BBVA

Creating Opportunities

Fixed Income Presentation 1Q20

Disclaimer

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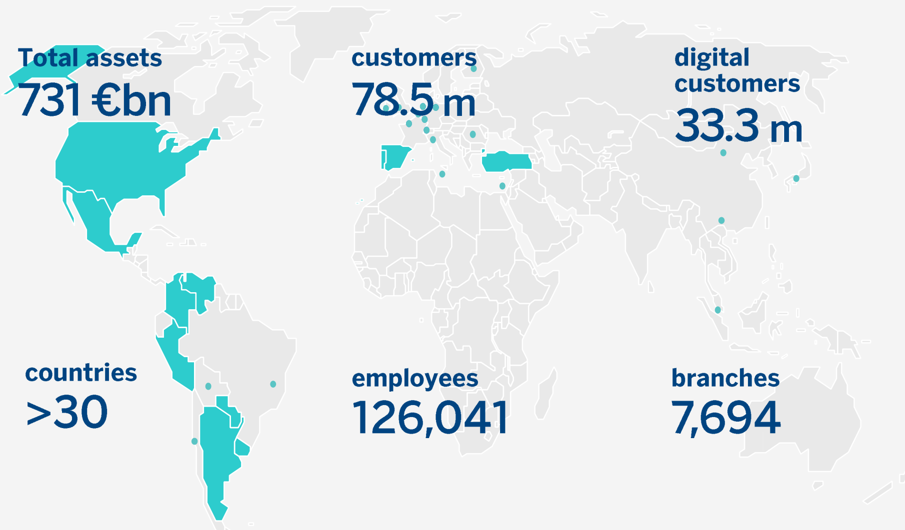
01

About BBVA

About BBVA

BBVA'S GLOBAL PRESENCE

MAR.20

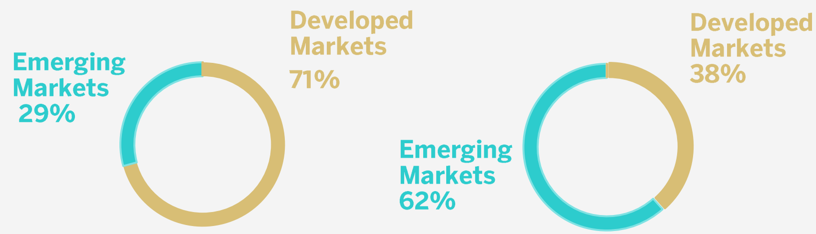


DIVERSIFICATION UNDER A DECENTRALIZED MODEL

MAR.20

TOTAL ASSETS (1)
MAR. 2020

GROSS INCOME (1)
3M20



(1) Figures exclude the Corporate Center

Well-diversified footprint with **leading franchises**.

Decentralized model: self-sufficient subsidiaries in terms of capital and liquidity management. No liquidity transfers.

OUR PURPOSE

"To bring the age of opportunity to everyone"

NEW STRATEGIC PRIORITIES

MAR.20

WHAT WE STAND FOR

- Improving our client's financial health
- Helping our clients transition towards a sustainable future

