BBVA Creating Opportunities

Fixed Income Presentation

2017

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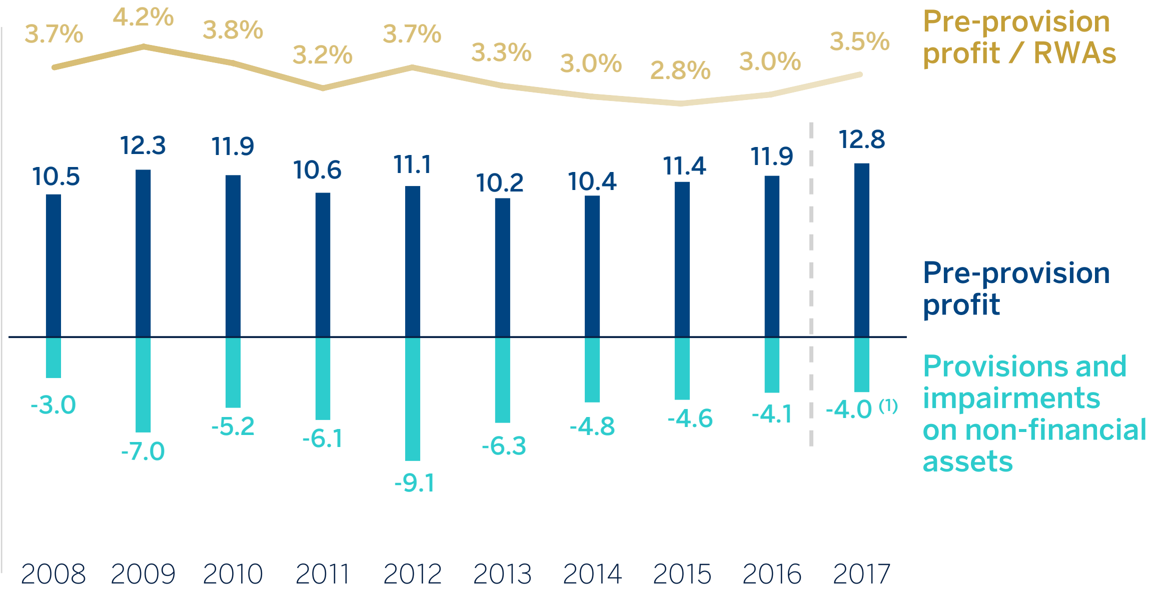
01

BBVA's Strengths & 2017 Financial Highlights

BBVA's Strengths

Resilience and Low Earnings Volatility

(€ bn, %)



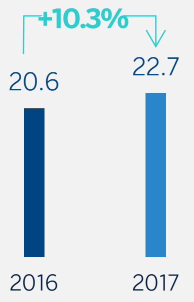
(1) Excluding Telefónica one off impairment (€-1,123m)

Profit generation all through the crisis years

2017 Highlights

Core revenues growth

Net interest income and fees
(€ bn, constant)



Cost control

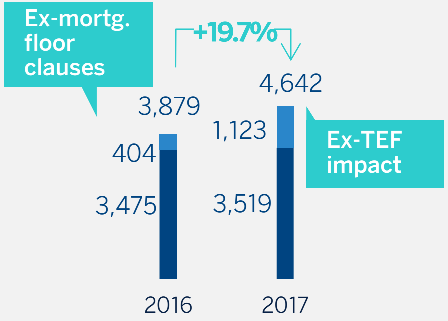
Gross income vs. Op. Expenses
(YtD, %, € constant)

Gross Income
+7.9%
vs. 2016

Operating Expenses
+2.2%
vs. 2016

Increasing results

Group Net Attributable Profit
(€ m, constant)



Sound asset quality

NPL	4.4%
Cost of Risk (YtD)	0.87%
Coverage	65%

Strong capital & liquidity ratios

CET1

(Fully-loaded) 11.1%

(Phased-In) 11.7%

LEVERAGE RATIO

(Fully-loaded) 6.5%

LIQUIDITY COVERAGE RATIO (BBVA Group)

128%

Delivering on our transformation

28% **Digital sales**
Dec-17[1]

17.7m **Mobile customers**
Dec-17

(1) % of total sales in 2017, # of transactions

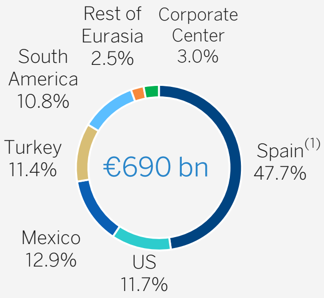
02

Diversified Footprint

Well diversified footprint with high growth prospects

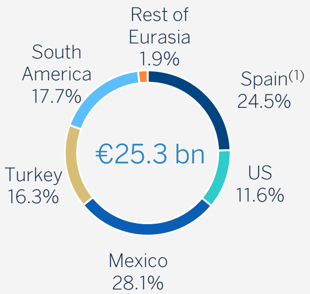
Breakdown by Business Area

Total Assets
Dec.17



64%(2) Developed Markets

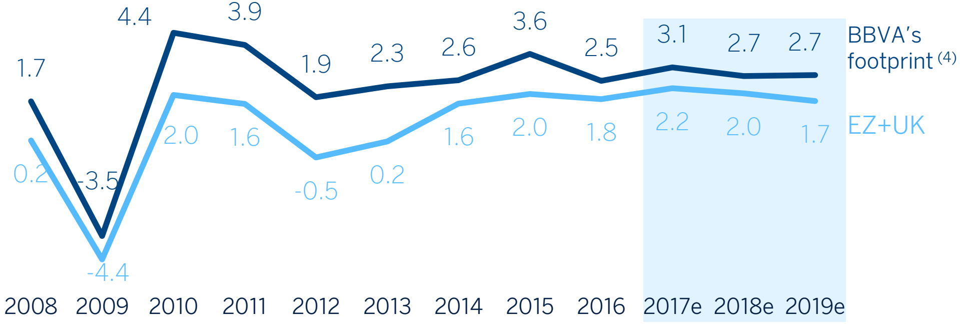
Gross Income(3)
2017



38% Developed Markets

(1) Includes the areas Banking activity in Spain and Non Core Real Estate; (2) Excludes Corporate Center; (3) Percentages exclude the Corporate Center (2017 Gross Income of €73m)

Higher Growth Prospects
GDP growth (YoY, %)



Leadership positioning
Market share (in %) and ranking (5)

SPAIN #2	USA (Sunbelt) #4	MEXICO #1
14.5%	6.0%	23.0%

TURKEY #2	S.AMERICA (ex Brazil) #1
11.1%	10.3%

(4) BBVA's footprint GDP growth: weighted by each country contribution to Group's Gross Income. Source: BBVA Research.
(5) Loans' market shares except for USA (Deposits). **Spain** based on BoS (Dec.17) and ranking by AEB and CECA; **Mexico** data as of Nov.17 (CNBV); **S. America** (Nov.17), ranking considering main peers in each country; **USA**: SNL (Jun.17) considering Texas and Alabama; **Turkey**: BRSA performing loans; market share as of Dec.17; ranking (Sept.17) only considers private banks

Business areas in 2017

SPAIN Banking activity

NET ATTRIBUTABLE PROFIT (12M17)

1,381 €m

+52.7% vs. 12M16

NPL RATIO Dec.17

5.2% vs. 5.8% Dec.16

COST OF RISK Dec.17 (YtD)

0.31% vs. 0.32% Dec.16 (YtD)

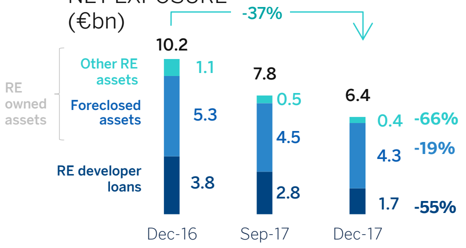
Non Core Real Estate

NET ATTRIBUTABLE PROFIT (12M17)

-501 €m

-15.8% vs. 12M16

NET EXPOSURE (€bn)



USA constant €

NET ATTRIBUTABLE PROFIT (12M17)

511 €m

+14.6% vs. 12M16

NPL RATIO Dec.17

1.2% vs. 1.5% Dec.16

COST OF RISK Dec.17 (YtD)

0.42% vs. 0.37% Dec.16 (YtD)

MAIN MESSAGES

- Slight decrease in activity YoY (-1.1%) as growth in consumer and commercial loans offset by deleverage in mortgages and public sector
- NII evolution in line with expectations (-3.6% YoY)
- Customer spread increased by +6 bps in 2017 thanks to continued focus on profitable growth and lower funding cost
- Cost and impairments reductions as the main P&L drivers:
  - Cost reduction accelerates (- 5.6 YoY) thanks to CX synergies and ongoing efficiency measures
  - Sound asset quality indicators, with CoR better than expected

