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02  Diversified Footprint

03  Asset Quality

04  Capital

05  MREL

06  Liquidity & Funding

07  Transformation Strategy

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- 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
01

BBVA’s Strengths &
2017 Financial Highlights
BBVA’s Strengths

Resilience and Low Earnings Volatility
(€ bn, %)

<table>
<thead>
<tr>
<th>Year</th>
<th>Pre-provision profit / RWAs</th>
<th>Pre-provision profit</th>
<th>Provisions and impairments on non-financial assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>3.7%</td>
<td>10.5</td>
<td>-3.0</td>
</tr>
<tr>
<td>2009</td>
<td>4.2%</td>
<td>12.3</td>
<td>-7.0</td>
</tr>
<tr>
<td>2010</td>
<td>3.8%</td>
<td>11.9</td>
<td>-5.2</td>
</tr>
<tr>
<td>2011</td>
<td>3.2%</td>
<td>10.6</td>
<td>-6.1</td>
</tr>
<tr>
<td>2012</td>
<td>3.7%</td>
<td>11.1</td>
<td>-9.1</td>
</tr>
<tr>
<td>2013</td>
<td>3.3%</td>
<td>10.2</td>
<td>-6.3</td>
</tr>
<tr>
<td>2014</td>
<td>3.0%</td>
<td>10.4</td>
<td>-4.8</td>
</tr>
<tr>
<td>2015</td>
<td>2.8%</td>
<td>11.4</td>
<td>-4.6</td>
</tr>
<tr>
<td>2016</td>
<td>3.0%</td>
<td>11.9</td>
<td>-4.1</td>
</tr>
<tr>
<td>2017</td>
<td>3.5%</td>
<td>12.8</td>
<td>-4.0 (1)</td>
</tr>
</tbody>
</table>

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

- Profit generation all through the crisis years
- Diversified footprint
- Prudent risk profile
- Sound capital and liquidity position
- Delivering on our transformation strategy
2017 Highlights

Core revenues growth

- Net interest income and fees
  - 2016: 20.6
  - 2017: 22.7
  - Growth: +10.3%

Cost control

- Gross income vs. Op. Expenses
  - +7.9% vs. 2016
- Operating Expenses
  - +2.2% vs. 2016

Increasing results

- Group Net Attributable Profit
  - 2016: 3,879
  - 2017: 4,642
  - Growth: +19.7%

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

- Digital sales
  - Dec-17: 28%
- Mobile customers
  - Dec-17: 17.7m

(1) % of total sales in 2017, # of transactions
Diversified Footprint
Well diversified footprint with high growth prospects

Breakdown by Business Area

Total Assets

- **Spain**: 47.7%
- **US**: 11.7%
- **Mexico**: 12.9%
- **South America**: 10.8%
- **Turkey**: 11.4%
- Rest of Eurasia: 2.5%
- Corporate Center: 3.0%

€690 bn

64% Developed Markets

Gross Income

- **Spain**: 24.5%
- **US**: 11.6%
- **Mexico**: 28.1%
- **South America**: 17.7%
- **Turkey**: 16.3%
- Rest of Eurasia: 1.9%

€25.3 bn

38% Developed Markets

Higher Growth Prospects

GDP growth (YoY, %)

- 2008: 1.7
- 2009: -4.4
- 2010: 1.7
- 2011: 3.9
- 2012: 3.6
- 2013: 2.5
- 2014: 2.0
- 2015: 2.0
- 2016: 3.1
- 2017e: 2.7
- 2018e: 2.7
- 2019e: 2.0

BBVA’s footprint (4)

EZ+UK

Leadership positioning

Market share (in %) and ranking (5)

- **Spain #2**: 14.5%
- **USA (Sunbelt) #4**: 6.0%
- **Mexico #1**: 23.0%
- **Turkey #2**: 11.1%
- **S.America (ex Brazil) #1**: 10.3%