DRIVERS OF SUPERIOR PERFORMANCE

- Reaching more clients
- Operational excellence

ACCELERATORS TO DELIVER ON OUR STRATEGY

- The best and most engaged team
- Data and Technology

Creating Opportunities

02

BBVA's strengths

We face this crisis from a position of strength

1

Strong and low volatile Operating Income

2

Sound capital position and proven capacity to **generate capital**

3

Comfortable **liquidity position**

4

Digital edge as a competitive advantage

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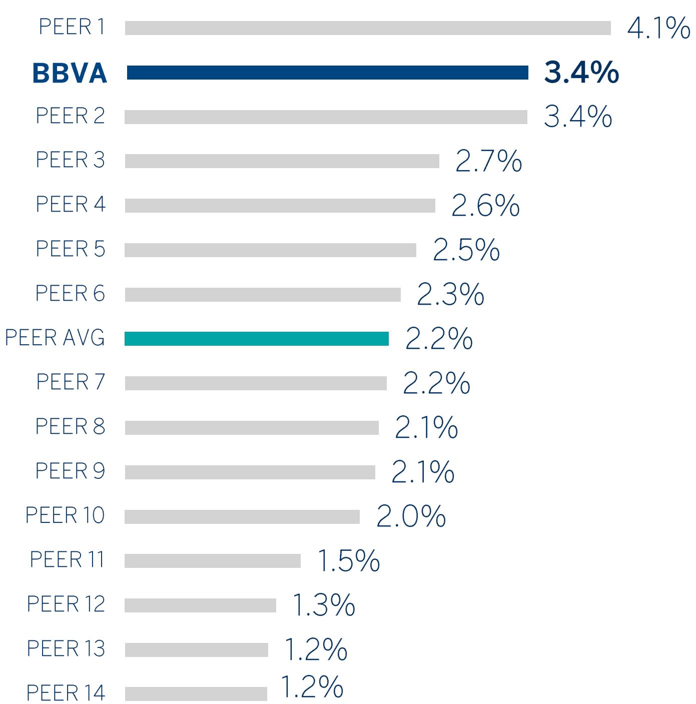
Strong and low volatile Operating Income

A proven track record of earnings resilience and low volatility…

STRONG AND LOW VOLATILE OPERATING INCOME…

OPERATING INCOME/ RWAS
(2008-2019 AVERAGE, %)



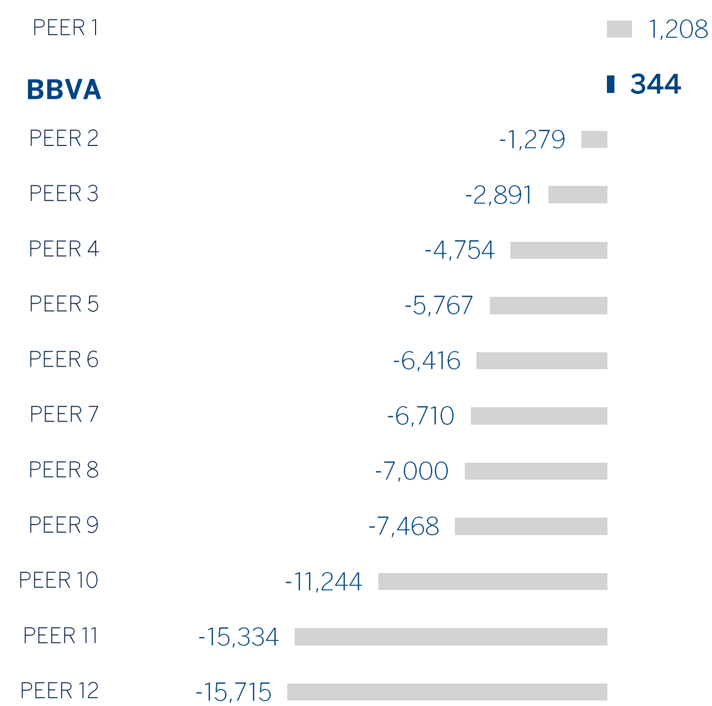
VOLATILITY - STANDARD DEVIATION

BBVA **±0.4%** European Peers **±0.9%**

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

…EVEN UNDER STRESSED SCENARIOS

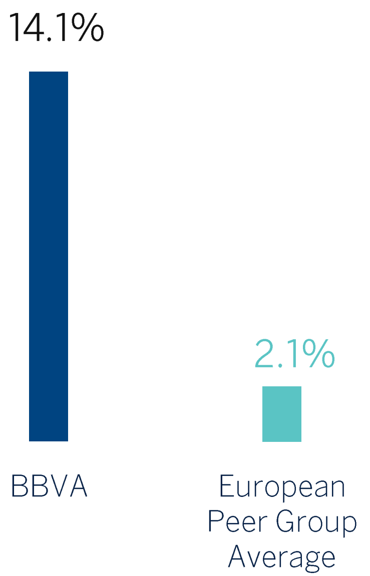
EBA STRESS TEST 2018: ADVERSE SCENARIO NET ATTRIBUTABLE PROFIT 2018-2020
(CUMULATIVE € MN)