- Significant reduction of the net exposure in the year, mainly thanks to wholesale transactions
- Net losses in 2017 decreased by 15.8%, even after the negative impact of the update of RE assets provision model parameters in 4Q17
- Cerberus deal (closing expected in 3Q18) will reduce almost entirely the exposure to REOs

- Profitable growth strategy, with a focus on the consumer portfolio
- Positive earnings momentum maintained
  - Strong revenue growth on the back of rate increases
  - Efficiency improvement vs 2016
  - Negative one-off from tax reform in 4Q17 (€-78 m). Pay back expected in 2018
  - CoR better than expected, despite the impact from hurricanes provisions

Business areas in 2017

MEXICO constant €

NET ATTRIBUTABLE PROFIT (12M17)

2,162 €m

+12.7% vs. 12M16

NPL RATIO Dec.17

2.3% vs. 2.3% Dec.16

COST OF RISK Dec.17 (YtD)

3.30% vs. 3.40% Dec.16 (YtD)

MAIN MESSAGES

- +5.5% YoY loan growth, slowdown explained by FX impact on USD book and prepayments in the commercial portfolio in 4Q17
- Sustained growth in all P&L lines, with outstanding growth of core revenues: NII + fees grow close to double digit
- Continued positive operating jaws and best in class efficiency
- Stability of risk indicators; better than expected CoR evolution
- Double digit P&L bottom line growth

TURKEY constant €

NET ATTRIBUTABLE PROFIT (12M17)

826 €m

+70.0% vs. 12M16

NPL RATIO Dec.17

3.9% vs. 2.7% Dec.16

COST OF RISK Dec.17 (YtD)

0.82% vs. 0.87% Dec.16 (YtD)

- High growth in TRY loans, supported by the Credit Guarantee Fund
- Strong core revenue growth (NII and fees). Higher contribution from CPI linkers in 4Q17 due to inflation rate revision (€+141m)
- Cost growth below inflation; improving efficiency
- 2017 CoR better than expected
- Outstanding growth across the board in P&L

SOUTH AMERICA constant €

NET ATTRIBUTABLE PROFIT (12M17)

861 €m

14.0% vs. 12M16

NPL RATIO Dec.17

3.4% vs. 2.9% Dec.16

COST OF RISK Dec.17 (YtD)

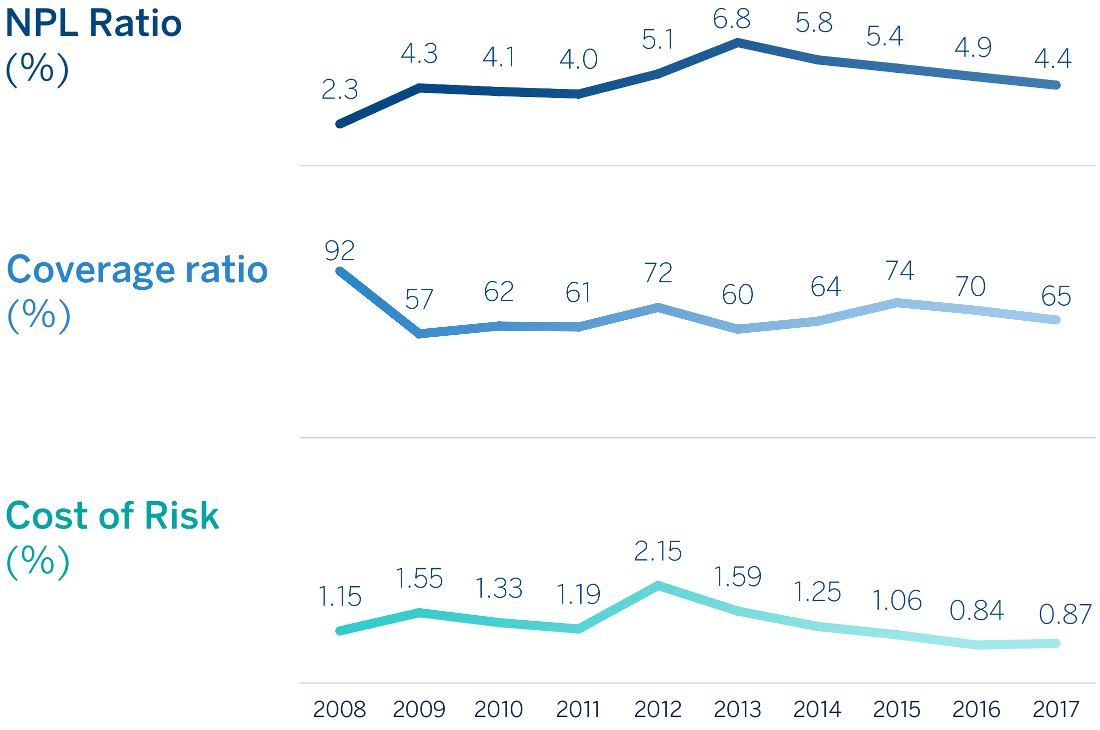
1.32% vs. 1.15% Dec.16 (YtD)

- Double digit loan growth supported by Argentina and Colombia
- Mid-teens growth in core revenues due to higher lending activity
- Positive operating jaws and costs growing in line with inflation ex-Venezuela
- Asset quality and CoR better than expected
- Top line growth translated into the bottom-line

03

Asset Quality

Asset Quality: continued improvement after the crisis



Risk Framework

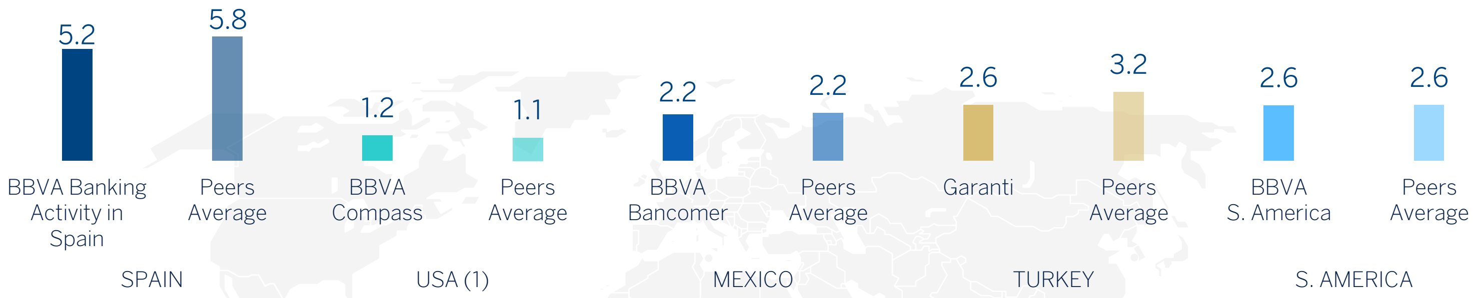
A Risk Management Model based on prudence and proactivity

Risk Management Goal

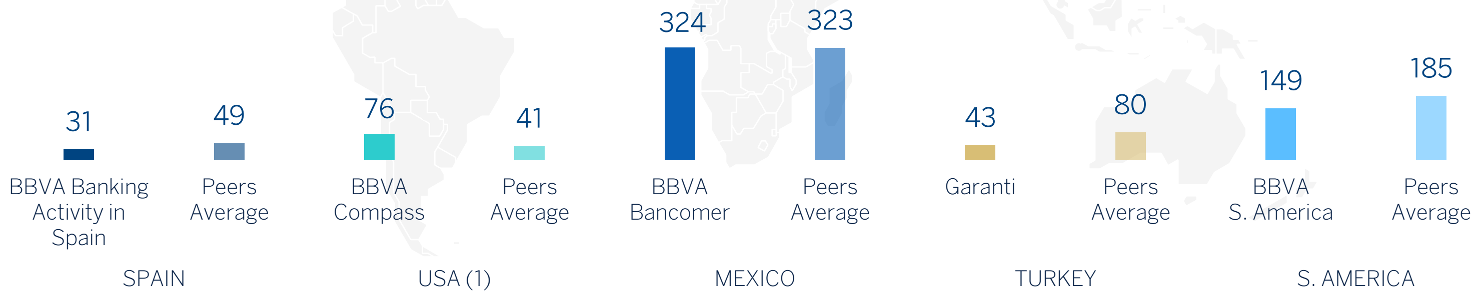
To preserve the Group's solvency, support its strategy and ensure business development

A prudent risk profile

NPL ratio (%)



Cost of Risk (bps)



Figures according to local data to ensure comparability. Figures as of Dec.17 for Spain; As of Sept.17 Turkey and USA; As of Nov.17 for South America and Mexico.
(1) USA figures refer to Compass for comparison purposes.