(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); (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

<table>
<thead>
<tr>
<th>NET ATTRIBUTABLE PROFIT (12M17)</th>
<th>NPL RATIO Dec.17</th>
<th>COST OF RISK Dec.17 (YtD)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1,381 €m</strong></td>
<td><strong>5.2%</strong> vs. <strong>5.8% Dec.16</strong></td>
<td><strong>0.31%</strong> vs. <strong>0.32% Dec.16 (YtD)</strong></td>
</tr>
</tbody>
</table>

+52.7% vs. 12M16

**Non Core Real Estate**

<table>
<thead>
<tr>
<th>NET ATTRIBUTABLE PROFIT (12M17)</th>
<th>NET EXPOSURE (€bn)</th>
<th>NPL RATIO Dec.17</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>-501 €m</strong></td>
<td><strong>-37%</strong></td>
<td><strong>1.2%</strong> vs. <strong>1.5% Dec.16</strong></td>
</tr>
<tr>
<td>-15.8% vs. 12M16</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**USA** constant €

<table>
<thead>
<tr>
<th>NET ATTRIBUTABLE PROFIT (12M17)</th>
<th>NPL RATIO Dec.17</th>
<th>COST OF RISK Dec.17 (YtD)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>511 €m</strong></td>
<td><strong>1.7%</strong></td>
<td><strong>0.42%</strong> vs. <strong>0.37% Dec.16 (YtD)</strong></td>
</tr>
<tr>
<td>+14.6% vs. 12M16</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**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 €

<table>
<thead>
<tr>
<th>NET ATTRIBUTABLE PROFIT (12M17)</th>
<th>NPL RATIO Dec.17</th>
<th>COST OF RISK Dec.17 (YtD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,162 €m</td>
<td>2.3% vs. 2.3% Dec.16</td>
<td>3.30% vs. 3.40% Dec.16 (YtD)</td>
</tr>
</tbody>
</table>

+12.7% vs. 12M16

### TURKEY  constant €

<table>
<thead>
<tr>
<th>NET ATTRIBUTABLE PROFIT (12M17)</th>
<th>NPL RATIO Dec.17</th>
<th>COST OF RISK Dec.17 (YtD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>826 €m</td>
<td>3.9% vs. 2.7% Dec.16</td>
<td>0.82% vs. 0.87% Dec.16 (YtD)</td>
</tr>
</tbody>
</table>

+70.0% vs. 12M16

### SOUTH AMERICA  constant €

<table>
<thead>
<tr>
<th>NET ATTRIBUTABLE PROFIT (12M17)</th>
<th>NPL RATIO Dec.17</th>
<th>COST OF RISK Dec.17 (YtD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>861 €m</td>
<td>3.4% vs. 2.9% Dec.16</td>
<td>1.32% vs. 1.15% Dec.16 (YtD)</td>
</tr>
</tbody>
</table>

14.0% vs. 12M16

### 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

- 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

- 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

**NPL Ratio (%)**
- 2008: 2.3
- 2009: 4.3
- 2010: 4.1
- 2011: 4.0
- 2012: 5.1
- 2013: 6.8
- 2014: 5.8
- 2015: 5.4
- 2016: 4.9
- 2017: 4.4

**Coverage Ratio (%)**
- 2008: 92
- 2009: 57
- 2010: 62
- 2011: 61
- 2012: 72
- 2013: 60
- 2014: 64
- 2015: 74
- 2016: 70
- 2017: 65

**Cost of Risk (%)**
- 2008: 1.15
- 2009: 1.55
- 2010: 1.33
- 2011: 1.19
- 2012: 2.15
- 2013: 1.59
- 2014: 1.25
- 2015: 1.06
- 2016: 0.84
- 2017: 0.87

