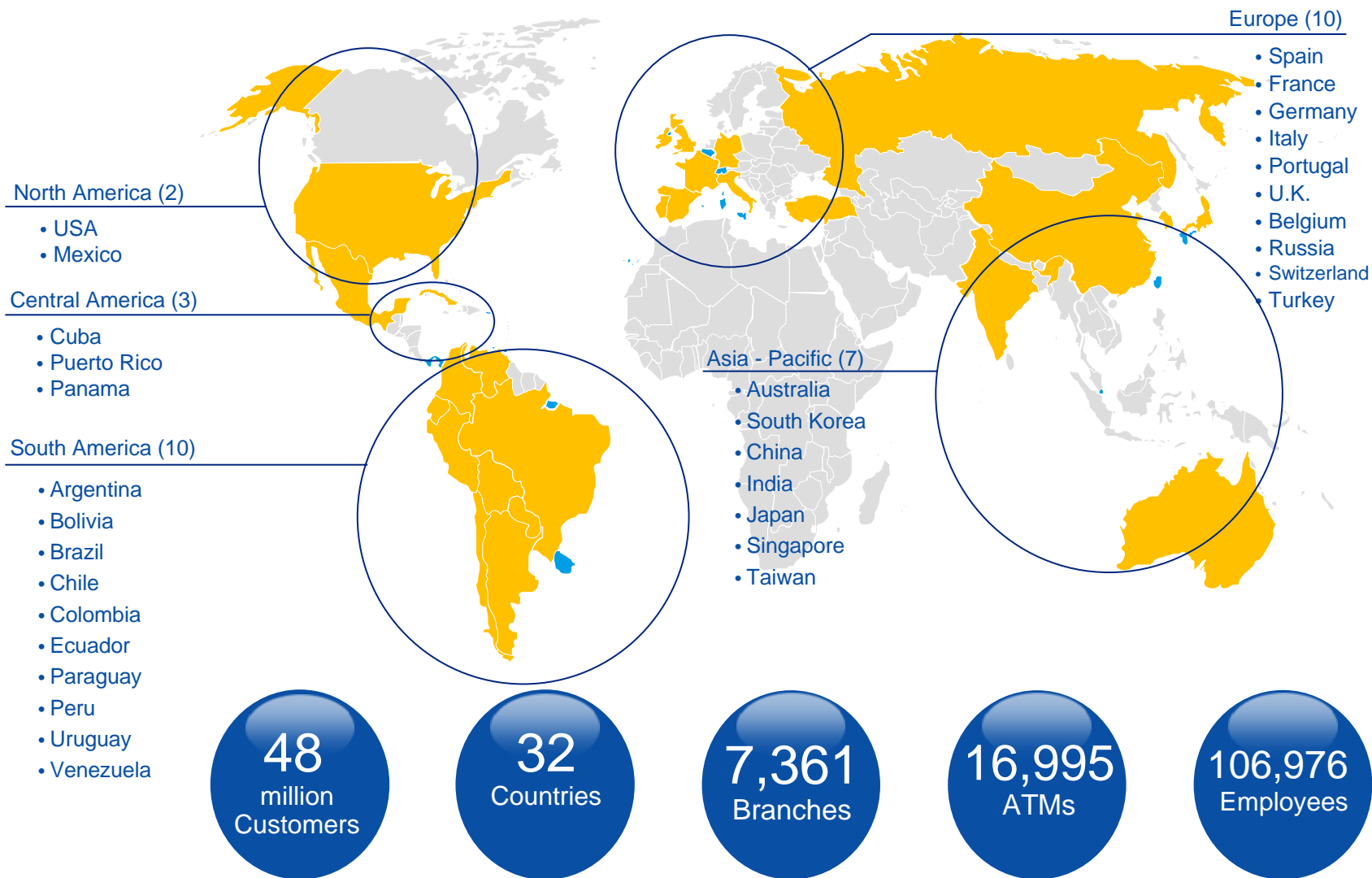
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1 **BBVA overview**

2 Why BBVA is better placed in the current challenging environment?

3 Conclusions

A Group with global presence



A customer-centric global retail bank ...

Total Assets (€ bn)	598
Net attributable profit (€ bn) (*)	4.0
ROE (%) (*)	10.6
Cost to income (%)	48.4
Core Capital (%)	10.3

(*) Ex US impairment

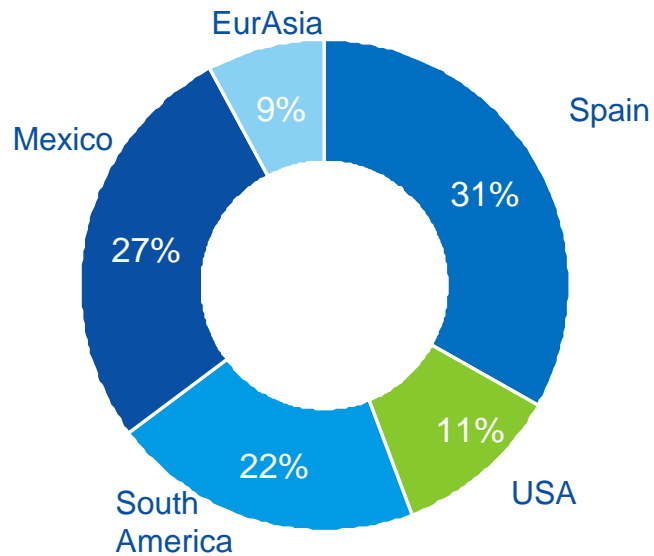
... and leading franchises in all geographies

	Loans	Deposits	Ranking
Spain	12%	10%	2 nd
Mexico	31%	27%	1 st
South America	11%	10%	2 nd
USA (Sunbelt)	Rank 4th (7% Market share)		
Eurasia	15 % stake (7 th)		
China (Citic Bank)			
Turkey (Garanti Bank)	25 % stake (1 st)		

Ranking by deposits (except for China, by assets and for Turkey, by deposits); **Spain**: Data as of November 2011; **México**: Data as of December 2011; **South America**: Data as of September 2011, countries considered: Argentina, Chile, Colombia, Panama, Paraguay, Peru, Uruguay and Venezuela; **USA**: Data as of June, 2011, market share and ranking considering only Texas and Alabama; **China and Turkey**: data as of Sep. 31, 2011.

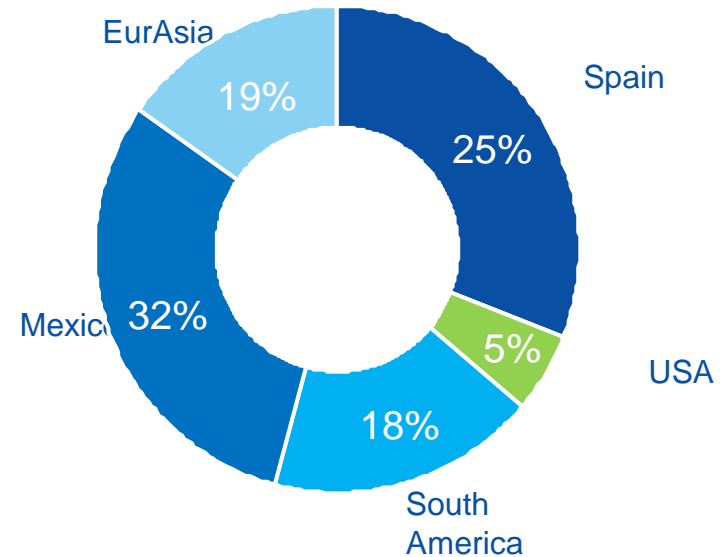
Balanced business portfolio

Total revenues by geography*
BBVA Group
(%)