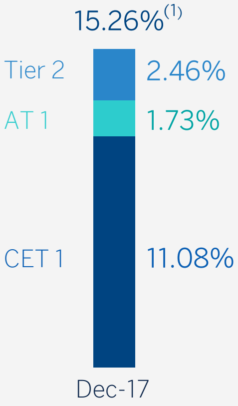
04

Capital

Sound capital position and proven ability to generate capital

FL Capital Ratios BBVA Group

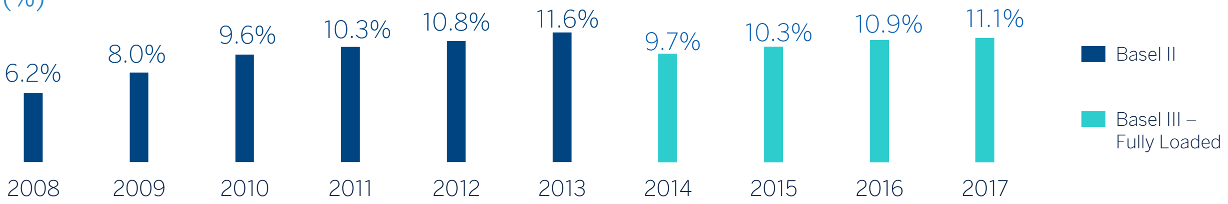
Dec.17 (%)

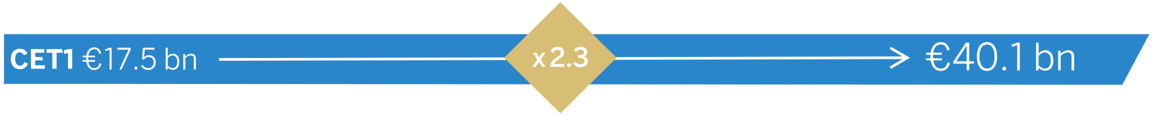


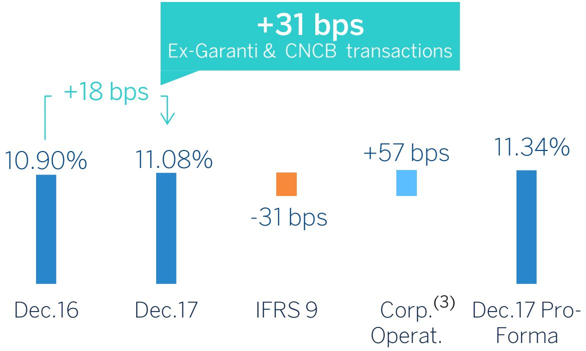
- CET1 FL above our 11% Target
- 1.5% AT1 and 2% T2 buckets already covered on a FL basis
- The USD 1 bn AT1 Issuance (Nov.17), is not included in Dec.17 ratios [2] . Including this issuance AT1 ratio would stand at 1.96%

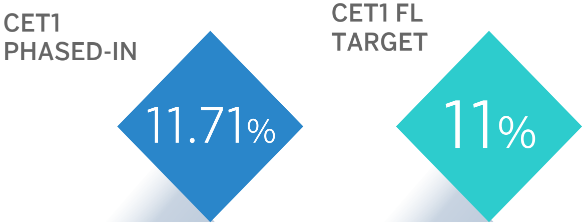
CET1 FL Ratio – BBVA Group

(%)







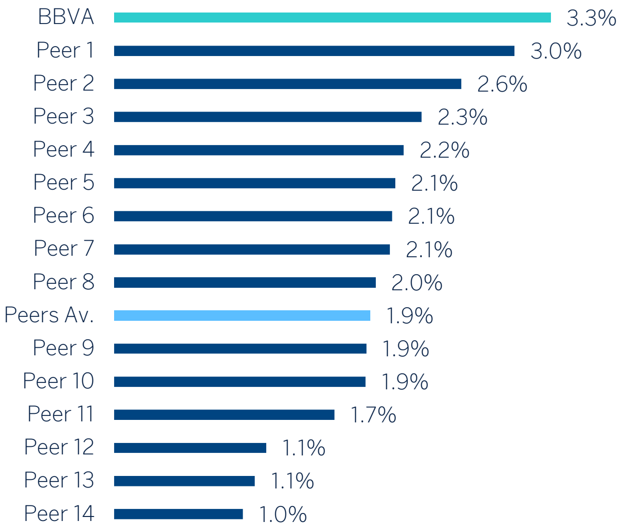


(1) It includes a minor positive on CET1 coming from the update of the calculation on Structural FX RWA, pending confirmation by ECB. Additionally, T2 bucket includes part of the T2 issued by Garanti, pending approval by ECB for the purpose of computability in the Group's ratio; (2) The approval was received on Feb.18; (3) BBVA Chile and Real Estate transactions

Low earnings volatility and ability to generate capital allow for lower capital needs

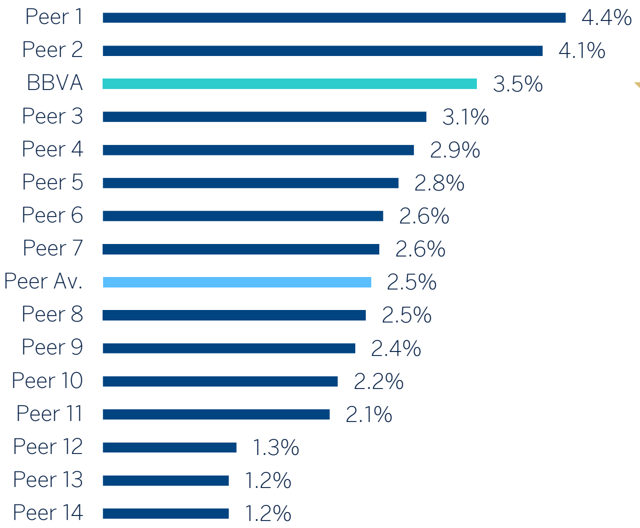
Pre-provision profit[1] / Net Loans

9M17 European peers /12M17 BBVA



Pre-provision profit[1] / RWAs

9M17 European peers /12M17 BBVA



In less than 4 years, BBVA is able to generate Pre-Provision Profit equivalent to its 11% CET1 FL target

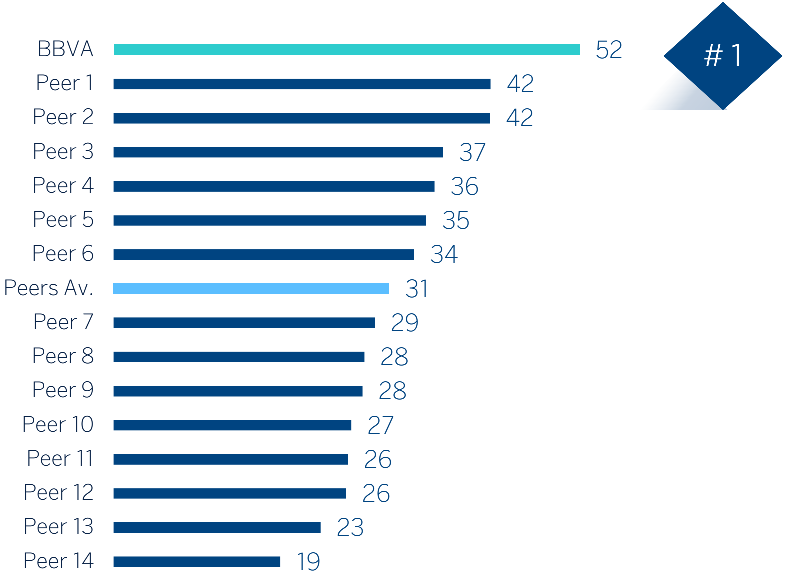
(1) Annualized Pre-provision profit for peers; (2) European Peer Group: BARC, BNPP, CASA, CS, CMZ, DB, HSBC, ISP, LBG, RBS, SAN, SG, UBS, UCG.

