Strengths and Opportunities in a challenging environment

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SocGen, The Premium Review Conference
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BBVA

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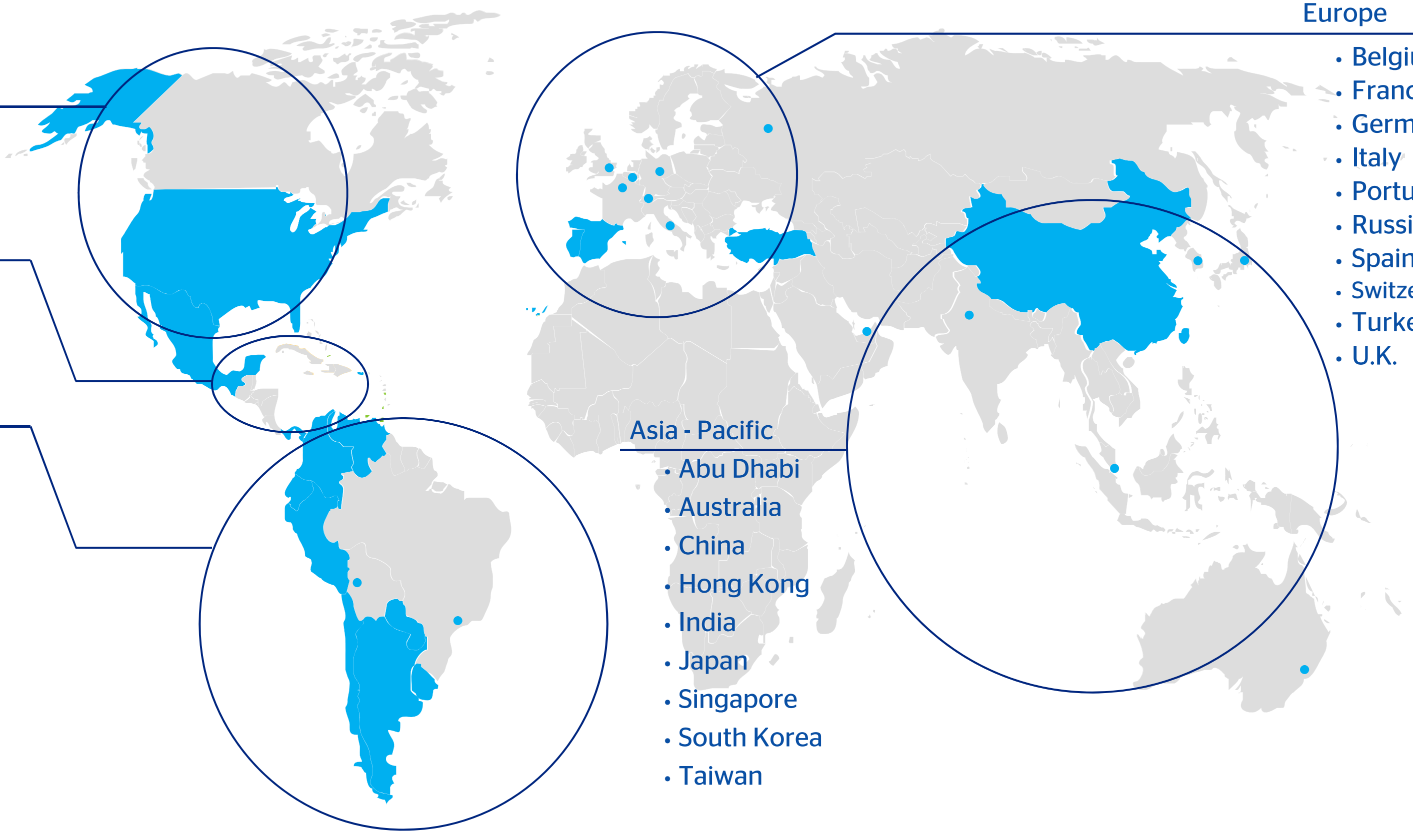
BBVA: a Group with global presence...



North America
- Mexico
- Puerto Rico
- USA

Central America
- Panama

South America
- Argentina
- Bolivia
- Brazil
- Chile
- Colombia
- Ecuador
- Paraguay
- Peru
- Uruguay
- Venezuela

Asia - Pacific
- Abu Dhabi
- Australia
- China
- Hong Kong
- India
- Japan
- Singapore
- South Korea
- Taiwan

Europe
- Belgium
- France
- Germany
- Italy
- Portugal
- Russia
- Spain
- Switzerland
- Turkey
- U.K.