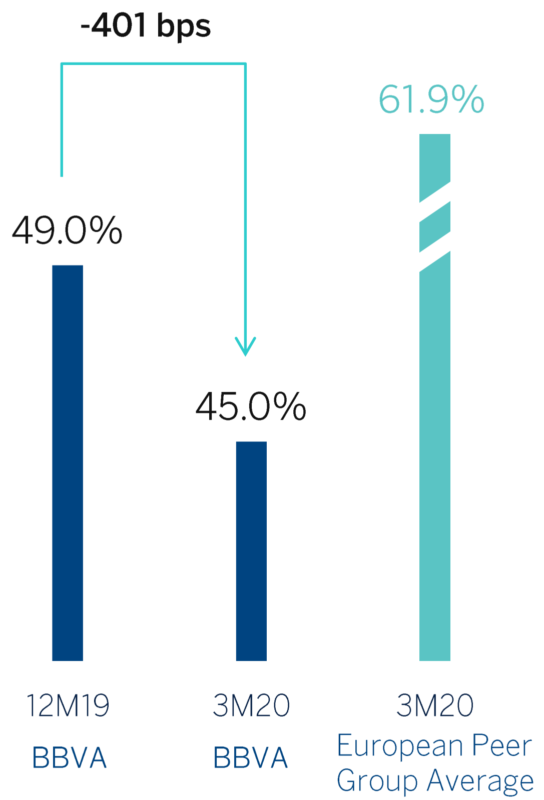
Peers: BARC, BNPP, CASA, CMZ, DB, HSBC, ISP, LBG, RBS, SAN, SG, UCG.

… a trend that has been maintained in 1Q20…

OPERATING INCOME
(1Q20 YoY; %)



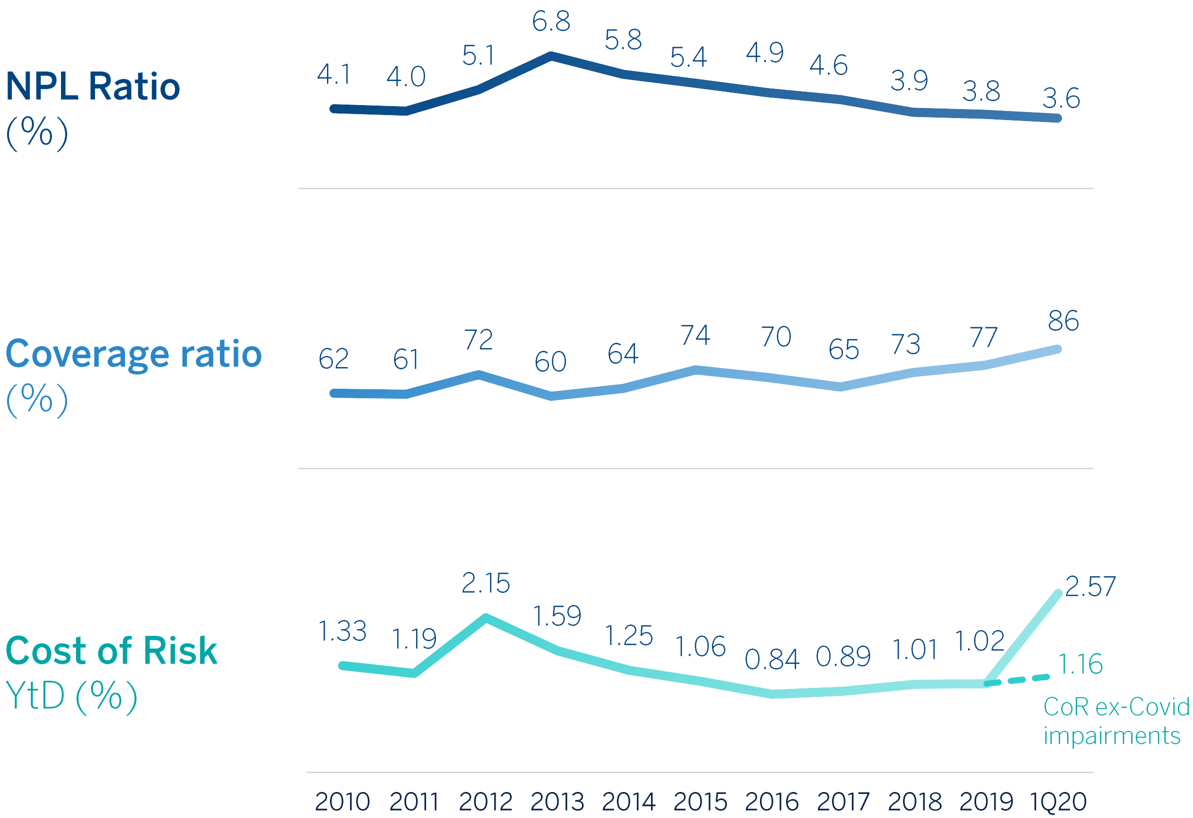
EFFICIENCY RATIO
(%; € CONSTANT)