BBVA's business model provides significant room to absorb losses

High quality capital

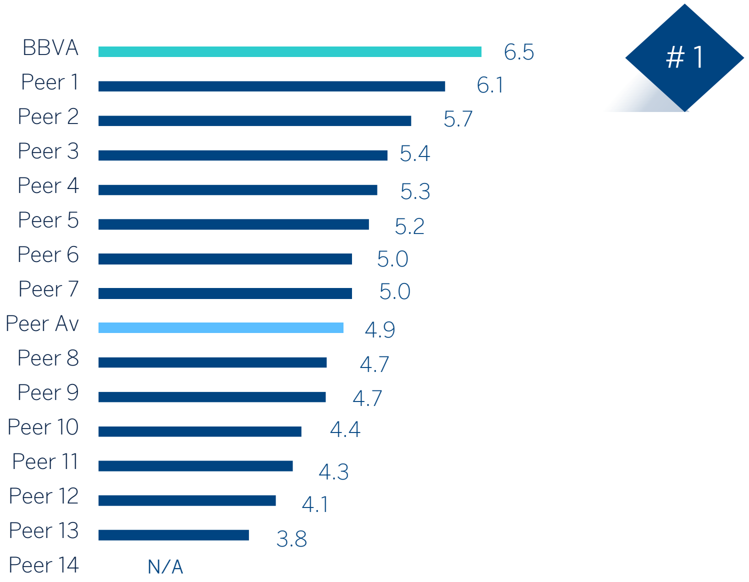
RWAs/ Total Assets

Sep.17 European peers / Dec.17 BBVA , %



Fully-Loaded Leverage Ratio

Sep.17 European peers / Dec.17 BBVA , %



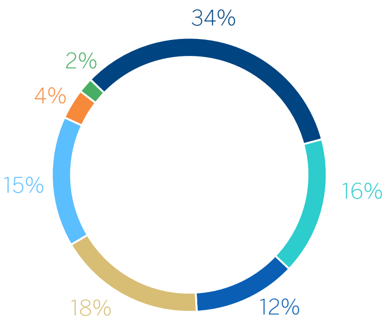
European Peer Group: BARC, BNPP, CASA, CS, CMZ, DB, HSBC, ISP, LBG, RBS, SAN, SG, UBS, UCG.

BBVA maintains the highest RWAs density and Leverage ratio of its European Peer Group

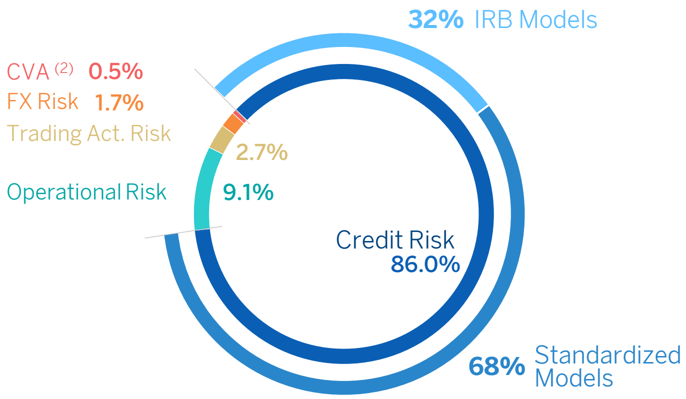
Risk-Weighted Assets distribution

TOTAL RWAs Dec.17 (€m)

361,670 €m



Spain (1)	121,516
USA	58,682
Mexico	43,715
Turkey	62,768
South America	55,665
Rest of Eurasia	12,916
Corporate Center	6,408



Optimizing Capital Allocation is one of BBVA's Strategic Priorities

~ 80% of the RWAs located in Investment Grade countries

Limited usage of internal models in Credit Risk RWAs

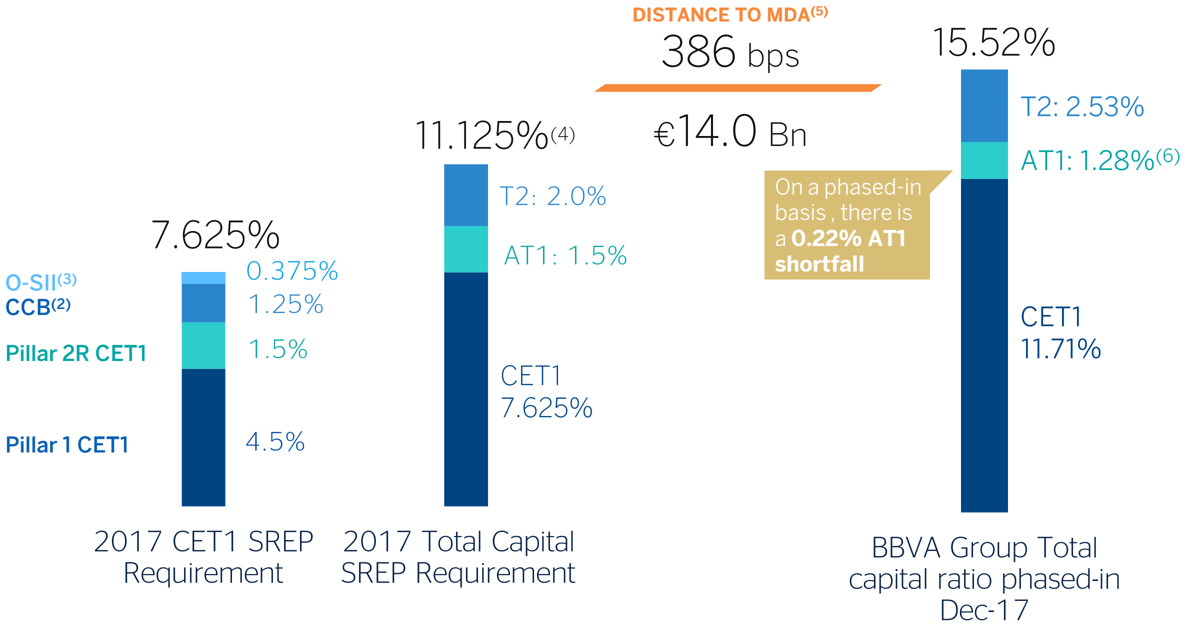
Potential lower impact from future regulatory requirements

(1) Includes the areas Banking Activity in Spain an Non Core RE; (2) Credit Valuation Adjustment.
Note: Distribution of RWAs by type of risk and Model based on 3Q17 Pilar III report.

Capital ratios well above requirements

2017 SREP Requirement and distance to MDA[(1)] at Group level

Dec.17



Well above 2017 Total Capital and CET1 SREP requirements: Significant buffer to MDA: **386 bps**

305 bps buffer to MDA compared to **2018 SREP requirements** (8.438% of CET1 and 11.938% of total capital)

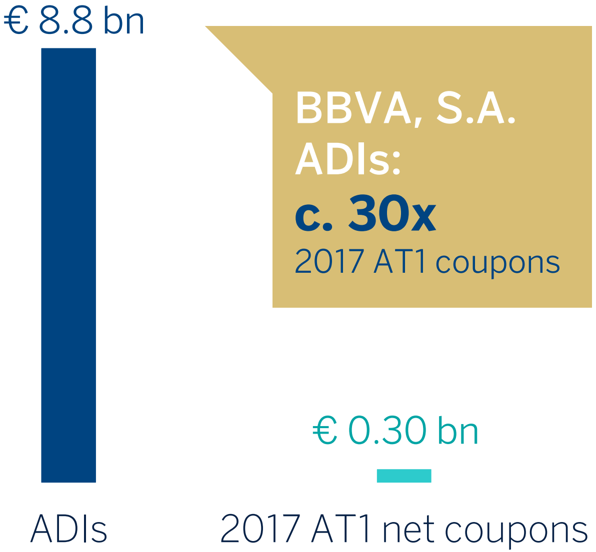
Pro-forma buffer to MDA on a fully loaded basis [(7)]: **183 bps**

(1) Maximum Distributable Amount; (2) The Capital Conservation Buffer (CCB) stands, in fully loaded terms, at 2.5% CET1; (3) The Other Systemic Important Institution buffer (O-SII) stands, in fully loaded terms, at 0.75% CET1; (4) 2017 SREP Requirement as announced on the Relevant Event dated 1 Dec 2016; (5) 386 bps of Buffer to MDA = 11.71% Dec-17 CET1 phased-in ratio – 7.625% 2017 CET1 SREP Requirement – 0.22% AT1 Shortfall; (6) The USD 1 bn AT1 Issuance (Nov.17), is not included in Dec.17 ratios (approval received on Feb.18); (7) provided for information purposes as the distance to MDA is calculated based on phased-in ratios and these are the legally binding ones;

High level of Available Distributable Items (ADIs)

BBVA, S.A. (Parent Company)

Dec.17, € bn



BBVA, S.A. ADIs:
c. 30x
2017 AT1 coupons

Significant payment capacity from distributable items despite conservative calculation
(Share Premium not included)

Supported by sustainable profitability

Note: ADIs calculated at a parent company level (BBVA, S.A.) as: Net Income + Voluntary Reserves – 2017 Dividend - AT1 coupons. BBVA does not include within the ADIs figure the Share Premium (amounting to +€24 bn as of December 31st, 2017).

