

BBVA and CITIC Group step up their strategic alliance



June 11th, 2008

Disclaimer

This document is only provided for information purposes and does not constitute, nor must it be interpreted as, an offer to sell or exchange or acquire, or an invitation for offers to buy securities issued by any of the aforementioned companies. Any decision to buy or invest in securities in relation to a specific issue must be made solely and exclusively on the basis of the information set out in the pertinent prospectus filed by the company in relation to such specific issue. Nobody who becomes aware of the information contained in this report must regard it as definitive, because it is subject to changes and modifications.

This document contains or may contain forward looking statements (in the usual meaning and within the meaning of the US Private Securities Litigation Act of 1995) regarding intentions, expectations or projections of BBVA or of its management on the date thereof, that refer to miscellaneous aspects, including projections about the future earnings of the business. The statements contained herein are based on our current projections, although the said earnings may be substantially modified in the future by certain risks, uncertainty and others factors relevant that may cause the results or final decisions to differ from such intentions, projections or estimates. These factors include, without limitation, (1) the market situation, macroeconomic factors, regulatory, political or government guidelines, (2) domestic and international stock market movements, exchange rates and interest rates, (3) competitive pressures, (4) technological changes, (5) alterations in the financial situation, creditworthiness or solvency of our customers, debtors or counterparts. These factors could condition and result in actual events differing from the information and intentions stated, projected or forecast in this document and other past or future documents. BBVA does not undertake to publicly revise the contents of this or any other document, either if the events are not exactly as described herein, or if such events lead to changes in the stated strategies and intentions.

The contents of this statement must be taken into account by any persons or entities that may have to make decisions or prepare or disseminate opinions about securities issued by BBVA and, in particular, by the analysts who handle this document. This document may contain summarised information or information that has not been audited, and its recipients are invited to consult the documentation and public information filed by BBVA with stock market supervisory bodies, in particular, the prospectuses and periodical information filed with the Spanish Securities Exchange Commission (CNMV) and the Annual Report on form 20-F and information on form 6-K that are disclosed to the US Securities and Exchange Commission.

Distribution of this document in other jurisdictions may be prohibited, and recipients into whose possession this document comes shall be solely responsible for informing themselves about, and observing any such restrictions. By accepting this document you agree to be bound by the foregoing Restrictions.

A partnership that began in November 2006

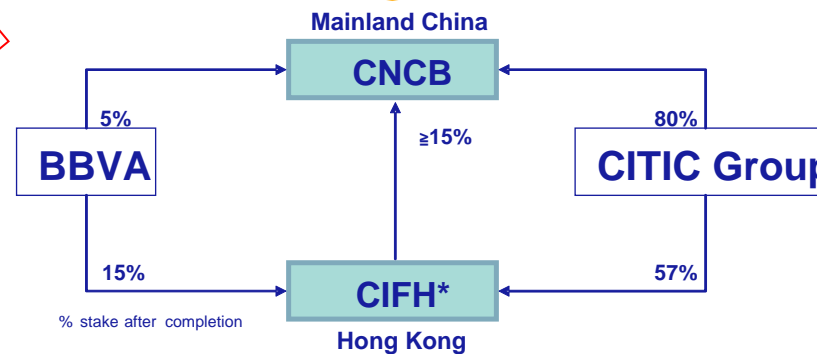


An important milestone in building BBVA's strategy



Exclusive partnership in commercial banking and global markets across Asia with a leading Chinese conglomerate through an innovative structure

November 22, 2006



- ✓ Simultaneous entrance in the China Mainland and Hong Kong banking markets
- ✓ BBVA as the strategic foreign investor in CNCB and CIFH
- ✓ Master cooperation agreements in key areas

• Approximately 28% will in public float based on completion of CIFH* 5 stake acquisition in CNCB and assuming 3% RMB/HK\$ exchange rate appreciation

Today, we enter into “Phase Two”

Highlights I

- BBVA will consolidate both in China and in Hong Kong a unique role as strategic partner of CITIC Group, one of the leading industrial groups in China.
- BBVA to increase its stake in CNCB* and CIFH to approximately 10% and 30 % respectively. Completion of the transactions expected by 4Q08.
- Total required funds of approximately €800 million, of which approximately €600 million are related to the capital investment, and €200 million will be used to support current and future financial needs of CIFH.