Emerging	55%
Developed	45%

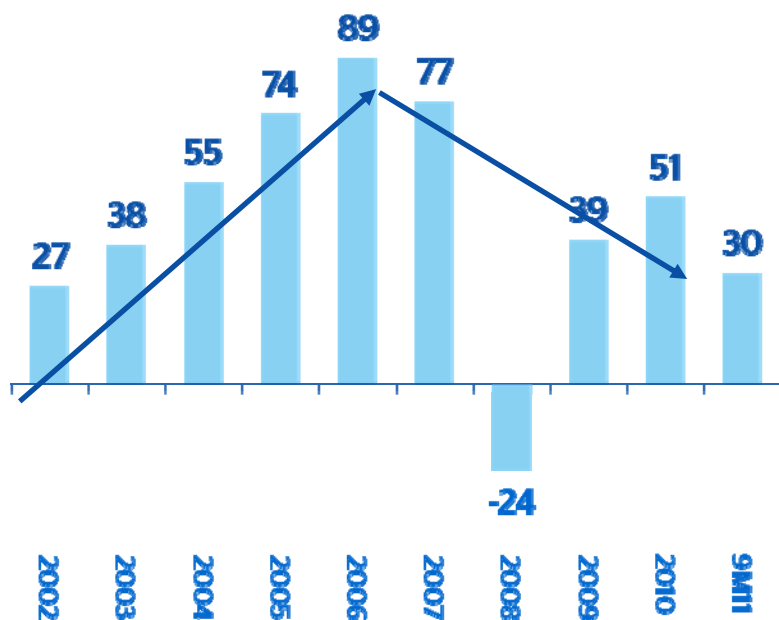
Attributable Profit by geography*
BBVA Group
(%)



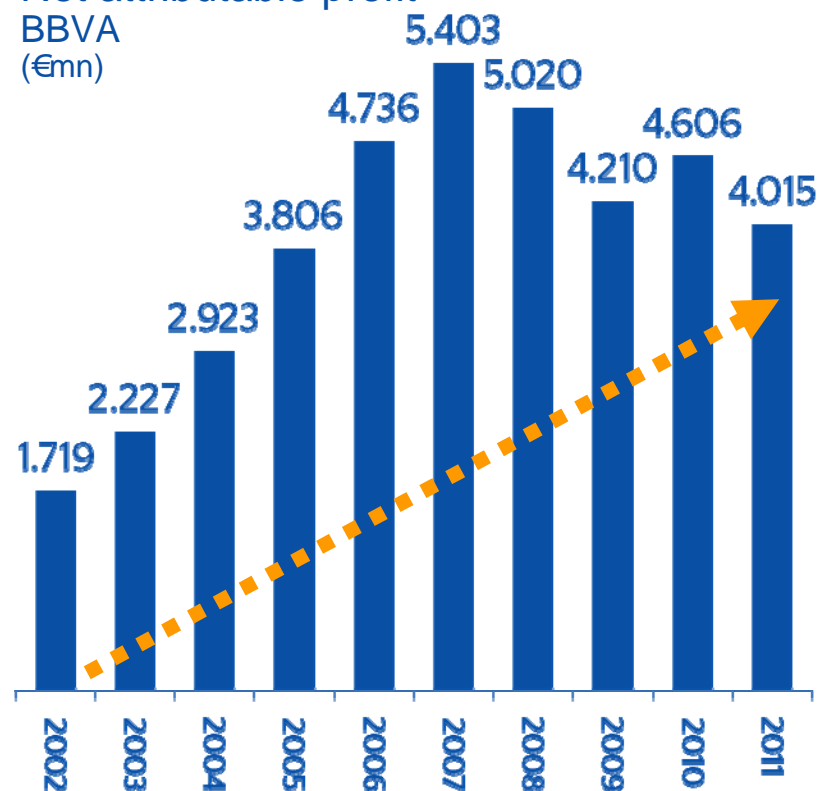
Emerging	65%
Developed	35%

Solid and recurrent results during the crisis

Net attributable profit
European peers aggregate*
(€bn)



Net attributable profit
BBVA
(€mn)



Resilient growth vs. industry roller coaster

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Sources of concern affecting European banks

