
BBVA Compass FDIC Assisted Acquisition of Guaranty Bank

*Strategic acquisition further strengthens leading position
in high-growth Sunbelt markets*

August 21, 2009

Disclaimer

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, BBVA Compass or of its management on the date thereof, 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 other relevant factors 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 result in actual events differing from the information and intentions stated, projected or forecast in this document and other past or future documents. BBVA and BBVA Compass do 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.

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.

Contents

- **Transaction rationale**
- **Sunbelt franchise overview**
- **Transaction terms**
- **Loss share agreement**
- **Integration**
- **Conclusions**

Transaction rationale

- **Further strengthens BBVA Compass position in high-growth Sunbelt Region**

- Creates the 15th largest U.S. commercial bank
- Adds 164 branches, \$12.0 billion in assets, \$11.5 billion in deposits

- **Significantly bolsters BBVA Compass existing presence in Texas**

- Solidifies ranking as 4th largest bank in Texas
- Deposit market share of 6.4%

- **Extends general banking business in attractive California market**

- **Opportunity to sell BBVA Compass' broad array of innovative products and services to Guaranty customer base**

Transaction Rationale (cont.)

- **Opportunity to improve branch operating efficiency levels**

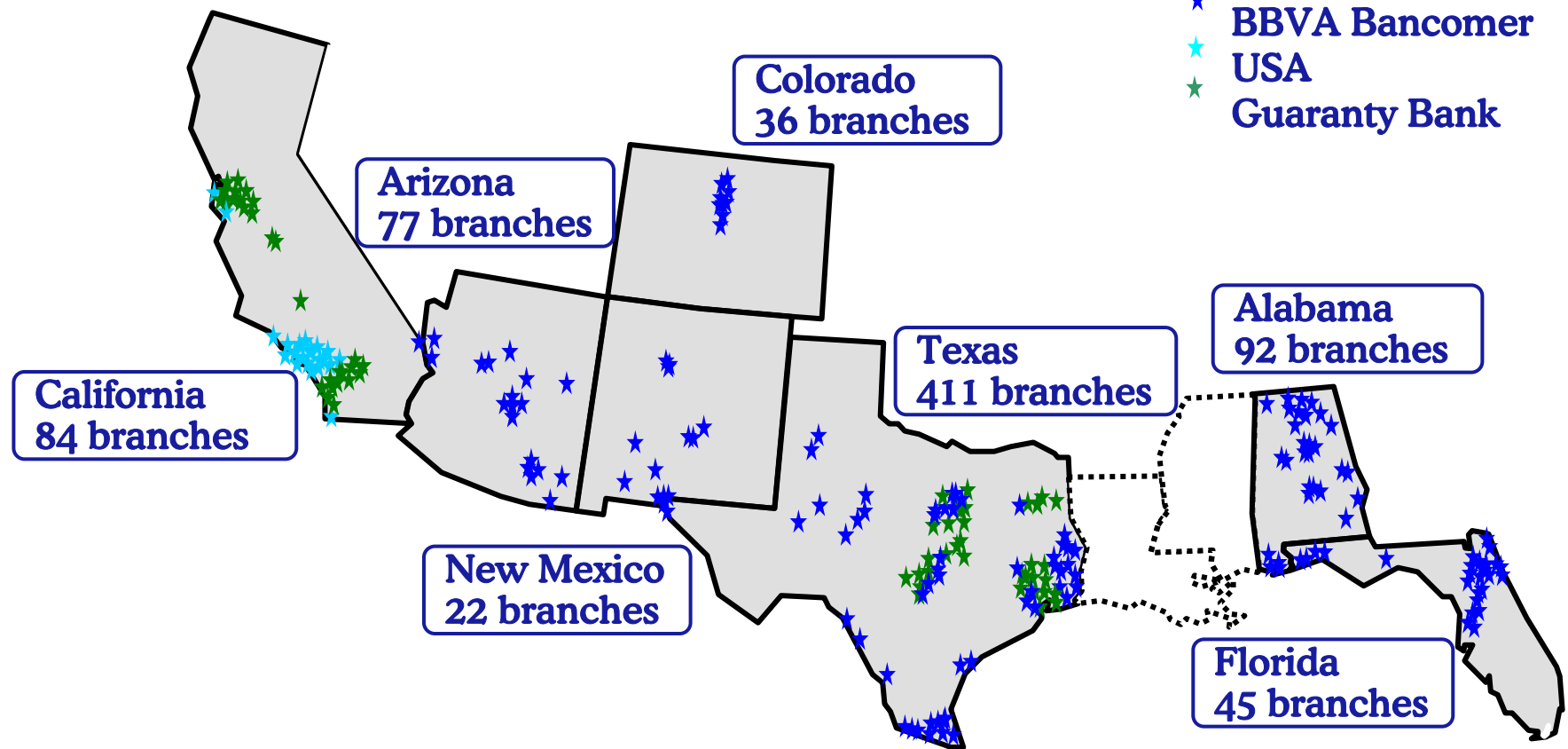
- **Low-risk transaction**

- **Good understanding of markets**
- **FDIC loss sharing substantially eliminates credit risk from legacy assets**
- **BBVA Compass and Guaranty share common operating systems**