FX Hedging policy

Capital

POLICY BBVA hedges c.70% of the excess capital (what is not naturally hedged by the ratio)

GOAL Reduce Consolidated CET1 ratio volatility as a result of FX movements

CET1 FL Ratio Sensitivity to a 10% Depreciation of EM Currencies (Dec.17)

APROX -1 b.p. For each currency
(MXN , TRY and rest of EM currencies)

P&L

POLICY BBVA hedges on average between 30%-50% of foreign subsidiaries expected net attributable income

GOAL Reduce Net Attributable Profit volatility as a result of FX movements

2017 Net Attributable Profit FX Hedging (Dec.17):

33% At a Group level

39% For EM Currencies
(of which Mexico 48% and Turkey 41%)

P&L hedging costs booked in the Corporate Center's NTI

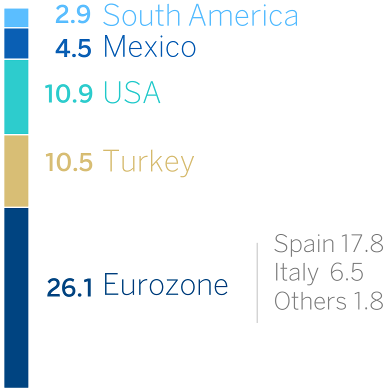
BBVA maintains a prudent FX hedging policy to ensure low volatility on the CET1 ratio and limited FX impact on the P&L account

ALCO & Equity AfS Portfolio

ALCO Portfolio breakdown by region

(Dec.17, € bn)

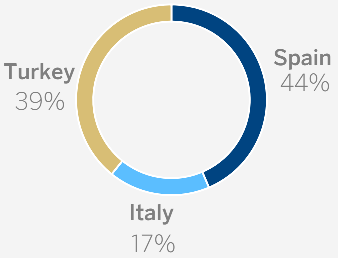
€ 54.9 bn



o.w. HTM Portfolio breakdown

(Dec.17, € bn)

€ 13.8 bn



Equity AfS portfolio – Main stakes

Telefónica 5.3%(1)

Diversified portfolio across BBVA's footprint

HTM portfolio contributes to maintain the overall impact of market volatility at sound levels

(1) BBVA's own position (does not include clients' induced positions)

05

MREL

MREL framework: uncertainty remains but closer to the final outcome

Key themes to manage	Hypothesis for BBVA
Perimeter for quantification of MREL	BBVA follows a MPE resolution strategy MREL perimeter: BBVA Euro subconsolidated level
Calibration	BBVA is an O-SII entity: subject to MREL (not TLAC) Calibration following SRB policy 2017
Treatment of intragroup investments for MREL calculation	Subsidiaries are self-sufficient both in terms of capital and funding
Eligibility of instruments	2.5% RWA of senior unsecured probably eligible for MREL initially
Calendar / Transition period	Transition period up to 4 years according to SRB Policy 2017

BBVA's MREL Strategy: 2018 Plan

Capital

- BBVA has already filled its AT1 and T2 buckets
- BBVA expects to maintain the 1.5% AT1 and 2% T2 regulatory buckets
- Successful $1 bn SEC Registered AT1 PNC10 6.125% issue in Nov-17

SNP

BBVA's funding plans will be focused on rolling over non-capital wholesale funding maturities into MREL eligible instruments

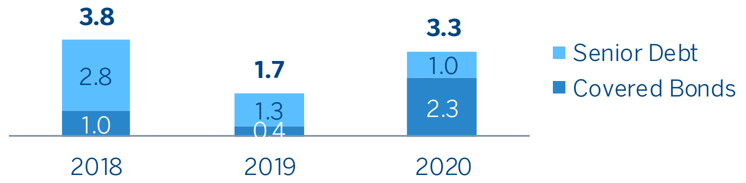
- **2017**: Successful € 1.5 bn inaugural SNP public issue and € 290 m through private deals
- **2018**[1]: BBVA expects to issue € 2.5-3.5 bn in SNP

(1) Subject to market conditions

Maturity profile

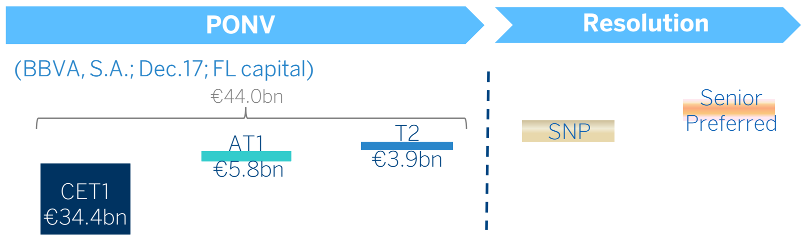
- Wholesale debt maturity profile offers flexibility to refinance current instruments into new SNP, if required:

2018-20 BBVA, S.A. senior & covered bonds maturity profile
(BBVA, S.A.; Dec. 17; € bn)



SNP noteholders have significant buffer

- Significant capital buffer of € 44 bn of subordinated capital (CET1, AT1 and T2)



This plan would position BBVA's capital structure in a very solid stance, waiting for final MREL calibration

BBVA Eur 1.5 bn 5-year FRN Senior Non-Preferred

Rationale

- Following up with BBVA´s **issuance plan of € 2.5-3.5 bn of SNP** for 2018, **in anticipation of upcoming MREL requirements**, that have yet to be communicated by the resolution authorities
- This issuance is the **first public transaction** in 2018 for BBVA SA, the second one in SNP format (1)

Key Features

- Settlement Date: **9th March, 2018**
- Amount: **€ 1.5 bn**
- Maturity: **5 years**
- Coupon: **3mE +60 bps** (FRN-Floating Rate Notes)
- Re-offer Spread at **3mE+52 bps**, after a strong book of c3.2 bn (pre-rec), that allowed c15bps tightening from IPT (2) 3mE+high 60s bps. This means no issue concession
- Great book granularity and quality. **Real Money represented 86%** (Fund Managers 77%, Insurance and Pension Funds 9%). In terms of **geographical distribution,** demand was mainly led by **Germany/Austria (35%)**, followed by **Spain (24%)** and France **(14%)**

(1) During 2017 BBVA issued its inaugural SNP € 1.5 bn 0.75% Fixed 5Y and € 290 Mn through private deals (2) IPT= Initial Pricing Talk

BBVA successfully issued a Eur 1.5 bn 5Y FRN Senior Non-Preferred, paying the lowest coupon for a Spanish issuer in this instrument

06

Liquidity & Funding

Liquidity & Funding

- Self-sufficient subsidiaries from a liquidity point of view, with robust supervision and control by parent company
- Retail profile of BBVA Group balance sheet with limited dependence on wholesale funding
- Parent and subsidiaries proven ability to access the wholesale funding markets (medium & long term) on a regular basis
- Ample high quality collateral available, compliant with regulatory liquidity requirements at a Group and Subsidiary level

Principles of BBVA Group's self-sufficient business model

Subsidiaries

- Self-sufficient balance-sheet management
- Own capital and liquidity management
- Market access with its own credit, name and rating
- Responsible for doing business locally

Corporate Center

- Guidelines for capital and liquidity / ALCO supervision
- Common risk culture

Advantages

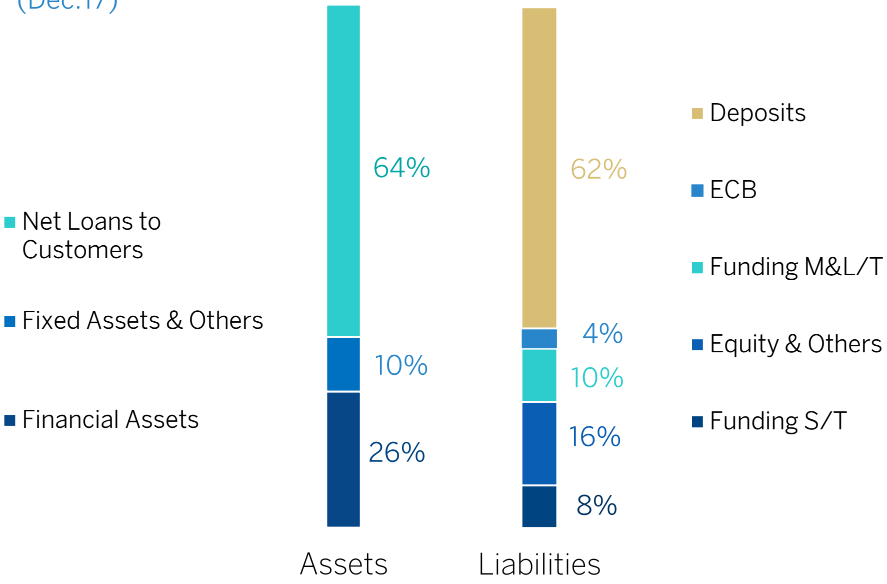
- Market discipline and proper incentives / sustainable credit growth
- Medium term orientation / consistent with retail banking
- Natural firewalls / limited contagion
- Safeguards financial stability / proven resilience during the crisis
- Helps development of local capital markets
- Buffers in different balance sheets