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

BBVA posted the highest quarterly Operating Income in the last 10 years

…allowing us to absorb the frontloading of Covid-19 impairments



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

Note: Data since 2018 under IFRS9 standards and 2017 figures under IAS 39. NPL ratio from 2017 onwards is calculated excluding repos (the rest of the series have not been restated)

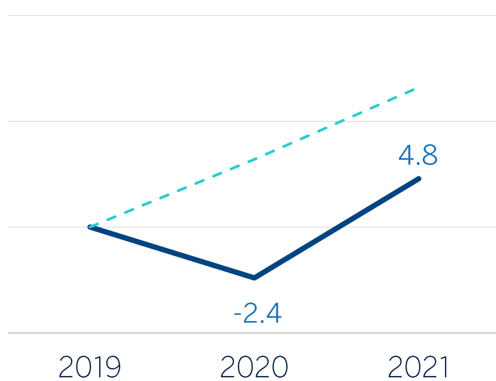
Macro provisioning based on BBVA Research current incomplete "v-shaped" scenarios

Macro scenarios by country

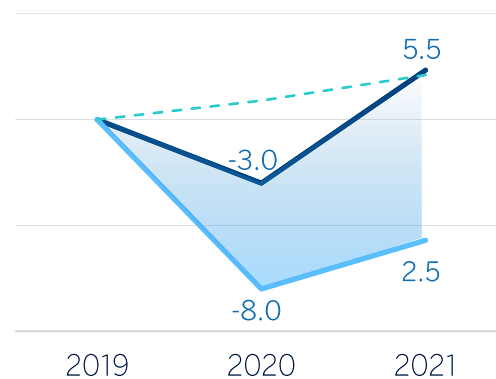
GDP LEVELS CURRENT AND PREVIOUS FORECASTS (2019=100)

- Range, upper bound APR-20
- Range, lower bound APR-20
- Previous forecast, FEB-20

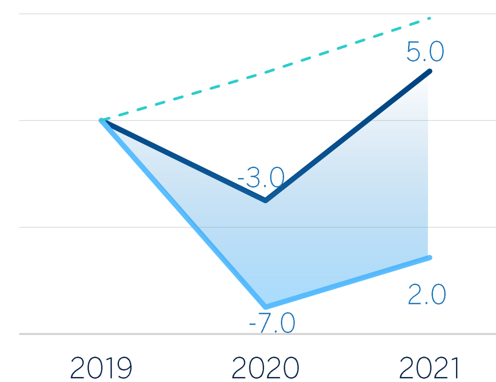
GLOBAL (GDP YOY%)



