

ICO Loan Agreement

BBVA discounts invoices due from local authorities for SMEs and the self-employed

- **The *ICO Anticipo* credit line is designed to contribute to resolving the liquidity issues facing SMEs and self-employed professionals**
- **BBVA remains extremely committed to SMEs and the self-employed and is the leader in the institutional business with a market share of 14%**

Once again BBVA is ahead of the crowd. Today it signed a new collaboration agreement with Spain's official credit institute, the ICO, under which it will be in a position to offer its customers in the SME and self-employed segment with an innovative financial solution that will enable them to discount outstanding invoices with local authorities such as town councils and provincial and island governments. Today the bank is launching a campaign devised to reach as many companies as possible eligible to benefit from the terms of this innovative credit line, under the slogan: "collecting outstanding invoices from the local authorities is no longer a problem". In this way, BBVA is providing entrepreneurs with liquidity and offering real alternatives to suppliers working with local government.

BBVA, a benchmark in the SME and self-employed segment, has once again anticipated its customers' needs, providing them with highly competitive, innovative solutions devised to inject liquidity into companies by discounting the collection of invoices outstanding with the local authorities.

ICO's Advance or *Anticipo* line for businesses and the self-employed was approved by the Spanish government on April 23, 2009 as part of a package of measures designed to stimulate payment of local government debts with companies and professionals. This initiative, endowed with up to €3 billion, comprises a line of guarantees to enable discounting at banks of endorsed invoices payable to businesses and professionals for works and services rendered to local government.

This new marketing initiative is possible thanks to the speed with which BBVA has put in place the procedures and technology to enable its customers to take out these facilities under the terms and enjoying the benefits provided by the ICO.

In addition, BBVA will provide existing and potential customers with a free-phone advisory line to provide them with further information with which to consider the offer.

BBVA-ICO agreements

BBVA maintains its commitment to the ICO to provide project financing on preferential terms to small and medium sized companies.

Along these lines it is worth highlighting:

- **The 2009 ICO-SME Agreement.** The ICO's SME credit line provides financing on preferential terms to facilitate investment in new productive assets that enable small and medium sized companies to establish themselves, modernize or expand in Spain.
- **The 2009 ICO International Expansion Agreement.** This facility promotes investment in international expansion by Spanish SMEs.
- **The 2009 ICO SME Liquidity Agreement.** Endowed with over €10 billion (contributed 50% by the ICO and the remaining 50% by the financial entities), the goal of this facility is to help solvent and viable self-employed professionals and SMEs with their working capital requirements during the prevailing credit crunch.
- **The 2009 ICO Mid-Sized Company Liquidity Agreement.** With over €6 billion in available funding (contributed 50% by the ICO and the remaining 50% by the financial entities), the goal of this facility is to help solvent and viable medium sized companies, which due to their size do not qualify for the 2009 ICO SME Liquidity Agreement, with their working capital requirements during this transitory credit crunch.
- **The 2009 ICO Business Growth Agreement.** Endowed with over €600 million, this facility is earmarked to fund growth related investments by SMEs.