CNCB, currently booked as a financial investment, becomes a strategic investment in a core business. Subsequently, it will be consolidated by the equity method.

Today, we enter into “Phase Two”

Highlights II

- BBVA to increase its presence in the governing bodies of CNCB and CIFH, with up to two and three board members respectively.
- BBVA will maintain its call option to acquire an additional 5% stake in CNCB for two years from the completion of the agreement.
- The joint business opportunities announced with the alliance remain.
- The completion of the agreement is subject to regulatory approvals and successful delisting of CIFH from the Hong Kong Stock Exchange.

CNCB, currently booked as a financial investment, becomes a strategic investment in a core business. Subsequently, it will be consolidated by the equity method.

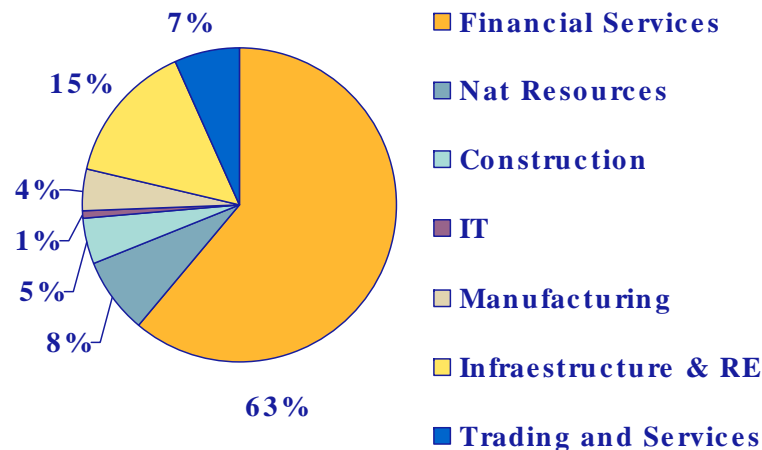
CITIC Group, a true leader in China

One of the largest industrial conglomerates in China

- ✓ 4th largest crude oil producer.
- ✓ Largest producer of special steel and aluminum by-products.
- ✓ Among top 3 construction machinery and materials manufacturers.
- ✓ One of the largest RE developers.
- ✓ Number one air transport service provider.