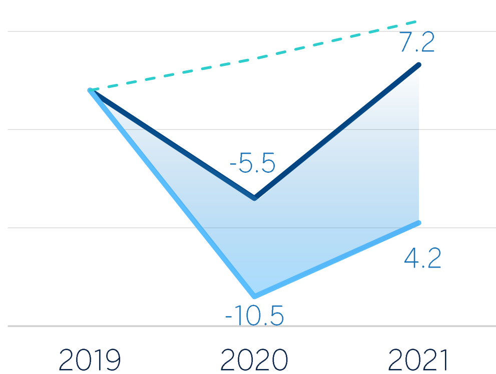
EUROZONE (GDP YOY%)



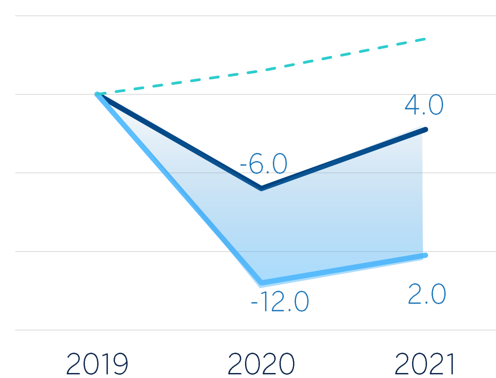
USA (GDP YOY%)



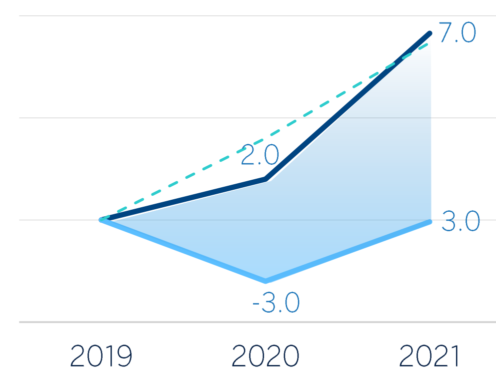
SPAIN (GDP YOY%)



MEXICO (GDP YOY%)



TURKEY (GDP YOY%)



Source: BBVA Research.

Impairments breakdown by business area

/ IMPAIRMENTS BREAKDOWN
(€M CONSTANT)

	Recurrent Impairments	COVID-19 Frontloaded Impairments*	Total Impairments
Spain	143	517	660
USA	146	280	426
Mexico	453	320	773
Turkey	234	169	403
Argentina	25	39	64
Colombia	66	64	130
Peru	54	42	96
Rest	20	2	22
TOTAL	**1,142**	**1,433**	**2,575**

