BBVA DCM DAY

Erik Schotkamp

London, March 4th, 2014
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 other 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 counterparties. 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 estimates.

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.
1 Strong operating performance

2 Ready for upcoming regulation
BBVA has a well diversified revenue base

Breakdown of gross income 12M13 %

- Spain: 26%
- USA: 29%
- Mexico: 10%
- Rest of Europe: 3%
- South America: 4%
- Turkey: 1%
- Asia: 27%

Developed
- Weight: 40%
- YoY change: -7.0%

Emerging
- Weight: 60%
- YoY change: +16.1%

BBVA has a unique exposure to recovering developed markets and resilient and high potential emerging markets

Note: excludes Holding. YoY variation in constant €
This diversification allows us to have recurring revenues, even during the crisis.

Net interest income + fees
€m

-2.2%

+3.5% constant €

17,183
19,476
19,044
2011 2012 2013

Gross income(1)
€m

-2.3%

+2.6% constant €

19,528
21,892
21,397
2011 2012 2013

Top line growth accelerating in 4Q13

(1) 2011 and 2012 data adjusted according to 2013 P&L reclassification of corporate transactions
A cost management approach adapted to each region

Efficiency Ratio 9M13 (1) (%)

<table>
<thead>
<tr>
<th>Peer</th>
<th>Developed</th>
<th>€</th>
<th>Peer</th>
<th>Emerging</th>
<th>€</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peer 1</td>
<td>46</td>
<td>€94</td>
<td>Peer 1</td>
<td>94</td>
<td>€114</td>
</tr>
<tr>
<td>Peer 2</td>
<td>48</td>
<td>€90</td>
<td>Peer 2</td>
<td>90</td>
<td>€110</td>
</tr>
<tr>
<td>BBVA</td>
<td>51</td>
<td>€87</td>
<td>Peer 3</td>
<td>77</td>
<td>€91</td>
</tr>
<tr>
<td>Peer 3</td>
<td>51</td>
<td>€87</td>
<td>Peer 4</td>
<td>71</td>
<td>€84</td>
</tr>
<tr>
<td>Peer 4</td>
<td>61</td>
<td>€68</td>
<td>Peer 5</td>
<td>71</td>
<td>€84</td>
</tr>
<tr>
<td>Peer 5</td>
<td>63</td>
<td>€68</td>
<td>Peer 6</td>
<td>72</td>
<td>€84</td>
</tr>
<tr>
<td>Peer 6</td>
<td>68</td>
<td>€68</td>
<td>Peer 7</td>
<td>71</td>
<td>€84</td>
</tr>
<tr>
<td>Peer 7</td>
<td>71</td>
<td>€68</td>
<td>Peer 8</td>
<td>71</td>
<td>€84</td>
</tr>
<tr>
<td>Peer 8</td>
<td>71</td>
<td>€68</td>
<td>Peer 9</td>
<td>72</td>
<td>€84</td>
</tr>
<tr>
<td>Peer 9</td>
<td>72</td>
<td>€68</td>
<td>Peer 10</td>
<td>75</td>
<td>€84</td>
</tr>
<tr>
<td>Peer 10</td>
<td>75</td>
<td>€68</td>
<td>Peer 11</td>
<td>77</td>
<td>€84</td>
</tr>
<tr>
<td>Peer 11</td>
<td>77</td>
<td>€68</td>
<td>Peer 12</td>
<td>87</td>
<td>€94</td>
</tr>
<tr>
<td>Peer 12</td>
<td>87</td>
<td>€68</td>
<td>Peer 13</td>
<td>90</td>
<td>€94</td>
</tr>
<tr>
<td>Peer 13</td>
<td>90</td>
<td>€68</td>
<td>Peer 14</td>
<td>94</td>
<td>€94</td>
</tr>
</tbody>
</table>

Note: excludes Corporate Center

(1) European Peer Group: BARCL, BNPP, CASA, CMZ, CS, DB, ISP, HSBC, LBG, RBS, SAN, SG, UCI and UBS
High and recurring operating income: the best buffer to absorb losses

