

The Depository Trust Company

IMPORTANT

B#: 3296-08

DATE: March 28, 2008

TO: All Participants

CATEGORY: Dividends

FROM: International Services

ATTENTION: Operations, Reorg & Dividend Managers, Partners & Cashiers

SUBJECT: TaxRelief - Country: Spain
Banco Bilbao Vizcaya Argentaria, SA CUSIP: 05946K101
Record Date: 04/09/08 Payable Date: 04/21/08
EDS Cut-Off Date: 04/15/08

The Depository Trust Company has received from The Bank of New York Mellon the attached information regarding certain tax refunds on the above captioned dividend.

As directed in the notice, participants that have qualified beneficial holders that expect to benefit from the procedure should secure the required documentation.

Questions regarding EDS may be directed to Rafael Neves of DTC's International Services at (813) 470-1255 or Larry Bottiglieri (212) 855-4386.

Important Legal Information: The Depository Trust Company ("DTC") does not represent or warrant the accuracy, adequacy, timeliness, completeness or fitness for any particular purpose of the information contained in this communication, which is based in part on information obtained from third parties and not independently verified by DTC and which is provided as is. The information contained in this communication is not intended to be a substitute for obtaining tax advice from an appropriate professional advisor. In providing this communication, DTC shall not be liable for (1) any loss resulting directly or indirectly from mistakes, errors, omissions, interruptions, delays or defects in such communication, unless caused directly by gross negligence or willful misconduct on the part of DTC, and (2) any special, consequential, exemplary, incidental or punitive damages.

To ensure compliance with Internal Revenue Service Circular 230, you are hereby notified that: (a) any discussion of federal tax issues contained or referred to herein is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties that may be imposed under the Internal Revenue Code; and (b) as a matter of policy, DTC does not provide tax, legal or accounting advice and accordingly, you should consult your own tax, legal and accounting advisor before engaging in any transaction.

Banco Bilbao Vizcaya Argentaria, SA

American Depositary Shares (ADSs)

CUSIP: 05946K101

Record Date: April 9, 2008

Payment Date: April 21, 2008

EDS Cut-off (Acupay Deadline): April 15, 2008

Under Spanish law, dividends paid by BBVA to a non-Spanish resident holder of BBVA shares (including American Depositary Shares) are subject to the Spanish Non-Resident Income Tax, referred to as “NRIT,” approved by Spanish Royal Decree Legislative 5/2004 of March 5, withheld at the source, currently at an 18% tax rate. To meet this requirement, the company will apply an 18% withholding tax on the gross amount of dividends, subject to the exemptions, refunds and reductions described below.

Refunds and Reductions from Withholding

United States Tax Residents. Under the terms of the Convention between the United States and Spain for the Avoidance of Double Taxation, referred to as the “Treaty”, a U.S. Tax Resident is subject to a Treaty-reduced rate of 15%, as a general rule, or 10% if the beneficial owner is a corporation which owns at least 25% of the voting rights of the shares of the company distributing the dividends. In practice, on any dividend payment date, U.S. Residents will be subject to a withholding of 18% of the gross amount of dividends.

To avoid the excess withholding, The Bank of New York Mellon has set up a procedure with tax services provider Acupay System LLC pursuant to which U.S. Residents on whose behalf the required Government Tax Certificate is produced will be entitled to an immediate quick refund of the amount withheld in excess of the Treaty-reduced rate. This immediate quick refund will be paid at the same time as the underlying dividend payment. *U.S. persons who benefit from the immediate quick refund will receive, on the applicable dividend payment date, their dividend payments less (i) the Treaty-reduced rate of 15% and (ii) a tax refund processing fee of \$.00125 per ADS, to be paid to The Bank of New York Mellon, as described further below.*

To benefit from the Treaty-reduced rate, a U.S. Resident, or the IRS on its behalf, must provide to Acupay System LLC a government tax certificate from the U.S. Internal Revenue Service (e.g., IRS Form 6166) or any other authorized U.S. government agency, stating that, to the best of its knowledge, such person is a U.S. Resident within the meaning of the Treaty. Currently, IRS government tax certificates are valid for a period of one year from the date of issuance.