1

Regulation

2

Capital

3

Liquidity

4

Risk

5

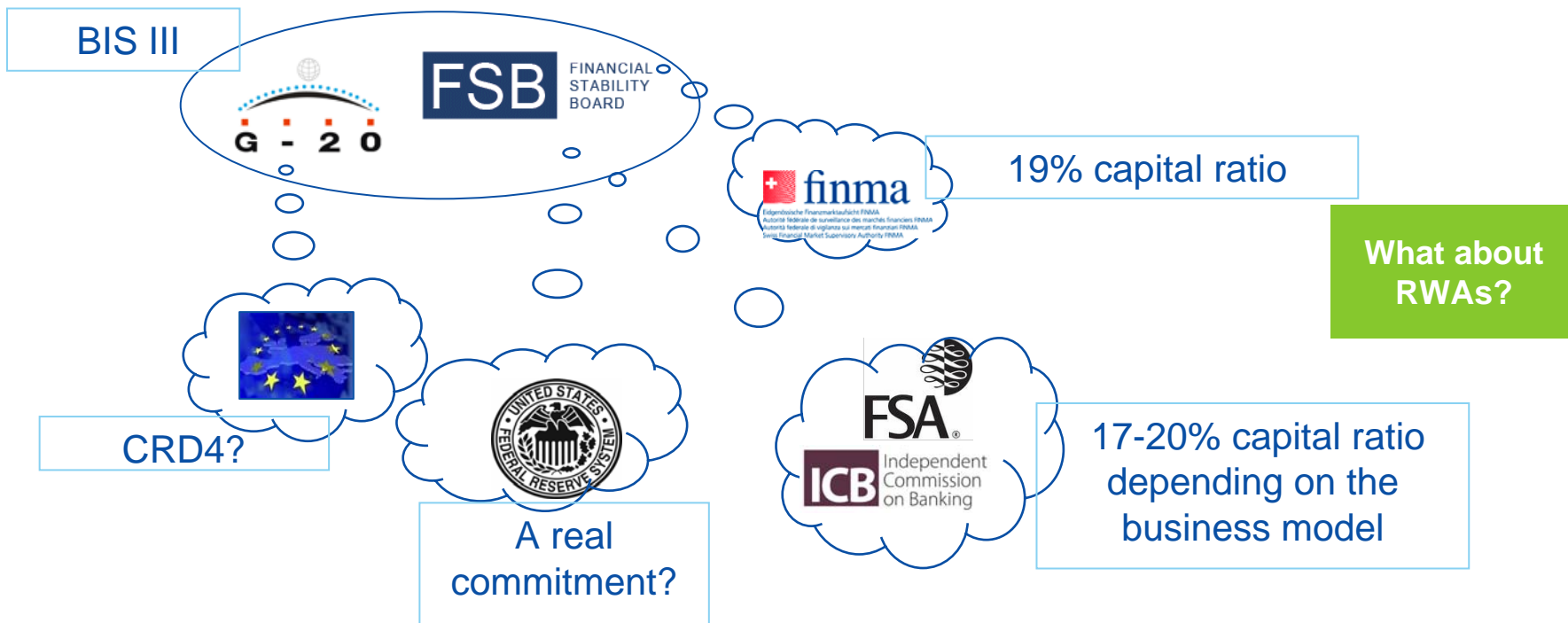
Earnings

6

Business model

Increasing regulatory pressures: fragmentation

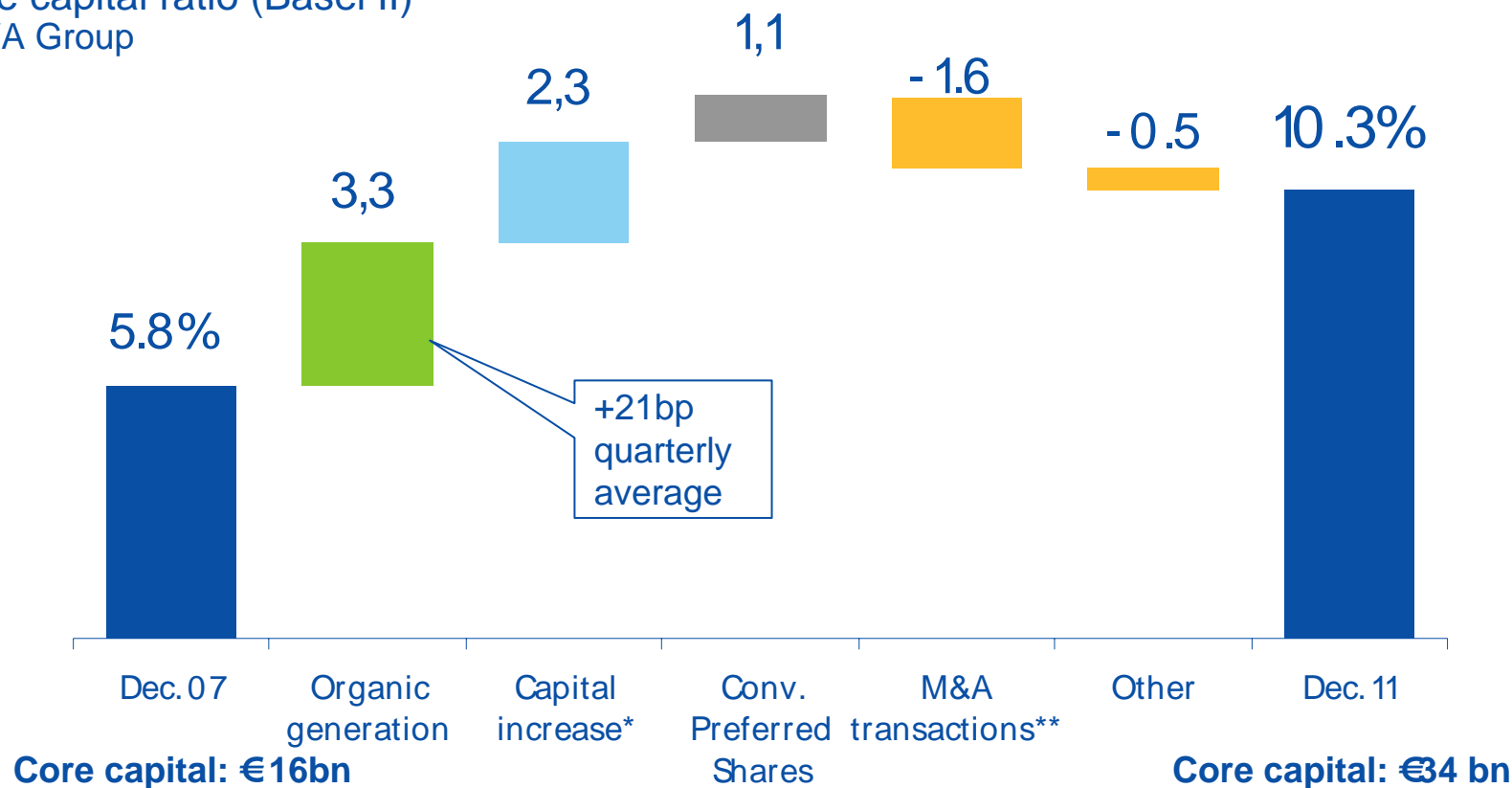
Example: Capital ratios



Risk of losing global regulatory consistency – domestic issues may prevail

Substantial capacity to generate capital ...

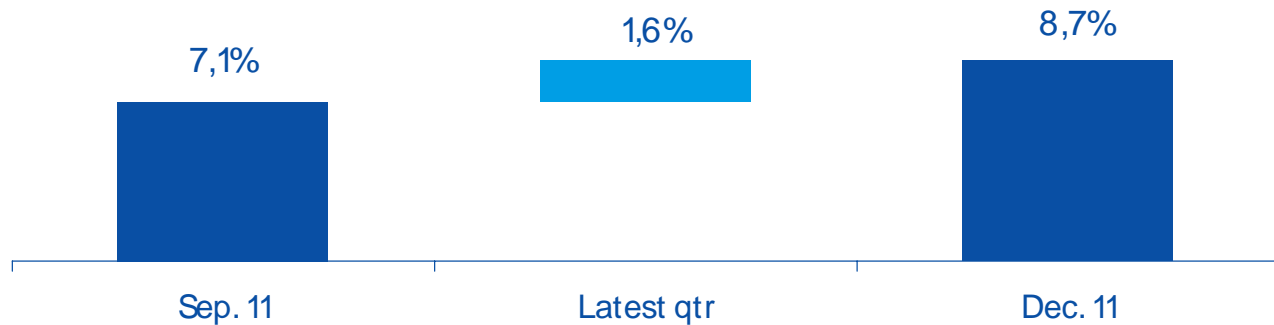
Core capital ratio (Basel II)
BBVA Group
(%)



Organic capital generation during the crisis: >20 bp per quarter
Sustainable dividend policy: €0.42 DPS remains the floor

BBVA will clearly meet EBA recommendations

EBA proforma core capital ratio
BBVA Group
(%)



Buffer

€6.3bn

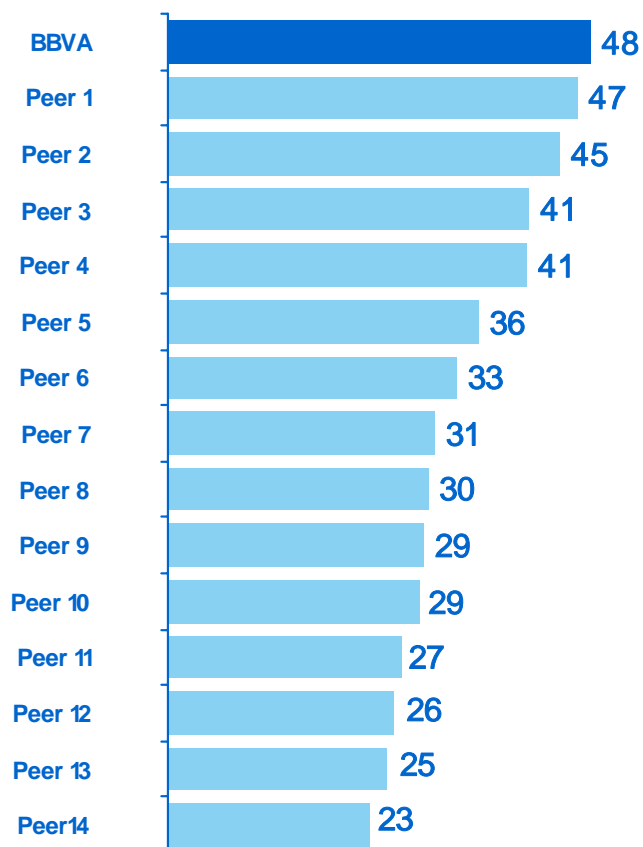
-€5.3bn

€1bn

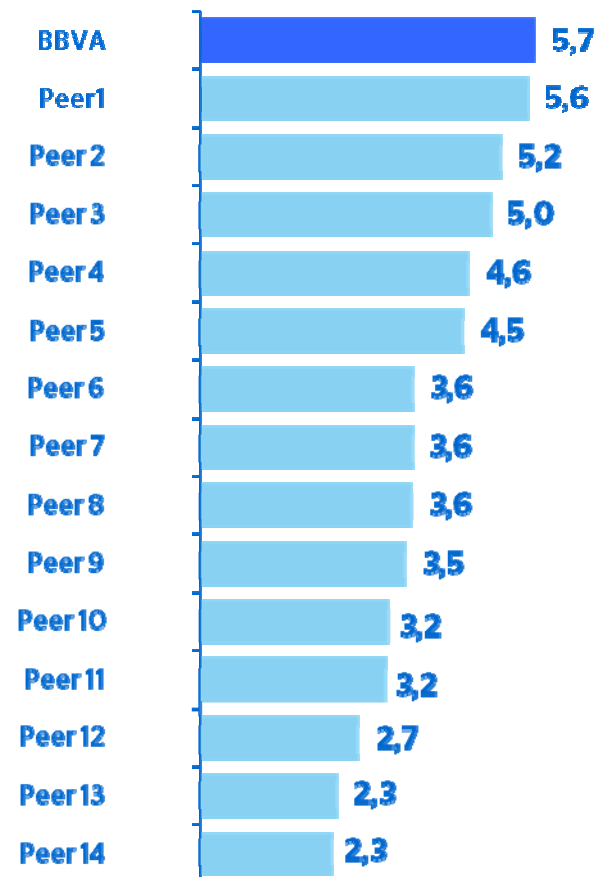
0.3% EBA gap, which we will easily close before compliance deadline

High quality capital with low leverage

RWAs / Total Assets, % (1)



Leverage ratio, % (1)



(1) Last data available

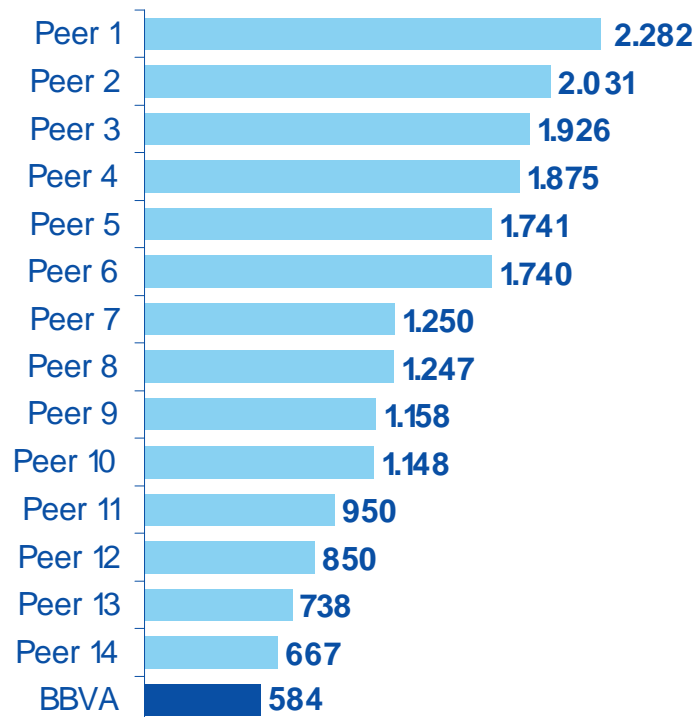
Peer Group: BARCL, BNPP, CASA, CMZ, CS, DB, HSBC, ISP, LBG, RBS , SAN, SG, UBS & UCI.