BBVA operating income\(^{(1)}\) vs. provisions and impairment of non-financial assets
(€ Bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>BBVA Operating Income</th>
<th>Provisions and Impairment</th>
<th>Operating Profit / RWA in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>9.6</td>
<td>-1.9</td>
<td>3.6%</td>
</tr>
<tr>
<td>2008</td>
<td>10.5</td>
<td>-3.0</td>
<td>3.7%</td>
</tr>
<tr>
<td>2009</td>
<td>12.3</td>
<td>-7.0</td>
<td>4.2%</td>
</tr>
<tr>
<td>2010</td>
<td>11.9</td>
<td>-5.2</td>
<td>3.8%</td>
</tr>
<tr>
<td>2011</td>
<td>10.6</td>
<td>-6.1</td>
<td>3.2%</td>
</tr>
<tr>
<td>2012</td>
<td>12.2</td>
<td>-9.1</td>
<td>3.7%</td>
</tr>
<tr>
<td>2013</td>
<td>10.6</td>
<td>-6.3</td>
<td>3.3%</td>
</tr>
</tbody>
</table>

(1) 2012 adjusted by income from discontinued operations. 2013 also adjusted by the income from the equity method and dividends coming from Citic.

Facing a new earnings growth cycle as provisions progressively normalize from 2012’s peak.

Operating income/ATAs
BBVA vs. European peer group\(^{(2)}\) 9M13 (%)

- Peers average: 0.8%
- BBVA: 1.7%

(2) European peer group includes: BARCL, BNPP, CASA, CMZ, CS, DB, HSBC, ISP, LBG, RBS, SAN, SG, UBS and UCI.
Risk: Spain as the driver of improving credit quality

In Spain we have seen the worst. NPAs will progressively come down during 2014 and provisions will continue to normalize.

(1) Risk figures exclude real estate activities.
2013: the beginning of a new earnings growth cycle

<table>
<thead>
<tr>
<th>€m</th>
<th>12M13</th>
<th>Abs.</th>
<th>%</th>
<th>% constant</th>
</tr>
</thead>
<tbody>
<tr>
<td>BBVA Group</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Interest Income</td>
<td>14,613</td>
<td>-509</td>
<td>-3.4</td>
<td>2.7</td>
</tr>
<tr>
<td>Gross Income</td>
<td>21,397</td>
<td>-495</td>
<td>-2.3</td>
<td>2.6</td>
</tr>
<tr>
<td>Operating Income</td>
<td>10,196</td>
<td>-910</td>
<td>-8.2</td>
<td>-3.0</td>
</tr>
<tr>
<td>Income Before Tax</td>
<td>2,750</td>
<td>+2,002</td>
<td>n.s.</td>
<td>n.s.</td>
</tr>
<tr>
<td>Corporate Operations Income</td>
<td>823</td>
<td>-480</td>
<td>-36.8</td>
<td>-36.2</td>
</tr>
<tr>
<td>Net Attributable Profit</td>
<td>2,228</td>
<td>+552</td>
<td>32.9</td>
<td>55.1</td>
</tr>
</tbody>
</table>

Limited impact from FX volatility thanks to active hedging policy

Note: Earnings are presented this way to show the development of recurring business. The reconciliation with the official earnings statement is shown on page 47 of the quarterly financial report.
1 Strong operating performance

2 Ready for upcoming regulation
Regulatory challenges: from core capital to leverage and loss absorption capacity

- Short-term ratio: LCR
- Long-term ratio: NSFR
- BIS 3 leverage ratio
- BIS 3 Core Capital
- RWAs density
- MREL\(^{(1)}\) / LAC \(^{(2)}\)
- MDA

BBVA comfortably accomplish LCR and NFSR ratios

\(^{(1)}\) Minimum Requirements for Own Funds and Eligible Liabilities
\(^{(2)}\) Loss Absorption Capacity
Solid position of the Euro balance sheet

Reduced financing requirements

Liquidity gap reduced €33bn
(€ balance sheet, 12M13)

LTD ratio 124%
(99% with covered bonds)

Change in funding mix

• Higher proportion of cust. funds +€8.3bn
• Reduction of LTRO -€20bn

Issuance activity

• Issues with longer maturities and lower cost
• Pioneers in AT1 issue under BIS III

Improved balance sheet structure
Sound liquidity position in all other franchises thanks to BBVA’s decentralized management model

- Independent ratings and liquidity management
- Market discipline and proper incentives
- Firewalls between subsidiaries and the parent company
- Supervision and control by parent company
- Proven resilience during the crisis

**USA**
- Loan to deposits (Dec-13) 93%

**Mexico**
- Loan to deposits (Dec-13) 98%

**South America**
- Loan to deposits (Dec-13) 85%
Since 2007, BBVA has more than doubled its Core Capital and increased by more than 600 bps its Core Capital ratio.