In addition, according to the new wording of the law governing the Spanish NRIT (in force since January 1, 2007), the first €1,500 of any dividends received annually from Spanish entities (such as those distributed by BBVA) by individual holders without a permanent establishment in Spain and not acting through a tax haven territory, as defined by the Spanish tax law, who are resident in a country that has an effective “exchange of fiscal information” agreement with Spain (such as the United States) will be exempt from Spanish taxation. This exemption notwithstanding, we or our paying agent will withhold the relevant withholding tax on the entire amount of dividends paid to any such individual holder, and such holder may seek a refund of any amount withheld to which such holder may be entitled under Spanish law

by following the Spanish standard refund procedure established by the Order dated December 23, 2003, as amended, and described in further detail below.

EU Tax Residents. The €1,500 exemption described above will also be applicable, under the same conditions and following the same procedures, to individual holders who are resident in a EU member state (other than Spain).

Tax residents of other jurisdictions. Dividends derived from the BBVA ADSs by a non-Spanish resident holder who is resident in a country or territory other than a EU member state or the United States will be entitled to the benefits of the applicable convention for the avoidance of double taxation in effect between such holder's country of tax residence and Spain. A list of such countries and the applicable tax rates is provided in Annex A. To benefit from the relevant Treaty-reduced rate, a holder must provide to Acupay a government tax certificate from the relevant government authority in such holder's country of residence, stating that, to the best of its knowledge, such holder is a resident of such country, within the meaning of the relevant tax treaty entered into between Spain and such country. In no circumstances will a reduction or immediate quick refund be available to a holder which fails to comply with the relevant tax residency certification procedures as described below.

Procedures for DTC Participants: The Elective Dividend System and Acupay

Participants requesting exemption from Spanish NRIT via DTC's Elective Dividend Service (EDS) are required to provide beneficial owner information (including a valid Government Tax Certificate) in support of their elections. The Bank of New York Mellon has arranged certain procedures with DTC and Acupay to facilitate the collection from participants of such information concerning the identity and residence of beneficial owners of the securities. Failure to follow the required procedures will result in 18% withholding from the dividend payment, without the opportunity for an immediate quick refund.

IMPORTANT: Participants that clear for downstream correspondents on an omnibus basis are subject to similar (but slightly different) operational requirements regarding entering beneficial owner information into the Acupay System. To comply with Spanish tax regulations and "Know Your Customer" policies mandated by the USA Patriot Act, Participants may not enter beneficial owner information into the Acupay System on behalf of their omnibus downstream correspondents. Omnibus downstream correspondents are required to enter their beneficial owner client information directly and Participants must confirm their downstream correspondents' aggregate omnibus positions. Please read the following procedures carefully.

Participants requesting an immediate quick refund to reduce net withholding to the Treaty-reduced rate (e.g., 15% - see Annex A for the list of rates) via EDS are also required to provide information concerning the identity and country of residence of beneficial owners in the manner described below. **NOTE: Only holdings as of April 9, 2008 (the Record Date) are entitled to receive the dividend payment. All certifications (described below) made through Acupay and EDS Elections made through DTC seeking the Treaty-reduced rate must reflect the Record Date positions and beneficial owners as of the Record Date.**

1. Beginning on April 7, 2008 (the second New York Business Day prior to the Record Date) and until 8 p.m. (New York time) on April 15, 2008 (the Acupay Deadline), DTC participants must enter certain information into the Acupay System regarding the beneficial owners of the ADSs by completing these required steps:
 - A. DTC participants must visit the Acupay System website at www.Acupay.com and register (i) their institution, (ii) one or more authorized employees who will be responsible for submitting tax certifications on the behalf of the DTC participant and (iii) financial intermediaries (i.e. "downstream correspondents")

for which the DTC participants provide clearing arrangements on an “omnibus” basis. *If the participant, its downstream correspondents, and members of their respective teams, were previously registered to use the Acupay System (for this or any other securities issue), there is no need to register again – their existing login details should still work.*