No liquidity transfers between the parent and subsidiaries or among subsidiaries

Financial soundness based on the funding of lending activity

BBVA Group Liquidity balance sheet(1)

(Dec.17)



(1) Management liquidity balance sheet (net of interbank balances and derivatives)

BBVA Group Liquidity metrics

(Dec.17)

	Euroz.(2)	USA	Mexico	Turkey	S. Amer
LTD	107%	89%	91%	115%	106%
LCR	151%	144% (3)	148%	134%	well >100%

LCR BBVA Group 128%

(2) Perimeter: Spain+Portugal+Rest of Eurasia
(3) Compass LCR calculated according to local regulation (Fed Modified LCR)

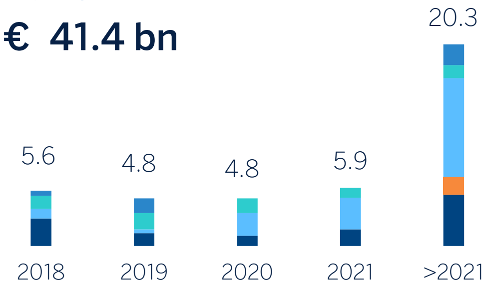
Comfortable liquidity position

LCR ratios clearly above regulatory requirements (> 100% in 2018), both at a Group level and in all banking subsidiaries

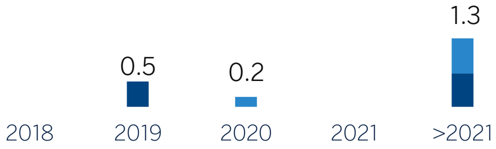
Broaden geographical diversification of access to market

Medium & long-term wholesale funding maturities (Dec.17; € bn)

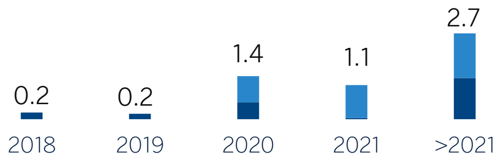
EURO
€ 41.4 bn



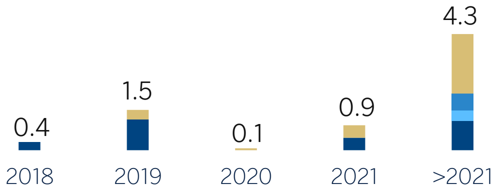
USA
€ 2.0 bn



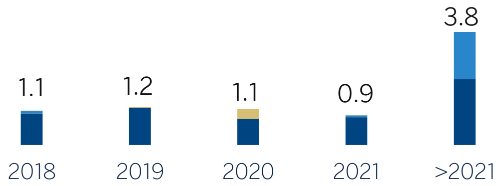
MEXICO
€ 5.6 bn



TURKEY
€ 7.2 bn



S. AMERICA
€ 8.1 bn



Senior Debt · Senior Non Preferred · Covered Bonds · Preferred Shares / AT1 · Subordinated · Others

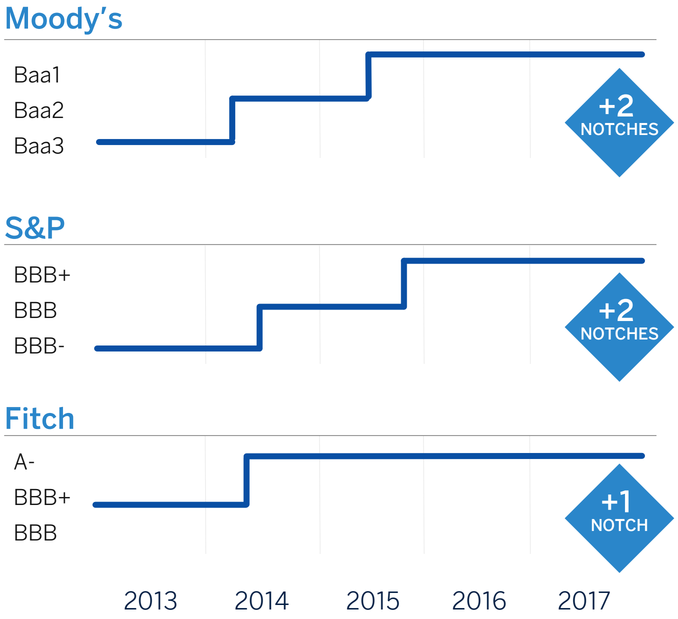
Outstanding amounts as of Dec.17
FX as of Dec.17: EUR = 1.20 USD; EUR = 23,66 MXN; EUR= 4.5 TRY

Ability to access the funding markets in all our main subsidiaries using a diversified set of debt instruments

BBVA Group Ratings by Agency

Latest Rating Actions

Three major agencies – Long Term Issuer / Senior Unsecured Ratings



BBVA Ratings[1]

	Moody's	S&P	Fitch	DBRS	Scope
Outlook Issuer/Senior	**Stable**	**Positive**	**Stable**	**Stable**	**Stable**
Investment grade	Aaa	AAA	AAA	**AAA CB**	**AAA CB**
	Aa1	AA+	AA+	AA (H)	AA+
	Aa2 CB	AA	AA	AA	AA
	Aa3	AA-	AA-	AA (L)	AA-
	A1	**A+ CB**	A+	A (H)	**A+ Senior**
	A2	A	A	**A Senior**	**A SNP**
	A3	A-	**A- Senior / SNP**	**A (L)**	A-
	Baa1 Senior	**BBB+ Senior**	**BBB+ T2**	**BBB (H) T2**	BBB+
	Baa2	**BBB SNP**	BBB	BBB	BBB
	Baa3 T2 / SNP	**BBB- T2**	BBB-	BBB (L)	BBB-
Non Investment Grade	Ba1	BB+	BB+	BB (H)	**BB+ AT1**
	Ba2 AT1	BB	**BB AT1**	BB	BB
	Ba3	BB-	BB-	BB (L)	BB-
	B1	B+	B+	B (H)	B+
	B2	B	B	B	B
	B3	B-	B-	B (L)	B-
	(…)	(…)	(…)	(…)	(…)

Note: CB = Covered Bonds, SNP = Senior Non Preferred

(1) A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.

BBVA's ratings have improved since end 2013

New methodologies have improved BBVA's absolute and / or relative rating position vs. peers

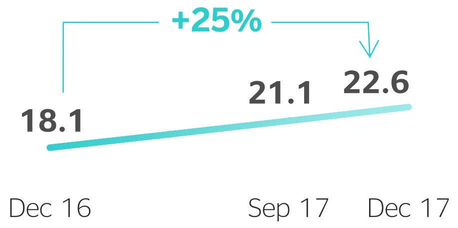
BBVA Creating Opportunities

07

Transformation Strategy

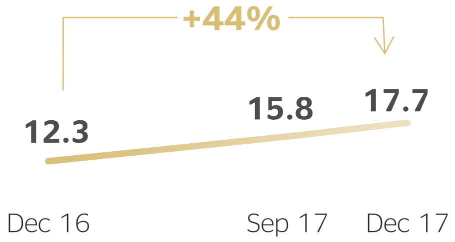
Digital Customers – BBVA Group

Digital Customers
(Mn, %penetration)



PENETRATION	36%	40%	42%

Mobile Customers
(Mn, %penetration)



PENETRATION	24%	30%	33%

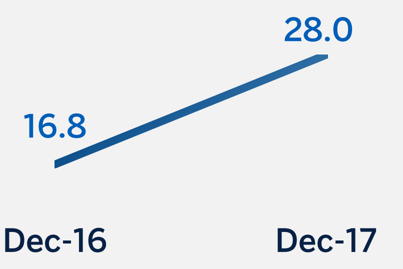
50% tipping point in digital customers achieved

- TURKEY
- SPAIN
- USA
- ARGENTINA
- CHILE
- VENEZUELA

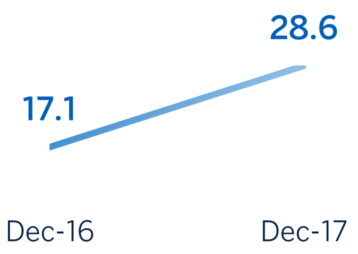
Digital Sales

(% of total sales YtD, # of transactions)