(1) Ratios as of Dec. 13 including DTAs and the sale of 5.1% of CNCB; (2) 145bp capital generation under BIS III: +71 bp from 5.1% CNCB stake sale, +55 bp from Latam pension businesses, +6 bp from BBVA Panama and +13bp from the transaction on the life insurance portfolio in Spain.
BBVA stands out for the quality of its capital and its low leverage

<table>
<thead>
<tr>
<th>RWAs / Total Assets (%)</th>
<th>BBVA Group vs. European Peer Group (1) Sep. 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>BBVA</td>
<td>54</td>
</tr>
<tr>
<td>Peer 1</td>
<td>46</td>
</tr>
<tr>
<td>Peer 2</td>
<td>44</td>
</tr>
<tr>
<td>Peer 3</td>
<td>43</td>
</tr>
<tr>
<td>Peer 4</td>
<td>42</td>
</tr>
<tr>
<td>Peer 5</td>
<td>36</td>
</tr>
<tr>
<td>Peer 6</td>
<td>33</td>
</tr>
<tr>
<td>Peer 7</td>
<td>32</td>
</tr>
<tr>
<td>Peer 8</td>
<td>31</td>
</tr>
<tr>
<td>Peer 9</td>
<td>30</td>
</tr>
<tr>
<td>Peer 10</td>
<td>26</td>
</tr>
<tr>
<td>Peer 11</td>
<td>25</td>
</tr>
<tr>
<td>Peer 12</td>
<td>21</td>
</tr>
<tr>
<td>Peer 13</td>
<td>18</td>
</tr>
<tr>
<td>Peer 14</td>
<td>16</td>
</tr>
</tbody>
</table>

Peer group average: **32%**

<table>
<thead>
<tr>
<th>CRD IV fully loaded Leverage ratio (2) BBVA Group vs. Peer Group (1) Dec. 2013 (3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>BBVA</td>
</tr>
<tr>
<td>Peer 1</td>
</tr>
<tr>
<td>Peer 2</td>
</tr>
<tr>
<td>Peer 3</td>
</tr>
<tr>
<td>Peer 4</td>
</tr>
<tr>
<td>Peer 5</td>
</tr>
<tr>
<td>Peer 6</td>
</tr>
<tr>
<td>Peer 7</td>
</tr>
<tr>
<td>Peer 8</td>
</tr>
<tr>
<td>Peer 9</td>
</tr>
<tr>
<td>Peer 10</td>
</tr>
<tr>
<td>Peer 11</td>
</tr>
<tr>
<td>Peer 12</td>
</tr>
<tr>
<td>Peer 13</td>
</tr>
<tr>
<td>Peer 14</td>
</tr>
</tbody>
</table>

Peer group average: **3.7%**

(1) European Peer Group: BARCL, BNPP, CASA, CMZ, CS, DB, ISP, HSBC, LBG, RBS, SAN, SG, UCI and UBS
(2) SAN does not specify if the Leverage ratio is fully loaded or phased in. UBS leverage ratio reported under Swiss regulation
(3) Except for RBS (Data as of September 2013)
BBVA has increased its RWAs in line with the business cycle.

European Peer Group: BARCL, BNPP, CASA, CMZ, CS, DB, ISP, HSBC, LBG, RBS, SAN, SG, UCI and UBS.
High quality of capital reflected in the evolution of its TBV per share

Tangible Book Value per share
BBVA Group vs. European Peer Group average
(Base 100 = 2006)

European Peer Group: BARCL, BNPP, CASA, CMZ, CS, DB, ISP, HSBC, LBG, RBS, SAN, SG, UCI and UBS.
EU progress towards a real Banking Union

Single Supervisory Mechanism (SSM)  Effective from Nov-2014
Single Resolution Mechanism (SRM)  Likely to be effective in 2016
Common Deposit Guarantee Scheme  Pending

Comprehensive Assessment: A decisive step for the Banking Union

Risk Assessment (RAS)
- Assessment of **key risk factors** (liquidity, funding and leverage)

Balance Sheet Assessment (BSA) (Including "Asset Quality Review" -AQR-)
- Assessment of **asset valuations**, classification of **non-performing exposures**
- Main **input** of the Stress Test

Stress test (Led by EBA)
- Loss absorption capacity
- Joint exercise: **EBA and ECB**