Small balance sheet with the largest deposit base

Total Assets

BBVA Group vs. Peer Group

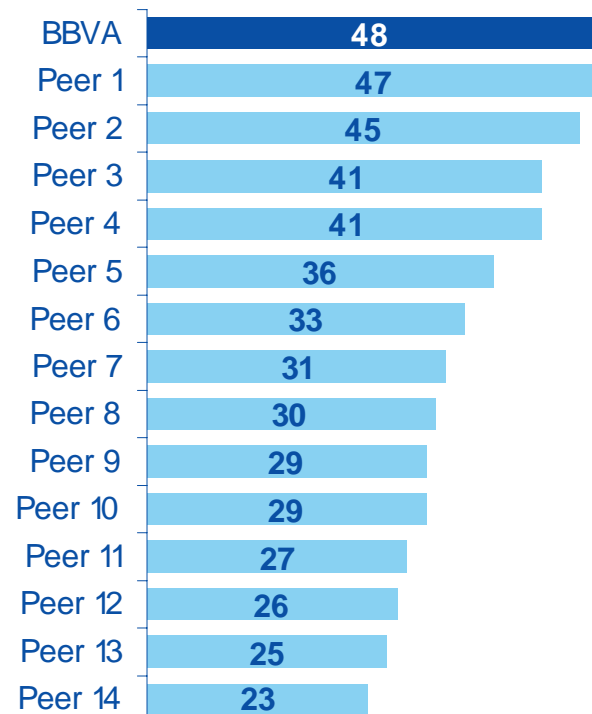
(Sep2011, € bn)



Customer deposits / Total Assets

BBVA Group vs. Peer Group

(sep2011, %)



Funding and liquidity:

- Size matters: the smaller the better
- Deposit base matters: the larger the better

Solid liquidity of euro balance sheet

1 Lower funding needs due to the retail nature of the business

2 Reduced liquidity needs given natural deleveraging of the System

3 Full access to wholesale markets

€13bn of issuances in 2011

€2.0 bn senior debt issue in Feb-12

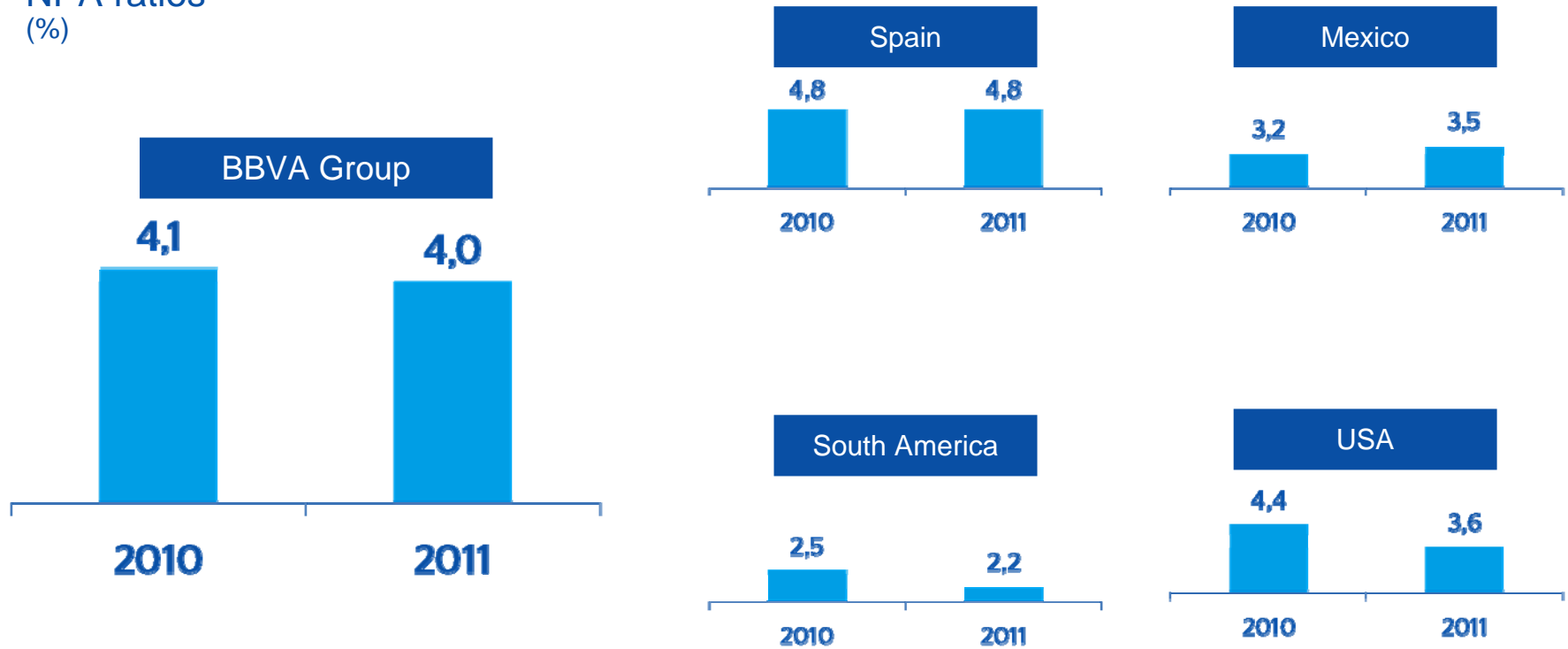
4 Lowest redemptions in 2012 amongst peer group

€11bn

5 Additional collateral available to absorb any liquidity shocks

Risk: very stable indicators

NPA ratios
(%)



Spanish Banking System: Main goals of the Reform

1

To improve confidence and access to capital markets by the Spanish banking sector