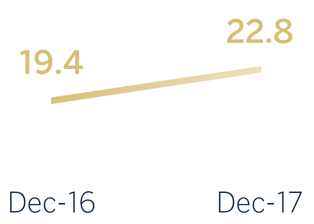
GROUP



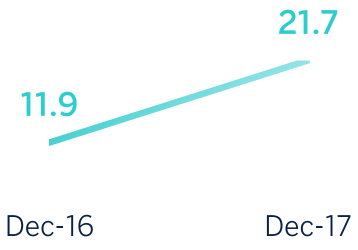
SPAIN



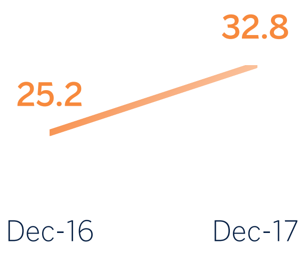
USA



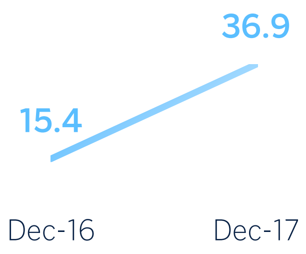
MEXICO



TURKEY



SOUTH AMERICA



Exponential growth

5 million units sold via mobile in 2017

Focused on customer satisfaction

BBVA NPS (Dec.17)

	Rnk
Spain	# 1
Mexico	# 1
Turkey	# 1
Argentina	# 1
Colombia	# 1
Paraguay	# 1
Peru	# 1
Venezuela	# 1

Increase in NPS by channel

(footprint average[1])

Online Banking

+6.4 p.p.
Dec-17 vs Dec-16

Branches

+5.8 p.p
Dec-17 vs Dec-16

Industry Recognition

FORRESTER

- BBVA #1 in 2017 Online Banking Functionality Benchmark in Europe
- BBVA Best Global Banking App 2017

Peer Group: Spain: Santander, CaixaBank, Bankia, Sabadell, Popular// Turkey: AKBank, IsBank , YKB, Deniz, Finans / / Mexico: Banamex, Santander, Banorte , HSBC/ Argentina: Galicia, HSBC, Santander Río // Venezuela: Banesco, Mercantil, Banco de Venezuela. // Peru: Interbank, BCP, Scotiabank // Paraguay: Continental, Itau, Regional // Colombia: Davivienda, Bogotá, Bancolombia.

(1) Footprint average except n.a data in Turkey

APPENDIX

BBVA Group 2017 Profit & Loss

Capital Base: BBVA Group & BBVA, S.A.

BBVA, S.A.: 2017 SREP Requirement and distance to MDA

Debt Issuances – 2017

Amortized notes – 2017

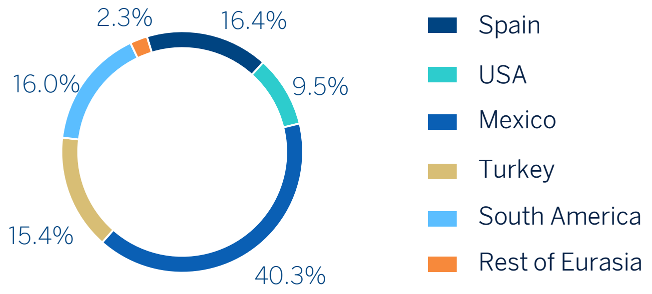
MREL framework: creation of SNP layer in Spain

BBVA Group 2017 Profit & Loss

BBVA Group (€m)	2017	Change 2017/2016 %	Change 2017/2016 % constant
Net Interest Income	**17,758**	**4.1**	**10.6**
Net Fees and Commissions	4,921	4.3	9.4
Net Trading Income	1,968	-7.7	-6.0
Other Income & Expenses	622	-16.3	-19.1
Gross Income	**25,270**	**2.5**	**7.9**
Operating Expenses	-12,500	-2.3	2.2
Operating Income	**12,770**	**7.7**	**14.1**
Impairment on Financial Assets(*)	-3,680	-3.2	1.2
Provisions and Other Gains and Losses	-1,036	-37.9	-38.5
Income Before Tax(*)	**8,054**	**26.0**	**37.3**
Income Tax	-2,169	27.7	39.7
Net Income(*)	**5,885**	**25.4**	**36.4**
TEF Impairment	-1,123	n.s.	n.s.
Non-controlling Interest	-1,243	2.0	19.1
Net Attributable Profit	**3,519**	**1.3**	**7.6**
Net Attributable Profit (ex-Telefónica impairment in 2017 & mortgage floor provision in 2016)	**4,642**	**19.7**	**26.3**

(*) Ex- Telefónica impairment

Net Attributable Profit breakdown
(2017)

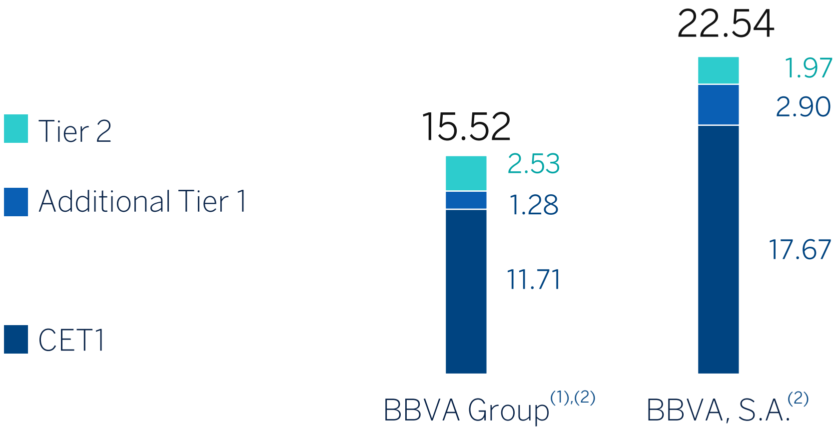


Note: Spain includes Banking activity in Spain and Non Core Real Estate. Figures exclude Corporate Center

Capital Base: BBVA Group & BBVA, S.A.

Phased-in capital ratios

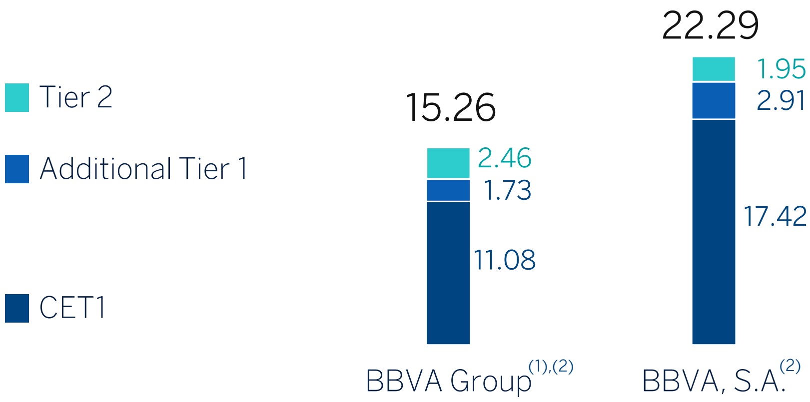
Dec.17 (%)



	BBVA Group	BBVA, S.A.
CET1	€ 42,341 m	€ 34,882 m
AT1	€ 4,639 m	€ 5,722 m
T2	€ 9,137 m	€ 3,892 m
Total Capital Base	**€ 56,117 m**	**€ 44,496 m**
RWA	**€ 361,670 m**	**€ 197,391 m**

Fully-loaded capital ratios

Dec.17 (%)



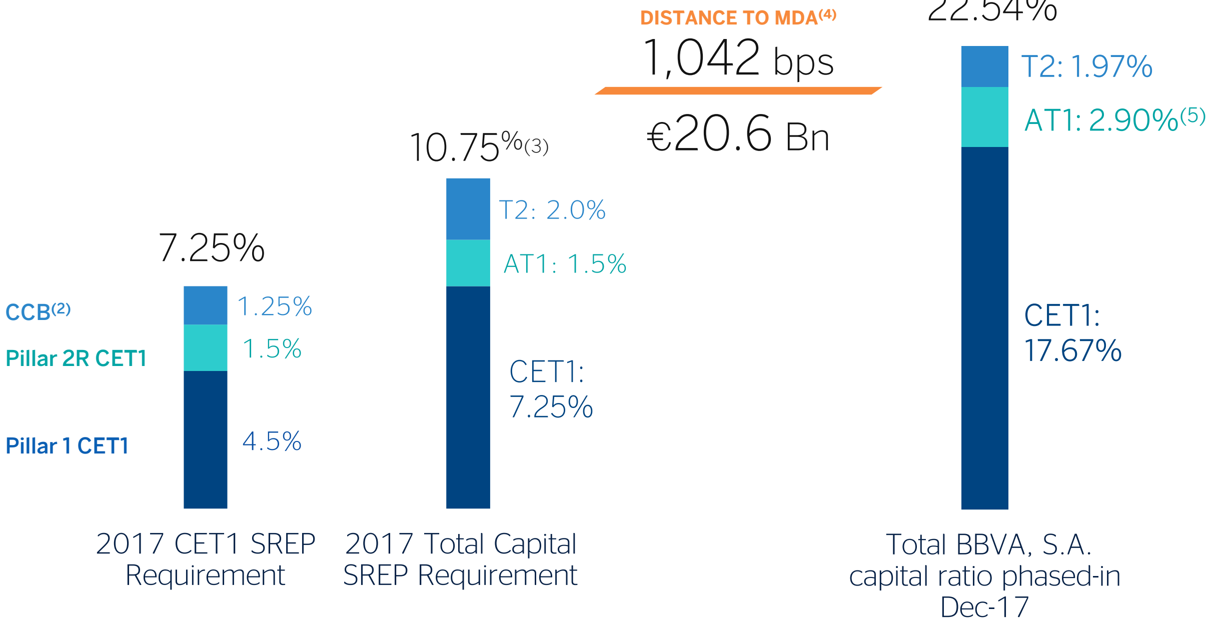
	BBVA Group	BBVA, S.A.
CET1	€ 40,061 m	€34,391 m
AT1	€ 6,255 m	€ 5,751 m
T2	€ 8,891 m	€ 3,856 m
Total Capital Base	**€ 55,207 m**	**€ 43,998 m**
RWA	**€361,670 m**	**€ 197,391 m**