- B.** Once registered, participants and downstream correspondents must (i) ensure that they have been authorized by their clients to use these tax certification procedures intended to obtain a tax refund on dividend payments and pay the required \$0.00125 per ADS processing fee to The Bank of New York Mellon from any such refunded amount, (ii) provide beneficial owner information on their clients eligible for tax relief, (ii) print out from the Acupay System an official Acupay Cover Sheet and (iii) transmit to Acupay via fax or email (of a PDF file) the Acupay Cover Sheet with copies of Government Tax Certificates for each of their clients who are the ultimate beneficial owners entitled to tax relief, for which Current Government Tax Certificates are not already on file with Acupay. *NOTE: For the purpose of this Important Notice, the words “Current Government Tax Certificate” mean a U.S. (or other) Government tax certificate dated not more than one year before the payment date. This should be done using either the “one-by-one” method, the “bulk method” or the “renew previous submissions method”, as detailed on www.Acupay.com.*
- C. Special Instructions for Investors with Current Government Tax Certificates already on-file with The Bank of New York Mellon/BBVA/Acupay.**

As mentioned above, Government Tax Certificates remain “Current” for a period of one year after their date of issue. Therefore, if a beneficial owner has a Current Government Tax Certificate already on file with The Bank of New York Mellon/BBVA/Acupay (e.g., from a previous tax certification for securities of BBVA or another Spanish issuer) there is no need for the beneficial owner or the DTC participant to send an additional Government Tax Certificate. However, if the existing Government Tax Certificate will be more than one year old on April 21, 2008, it is necessary to submit a new Government Tax Certificate for the investor for the April 21, 2008 payment date.

Participants will be notified by the Acupay System in real-time during the process of making a submission **WHETHER OR NOT** their clients already have Current Government Tax Certificates on file. This will also be indicated on the Official Acupay Cover Sheet produced at the end of the submission:

- If a Current Government Tax Certificate **is already on file** for a particular beneficial owner, then the Acupay System will indicate that it is not necessary to provide a new Government Tax Certificate in order for that beneficial owner to receive the Treaty-reduced rate;
- If **NO such Current Government Tax Certificate is on file** for a beneficial owner client, then the Acupay System will indicate that a Current Government Tax Certificate is **“Needed”** and the participant will need to provide one along with their submission (as described in these procedures) in order for such beneficial owner to receive their dividend distribution at the Treaty-reduced rate.

REGARDLESS of whether or not a Current Government Tax Certificate for a particular beneficial owner is on file with The Bank of New York

Mellon/BBVA/Acupay, DTC participants **MUST STILL** confirm through submission of the beneficial owner information via the Acupay System and submission of a signed Acupay Cover Sheet, the Record Date holding(s) of such beneficial owner clients for each relevant Payment Date.

- D.** DTC participants that provide clearing arrangements for downstream correspondents, irrespective of whether such downstream correspondents are Qualified Intermediaries (as described by the US IRS in Revenue Procedure 2000-12 found in Cumulative Bulletin 2000-1 of Internal Revenue Bulletin 2000-4) should:

i. Register their downstream correspondents in the Acupay System by entering the details of such downstream correspondents directly into the “Add a New Registered Downstream Correspondent” section of their Acupay System account, or by allowing such downstream correspondents to register themselves by providing them with the Acupay Registration Code found within the “View Downstream Correspondent Registrations” section of the Acupay System.