2

To reactivate real estate market and credit supply to the economy

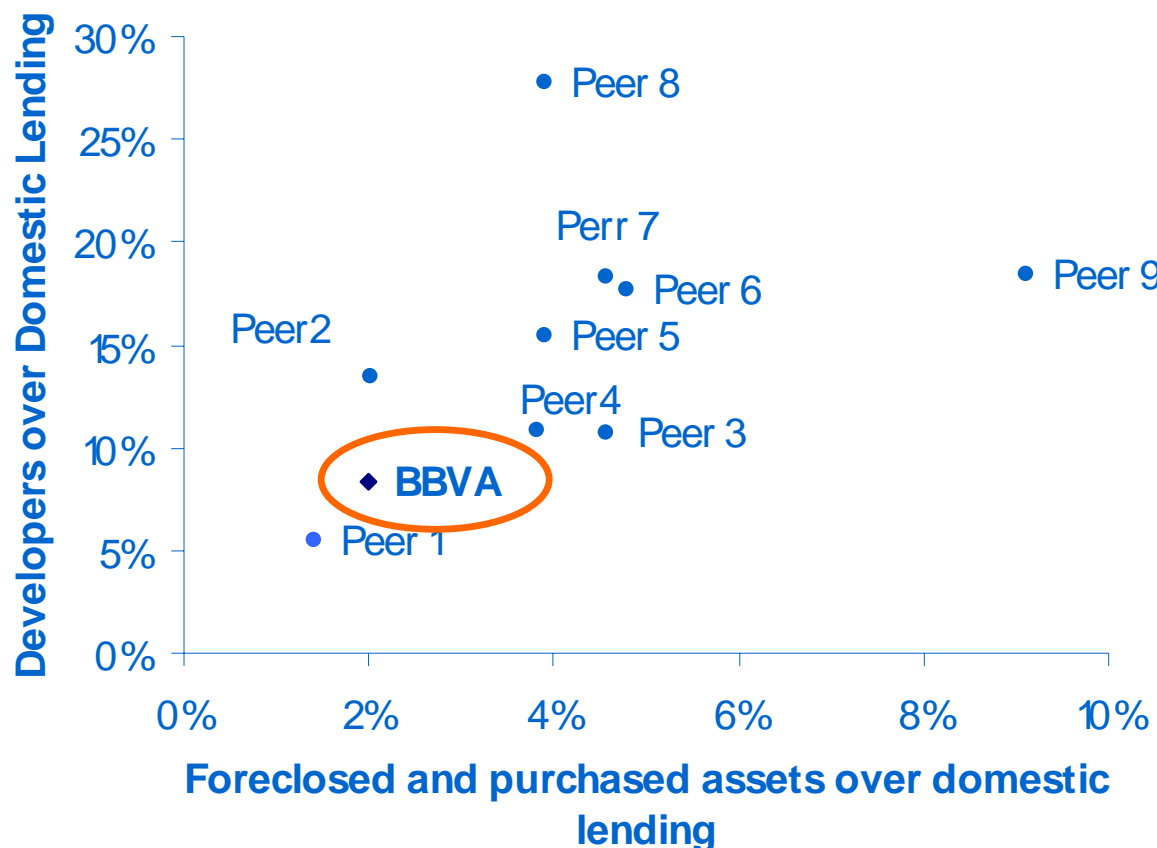
3

To trigger the final round of Spanish system consolidation

Likely to improve Spanish system risk premium and normalize funding costs

BBVA has a manageable exposure to Spanish Real Estate

Limited exposure to developers*



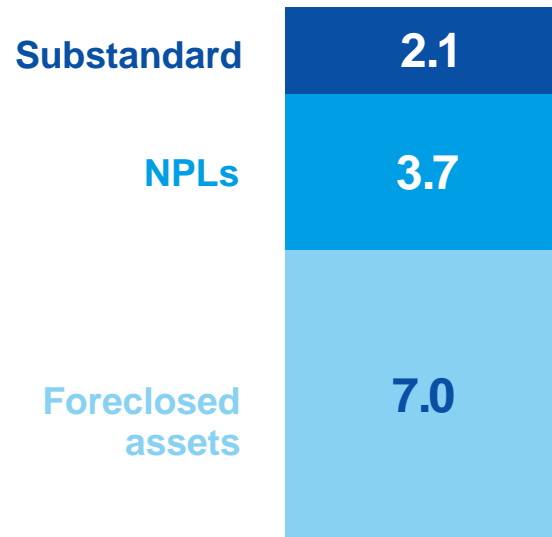
BBVA exposure to real estate amounts to 9% of total domestic lending vs. 18% Spanish financial system average

BBVA: Limited impact of new provisions

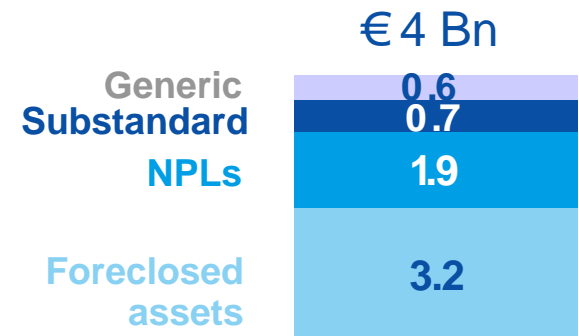
RE Exposure: €21.2 Bn



Problematic Assets: €12.8 Bn Provisions after RD: €6.4 Bn



2012 P&L net
Impact of new
provisions:
€1.4 Bn

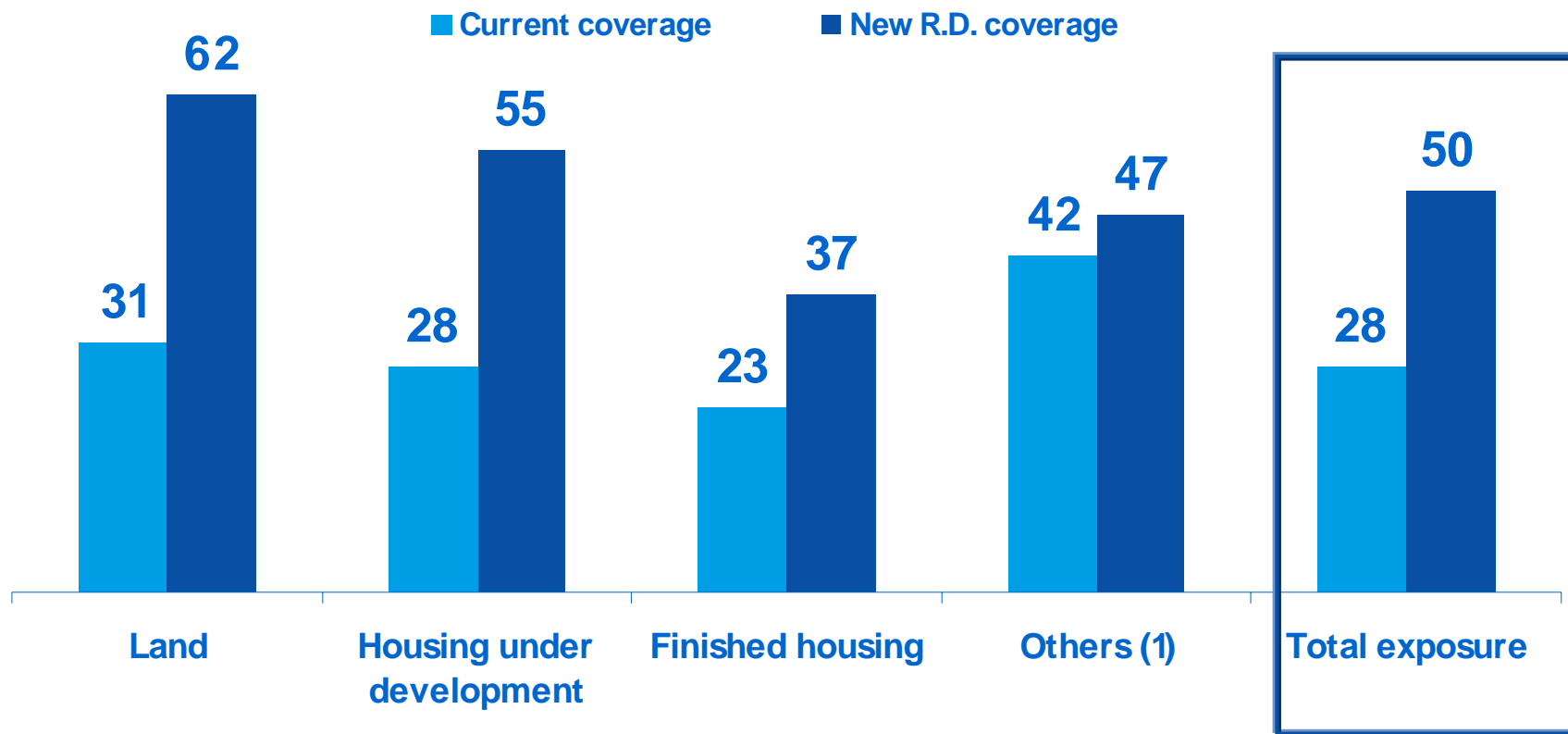


BBVA real estate exposure as of December 31st, 2011

	Land	Housing under development	Finished housing	Others and with personal guarantee	TOTAL Exposure
TOTAL REAL ESTATE (€ Bn)	6.8	2.8	10.1	1.5	21.2
Performing Real Estate developers	1.6	1.6	4.6	0.6	8.4
Problematic Loans and Assets	5.2	1.2	5.5	0.9	12.8
<i>Doubtful</i>	<i>1.4</i>	<i>0.6</i>	<i>1.4</i>	<i>0.4</i>	<i>3.7</i>
<i>Substandard</i>	<i>0.8</i>	<i>0.3</i>	<i>0.9</i>	<i>0.1</i>	<i>2.1</i>
<i>Foreclosures</i>	<i>3.0</i>	<i>0.4</i>	<i>3.2</i>	<i>0.4</i>	<i>7.0</i>