645 Billion Assets

53 million Customers

33 Countries

8,072 Branches

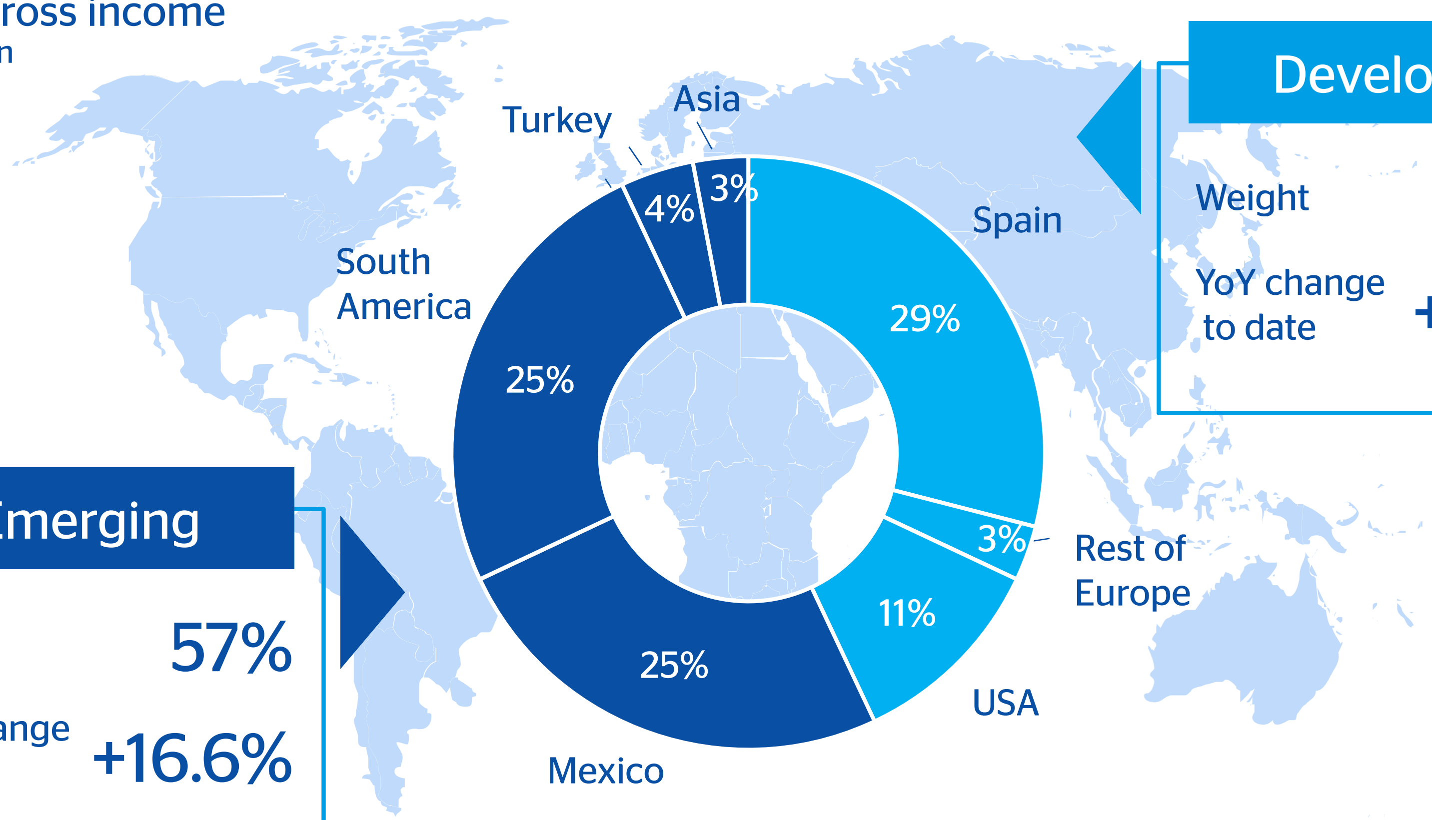
20,181 ATMs

117,475 Employees

Note: Data as of September 2012.

… well balanced between emerging and developed markets

9M 12 Gross income
Breakdown



Developed

Weight 43%

YoY change to date +0.1%

Emerging

Weight 57%

YoY change to date +16.6%

Note: does not include Corporate Activities; YoY change to date in constant €

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With leading franchises in its core markets

	Loans	Deposits	Ranking
Spain	12.8%	13.1%	2nd
Mexico	24.3%	23.8%	1st
South America	10.5%	10.4%	1st
USA (Sunbelt)	--	5%	4th
Eurasia			
China (Citic Bank)	15 % stake (8th)		
Turkey (Garanti Bank)	25 % stake (2nd)		

Ranking by deposits (except for China, by assets, and for Turkey, by loans); Spain: Other domestic sector and public sector data as of June 2012 (BBVA+Unnim). Mexico: data as of June 2012; South America: data as of May 2012 for the following countries: Argentina, Chile, Colombia, Panama, Paraguay, Peru, Uruguay and Venezuela; ranking considering only the 4-5 main players in each country; USA.: data as of June 2012, market share and ranking considering only Texas and Alabama; China : data as of September 2012; and Turkey: data as of June 2012.

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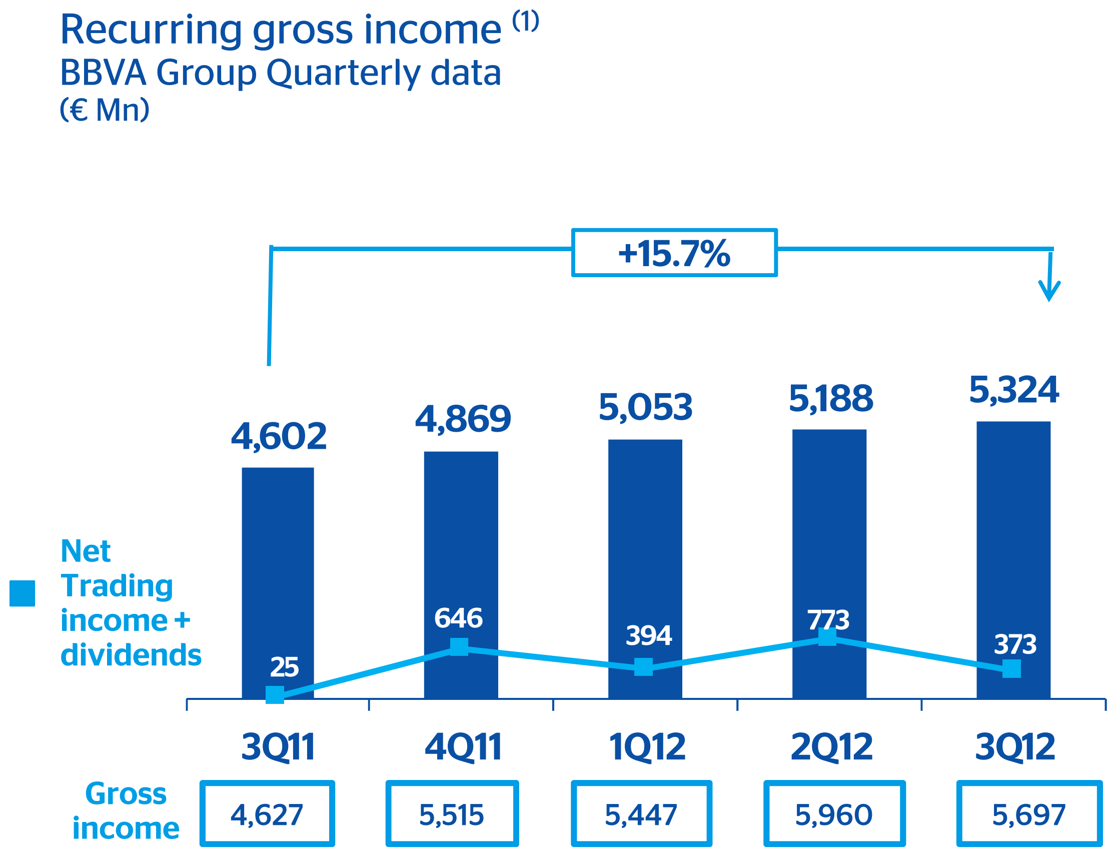
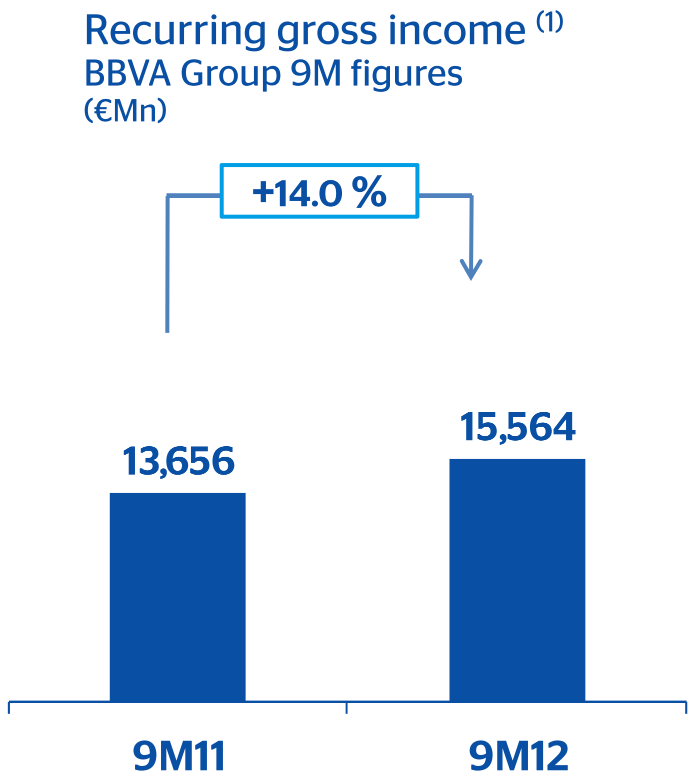
BBVA: Strengths and Opportunities

