

A further step in the Asia Plan

BBVA opens an office in Mumbai strengthening its presence in Asia

- **BBVA has opened a representative office in Mumbai to initiate closer contacts with the Indian market and to support the Group's business operations in that country**
- **At present, the BBVA Group does business with major Indian companies, providing corporate and investment banking facilities as well as other specialised services such as project finance**
- **India is one of the fastest-growing countries in the world (growth is around 7% per year) and there is considerable potential for the development of financial services**
- **The Group is pursuing expansion in the Asia-Pacific area, which is one of its strategic areas for growth, following the recent agreement with CITIC Group**
- **BBVA now has branches or representative offices in the main financial and business centres in the region, ie, Tokyo, Shanghai, Beijing, Hong Kong, Singapore, Seoul, Taipei, Mumbai and Sydney.**

BBVA has received approval from the Reserve Bank of India to open a representative office in Mumbai, the country's main financial centre. This office is further step in the bank's Asia Plan, which was adopted in 2005. In less than two years it has established a presence in the main Asia-Pacific countries. Moreover, growth prospects in the region were boosted recently by an agreement with CITIC Group, opening the door to mainland China and Hong Kong.

The Mumbai office brings BBVA's growth strategy in the Asia-Pacific region (under the bank's Asia Plan) to the end of the current phase. Thus it will start 2007 with a presence in all the region's major financial and business centres. The Group had established this as a strategic objective back in February 2005.

India is one of the fastest-growing markets in the world, with GDP rising at around 7% per year, and there is considerable potential for development of financial services for corporate customers and private individuals.

The new representative office in Mumbai is the Group's first step in India. Together with China, this market is one of the bank's prime targets in the region.

This office, with five staff, will act as a bridge between the BBVA Group and its customers in the Indian market. Currently, the bank conducts trade and project finance business with large companies as well as structured and bilateral finance, and syndicated credit operations. These activities are part of corporate and investment banking.

The bank's present business in India amounts to more than €200m and it hopes to add to this figure in 2007. In 2006 the Group signed an agreement on money transfers with India's biggest private bank, ICICI.

2006 – A decisive year in the Asia Plan

The latest approval will strengthen BBVA's growth strategy in the Asia-Pacific region. In 2006 this strategy was boosted by new branches and offices in practically all the main financial centres and by the agreement reached with CITIC Group for operations in mainland China and Hong Kong.

In two years, BBVA has set up a network of branches and offices in the principal financial centres:

- Japan – Tokyo (branch)
- China – Shanghai and Beijing (rep offices)
- Hong Kong (branch)
- Singapore (branch)
- Korea – Seoul (rep office)
- Taiwan – Taipei (rep office)
- India – Mumbai (rep office)
- Australia – Sydney (rep office)

In November, an agreement with CITIC Group complemented the process of growth via branches and offices and made BBVA one of the international financial groups with a presence in the Chinese market. Under the agreement, BBVA becomes a partner of China CITIC Bank (one of the main commercial banks in that country) and of Citic International Financial Holdings in Hong Kong.

Thus in two years, BBVA has completed its growth strategy in the Asia-Pacific region, becoming the leader among other Spanish and Latin-American groups in that area. And it will have tripled the number of staff in the region the beginning of 2005, to 150 at the end of this year.