**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

<table>
<thead>
<tr>
<th></th>
<th>NPL ratio (%)</th>
<th>Cost of Risk (bps)</th>
</tr>
</thead>
<tbody>
<tr>
<td>BBVA Banking Activity in Spain</td>
<td>5.2</td>
<td>31</td>
</tr>
<tr>
<td>Peers Average</td>
<td>5.8</td>
<td>49</td>
</tr>
<tr>
<td>BBVA Compass</td>
<td>1.2</td>
<td>76</td>
</tr>
<tr>
<td>Peers Average</td>
<td>1.1</td>
<td>41</td>
</tr>
<tr>
<td>BBVA Bancomer</td>
<td>2.2</td>
<td>324</td>
</tr>
<tr>
<td>Peers Average</td>
<td>2.2</td>
<td>323</td>
</tr>
<tr>
<td>Garanti</td>
<td>2.6</td>
<td>43</td>
</tr>
<tr>
<td>Peers Average</td>
<td>3.2</td>
<td>80</td>
</tr>
<tr>
<td>BBVA S. America</td>
<td>2.6</td>
<td>149</td>
</tr>
<tr>
<td>Peers Average</td>
<td>2.6</td>
<td>185</td>
</tr>
</tbody>
</table>

**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.
Sound capital position and proven ability to generate capital

CET1 FL Ratio – BBVA Group

<table>
<thead>
<tr>
<th>Year</th>
<th>Tier 2</th>
<th>AT 1</th>
<th>CET 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>6.2%</td>
<td>1.73%</td>
<td>11.08%</td>
</tr>
<tr>
<td>2009</td>
<td>8.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>9.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>10.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>10.8%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>11.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>9.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>10.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>10.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>11.1%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- 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. Including this issuance AT1 ratio would stand at 1.96%

CET1 €17.5 bn → €40.1 bn

1.5% AT1 and 2% T2 buckets already covered on a FL basis

(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

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3.3%</td>
<td>3.0%</td>
<td>2.6%</td>
<td>2.3%</td>
<td>2.2%</td>
<td>2.1%</td>
<td>2.1%</td>
<td>2.1%</td>
<td>2.0%</td>
<td>1.9%</td>
<td>1.9%</td>
<td>1.9%</td>
<td>1.7%</td>
<td>1.1%</td>
<td>1.1%</td>
<td>1.0%</td>
</tr>
</tbody>
</table>

**Pre-provision profit\(^{(1)}\) / RWAs**
9M17 European peers /12M17 BBVA

<table>
<thead>
<tr>
<th></th>
<th>Peer 1</th>
<th>Peer 2</th>
<th>BBVA</th>
<th>Peer 3</th>
<th>Peer 4</th>
<th>Peer 5</th>
<th>Peer 6</th>
<th>Peer 7</th>
<th>Peer 8</th>
<th>Peer 9</th>
<th>Peer 10</th>
<th>Peer 11</th>
<th>Peer 12</th>
<th>Peer 13</th>
<th>Peer 14</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.2%</td>
<td>1.3%</td>
<td>2.1%</td>
<td>2.2%</td>
<td>2.4%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.6%</td>
<td>2.6%</td>
<td>2.8%</td>
<td>2.6%</td>
<td>2.4%</td>
<td>2.2%</td>
<td>1.3%</td>
<td>1.2%</td>
</tr>
</tbody>
</table>

(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.

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

BBVA’s business model provides significant room to absorb losses.
High quality capital

**RWAs/ Total Assets**
Sep.17 European peers / Dec.17 BBVA , %

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td></td>
<td>42</td>
<td>42</td>
<td>37</td>
<td>36</td>
<td>35</td>
<td>34</td>
<td>31</td>
<td>29</td>
<td>28</td>
<td>28</td>
<td>27</td>
<td>26</td>
<td>26</td>
<td>23</td>
<td>19</td>
<td>N/A</td>
</tr>
<tr>
<td>%</td>
<td>52</td>
<td>42</td>
<td>42</td>
<td>37</td>
<td>36</td>
<td>35</td>
<td>34</td>
<td>31</td>
<td>29</td>
<td>28</td>
<td>28</td>
<td>27</td>
<td>26</td>
<td>23</td>
<td>19</td>
<td>N/A</td>
</tr>
</tbody>
</table>