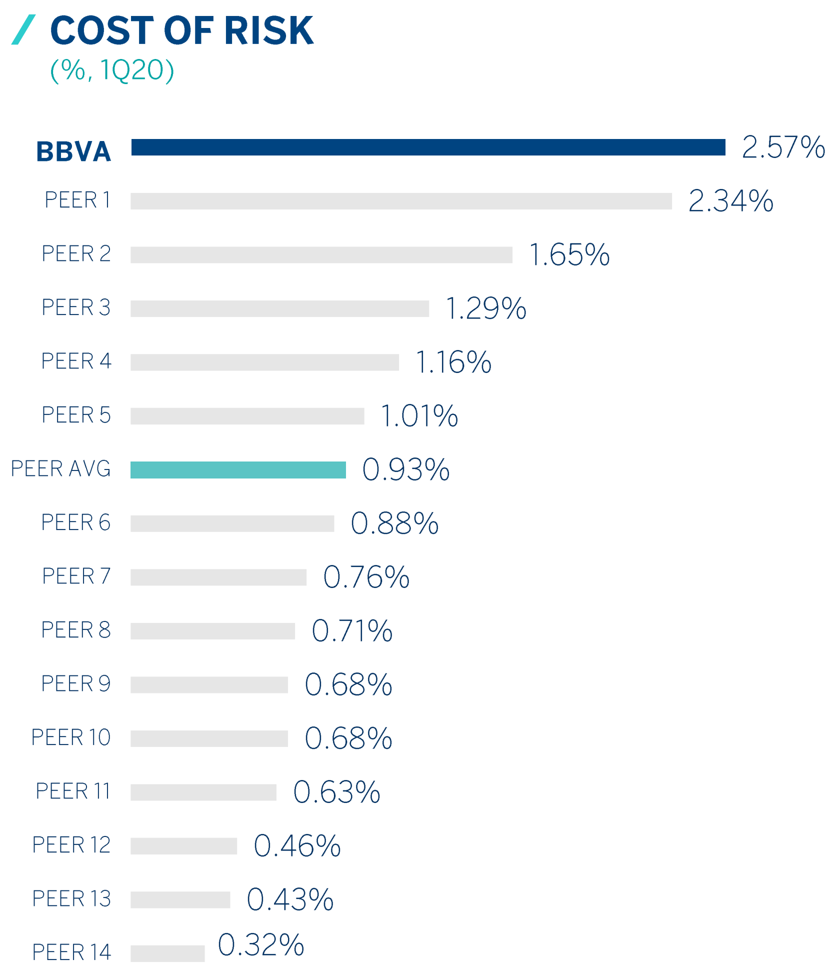
/ COST OF RISK BREAKDOWN
(%, CURRENT YTD)

	Recurrent Impairments	Total Impairments	2019
Spain	0.33%	1.54%	0.18%(**)
USA	0.90%	2.60%	0.88%
Mexico	3.11%	5.30%	3.01%
Turkey	2.19%	3.80%	2.07%
Argentina	2.87%	2.62%(***)	4.22%
Colombia	2.02%	4.01%	1.67%
Peru	1.37%	2.43%	1.45%
Rest	n.a.	n.a.	n.a.
TOTAL	**1.16%**	**2.57%**	**1.02%**

(*) IRFS 9 updated macro adjustment plus specific provisions for most affected portfolios (**) Excludes 2Q19 mortgage portfolio sales (***) Excludes €42M accounted in provisions.

2020 CoR to be significantly below 1Q20 levels:
c. 150-180 bps, according to our best estimate

BBVA, the highest provision frontloading among European peers



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

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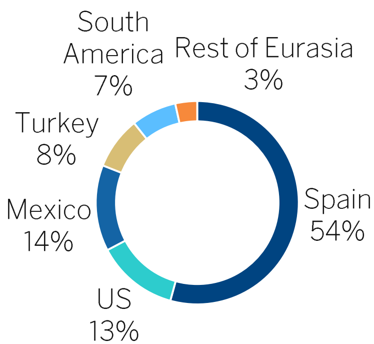
Business Areas

A well-diversified footprint with leadership positioning

BREAKDOWN BY BUSINESS AREA

TOTAL ASSETS [1]

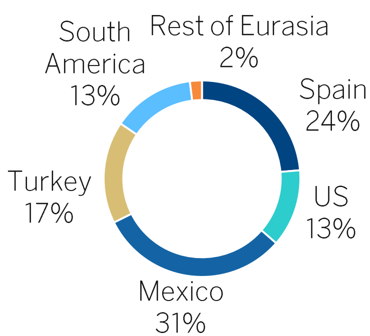
MAR.20



71% Developed Markets

GROSS INCOME [1]

3M20



38% Developed Markets

(1) Percentages exclude Corporate Center

LEADERSHIP POSITIONING

MARKET SHARE (IN %) AND RANKING [2]