* Once registered, the downstream correspondents will be able to enter beneficial owner information and submit **Acupay Cover Sheets** and **Government Tax Certificates** for their own clients. Since downstream correspondents are required to “know their clients”, it is logical that they are the entities which should enter client information regarding their clients into the Acupay System - not the upstream clearer (which is a DTC participant).

ii. Confirm the downstream correspondent's omnibus position. The DTC participant should confirm that the positions reported by its downstream correspondent(s) are, in total, less than or equal to the aggregate position in the ADSs held on the behalf of each such downstream correspondent as of the Record Date. This confirmation is made **ONLY** with regard to the aggregate omnibus amount held by the downstream correspondents, **NOT** with regard to the identity or tax status of the end investor clients of the downstream correspondents. These aggregate position confirmations should be kept updated through 8:00 p.m. (New York time) on April 15, 2008, the Acupay Deadline date. **NOTE:** Should you have any questions or require assistance regarding this process, please contact Acupay at the contact details listed below.

iii. Make the necessary EDS elections, to match the total amount of Acupay certifications made by the downstream correspondent(s).

- E.** The Acupay System may only be used to submit the details of beneficial owners who are eligible for tax relief from Spanish withholding tax. Therefore, participants may not enter into the Acupay System details of beneficial owners who are located in a country without a current Tax Treaty with Spain (as those beneficial owners would not be eligible for any Treaty-reduced withholding rate). The list of Tax Treaty Rates is included below as Annex A.
- F.** Once beneficial owner information has been entered, the Acupay System will produce an Official Acupay Cover Sheet which must be reviewed, printed, and either (i) scanned and emailed together with the relevant Government Tax Certificates (if any) in a **SINGLE FILE** to certify@Acupay.com; or (2) faxed all together to Acupay at +1-646-383-9489 or +44-207-067-8453. **Even if the Acupay System indicates that there are no Government Tax Certificates needing to be transmitted (perhaps because all investors already have Current Government Tax Certificates on file), the signed Acupay Cover**

Sheet containing the relevant beneficial owner details must be transmitted to Acupay.

***** IMPORTANT INFORMATION *****

REGARDING GOVERNMENT TAX CERTIFICATES FOR U.S. RESIDENT HOLDERS: Beneficial owners who are U.S. residents need to submit an IRS Form 6166 (individual or bulk format) issued by the U.S. Internal Revenue Service (IRS), which will verify the beneficial owner's name, tax identification number, and status as a resident of the United States. **This Form 6166 must mention the "United States -- Spain Income Tax Convention" and must be dated on or after April 21 2007.** Information about obtaining an IRS Form 6166 can be obtained from Acupay, attention Rosa Lopez at +1-212-422-1222 or Maria Mercedes at +44-207-382-0340 or by email info@Acupay.com.

***** IMPORTANT INFORMATION *****

REGARDING GOVERNMENT TAX CERTIFICATES FOR NON-U.S. RESIDENT HOLDERS: Shareholders who are tax residents outside of the U.S. should obtain Government Tax Certificates from their country of tax residence. Such Government Tax Certificates should be submitted via the Acupay System in the same manner as for U.S. Government Tax Certificates described throughout these procedures. Current Spanish Tax Treaty Countries and Treaty Rates are listed in Annex A. Such Non-U.S. Government Tax Certificates must meet the following criteria to be accepted for processing by Bank of New York Mellon/BBVA/Acupay:

- MUST clearly indicate the country of residence of the beneficial owner
- MUST explicitly mention the relevant Tax Treaty between Spain and the country issuing the Non-U.S. Government Tax Certificate
- MUST be written either in Spanish, or in English – this can be in addition to another language, but at least either Spanish or English wording must be present throughout the signed/executed document
- MUST be dated no more than one year prior to the Dividend Payment Date of the BBVA ADSs (i.e., must be dated between April 21, 2007 and April 21, 2008, inclusive)

G. Certifying parties (i.e., participants or downstream correspondents) MUST use the Acupay Cover Sheets that are generated by the Acupay System (showing the official Acupay bar code) as no other cover sheet or transmission instrument will be accepted. **Acupay submissions will not be processed until Acupay has received Official Acupay Cover Sheets and (when required) Government Tax Certificates, as described above.**