**Fully-Loaded Leverage Ratio**
Sep.17 European peers / Dec.17 BBVA , %

<table>
<thead>
<tr>
<th></th>
<th>BBVA</th>
<th>Peer 1</th>
<th>Peer 2</th>
<th>Peer 3</th>
<th>Peer 4</th>
<th>Peer 5</th>
<th>Peer 6</th>
<th>Peer Av</th>
<th>Peer 7</th>
<th>Peer 8</th>
<th>Peer 9</th>
<th>Peer 10</th>
<th>Peer 11</th>
<th>Peer 12</th>
<th>Peer 13</th>
<th>Peer 14</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6.1</td>
<td>6.1</td>
<td>5.7</td>
<td>5.4</td>
<td>5.3</td>
<td>5.2</td>
<td>5.0</td>
<td>4.9</td>
<td>5.0</td>
<td>4.7</td>
<td>4.7</td>
<td>4.4</td>
<td>4.3</td>
<td>4.1</td>
<td>3.8</td>
<td>N/A</td>
</tr>
<tr>
<td>%</td>
<td>6.5</td>
<td>6.1</td>
<td>5.7</td>
<td>5.4</td>
<td>5.3</td>
<td>5.2</td>
<td>5.0</td>
<td>4.9</td>
<td>5.0</td>
<td>4.7</td>
<td>4.7</td>
<td>4.4</td>
<td>4.3</td>
<td>4.1</td>
<td>3.8</td>
<td>N/A</td>
</tr>
</tbody>
</table>

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

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.
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
High level of Available Distributable Items (ADIs)

BBVA, S.A. (Parent Company)
Dec.17, € bn

- € 8.8 bn
- BBVA, S.A. ADIs: c. 30x 2017 AT1 coupons
- € 0.30 bn

ADIs 2017 AT1 net coupons

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).

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

Supported by sustainable profitability
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
  - 2.9 South America
  - 4.5 Mexico
  - 10.9 USA
  - 10.5 Turkey
  - 26.1 Eurozone

**o.w. HTM Portfolio breakdown**
(Dec.17, € bn)

- € 13.8 bn
  - Spain 44%
  - Turkey 39%
  - Italy 17%
  - Others 1.8

**Equity AfS portfolio – Main stakes**

- Telefonica: 5.3% (1)

---

(1) BBVA’s own position (does not include clients’ induced positions)
MREL framework: uncertainty remains but closer to the final outcome

Key themes to manage

- Perimeter for quantification of MREL
- Calibration
- Treatment of intragroup investments for MREL calculation
- Eligibility of instruments
- Calendar / Transition period

Hypothesis for BBVA

- BBVA follows a MPE resolution strategy
- MREL perimeter: BBVA Euro subconsolidated level
- BBVA is an O-SII entity: subject to MREL (not TLAC)
- Calibration following SRB policy 2017
- Subsidiaries are self-sufficient both in terms of capital and funding
- 2.5% RWA of senior unsecured probably eligible for MREL initially
- Transition period up to 4 years according to SRB Policy 2017
BBVA’s MREL Strategy: 2018 Plan

Capital

1. BBVA has already filled its AT1 and T2 buckets
2. BBVA expects to maintain the 1.5% AT1 and 2% T2 regulatory buckets
3. 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

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)

<table>
<thead>
<tr>
<th>Year</th>
<th>Senior Debt</th>
<th>Covered Bonds</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>3.8</td>
<td>2.8</td>
</tr>
<tr>
<td>2019</td>
<td>1.7</td>
<td>1.3</td>
</tr>
<tr>
<td>2020</td>
<td>3.3</td>
<td>1.0</td>
</tr>
</tbody>
</table>