In progress  Joint publication by November 2014

BBVA has a comfortable capital buffer to face the upcoming stress tests
In Europe we already have a Recovery and Resolution Directive proposal

1. The Recovery and Resolution Directive proposal provides a common loss absorption framework

2. The Directive proposal is an important milestone to break the sovereign-banking link (8% bail-in + 5% resolution fund)

3. BBVA has one of the highest percentages of capital and loss absorption instruments over total liabilities

(Equity + Subordinated liabilities) / (Total Liabilities - Derivatives) (1), (2)

BBVA Peer 1 Peer 2 Peer 3 Peer 4 Peer 5 Peer 6 Peer 7 Peer 8 Peer 9 Peer 10 Peer 11

10.4% 9.3% 9.0% 8.8% 8.3% 7.4% 7.1% 6.5% 6.4% 5.6% 5.2% 4.8% 8%

The RRD is an important milestone to break the sovereign-banking link

(1) Data as of June, 2013, except for BBVA as of December, 2013. Consolidated figures
(2) European Peer Group: BARCL, BNPP, CASA, CMZ, DB, ISP, HSBC, LBG, SAN, SG and UCI.
BBVA's rating does not properly reflect its capital adequacy and credit worthiness.

Each bank’s fundamentals and liability structures (LAC) will become more relevant under the new resolution regimes.

Credit Rating according to S&P; European Peer Group: BARCL, BNPP, CASA, CMZ, CS, DB, ISP, HSBC, LBG, RBS, SAN, SG, UCI, and UBS
However credit investors do recognise BBVA’s strengths.

Since June 2012, BBVA’s CDS has shown one of the best performance vs. European CDS.

Source: Bloomberg Data as of March 3, 2014.
... proving that BBVA’s credit is perceived as strong.

Investor’s decisions are based on credit fundamentals, not on credit ratings.

€1.5 Bn AT1 Issue: BBVA second new style AT1 transaction after inaugurating the market in May 2013

<table>
<thead>
<tr>
<th>Size</th>
<th>Coupon</th>
<th>Type</th>
<th>Final Order Book</th>
<th>Current yield (1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR 1.5bn</td>
<td>7%</td>
<td>Equity conversion with single 5.125% CET1 trigger</td>
<td>&gt;EUR 14bn</td>
<td>6.71%</td>
</tr>
</tbody>
</table>

- Highly diversified international demand involving > 650 investors
- The largest ever EUR CRR/CRDIV AT1 orderbook in volume and in number of investors participating
- The lowest coupon in any CRR/CRDIV AT1 transaction.

Investors have shown their confidence on BBVA’s capital position highly demanding the product

(1) Source: Bloomberg Data as of March 3, 2014.
Rational for the issuance; the Value of AT1 under CRD IV

Calibrating the optimal T1 capital composition
Example of a fully-phased capital structure with a 3.5% Combined Buffer Requirement

- **AT1 contributes to release CET1 counting for the Combined Buffer Requirement**:
  - If no AT1 capital is held, the 1.5% AT1 minimum regulatory requirement must be met with CET1 before calculating the CBR
  - And as a result, inclusion of 1.5% RWAs in AT1 in an end state capital structure mitigates the risk of mandatory restrictions on discretionary distributions under Art. 141 of CRD IV:
    - In the absence of AT1 or T2 capital, a bank with 11.5% of CET1 and a 3.5% CBR will therefore be operating at the margins of mandatory distribution restrictions
    - Fully applicable / phased-in capital requirements from 2019

- **Concluding: in an efficient capital structure, holding 1.5% of AT1 makes a valuable contribution to organic capital generation**:
  - Below cost of equity
  - Non-dilutive (2)
  - Tax deductible distributions under Spanish regulation

---

(1) BBVA’s CBR is currently expected to consist of 2.5% Capital Conservation Buffer (CCB) at both levels and of 1.0% G-SIB Buffer at Group level only

(2) Except upon contingent conversion events
In sum, BBVA has a distinct position to face future challenges.

| Earnings                                      | ✓ High growth potential emerging economies, recovering developed economies  
|                                               | ✓ Improving profitability and asset quality                                |
| Regulation                                    | ✓ Strong capital generation with low leverage                             
|                                               | ✓ High loss absorption capacity                                          
|                                               | ✓ Leadership in new regulation of loss absorption new instruments         |
| Customer expectations                         | ✓ Well ahead in the bank’s digitalization process                        
|                                               | ✓ Principle-based profitability                                          |

Ready to deliver sustainable profit growth