1. Top line growth in all geographies
2. Superior asset quality
3. Balance sheet strengthening

Strong recurring gross income...





Gross income: +13.6%
(YoY change)

(1) Recurring gross income includes gross income net of trading income and dividends.

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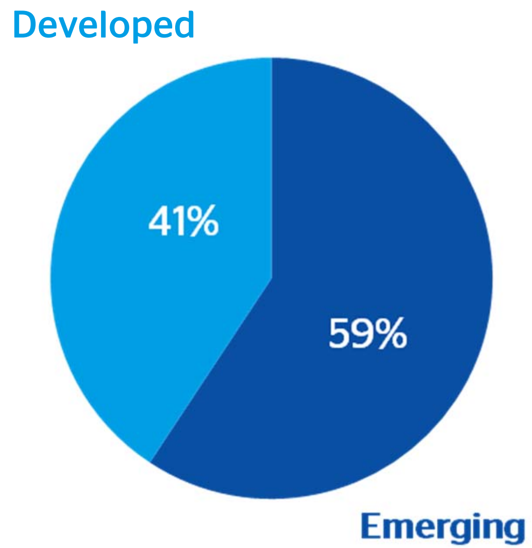
… in all geographies

Recurring gross income (1)
(€ Mn)

	9M12 (Year to date €Mn)	9M12 vs. 9M11 (Constant € %)
Spain	4,936	5%
Eurasia	1,532	24%
Mexico	4,217	8%
South America	3,899	26%
USA	1,691	2%

Including regulatory impact and Guaranty loan portfolio attrition: -5%

Recurring gross income (1)
BBVA Group
(9M12 breakdown by market type) (2)

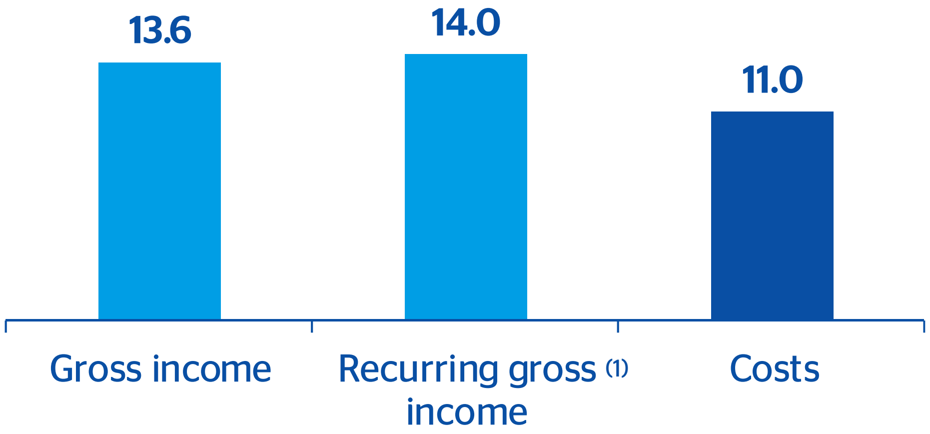


(1) Recurring gross income includes gross income net of net trading income and dividends.
(2) Excluding Corporate Activities.

Gross income growing faster than costs

Gross income vs. costs

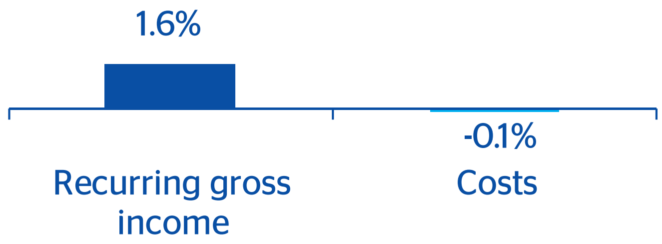
BBVA Group 9M 12 figures
(Y-o-y change) %



- Efficiency improves and leadership position maintained vs. peer group
- Capitalizing on the investment plans of previous quarters

Developed mkts

9M figures
(Y-o-y change) %
€ constant



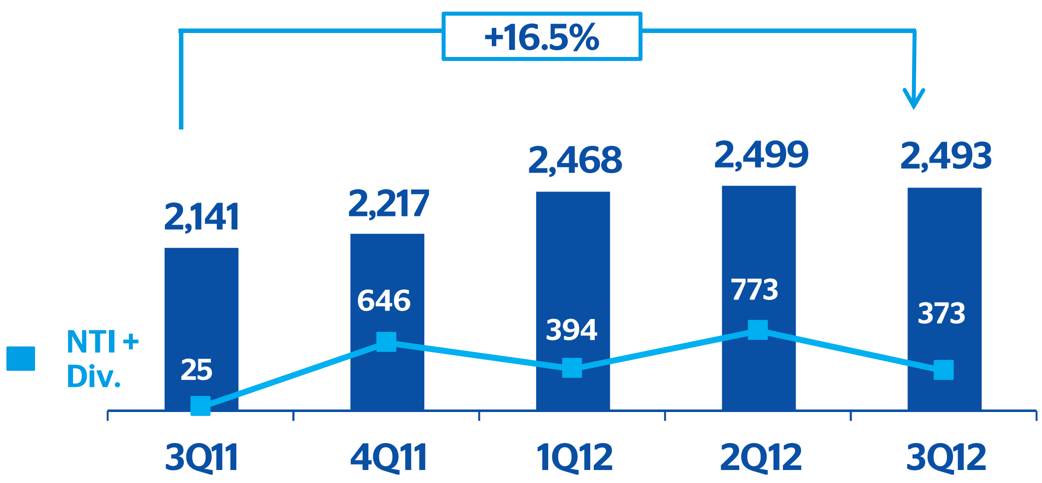
Emerging mkts

9M figures
(Y-o-y change) %
€ constant

(1) Recurring gross income includes gross income net of trading income and dividends.