SNP noteholders have significant buffer

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

(1) Subject to market conditions

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.
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)

Assets
- Net Loans to Customers: 64%
- Fixed Assets & Others: 10%
- Financial Assets: 26%

Liabilities
- Deposits: 62%
- ECB: 8%
- Funding M&L/T: 4%
- Equity & Others: 16%
- Funding S/T: 8%

BBVA Group Liquidity metrics
(Dec.17)

<table>
<thead>
<tr>
<th></th>
<th>Euroz.(2)</th>
<th>USA</th>
<th>Mexico</th>
<th>Turkey</th>
<th>S. Amer</th>
</tr>
</thead>
<tbody>
<tr>
<td>LTD</td>
<td>107%</td>
<td>89%</td>
<td>91%</td>
<td>115%</td>
<td>106%</td>
</tr>
<tr>
<td>LCR</td>
<td>151%</td>
<td>144% (3)</td>
<td>148%</td>
<td>134%</td>
<td>well &gt;100%</td>
</tr>
</tbody>
</table>

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

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

(2) Perimeter: Spain+Portugal+Rest of Eurasia

(3) Compass LCR calculated according to local regulation (Fed Modified LCR)
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

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)

<table>
<thead>
<tr>
<th>Outlook</th>
<th>Moody’s</th>
<th>S&amp;P</th>
<th>Fitch</th>
<th>DBRS</th>
<th>Scope</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuer/Senior</td>
<td>Stable</td>
<td>Positive</td>
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<td>Stable</td>
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<tr>
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<td>Aaa</td>
<td>AAA</td>
<td>AAA</td>
<td>AAA</td>
<td>AAA CB</td>
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<tr>
<td></td>
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<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
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<tr>
<td></td>
<td>Aa2</td>
<td>AA</td>
<td>AA</td>
<td>AA</td>
<td>AA</td>
</tr>
<tr>
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</tr>
<tr>
<td></td>
<td>A1</td>
<td>A+</td>
<td>A</td>
<td>A</td>
<td>A</td>
</tr>
<tr>
<td></td>
<td>A2</td>
<td></td>
<td></td>
<td></td>
<td>A Senior</td>
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<tr>
<td></td>
<td>A3</td>
<td></td>
<td></td>
<td></td>
<td>A</td>
</tr>
<tr>
<td></td>
<td>Ba1</td>
<td></td>
<td></td>
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<td>A-</td>
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<td></td>
<td>Ba2</td>
<td></td>
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<td></td>
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<td>A-</td>
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<tr>
<td></td>
<td>Baa2</td>
<td></td>
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<td></td>
<td>A-</td>
</tr>
<tr>
<td></td>
<td>Baa3</td>
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<td></td>
<td></td>
<td>A-</td>
</tr>
<tr>
<td></td>
<td>T2</td>
<td></td>
<td></td>
<td></td>
<td>BBB (H) T2</td>
</tr>
<tr>
<td></td>
<td>SNP</td>
<td></td>
<td></td>
<td></td>
<td>BBB (H) T2</td>
</tr>
<tr>
<td>Non Investment grade</td>
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<td>BB+</td>
<td>BB+</td>
<td>BB+</td>
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<tr>
<td></td>
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<td>BB</td>
<td>BB</td>
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</tr>
<tr>
<td></td>
<td>Ba3</td>
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</tr>
<tr>
<td></td>
<td>B1</td>
<td>B+</td>
<td>B+</td>
<td>B+</td>
<td>B+</td>
</tr>
<tr>
<td></td>
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<td>B</td>
<td>B</td>
<td>B</td>
<td>B</td>
</tr>
<tr>
<td></td>
<td>B3</td>
<td>B-</td>
<td>B-</td>
<td>B-</td>
<td>B-</td>
</tr>
<tr>
<td></td>
<td>(...</td>
<td>(...</td>
<td>(...</td>
<td>(...</td>
<td>(...</td>
</tr>
</tbody>
</table>