An industrial conglomerate with a strong financial group

2007 Operating Profit contribution by Division

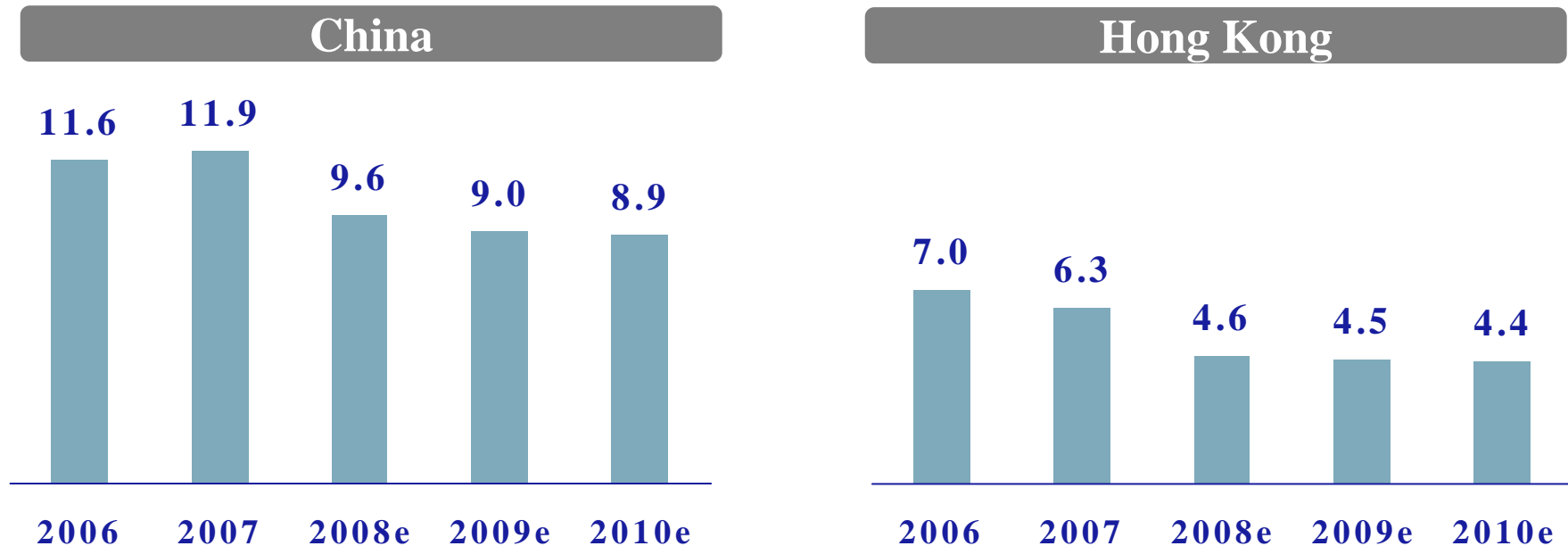


Banking	 中信銀行 CHINA CITIC BANK	 中信嘉華銀行 CITIC KA WAH BANK
Securities	 CITIC 中信證券	
Trust	 中信信託 CITIC Trust	
Insurance	 信誠 人壽保險	
Asset Mgmt	 中信基金 CITIC FUNDS	
Futures	 中信期貨 WWW.CITICF.COM	

✓ BBVA's role is unparalleled among international players, being the strategic partner of two banks simultaneously in China and in HK

BBVA increases its exposure to areas that offer superior growth prospects... **BBVA**

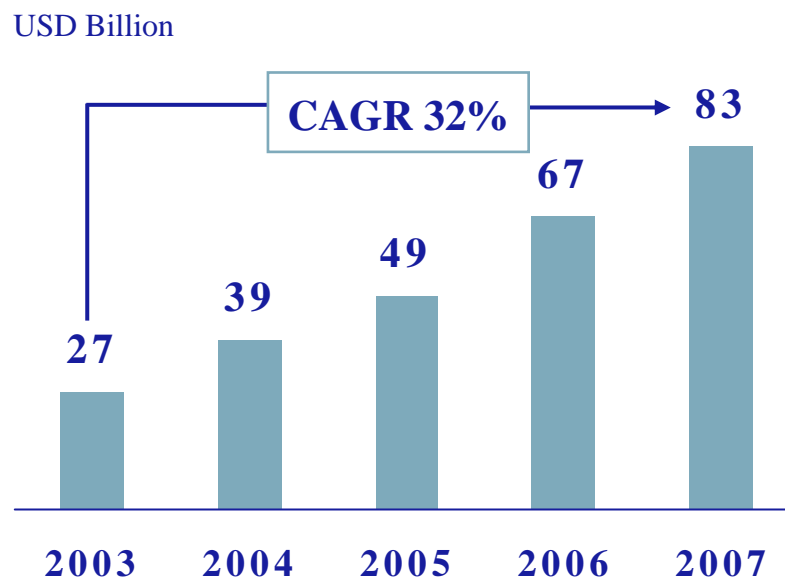
GDP growth (%)



- ✓ Near 60% of HK exports are Chinese exports through HK, while HK is the largest investor in China with 38% of total FDI.
- ✓ This high potential is on the back of recent significant investments by international financial institutions (HSBC, Bank of America, ...) in Chinese banks
- ✓ Another reference of the value of having a dual presence in China and Hong Kong is the recent announcement of China Merchant Bank's intentions to enter into the Hong Kong market