H. ORIGINAL DOCUMENTS REQUIRED: IN ADDITION to faxing or emailing copies of the relevant Acupay Cover Sheet(s) and Government Tax Certificate(s), certifying parties are required to send via post or courier to Acupay the original Acupay Cover Sheet(s) and (IF any new tax certificates are required to be submitted beyond those already on file with The Bank of New York Mellon/BBVA/Acupay) the Government Tax Certificate(s) that were faxed or emailed per the above instructions. These original Acupay Cover Sheets and Government Tax Certificates MUST be received by Acupay by no later than 5:00 p.m. London time (12:00 noon NY time) on May 6, 2008 at the following

address:

**Acupay System LLC
Certifications
Attn: Maria Mercedes
28 Throgmorton St - First Floor
London EC2N 2AN
United Kingdom**

NOTE: A participant or downstream correspondent that obtains favorable tax treatment through the Immediate Quick Refund procedure and fails to submit the original Acupay Cover Sheets and the Government Tax Certificates as described above may be prohibited by the issuer from using the procedure to obtain favorable tax treatment for future payments. In such event, the certifying party will receive any future income payment on their entire position net of 18% NRIT and relief will need to be obtained via the standard refund procedure established by Spanish tax law.

2. Beginning at 9 a.m. on April 10, 2008 (the first New York Business Day after the related Record Date) and continuing until 8 p.m. (New York time) on April 15, 2008 (the Acupay Deadline), DTC direct participants must make an election via EDS stating their aggregate position(s) that are to be paid at the relevant Treaty-reduced withholding rates - including positions certified directly and also positions certified by their downstream correspondents.
3. The aggregate amounts certified through the Acupay System and those elected through DTC EDS must be in synch. It is the responsibility of each participant to ensure that the aggregate number of ADSs which they and their downstream correspondents have certified via Acupay (and for which Current Government Tax Certificates are delivered to Acupay), is equal to the aggregate number of ADSs for which they have made EDS elections at the Treaty-reduced rate(s).

Government Tax Certificates transmitted to Acupay will be held by The Bank of New York Mellon/BBVA/Acupay until they are no longer Current, irrespective of whether the related investor continues to own the BBVA ADSs. Acupay will not return any Government Tax Certificates to investors or to their DTC participants. Copies of Government Tax Certificates will be retained for archival purposes (for a period of five years) and made available only to the Spanish Tax Authorities and BBVA, for tax compliance purposes.

4. Acting on a best efforts basis, Acupay staff will warn participants of any misalignments between DTC EDS elections and Acupay certifications and will seek to assist in reconciling them until 12:00 p.m. (New York time) on April 16, 2008. DTC participants whose EDS elections and Acupay certifications are not aligned by 12:00 p.m. (New York time) on April 16, 2008 will receive the dividend payment on their entire position net of 18% NRIT. DTC participants who receive net treatment due to misalignment of their DTC EDS election and Acupay Certifications may request relief through the Quick Refund Procedures described below.

IMPORTANT



If at 12:00 p.m. New York time on April 16, 2008 there are any inconsistencies concerning the beneficial owner information supplied by a participant and its downstream correspondents to Acupay, that participant's EDS elections and its position listed at DTC, payments will be made net of 18% Spanish withholding taxes on the entire position held by such DTC participant.

A participant or downstream correspondent that obtains favorable tax treatment through the Immediate Quick Refund procedure and fails to submit the original Acupay Cover Sheets and the Government Tax Certificates as described above may be prohibited by the issuer from using the procedure to obtain favorable tax treatment for future payments. In such event, the certifying party will receive any future income payment on their entire position net of 18% NRIT and relief will need to be obtained by following the standard refund procedure established by Spanish tax law.

Quick Refund Procedure

DTC participants that have as clients beneficial owners who received income net of 18% NRIT on the Payment Date may qualify for a refund of the withheld amount through the Quick Refund Procedure. Participants may use the Acupay System to request relief through the Quick Refund Procedures on behalf of their clients beginning April 22, 2008 and until May 6, 2008. Please contact Acupay should you require instructions and/or assistance with the Quick Refund process.