SPAIN #3	USA (Sunbelt) #4
13.6%	6.1%

TURKEY #2	MEXICO #1
17.5%	23.2%

SOUTH AMERICA

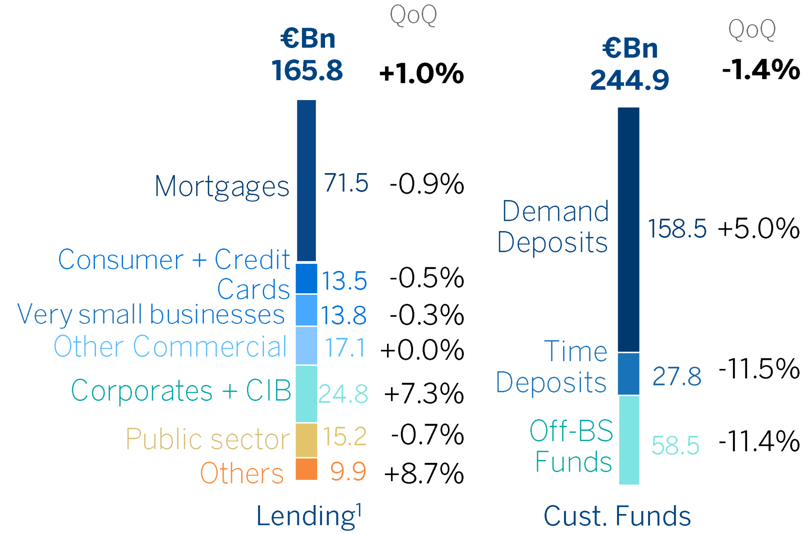
Colombia #4	Peru #2	Argentina #4
10.3%	20.4%	7.7%

(2) Loans market shares except for USA (Deposits). **Spain** based on BoS (Feb'20) and ranking (Dec'19) by AEB and CECA; **Mexico** data as of Feb'20 (CNBV); **South America** (Dec'19 for Argentina and Feb'20 for Colombia and Peru). Ranking considering main peers in each country; **USA**: SNL (Jun'19) considering Texas and Alabama; **Turkey**: BRSA total performing loans among private banks (market share as of Mar'20 and ranking as of Dec'19)

Spain

Profit & Loss (€m)	1Q20	Δ (%) vs 1Q19	Δ (%) vs 4Q19
Net Interest Income	**873**	**1.7**	**-3.7**
Net Fees and Commissions	469	13.4	1.1
Net Trading Income	61	-44.0	-48.3
Other Income & Expenses	103	10.1	n.a.
Gross Income	**1,506**	**2.2**	**6.9**
Operating Expenses	-778	-4.4	-4.2
Operating Income	**728**	**10.3**	**22.2**
Impairment on Financial Assets	-660	1,093.7	617.6
Provisions & other gains (losses)	-265	115.4	129.6
Income Before Tax	**-196**	**n.a.**	**n.a.**
Income Tax	57	n.a.	n.a.
Net Attributable Profit	**-141**	**n.a.**	**n.a.**

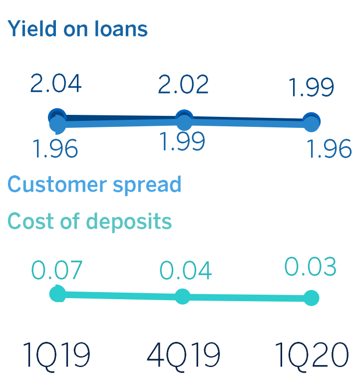
ACTIVITY (MAR-20)



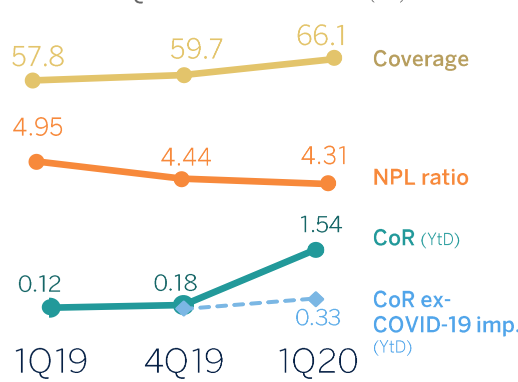
Note: Activity excludes repos. (1) Performing loans under management.