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**

---

Further details on BBVA's ratings and outlook can be found in the fixed income presentation.
Transformation Strategy
Digital Customers – BBVA Group

Digital Customers
(Mn, %penetration)

<table>
<thead>
<tr>
<th></th>
<th>Dec 16</th>
<th>Sep 17</th>
<th>Dec 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>18.1</td>
<td>21.1</td>
<td>22.6</td>
<td></td>
</tr>
</tbody>
</table>

PENETRATION

<table>
<thead>
<tr>
<th></th>
<th>Dec 16</th>
<th>Sep 17</th>
<th>Dec 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>36%</td>
<td>40%</td>
<td>42%</td>
<td></td>
</tr>
</tbody>
</table>

Mobile Customers
(Mn, %penetration)

<table>
<thead>
<tr>
<th></th>
<th>Dec 16</th>
<th>Sep 17</th>
<th>Dec 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>12.3</td>
<td>15.8</td>
<td>17.7</td>
<td></td>
</tr>
</tbody>
</table>

PENETRATION

<table>
<thead>
<tr>
<th></th>
<th>Dec 16</th>
<th>Sep 17</th>
<th>Dec 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>24%</td>
<td>30%</td>
<td>33%</td>
<td></td>
</tr>
</tbody>
</table>
Digital Sales
(% of total sales YtD, # of transactions)

**GROUP**

<table>
<thead>
<tr>
<th>Country</th>
<th>Digital Sales YtD</th>
<th>Dec-16</th>
<th>Dec-17</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>SPAIN</td>
<td>17.1</td>
<td>16.8</td>
<td>28.0</td>
<td>28.6</td>
</tr>
<tr>
<td>USA</td>
<td>19.4</td>
<td>17.1</td>
<td>28.6</td>
<td>22.8</td>
</tr>
<tr>
<td>MEXICO</td>
<td>11.9</td>
<td>11.9</td>
<td>21.7</td>
<td>32.8</td>
</tr>
<tr>
<td>TURKEY</td>
<td>25.2</td>
<td>25.2</td>
<td>32.8</td>
<td>36.9</td>
</tr>
<tr>
<td>SOUTH AMERICA</td>
<td>15.4</td>
<td>15.4</td>
<td>36.9</td>
<td></td>
</tr>
</tbody>
</table>

Exponential growth

5 million units sold via mobile in 2017
Focused on customer satisfaction

BBVA NPS (Dec.17)

<table>
<thead>
<tr>
<th>Country</th>
<th>Rnk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spain</td>
<td>#1</td>
</tr>
<tr>
<td>Mexico</td>
<td>#1</td>
</tr>
<tr>
<td>Turkey</td>
<td>#1</td>
</tr>
<tr>
<td>Argentina</td>
<td>#1</td>
</tr>
<tr>
<td>Colombia</td>
<td>#1</td>
</tr>
<tr>
<td>Paraguay</td>
<td>#1</td>
</tr>
<tr>
<td>Peru</td>
<td>#1</td>
</tr>
<tr>
<td>Venezuela</td>
<td>#1</td>
</tr>
</tbody>
</table>

Increase in NPS by channel
(footprint average(1))

- **Online Banking**
- **Branches**
  - Dec-17 vs Dec-16: +5.8 p.p.