Direct Refund from Spanish Tax Authorities

If for any reason participants have not certified through the Immediate Quick Refund or Quick Refund Procedure and have received unfavorable tax treatment, eligible investors may request a tax refund from the Spanish tax authorities by following the standard refund procedure established by Spanish tax law. Acupay will assist participants and beneficial owners in obtaining a refund of withheld income via the standard refund procedure. Please note that this process may require a (non-notarized) power of attorney document to be signed by the beneficial owner empowering the Bank of New York Mellon to claim refunds on behalf of the beneficial owner, unless the beneficial owner in question has previously provided such a signed (non-notarized) power of attorney, which is valid until revoked by the beneficial owner. A processing fee of \$0.005 per share receiving relief via the standard refund process will be paid to the Bank of New York Mellon, as described further below. It typically takes between 6 and 18 months to receive a refund from the Spanish government. Please contact Acupay if you wish to request standard refund processing for any excess amounts withheld by the government of Spain.

Processing Fees

Tax relief processing via immediate quick refunds (on payment date) and quick refunds (to be paid by the 20th day of the following month) are subject to a processing fee of \$0.00125 per ADS, which will be deducted from the tax refunds on dividend payments to beneficial owners entitled to receive dividends at a Treaty-reduced rate.

Tax relief processing via the standard refund process is subject to a processing fee of \$0.005 per ADS, which will be deducted from the tax refund payments made to beneficial owners for whom refunds were successfully collected from the Spanish government.

Further Information and Contacts

By submitting EDS elections DTC participants agree that they will indemnify The Bank of New York Mellon/BBVA/Acupay and its agents for any liability that they may incur as a result of reliance upon information provided by such participant in such EDS elections. The DTC participant also agrees to return any funds erroneously received (including any income, penalties and additions to tax thereon) arising from its EDS elections.

Questions regarding the EDS process should be directed to Sean Bollers, Larry Bottiglieri or Rafael Neves of DTC's International Services at (212) 855-4706 or (212) 855-4386 or (813) 470-1255 respectively.

Questions regarding relief entitlements, obtaining relief directly from the Spanish Tax Authorities, or the Acupay System should be directed to Rosa Lopez at +1-212-422-1222 or Maria Mercedes at +44-207-382-0340 or by emailing info@Acupay.com.

Annex A

Spanish Tax Treaty Countries and Treaty Rates

Algeria	15%	Germany	15%	New Zealand	15%
Argentina	15%	Greece	10%	Norway	15%
Armenia*	18%	Hungary	15%	Philippines	15%
Australia	15%	Iceland	15%	Poland	15%
Austria	15%	India	15%	Portugal	15%
Azerbaijan*	18%	Indonesia	15%	Romania	15%
Belarus*	18%	Iran, Islamic Republic of	10%	Russia*	15%
Belgium	15%	Ireland	15%	Slovakia	15%
Bolivia	15%	Israel	10%	Slovenia	15%
Brazil	15%	Italy	15%	South Africa	15%
Bulgaria	15%	Japan	15%	Sweden	15%
Canada	15%	Kazakhstan*	18%	Switzerland	15%
Chile	10%	Korea, Republic of	15%	Tajikistan*	18%
China	10%	Kyrgyzstan*	18%	Thailand	10%
Croatia	15%	Latvia*	15%	Tunisia	15%
Cuba	15%	Lithuania*	15%	Turkey	15%
Czech Republic	15%	Luxembourg	15%	Turkmenistan*	18%
Denmark	15%	Macedonia, The Former Yugoslav Republic of	15%	Ukraine*	18%
Ecuador	15%	Malaysia	5%	United Arab Emirates	15%
Egypt	12%	Malta, Republic of	5%	United Kingdom	15%
Estonia*	15%	Mexico	15%	United States	15%
Finland	15%	Moldova, Republic of*	18%	Uzbekistan*	18%
France	15%	Morocco	15%	Venezuela	10%
Georgia*	18%	Netherlands	15%	Vietnam	15%

* The countries of the former USSR are covered together under treaty (Russia, Estonia, Lithuania and Latvia covered under separate treaties).