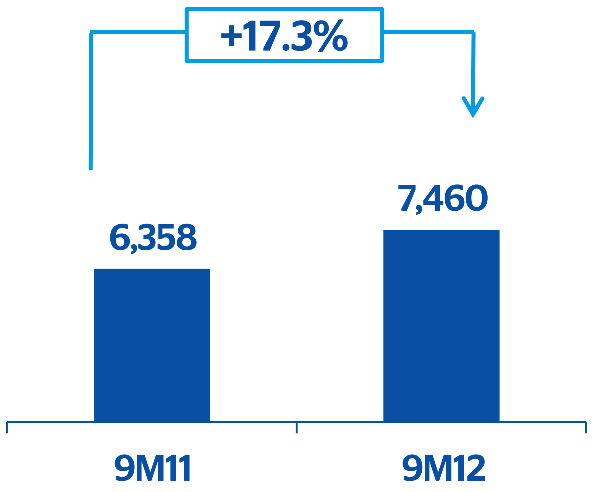
Solid operating income, remaining at high levels

Recurring operating income [1]
BBVA Group Quarterly data
(€ Mn)



Operating income	3Q11	4Q11	1Q12	2Q12	3Q12
Operating income	2,166	2,863	2,862	3,272	2,866

Recurring operating income [1]
BBVA Group 9 month figures
(€Mn)



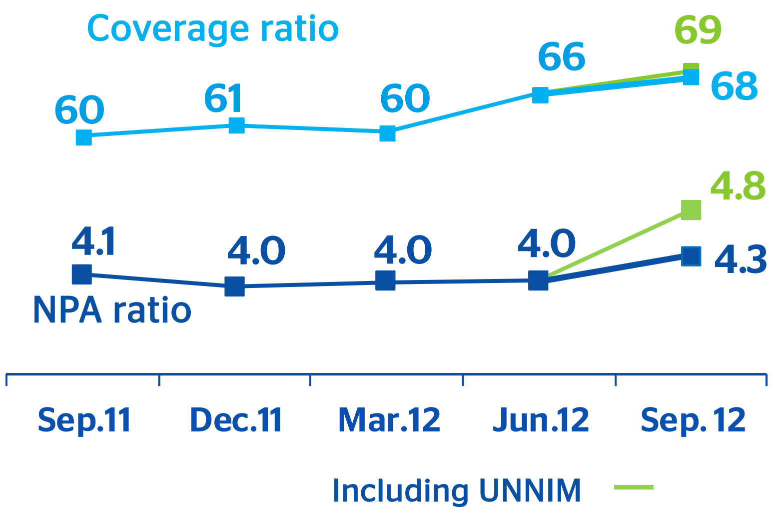
Operating income: +16.1%
(YoY change)

The best buffer to absorb unexpected losses

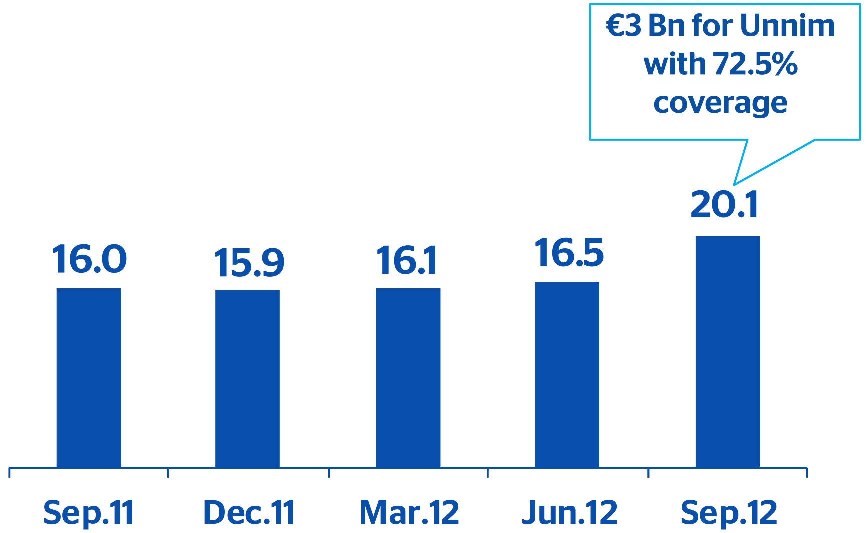
(1) Recurring operating income excludes net trading income and dividends.

Group risk indicators contained

NPA & coverage ratios
%



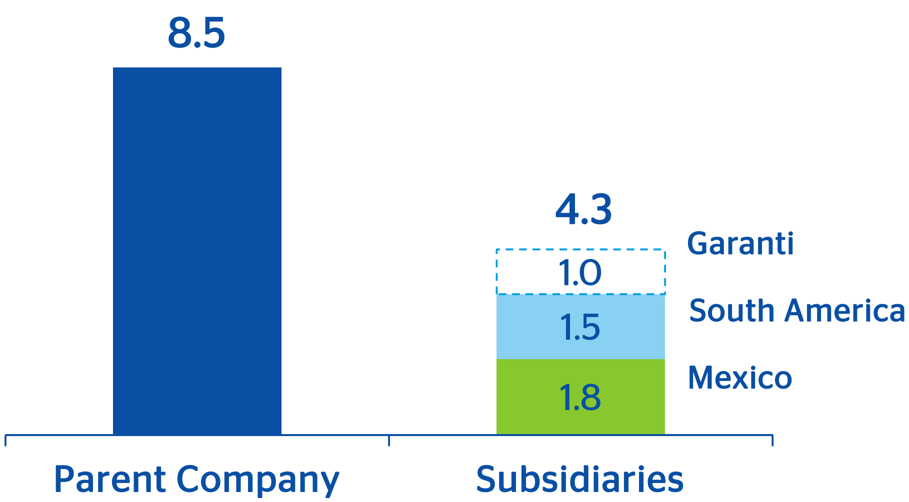
NPA
€ Bn



BBVA's geographical diversification entails a more stable asset quality profile, balancing different credit cycles

Liquidity: Active market issuer and improved liquidity position

Medium and long term debt issuances (9M12)
(€ Bn)