(1) It includes a minor positive on CET1 coming from the update of the calculation on Structural FX RWA, pending confirmation by ECB. Additionally, T2 bucket includes part of the T2 issued by Garanti, pending approval by ECB for the purpose of computability in the Group's ratio; (2) The USD 1 bn AT1 Issuance (Nov.17), is not included in Dec.17 ratios (approval received on Feb.18)

Capital ratios well above requirements

2017 SREP Requirement and distance to MDA[1] at Parent Company level (BBVA, S.A.)

Dec.17



Well above 2017 Total Capital and CET1 SREP requirements

Significant buffer to MDA: **1,042 bps**

(1) Maximum Distributable Amount; (2) The Capital Conservation Buffer (CCB) stands, in fully loaded terms, at 2.5% CET1; (3) 2017 SREP Requirement as announced on the Relevant Event dated 1 Dec 2016; (4) 1,042 bps of Buffer to MDA = 17.67% Dec-17 CET1 phased-in ratio – 7.25% 2017 CET1 SREP Requirement; (5) The USD 1 bn AT1 Issuance (Nov.17), is not included in Dec.17 ratios (approval received on Feb.18)

Debt Issuances – 2017(1)

BBVA, S.A.

Product	Issue Date	Call Date	Maturity	Nominal currency	Coupon	Isin
SNP	Nov-17	-	Nov-23	€ 150 M	3M+0.67%	XS1724512097
AT1	Nov-17	Nov-27	Perp	$ 1,000 M	6.13%	US05946KAF84
SNP	Nov-17	-	May-28	€ 140 M	1.72%	XS1712061032
SNP	Sep-17	-	Sep-22	€ 1,500 M	0.75%	XS1678372472
AT1	May-17	May-22	Perp	€ 500 M	5.875%	XS1619422865
Tier 2	May-17	-	May-27	CHF 20 M	1.60%	XS1615673701
Tier 2	May-17	-	May-27	€ 150 M	2.541%	XS1615674261
Senior Unsec	Apr-17	-	Apr-22	€ 1,500 M	3ME+0,60%	XS1594368539
Tier 2	Mar-17	Mar-27	Mar-32	$ 120 M	5.700%	XS1587857498
Tier 2	Mar-17	-	Mar-27	€ 53.4 M	fixed 3% (2 yr) - floating CMS10y + 1.30% (8 yr)	XS1579039006
Tier 2	Feb-17	-	Feb-32	€ 165 M	4.000%	XS1569874503
Tier 2	Feb-17	-	Feb-27	€ 1,000 M	3.50%	XS1562614831
Senior Unsec	Jan-17	-	Jan-22	€ 1,000 M	0.625%	XS1548914800

Garanti

Product	Issue Date	Call Date	Maturity	Nominal currency	Coupon	Isin
Tier 2	May-17	May-22	May-27	$ 750 M	6.125%	XS1617531063
Senior Unsec	Mar-17	-	Mar-23	$ 500 M	5.875%	XS1576037284

Compass

Product	Issue Date	Call Date	Maturity	Nominal currency	Coupon	Isin
Senior Unsec	Jun-17	May-22	Jun-22	$ 750 M	2.875%	XS1617531063

Bancomer(1)

Product	Issue Date	Call Date	Maturity	Nominal currency	Coupon	Isin
Tier 2	Jan-18	Jan-28	Jan-33	$ 1,000 M	5.125%	US05533UAF57

(1) Includes Bancomer T2 issued in Jan ,18

Amortized notes – 2017[1]

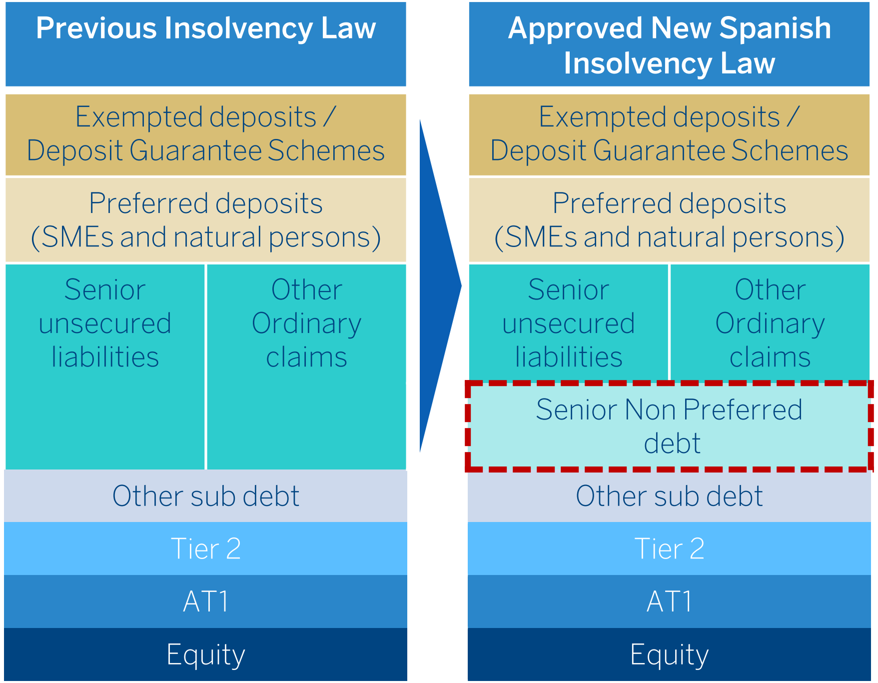
	Product	Issue Date	Redemption	Outstanding currency (M)	Outstanding € (M)	Coupon
BBVA International Preferred, S.A. Unipersonal	Preferred	Apr-07	Apr-17	$ 600	508	5.919%
	Preferred	Sep-06	Mar-17	€ 164	164	3ME+1.95%
	Preferred	Sep-05	Mar-17	€ 86	86	3ME+1.65%
BBVA Subordinated Capital[1]	Tier 2	Oct-05	Jan-18	€ 99	99	3ME+0.80%
BBVA, S.A.[1]	Tier 2	Feb-07	Feb-18	€ 257	257	3ME+0.80%
BBVA Bancomer	Tier 2	May-07	May-17	$ 500	424	6%
BBVA Continental	Tier 2	May-07	May-17	PEN 40	11	5.85%
BBVA Compass[2]	Tier 2	Jun-03/04	Sept/Oct-17	$ 100	85	3ML+2.81%[3]

(1) Including amortized notes in Jan/Feb 2018; (2) Includes a total of 4 trust preferred securities issued in 2003 and 2004; (3) Average coupon of the 4 issuances

BBVA follows an economic call policy

MREL framework: creation of SNP layer in Spain

Insolvency Hierarchy



- Spanish legal framework creating the Senior Non Preferred layer (RDL 11/17) was approved in June
- Clear identification and prioritization of debt securities available to absorb losses:
  - In case of insolvency, ordinary claims will be classified into preferred and non-preferred ordinary claims, the latter having a lower ranking than the former
  - Non-preferred ordinary claims will rank ahead of subordinated claims
- An ordinary claim will only be considered as non-preferred if it meets the following conditions:
  - It has been issued or created with an effective tenor ≥ 1 year,
  - It is not a derivative and has no embedded derivative, and
  - The terms include a clause establishing that it has a lower ranking vis-à-vis the remaining ordinary claims
- The creation of this new layer, expressly acknowledges the possibility for Spanish entities to issue senior debt instruments that meet MREL's subordination requirement (similar to the French statutory approach)

BBVA Creating Opportunities

Fixed Income Presentation

2017