... and increasingly connected to Latin America

China – Latin America Trade

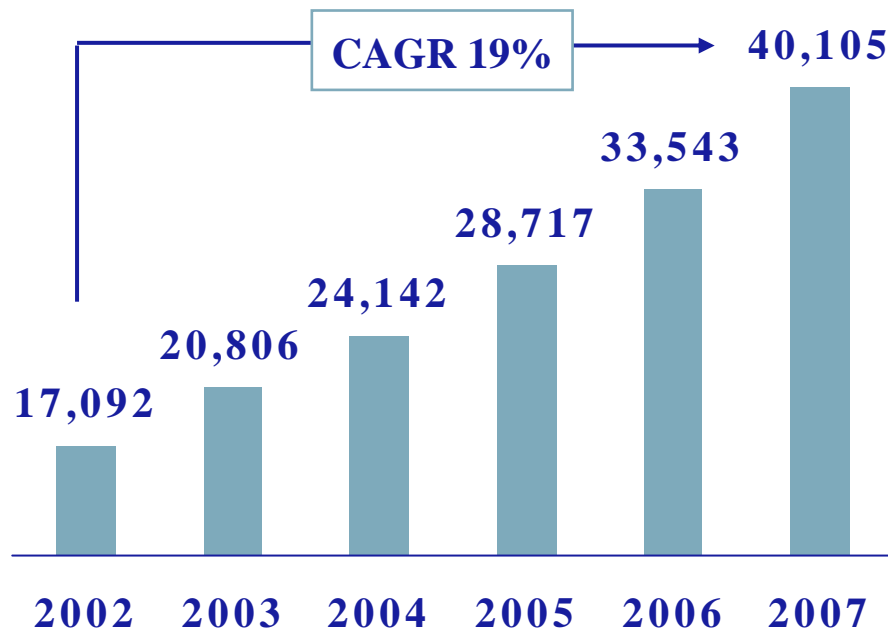


- ✓ Total trade between China and Latin America reached \$83 Bn in 2007.
- ✓ In real terms, exports from Latin America to China grew by 70% between 2006 and 2007.