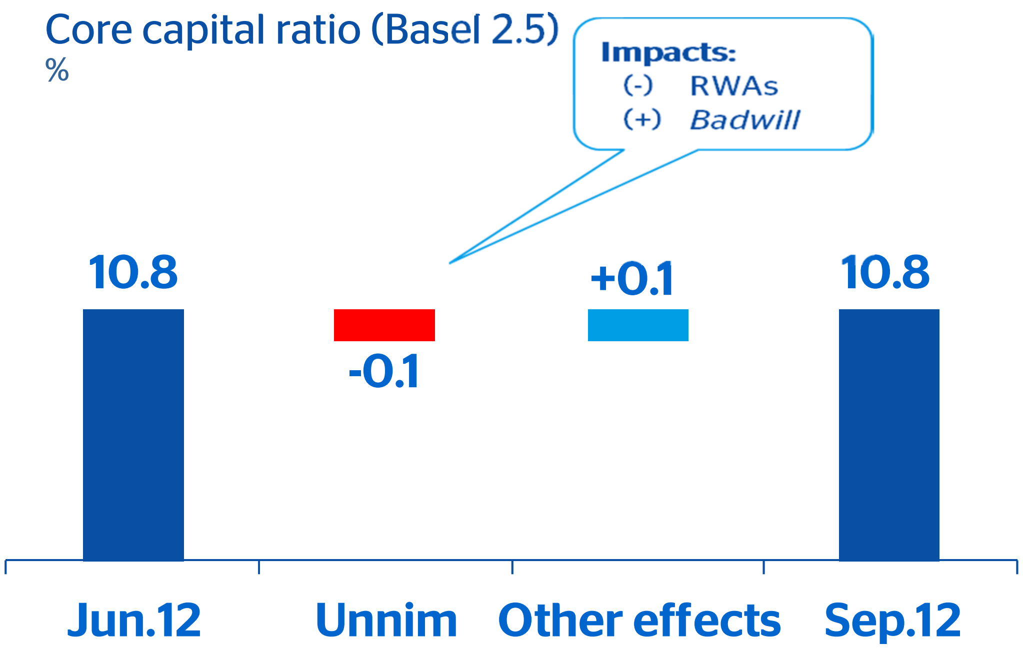
2012/2013 debt redemptions already covered

Ample collateral available: 1.9x liquidity buffer (1)

No liquidity transfer from subsidiaries, as they are financially independent

(1) Liquidity buffer defined as the number of times that next 3 months' unsecured funding maturities are covered by available collateral.

Capital: Sound position and capital-generation capacity



€ 7.4 Bn of capital generated and € 1.3 Bn of cash dividends distributed (in the last 12 months)

Stable dividend policy, with 2 cash dividends and 2 scrip and a total dividend yield(1) of 7.1%

Fully loaded BIS III CT1 as of Dec 2013 >9%

Neutral impact of Unnim after October's retail hybrid instruments conversion

(1) Yield based on BBVA's average share price from January 1st, 2012 to November 20, 2012. Total dividend: €0.42 per share including €0.20 cash dividend per share.

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Europe: progress towards a genuine monetary union

New ECB focus on financial stability

Sept. 6th announcements

- Unlimited purchases of sovereign debt
- No seniority over other debt holders
- Focus on shorter part of the curve

Commitment towards a banking union

Main Pillars

- Capital and liquidity single rule book
- European Supervisor
- A common resolution framework and deposit guarantee scheme

- Anchoring risk premium expectations
- Tail risk diminishing

Despite difficulties, it is a trip of no return

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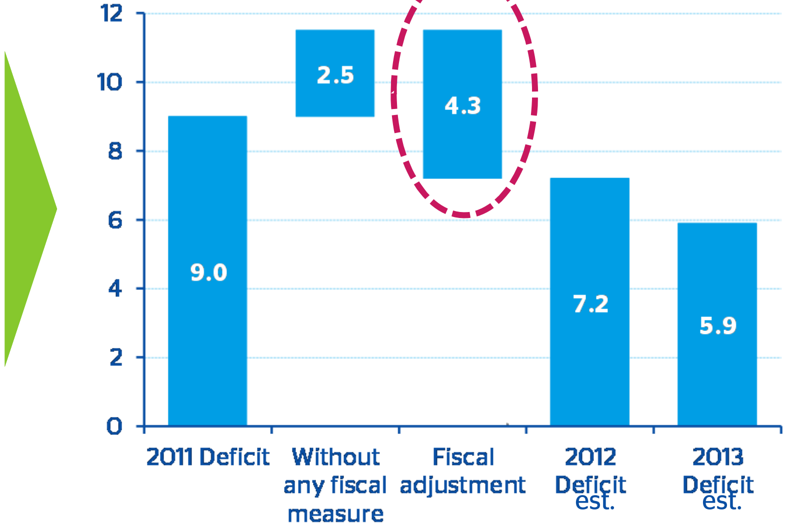
Spain is addressing the fiscal consolidation and the final stage of the financial sector restructuring

Fiscal consolidation

- Unprecedented fiscal effort in 2012 (> 4 pp. of GDP)
- Mechanism to control Regions' accounts by Central Government



Source: BBVA Research

Financial sector reform

- Banking sector needs (<€60Bn) widely below €100 Bn. available from EMU
- Advances in the definition and structure of the Bad-Bank, to be operating by year-end

Spain needs time

BBVA Spain: Key management priorities

1	Targeted customer base increase	Gaining new bundled clients with a focus on savings and transactional services
2	Liquidity	Strengthening liquidity position due to organic market share gain in deposits and deleveraging
3	Pricing	Price management strategy focused on profitability
4	Cost control	Maintaining efficiency leadership
5	Risk management	Prudence and anticipation, resulting in better risk indicators than peers

High and resilient pre-provision profit to absorb increased coverage

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Gaining bundled clients, with a focus on savings and transactional services

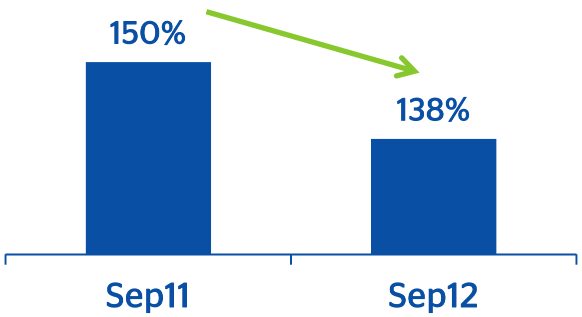
Industry trends	Opportunities	BBVA strategy
• Deleverage **and lack of credit demand** • **Business growth** driven by **savings advisory**	• **Loss of commercial focus and lack of investments in advisory capabilities** by competitors involved in restructuring processes	• **Gain new bundled clients,** with a focus on **savings and transactional services**

+50 bp customer market share gain in the last 2 years (*)