A high increase of problematic real state assets coverage after the implementation of the new rule

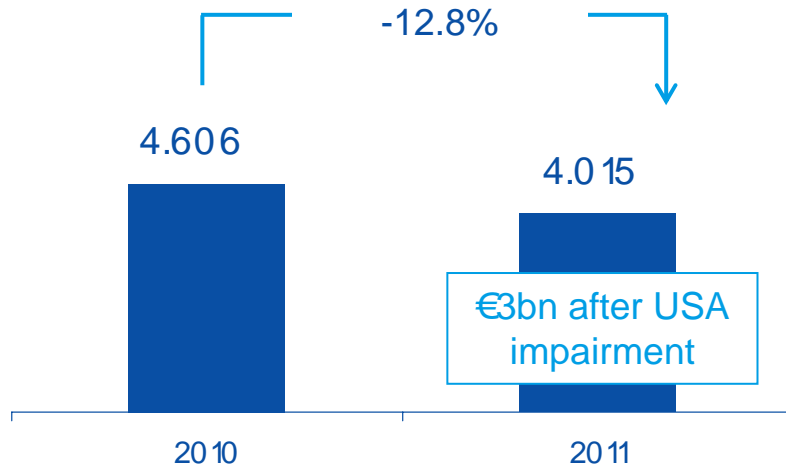
Real state assets coverage (%)



Resilient earnings despite highly complex scenarios

...

Net attributable profit
BBVA Group
(€m)



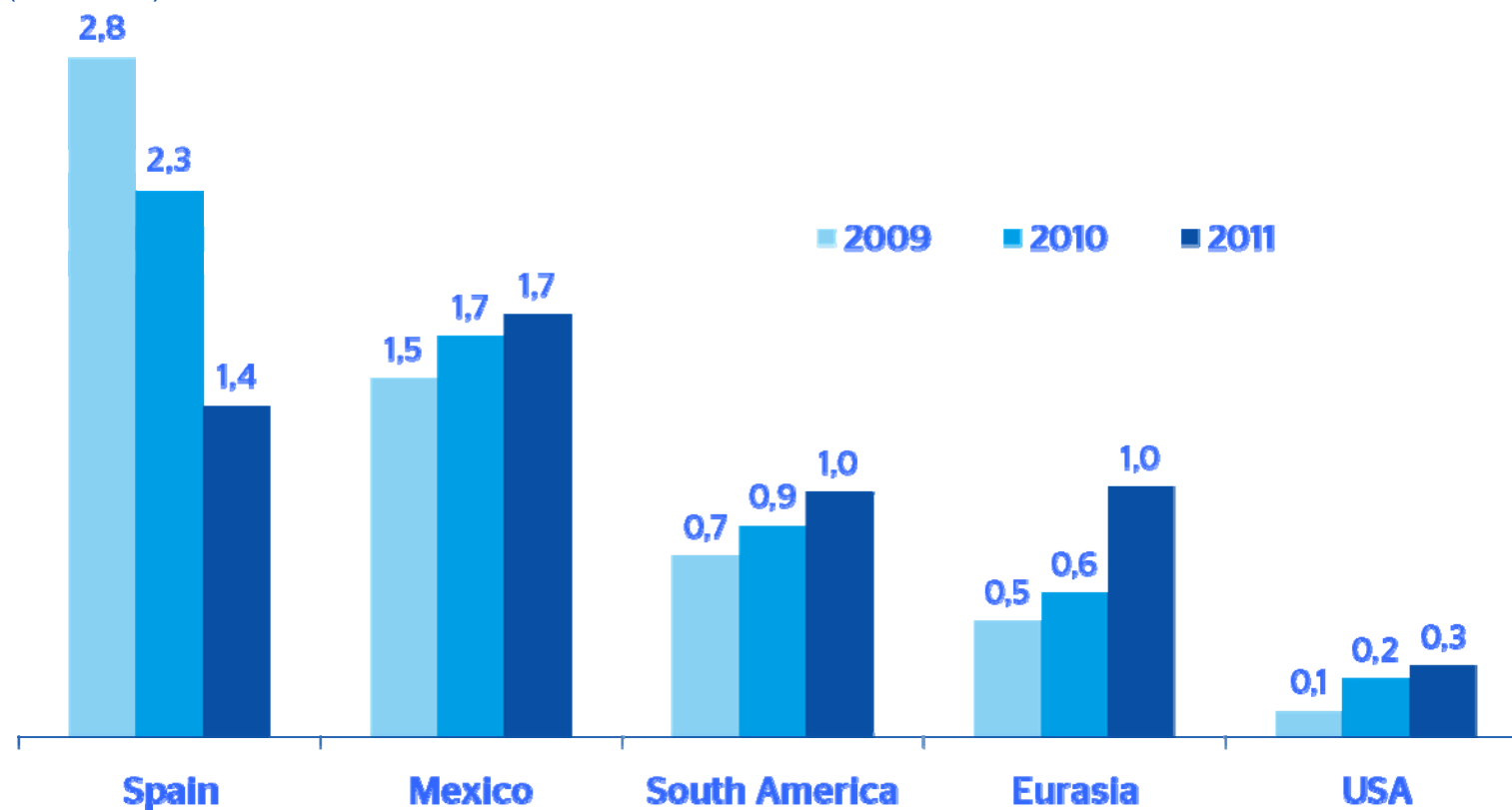
- **Mexico & South America:** growth
- **Spain:** resilience and opportunity
- **USA:** transformation
- **Eurasia:** growing contribution

We maintain our ability to generate earnings despite the depth and duration of the crisis

... Supported by a suitable diversified portfolio

Net attributable profit by geographical areas

(Bn euros)



CAGR 11-09

-30%

+9%

+17%

+47%

+70%

A robust business model

Retail focused business model, well balanced geographically

Decentralized management of liquidity and capital

Conservative risk culture

Resilient earnings stream supporting strong capital base

Rating downgrades mainly linked to sovereign decisions ...