Rapid development of the Chinese banking system in the last years

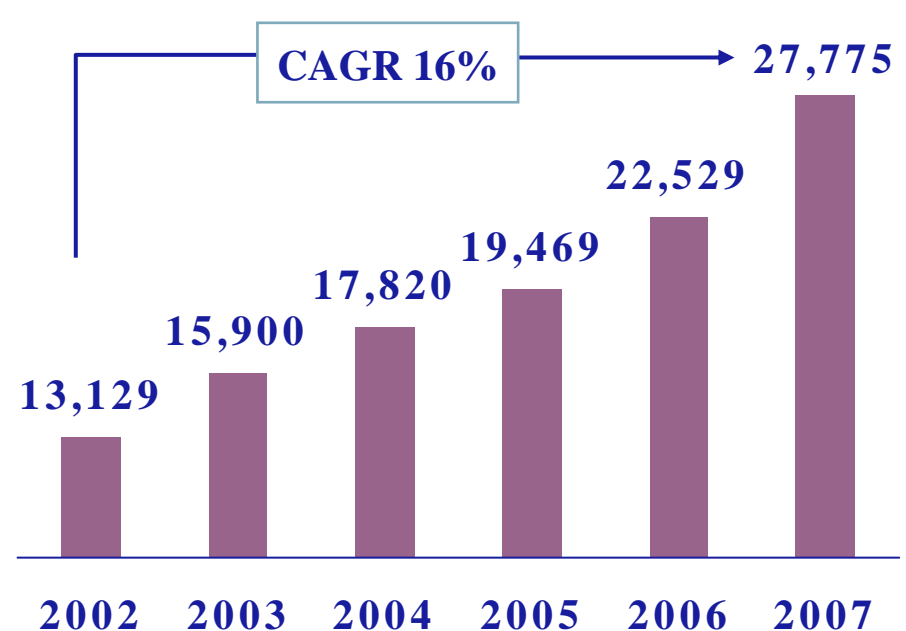
Deposits

RMB Billion



Loans

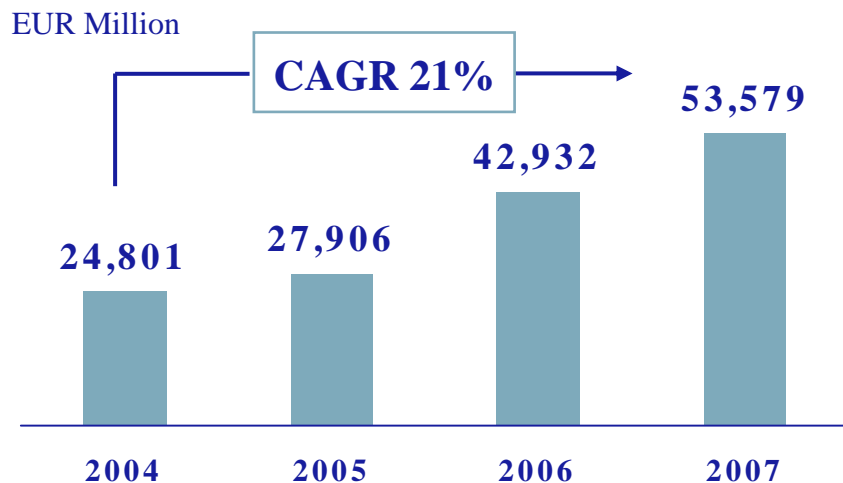
RMB Billion



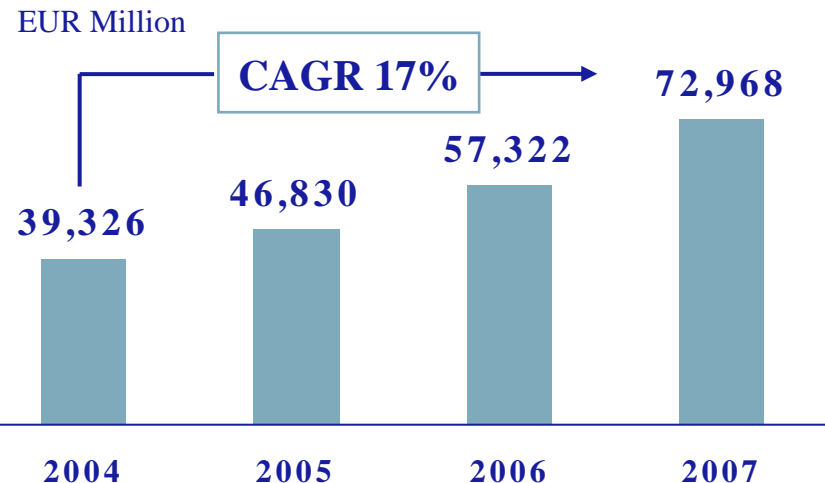
Chinese banks will continue to show strong business performance in the foreseeable future