(*) First banking service provider customer market share

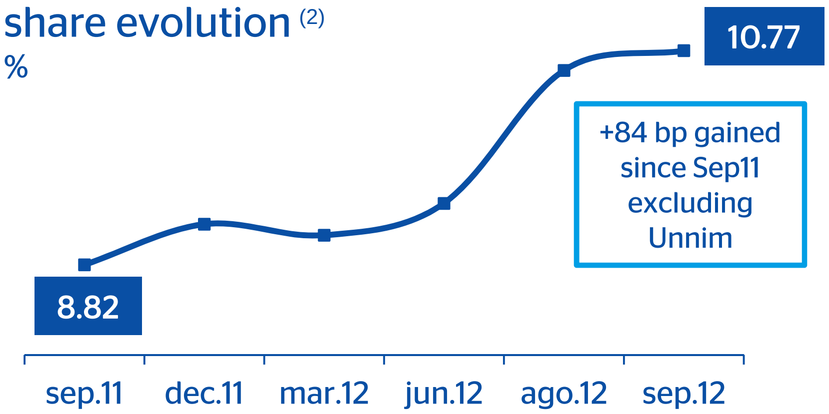
BBVA continues to strengthen its domestic business liquidity position ...

BBVA's Domestic LTD ratio evolution (1)



BBVA's domestic retail deposits market share evolution (2)

%

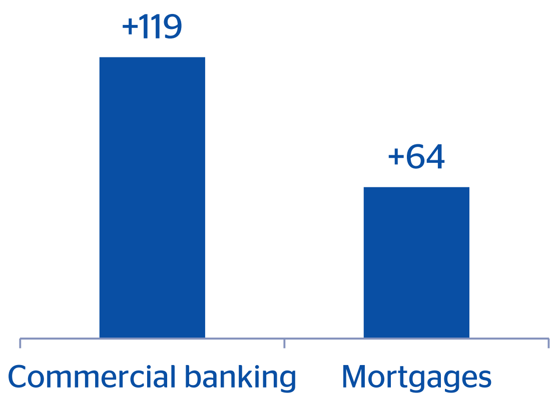


... due to deleverage and market share gains in retail deposits

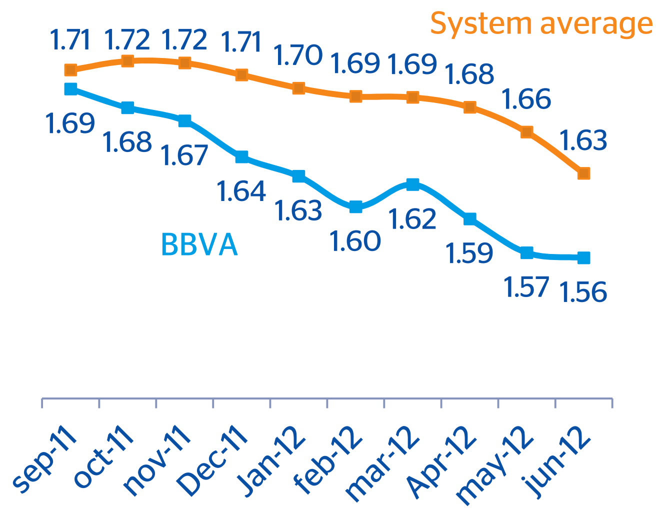
(1) Domestic loans including public sector and excluding securitizations, repos and guarantees; and domestic deposits including public sector and promissory notes and excluding repos.
(2) Domestic retail deposits include deposits from households and non-financial companies and promissory notes distributed through the retail network.

A price management strategy focused on profitability

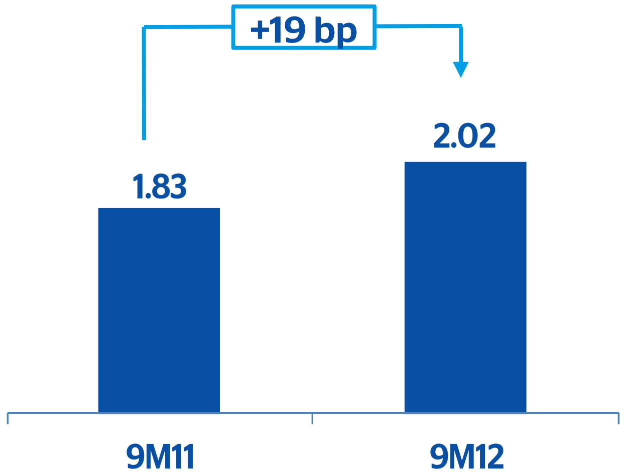
BBVA Spain: loans repricing
New business spread variation
Sept11 -Sept 12
In bp



Retail deposits stock
Cost evolution [1]
%



BBVA Spain customer spread
(ex Markets)
%

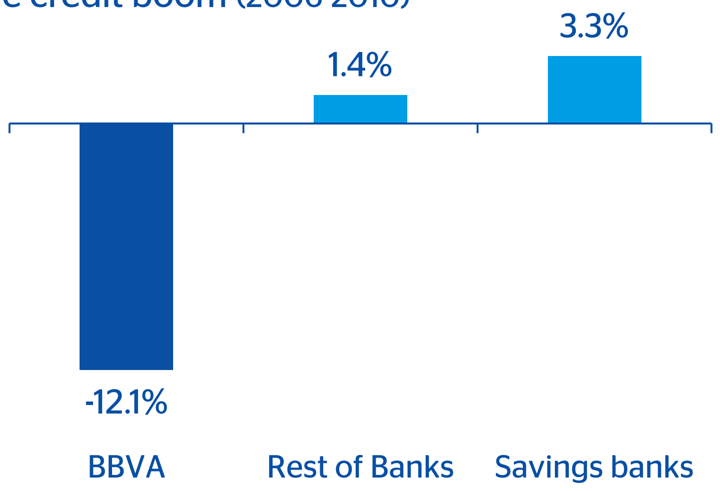


With the aim of gaining and maintaining bundled clients

(1) Retail deposits include time deposits and non-cost deposits. Quarterly average cost . System data from Bank of Spain.