Dec-10
S&P: AA / Moody's: Aa2 / Fitch: AA-

Today
S&P: A / Moody's: Aa3 / Fitch: A

Dec-10

Dec-11

Net Att. profit

4.6 bn

4.0 bn ⁽¹⁾

Resilient trend in complex environment

NPA ratio

4.1%

4.0%

Improving from Dec-10

Risk premium

1.3%

1.2%

Improving from Dec-10

ROA

0.9%

0.8% ⁽¹⁾

Better profitability indicators than peers

Core capital

8.5% ⁽²⁾

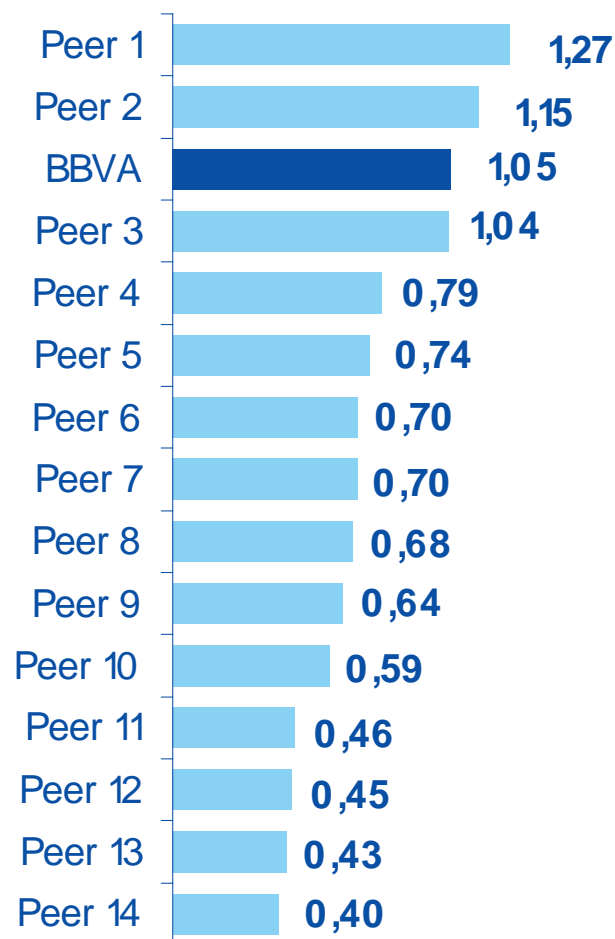
10.3%

Dec-11 core capital higher than a year ago

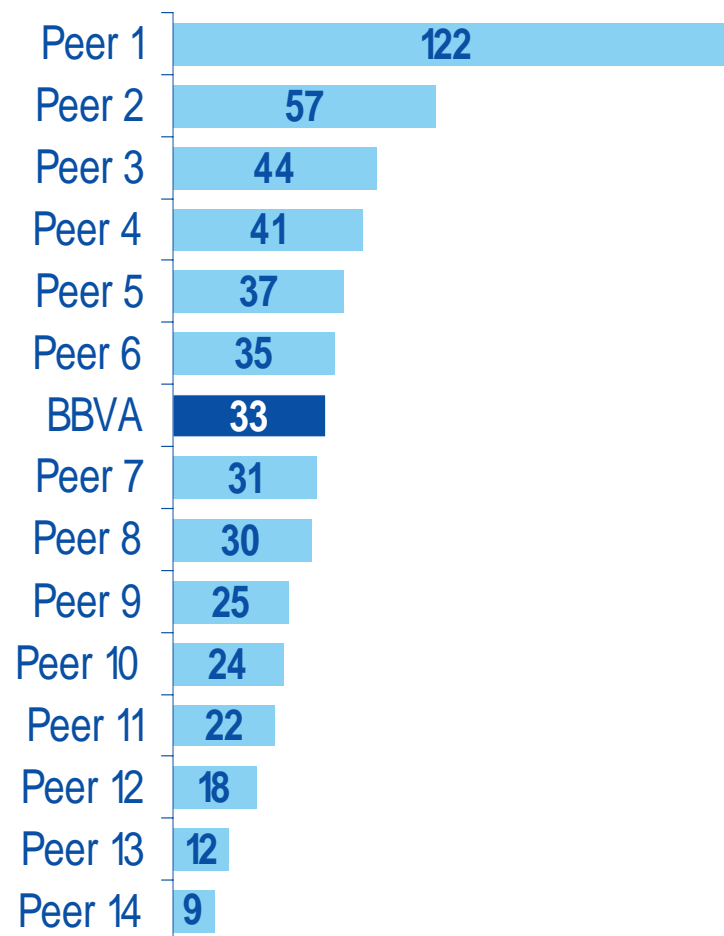
A healthier financial profile, but lower ratings

... but the markets is recognizing the value of BBVA's franchise

Price / Tangible book value (1)



Market Cap. (1)
BBVA Group vs. Peer Group



(1) 24th February

Peer Group: BARCL, BNPP, CASA, CMZ, CS, DB, HSBC, ISP, LBG, RBS, SAN, SG, UBS, and UCI.

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Conclusions: BBVA resilient in any scenario and able to absorb the impact of the new regulation

Capital

Strong position to comply regulatory requirements

Liquidity

Comfortable position entering 2012

Risk

Stable indicators

Earnings

Resilient and diversified

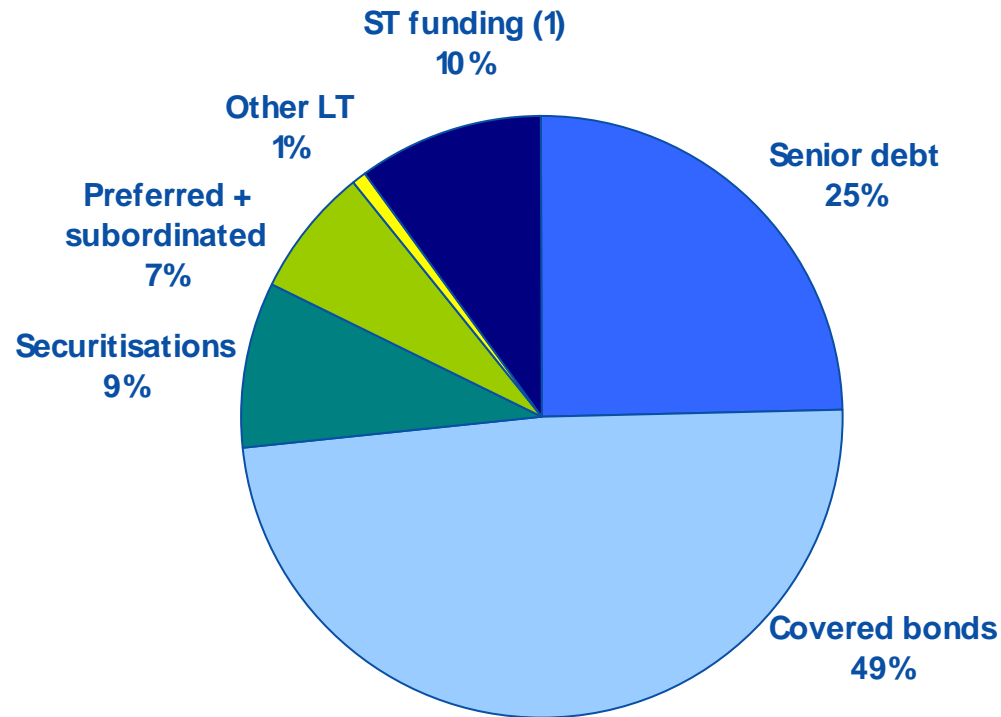
Business model

A robust business model

Annex

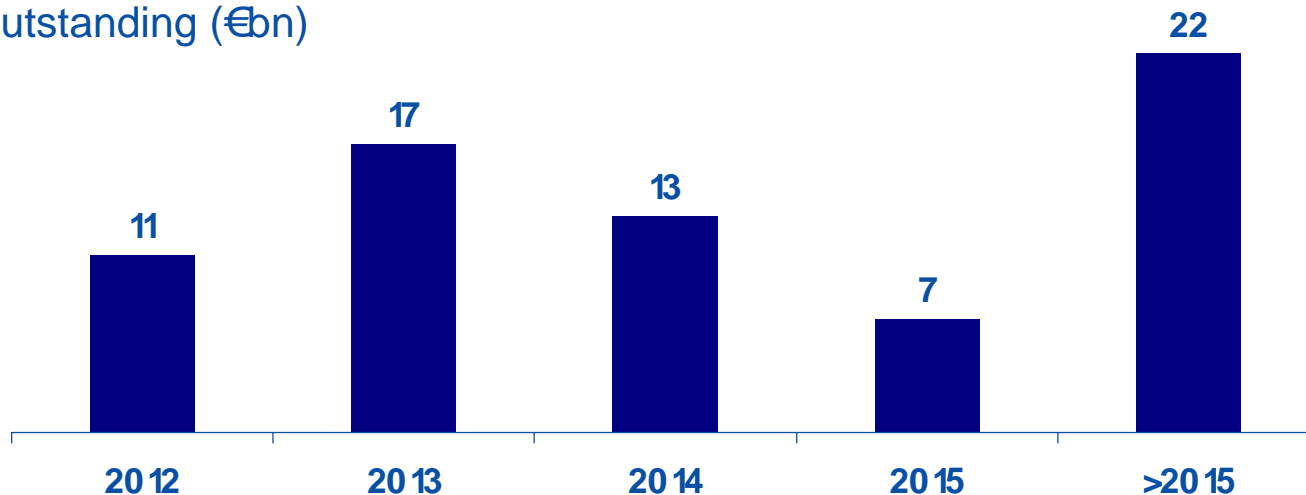
BBVA: a diversified funding structure

Outstanding wholesale funding €85 bn

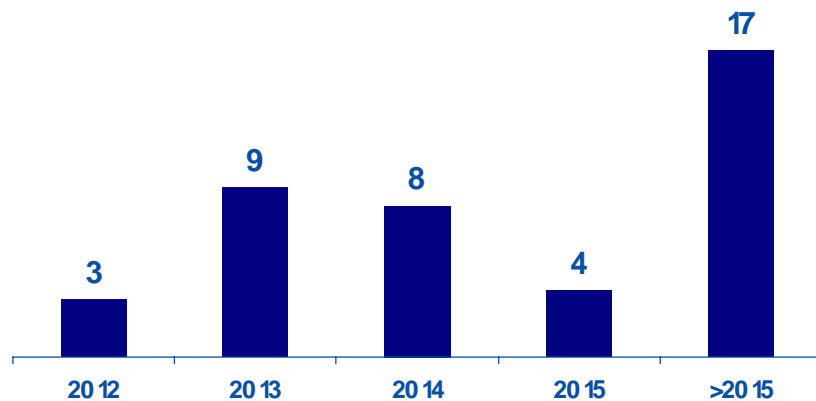


BBVA's M/LT wholesale funding maturities

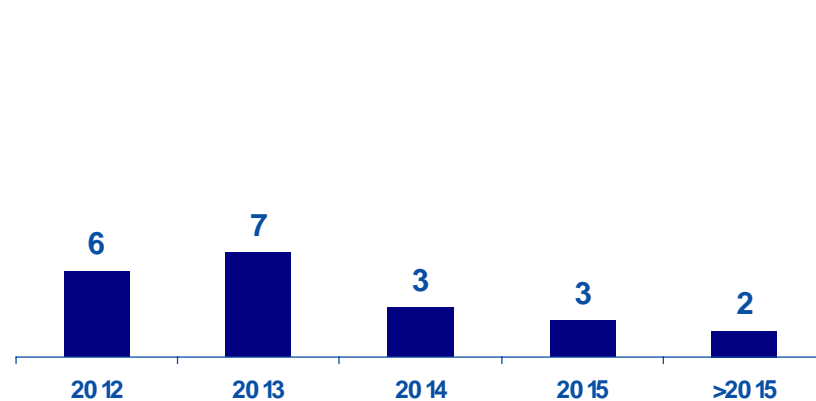
Total outstanding (€bn)