In this context, CNCB is an outstanding performer

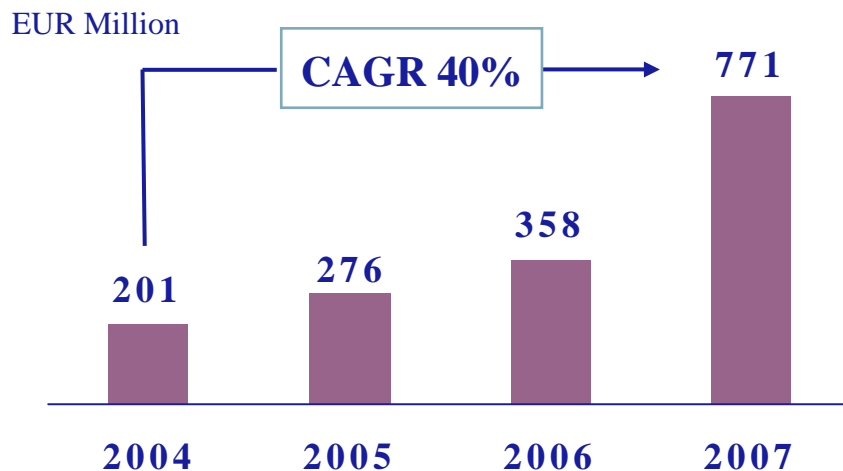
Loans



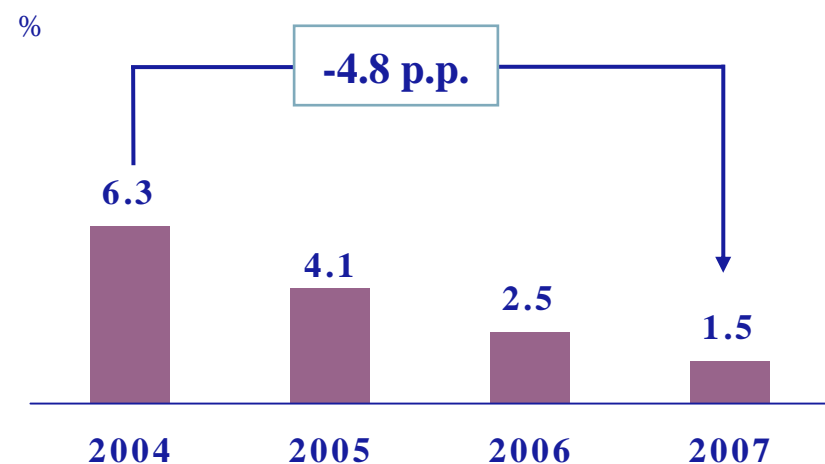
Deposits



Net profit evolution



NPL ratio



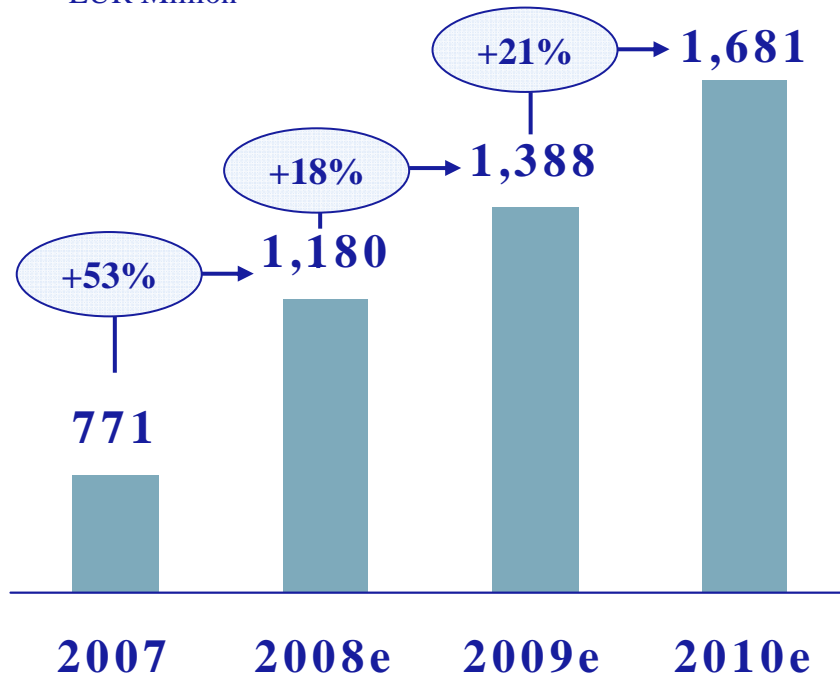
All figures for CNCB converted from Remimbis to Euros using the closing June 2nd 2008 rate of RMB/EUR = 10,788