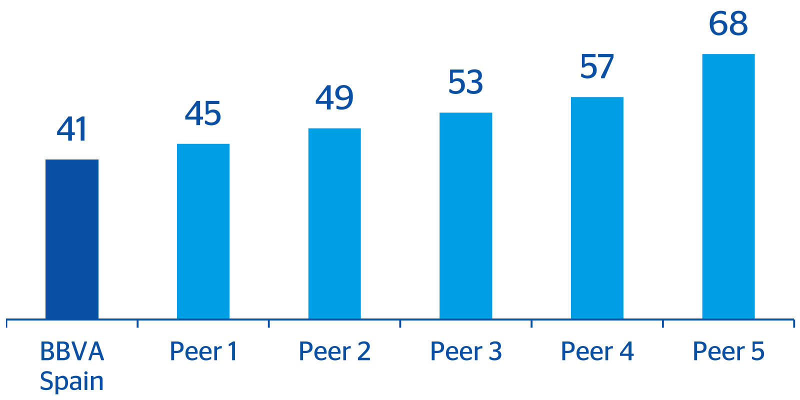
BBVA, leadership in efficiency thanks to its anticipation strategy

Spanish system
Branch evolution during the last part of the credit boom (2006-2010)



Source: Bank of Spain and internal calculations

Efficiency ratio (2)
9M 2012
%



Source: Quarterly reports

BBVA: 7.7% network market share vs. 12% business volume market share(1)

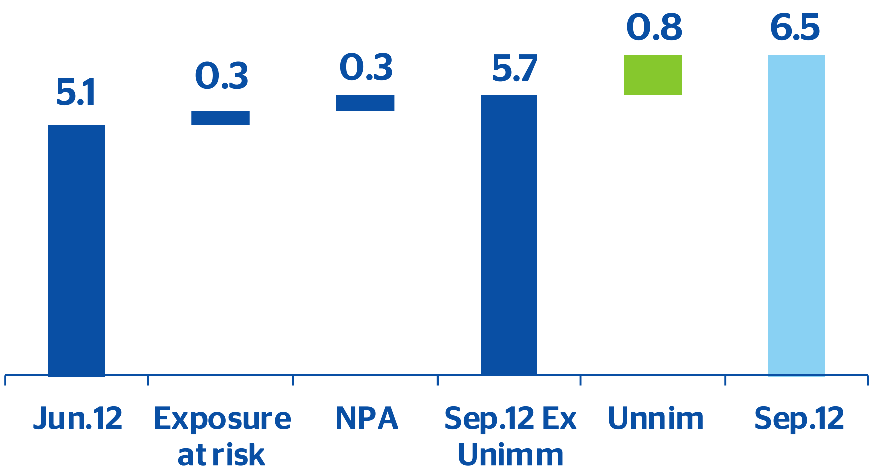
Constant review of resources and processes to identify potential savings

A lean and productive network, ready to take advantage of the Spanish sector restructuring

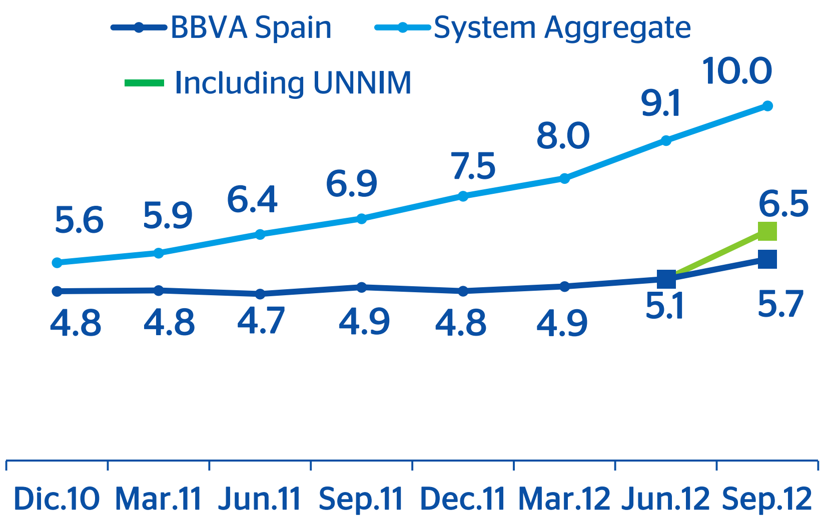
Peers considered: Santander Spain, CaixaBank, Popular+Pastor, Sabadell+CAM and Bankinter
(1) Data as of June, 2012, excluding Unnim . Including Unnim: 9.1% network market share and 13% business volume market share
(2) Excluding net trading income

Risk indicators performance in line with forecast, and much better than the system

NPA ratio
Breakdown
%



NPA Ratio Evolution
BBVA Spain vs. Domestic Sector System Aggregate [1]
%



Lower risk appetite during the credit boom years

(1) Source: Bank of Spain. Including other domestic sector and public sector.

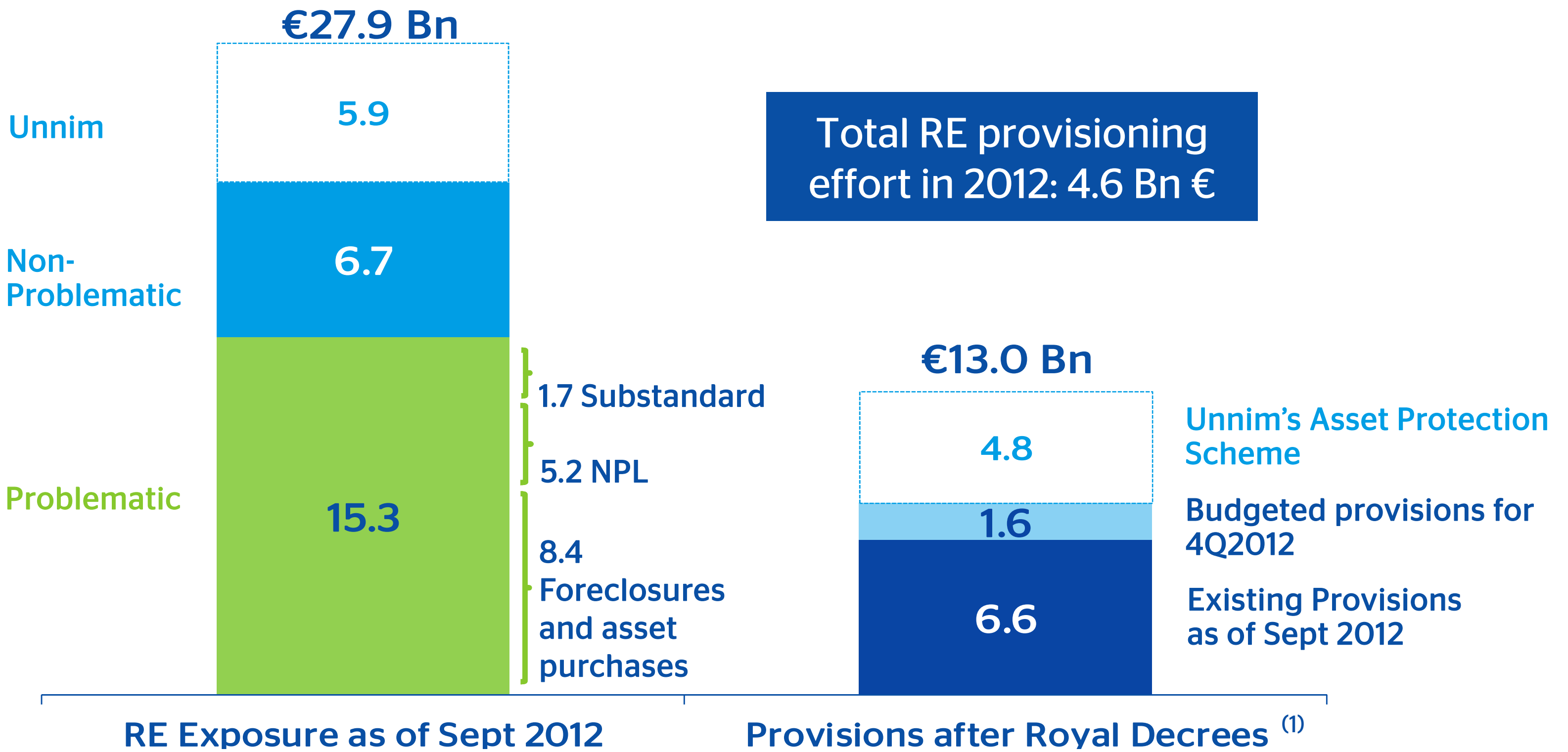
Slight uptick in NPA ratio explained by developers and SMEs, as expected