Industry Recognition

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

(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

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

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

## Net Attributable Profit breakdown (2017)

- **Spain**: 40.3%
- **USA**: 16.4%
- **Mexico**: 16.0%
- **Turkey**: 9.5%
- **South America**: 15.4%
- **Rest of Eurasia**: 2.3%

(*) Ex- Telefónica impairment
**Capital Base: BBVA Group & BBVA, S.A.**

**Phased-in capital ratios**  
Dec.17 (%)

- **CET1**  
  - BBVA Group (1),(2): 15.52%  
  - BBVA, S.A. (2): 11.71%
- **Additional Tier 1**  
  - BBVA Group (1),(2): 22.54%  
  - BBVA, S.A. (2): 17.67%
- **Tier 2**  
  - BBVA Group (1),(2): 2.53%  
  - BBVA, S.A. (2): 1.28%

**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 (%)

- **CET1**  
  - BBVA Group (1),(2): 15.26%  
  - BBVA, S.A. (2): 14.78%
- **Additional Tier 1**  
  - BBVA Group (1),(2): 22.29%  
  - BBVA, S.A. (2): 17.42%
- **Tier 2**  
  - BBVA Group (1),(2): 2.91%  
  - BBVA, S.A. (2): 1.73%

**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

**DISTANCE TO MDA\(^{(4)}\)**

- 1,042 bps
- €20.6 Bn

**2017 SREP Requirement and distance to MDA**

- **CET1**: 17.67%
- **T2**: 1.97%
- **AT1**: 2.90%\(^{(5)}\)

**2017 CET1 SREP Requirement**

- Pillar 1 CET1: 7.25%
- Pillar 2R CET1: 10.75%\(^{(3)}\)
- CCB\(^{(2)}\): 7.25%

**2017 Total Capital SREP Requirement**

- Pillar 1 CET1: 4.5%
- Pillar 2R CET1: 1.5%
- CCB\(^{(2)}\): 1.25%

**Well above 2017 Total Capital and CET1 SREP requirements**

**Significant buffer to MDA: 1,042 bps**
### Debt Issuances – 2017(1)

<table>
<thead>
<tr>
<th>Product</th>
<th>Issue Date</th>
<th>Call Date</th>
<th>Maturity</th>
<th>Nominal currency</th>
<th>Coupon</th>
<th>Isin</th>
</tr>
</thead>
<tbody>
<tr>
<td>SNP</td>
<td>Nov-17</td>
<td>-</td>
<td>Nov-23</td>
<td>€ 150 M</td>
<td>3M+0.67%</td>
<td>XS1724512097</td>
</tr>
<tr>
<td>AT1</td>
<td>Nov-17</td>
<td>Nov-27</td>
<td>Perp</td>
<td>$ 1,000 M</td>
<td>6.13%</td>
<td>US05946KAF84</td>
</tr>
<tr>
<td>SNP</td>
<td>Nov-17</td>
<td>-</td>
<td>May-28</td>
<td>€ 140 M</td>
<td>1.72%</td>
<td>XS1712061032</td>
</tr>
<tr>
<td>SNP</td>
<td>Sep-17</td>
<td>-</td>
<td>Sep-22</td>
<td>€ 1,500 M</td>
<td>0.75%</td>
<td>XS1678372472</td>
</tr>
<tr>
<td>AT1</td>
<td>May-17</td>
<td>May-22</td>
<td>Perp</td>
<td>€ 500 M</td>
<td>5.875%</td>
<td>XS1619422865</td>
</tr>
<tr>
<td>Tier 2</td>
<td>May-17</td>
<td>-</td>
<td>May-27</td>
<td>CHF 20 M</td>
<td>1.60%</td>
<td>XS1615673701</td>
</tr>
<tr>
<td>Tier 2</td>
<td>May-17</td>
<td>-</td>
<td>May-27</td>
<td>$ 150 M</td>
<td>2.541%</td>
<td>XS1615674261</td>
</tr>
<tr>
<td>Senior Unsec</td>
<td>Apr-17</td>
<td>-</td>
<td>Apr-22</td>
<td>€ 1,500 M</td>
<td>3ME+0.60%</td>
<td>XS1594368539</td>
</tr>
<tr>
<td>Tier 2</td>
<td>Mar-17</td>
<td>Mar-27</td>
<td>Mar-32</td>
<td>$ 120 M</td>
<td>5.700%</td>
<td>XS1587857498</td>
</tr>
<tr>
<td>Tier 2</td>
<td>Mar-17</td>
<td>-</td>
<td>Mar-27</td>
<td>€ 53.4 M</td>
<td>fixed 3% (2 yr) - floating CMS10y + 1.30% (8 yr)</td>
<td>XS1579039006</td>
</tr>
<tr>
<td>Tier 2</td>
<td>Feb-17</td>
<td>-</td>
<td>Feb-32</td>
<td>€ 165 M</td>
<td>4.000%</td>
<td>XS1569874503</td>
</tr>
<tr>
<td>Tier 2</td>
<td>Feb-17</td>
<td>-</td>
<td>Feb-27</td>
<td>€ 1,000 M</td>
<td>3.50%</td>
<td>XS1562614831</td>
</tr>
<tr>
<td>Senior Unsec</td>
<td>Jan-17</td>
<td>-</td>
<td>Jan-22</td>
<td>€ 1,000 M</td>
<td>0.625%</td>
<td>XS1548914800</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Product</th>
<th>Issue Date</th>
<th>Call Date</th>
<th>Maturity</th>
<th>Nominal currency</th>
<th>Coupon</th>
<th>Isin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 2</td>
<td>May-17</td>
<td>May-22</td>
<td>May-27</td>
<td>$ 750 M</td>
<td>6.125%</td>
<td>XS1617531063</td>
</tr>
<tr>
<td>Senior Unsec</td>
<td>Mar-17</td>
<td>-</td>
<td>Mar-23</td>
<td>$ 500 M</td>
<td>5.875%</td>
<td>XS1576037284</td>
</tr>
<tr>
<td>Senior Unsec</td>
<td>Jun-17</td>
<td>May-22</td>
<td>Jun-22</td>
<td>$ 750 M</td>
<td>2.875%</td>
<td>XS1617531063</td>
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</tbody>
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(1) Includes Bancomer T2 issued in Jan, 18
## Amortized notes – 2017\(^{(1)}\)