Both CNCB and CIFH have very positive earnings prospects

Net attributable profit consensus estimates

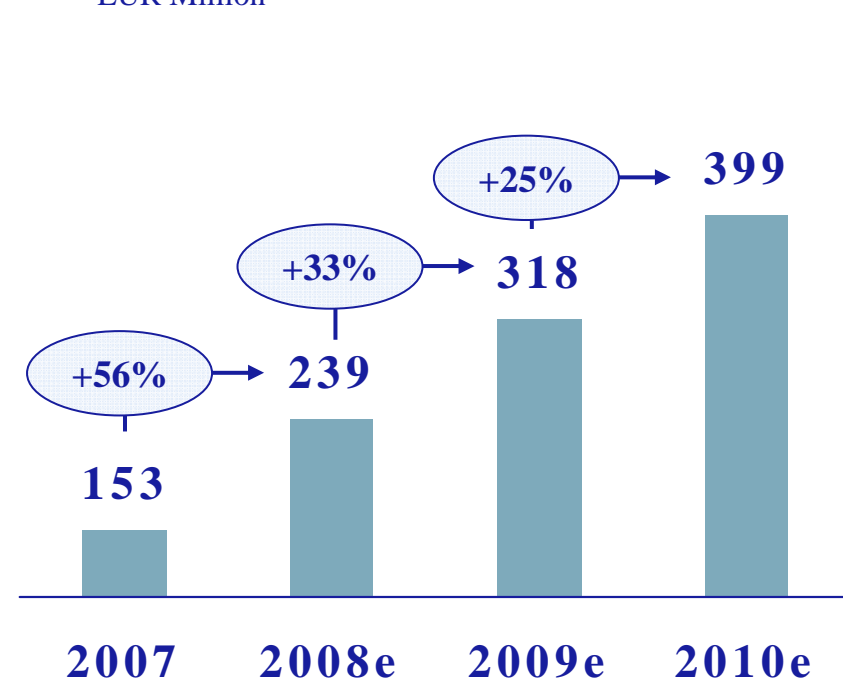
CNCB

EUR Million



CIFH

EUR Million

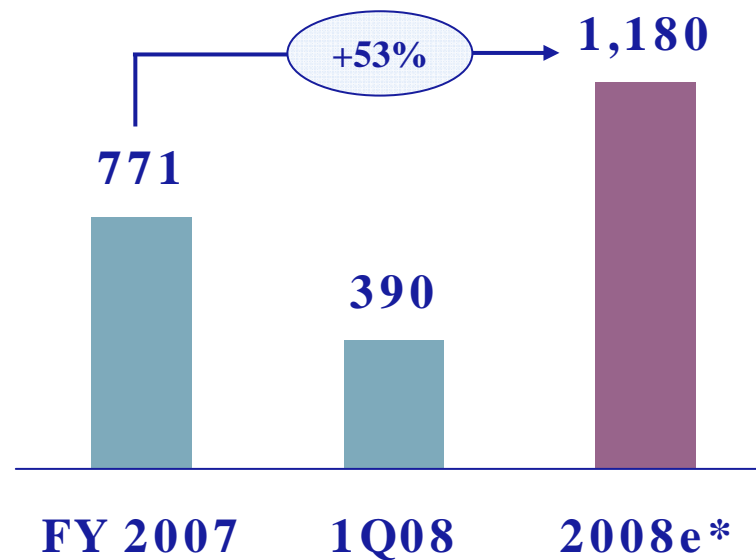


Source: IBES estimates as of May 2008

With an outstanding start of the year 2008

CNCB net attributable profit

EUR Million



- ✓ 1Q08 profit more than half of full-year 2007 profit
- ✓ 1Q08 profit already more than one third of estimated full-year 2008 profit

*Source: IBES estimates as of May 2008

Summary of financial impacts to BBVA

	2009E	2010E
Impact on BBVA EPS*	+1.21%	+1.73%
Phase II ROI	17.9%	22.1%

- ✓ **BBVA will fund the transaction with available resources.**
- ✓ **There is no need for specific funding plans.**
- ✓ **No additional capital required.**
- ✓ **Total impact on Tier I ratio of -31 bp, including both phase II and switching phase I to equity method.**

*Internal estimates based on IBES estimates as of May 2008

BBVA, creating short term value and enhanced future potential for its shareholders

1 Strengthening the strategic alliance with CITIC Group

2 BBVA is able to capture superior growth opportunities in China with a limited financial investment

3 EPS accretive for BBVA's shareholders from day one

4 Expected return on investment well above cost of equity



Long term business opportunities with immediate earnings delivery

**BBVA and CITIC Group step up their
strategic alliance**



June 11th, 2008