Sep. 12 (Change since Dec. 11)	Exposure	NPA
Developers	€ 13,567 m (-9.0%)	38.3% (+10.2 p.p.)
SMEs	€ 23,739 m (-8.8%)	8.2% (+2.5 p.p.)
Retail	€ 94,600 m (-4.2%)	3.9% (+0.1 p.p.)
Rest[1]	€ 85,857 m (-7.8%)	1.8% (+0 p.p.)

NPA ratio on other portfolios remains stable

Note: excludes UNNIM
(1) Rest Includes loans to Corporates, Public sector and CIB.

Complete Spanish Real Estate clean-up in 2012 ...



By the end of 2012, coverage will reach 47% of total exposure, including the Asset Protection Scheme

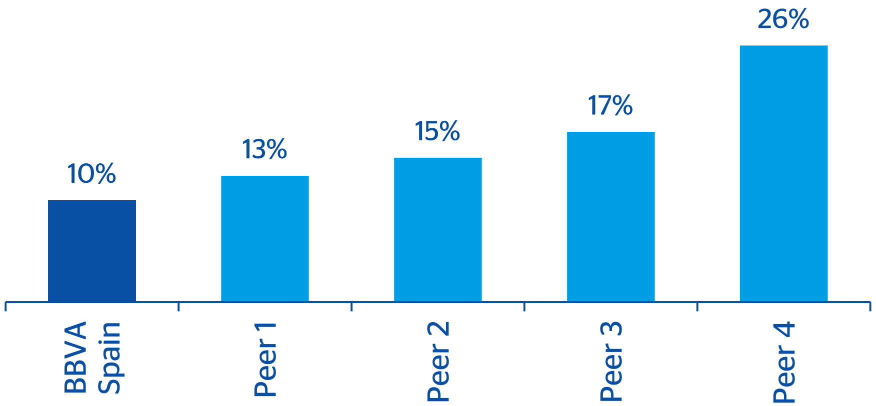
(1) Includes both RD 02/2012 and RD 18/2012.

...without making use of extraordinary measures

Low relative RE exposure [1]

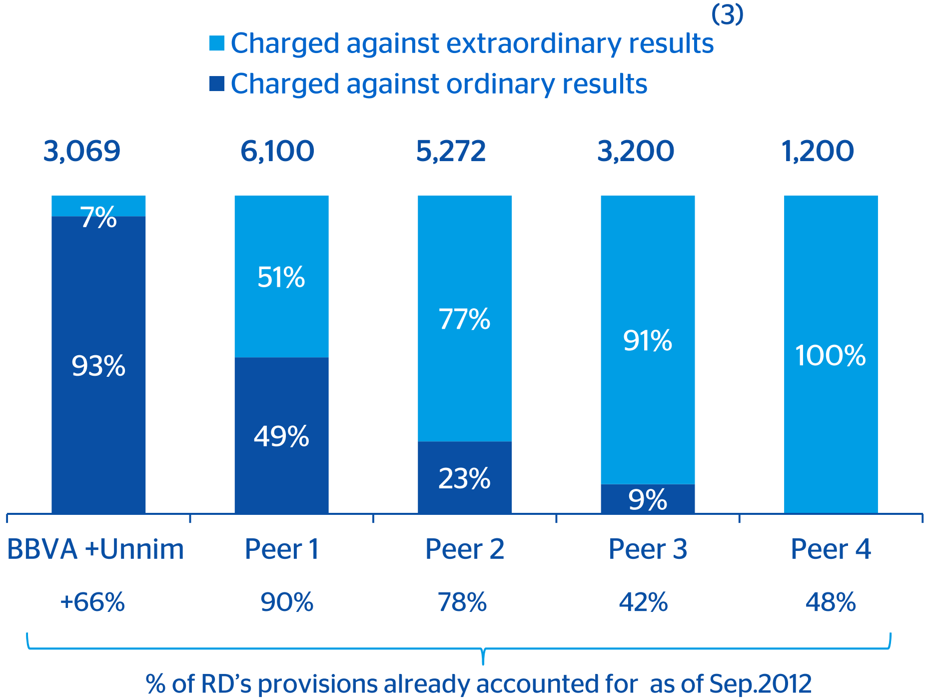
Foreclosed assets + developer loans over domestic lending

Data as of June 2012



Breakdown of RDs provisions:

charged against ordinary and extraordinary income[2]



Prudent risk management and anticipation strategy

High and recurrent pre-provision profit to cover extraordinary provisions

(1) Peer s considered: Caixabank, Popular+Pastor, Sabadell and Santander Spain.
(2) Peers considered: Santander, Caixabank + Banca Cívica, Popular+Pastor, Sabadell+CAM
(3) Extraordinary results: mainly includes capital gains and generic provisions from previous year

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Conclusions

BBVA Group

- Strong 3Q12 results driven by **recurrent income growth in all geographies.**
- **Stable asset quality profile,** balancing different credit cycles
- **Balance sheet reinforcement: strong capital generation capacity** (+€7.4 Bn in 12M) and liquidity position improvement.

BBVA Spain

- Taking advantage of market opportunity to **gain new bundled clients**
- **High and recurrent pre-provision profit**
- **Better asset quality**.

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Strengths and opportunities in a challenging environment

Jaime Saénz de Tejada, Head of Spain and Portugal

SocGen, The Premium Review Conference
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