- **Financially attractive acquisition**

BBVA's U.S. Sunbelt Franchise

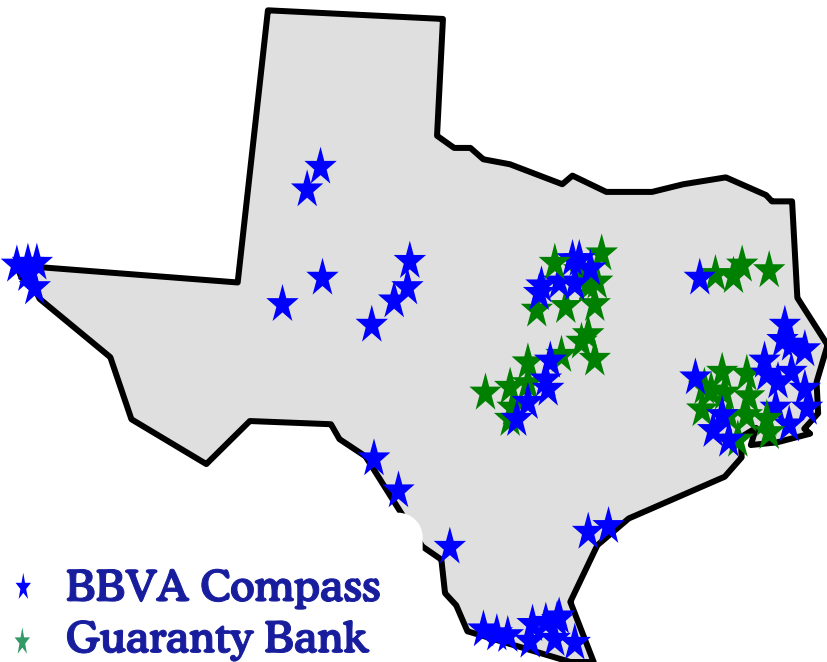
- ★ BBVA Compass
- ★ BBVA Bancomer
- ★ USA
- ★ Guaranty Bank



State	Deposit Mkt Share	State Rank
Texas	6.4%	4th
Alabama	9.9%	3rd
Arizona	3.8%	5th
Florida	0.6%	23rd

State	Deposit Mkt Share	State Rank
Colorado	1.2%	19th
New Mexico	2.8%	8th
California	0.3%	28th

Texas Franchise



Texas Deposit Ranking

Company	Deposits \$ bn	# of Branches
Bank of America	122.8	470
JPMorgan Chase	77.0	731
Wells Fargo	45.1	832
BBVA Compass	29.2	420
BBVA Compass*	22.4	317
Cullen Frost	10.8	127

Major Texas Metropolitan Statistical Areas

MSA	Deposits \$ bn	Rank	Market Share	Pop Growth 2009-14 (est)
Dallas/Ft Worth	7.3	4 th	3.8%	11.9%
Houston	7.5	4 th	6.9	11.5
Austin	2.0	4 th	9.6	16.5
San Antonio	1.4	4 th	7.2	9.7

* BBVA Compass prior to acquisition of Guaranty Bank Source:SNL Securities, deposit rankings based on June 2008 data

Terms of the transaction

Transaction:

- **BBVA Compass has acquired certain assets and liabilities from the FDIC as receiver of Guaranty Bank**
 - Loss sharing agreement with FDIC
 - No holding company assets or liabilities acquired
- **Purchasing \$12.0 billion of assets with \$9.7 billion covered by FDIC loss share agreement**
- **Assuming \$11.5 billion of deposits and \$2.0 billion of other liabilities**
- **\$1.6 bn of cash and other non-credit related assets**
- **\$0.7 bn agency securities and other investments**

Approvals:

- **Regulatory approvals received**

Capital ratios:

- **BBVA Compass will continue to maintain regulatory capital ratios above “well-capitalized” guidelines**

Status:

- **Closed on August 21**
- **Branches open for business on August 22**

Loss share agreement

Total assets acquired: ▪ \$12.0 billion

Loss share assets: ▪ \$9.7 billion

Covered assets – Loss share agreement (\$9.7 bn of assets):

- FDIC assumes 80% of losses between \$0.0 and \$2.3 billion
- FDIC assumes 95% of losses over \$2.3 bn
- If losses are less than \$2.3 bn, some of our upside may be shared with the FDIC

Uncovered assets (\$2.3 bn of assets):

- \$1.6 bn of cash and other non-credit related assets
- \$0.7 bn agency securities and other investments
 - ❑ Agency securities were purchased at FMV; therefore no losses will be incurred

Integration Plan

▪ **BBVA Compass “Buddies” on site in Guaranty Bank branches**

- Will provide support to customers and employees
- Arrive on-site Monday and will remain for one week
- Welcome letters prepared to mail to customers immediately

▪ **Seamless and smooth transition**

- **Branch network will be integrated into BBVA Compass branch structure**
 - Two new districts in Texas
 - One region and 4 districts in California
- **Isolate and effectively manage impaired loan portfolio separately**

▪ **Highly experienced integration team**

- **Convert Guaranty branches to BBVA Compass’ operating systems early in 2010 if not before**
- **BBVA Compass completed 3 integrations in 2008 in less than 8 months; almost identical size and scope**
- **BBVA has completed more than 150 integrations**
- **Support and resources of BBVA Group**

Integration Plan (cont.)

▪ Retail Banking

- Leverage BBVA Compass' broader array of deposit products
- Introduce a consumer lending program
 - Mortgages
 - Credit cards
 - Other consumer lending products
- Instill BBVA Compass' leading SBA program
- Improve cross-sell and efficiency ratios

▪ Wealth Management

- Completely new offerings for Guaranty customers

▪ Corporate Banking

- Implement credit risk procedures, tools and methodologies
- Enhanced product line - interest rate risk protection products
- Instill active lending programs as part of BBVA Compass
- Access to higher tier of clients and international companies

Conclusions

Strategic, low risk financially attractive transaction

Strengthens position in high growth Sunbelt Region

Solidifies Texas franchise primarily in major MSA's

Significant opportunity to enhance revenue/efficiency

Low risk integration headed by experienced team