<table>
<thead>
<tr>
<th>Product</th>
<th>Issue Date</th>
<th>Redemption</th>
<th>Outstanding currency (M)</th>
<th>Outstanding € (M)</th>
<th>Coupon</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preferred</td>
<td>Apr-07</td>
<td>Apr-17</td>
<td>$ 600</td>
<td>508</td>
<td>5.919%</td>
</tr>
<tr>
<td>Preferred</td>
<td>Sep-06</td>
<td>Mar-17</td>
<td>€ 164</td>
<td>164</td>
<td>3ME+1.95%</td>
</tr>
<tr>
<td>Preferred</td>
<td>Sep-05</td>
<td>Mar-17</td>
<td>€ 86</td>
<td>86</td>
<td>3ME+1.65%</td>
</tr>
<tr>
<td>Tier 2</td>
<td>Oct-05</td>
<td>Jan-18</td>
<td>€ 99</td>
<td>99</td>
<td>3ME+0.80%</td>
</tr>
<tr>
<td>Tier 2</td>
<td>Feb-07</td>
<td>Feb-18</td>
<td>€ 257</td>
<td>257</td>
<td>3ME+0.80%</td>
</tr>
<tr>
<td>Tier 2</td>
<td>May-07</td>
<td>May-17</td>
<td>$ 500</td>
<td>424</td>
<td>6%</td>
</tr>
<tr>
<td>Tier 2</td>
<td>May-07</td>
<td>May-17</td>
<td>PEN 40</td>
<td>11</td>
<td>5.85%</td>
</tr>
<tr>
<td>Tier 2</td>
<td>Jun-03/04</td>
<td>Sept/Oct-17</td>
<td>$ 100</td>
<td>85</td>
<td>3ML+2.81% (^{(3)})</td>
</tr>
</tbody>
</table>

\(^{(1)}\) 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)
Fixed Income Presentation

2017