Covered bonds (€bn)



Senior debt (€bn)



Public sector covered bonds and collateral information

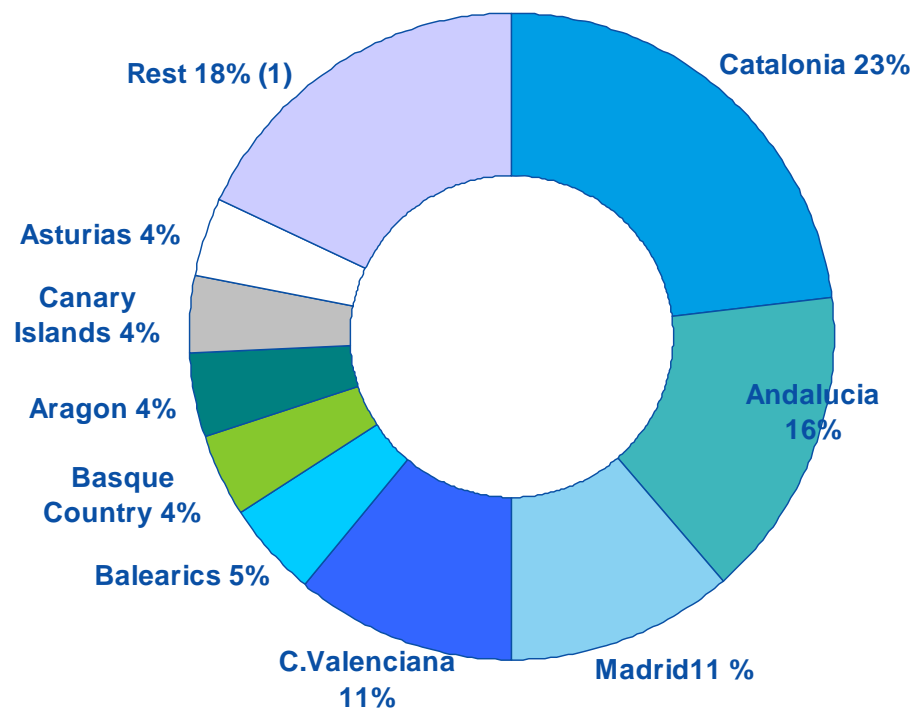
COLLATERAL DESCRIPTION

Total amount of cedulas hipotecarias (mill €)	18.191
Total portfolio	25.207
OC%	139%
No loans	9.711
WA Interest Rate (in %):	2,71%
NPL ratio	0,16%

Breakout by type of institution

Regional Governments	38,3%
Local Governments	27,5%
Public regional Companies	14,5%
Regional/Local Council	8,3%
Government	6,5%
Public local companies	5,0%

GEOGRAPHIC BREAKOUT



(1) Rest includes: Galicia, Castile Leon, Murcia, Extremadura, La Rioja, Cantabria, Navarre and Castilla la Mancha

Mortgage cover bonds and collateral information

COLLATERAL DESCRIPTION

Total "cedulas hipotecarias" (mill €)	44.701
Total mortgage loans	75.475
Eligible portfolio (mill €)	56.048
OC (%)	169%
OC (over eligible pool) (%)	125%
Number of loans	708.637
Seasoning in months	56,17
Remaining term in months	242
WA Interest Rate	3,35%
Average LTV (%)	41%
NPL ratio	6,72%

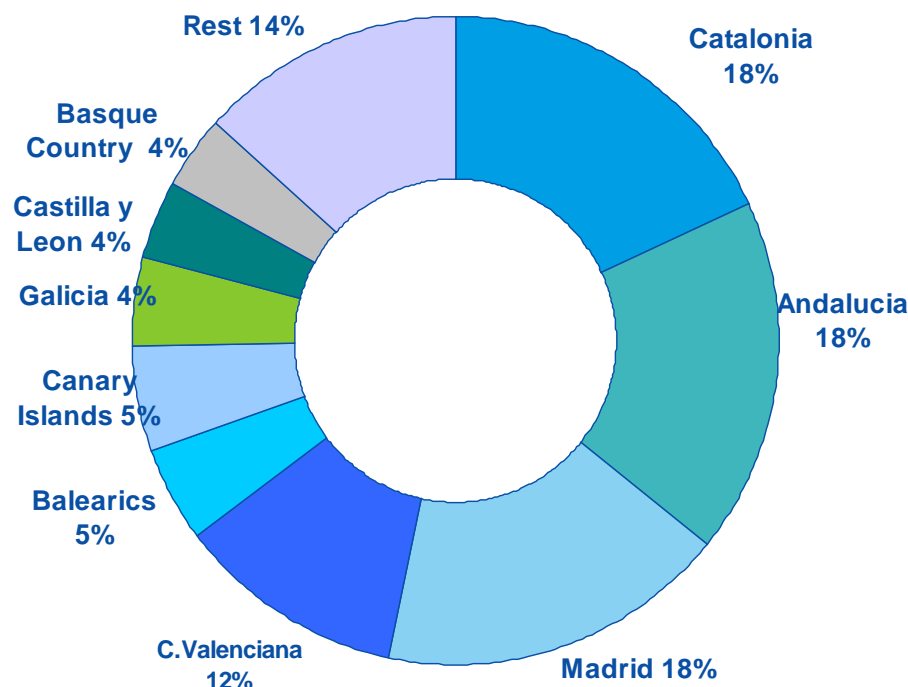
1. Unindexed LTV Ranges Distributions

Unindexed LTV Ranges	Total loan Balance (ex sec) mill €	Number of loans
0-40%	16.445	299.689
>40%-80%	50.230	364.543
>80%-100%	7.559	37.035
>100%	1.240	7.370
Total	75.474	708.637

INTEREST RATE

Fixed rate assets	4%
Variable rate assets	96%

GEOGRAPHIC DISTRIBUTION



Cover pool breakdown

RESIDENTIAL MORTGAGE POOL

	Residential mortgages
Total mortgage loans (ex securitisations) mill €	55.014
Number of loans	662.952
Average Loan (€)	80.859
Seasoning in months	59,97
Remaining term in months	269
Average LTV	47%
Npl ratio	3,19%

1. Unindexed LTV Ranges Distributions

Unindexed LTV Ranges	Total loan Balance (ex sec) mill €	Number of loans
0-40%	10.619	277.559
>40%-80%	36.975	342.213
>80%-100%	6.275	35.967
>100%	1.145	7.213
Total	55.014	662.952

3. Interest rate

Fixed rate Assets	2%
Variable rate Assets	98%

COMMERCIAL MORTGAGE POOL

	Commercial mortgages
Total mortgage loans (ex securitisations) mill €	20.460
Number of loans	45.685
Average Loan Balance (€)	483.299
Seasoning in months	46,05
Remaining term in months	169
Average LTV (%)	32%
Npl ratio	6,62%

1. Unindexed LTV Ranges Distributions

Unindexed LTV Ranges	Total loan Balance (ex sec) mill €	Number of loans
0-40%	5.826	22.130
>40%-80%	13.255	22.330
>80%-100%	1.284	1.068
>100%	95	157
Total	20.460	45.685

3. Interest rate

Fixed rate Assets	9%
Variable rate Assets	91%

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