KEY RATIOS

CUSTOMER SPREAD (%)



ASSET QUALITY RATIOS (%)



Note: CoR 4Q19 ex mortgage portfolio sale in 2Q19.

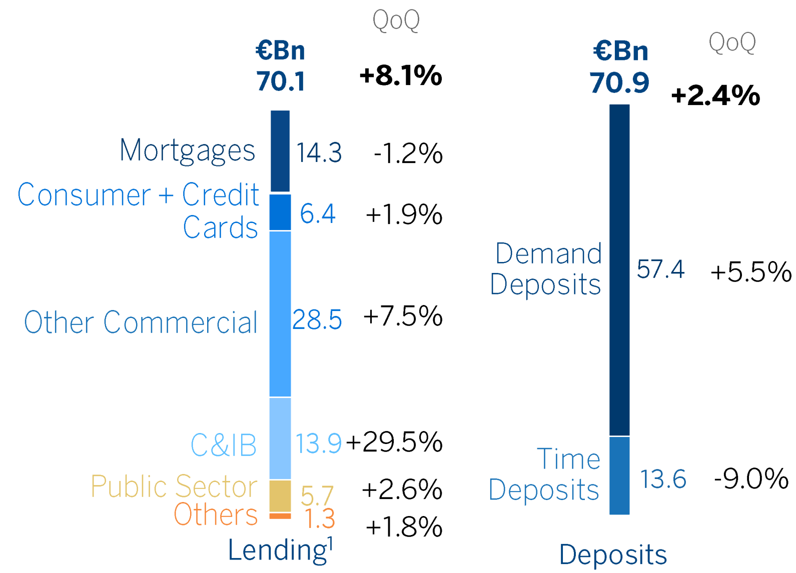
- Loans: +1% QoQ growth driven by Corporates and CIB, due to S/T loans and credit lines being drawn down.
- Strong core revenue growth, +5.5% YoY, mainly driven by fees.
- Costs continue to go down, exceeding our expectations.
- Asset quality: higher CoR due to the strong frontloading of provisions related to COVID-19. Excluding this, CoR at 33bps.

USA

Profit & Loss (€m constant)	1Q20	Δ Constant vs 1Q19 (%)	Δ Current vs 1Q19 (%)	Δ Constant vs 4Q19 (%)
Net Interest Income	**549**	**-13.3**	**-10.7**	**-6.3**
Net Fees and Commissions	176	13.5	16.9	12.6
Net Trading Income	93	122.0	128.4	164.4
Other Income & Expenses	-4	46.5	51.4	n.a.
Gross Income	**814**	**-1.7**	**1.3**	**3.4**
Operating Expenses	-499	2.4	5.5	-3.5
Operating Income	**315**	**-7.6**	**-4.8**	**16.4**
Impairment on Financial Assets	-426	156.2	163.9	193.2
Provisions & other gains (losses)	-1	-91.6	-91.4	-88.1
Income Before Tax	**-112**	**n.a.**	**n.a.**	**n.a.**
Income Tax	12	n.a.	n.a.	n.a.
Net Attributable Profit	**-100**	**n.a.**	**n.a.**	**n.a.**

ACTIVITY (MAR-20)

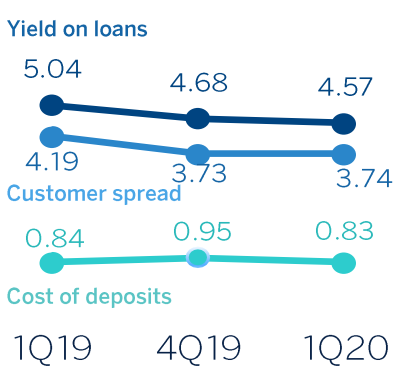
(CONSTANT €)



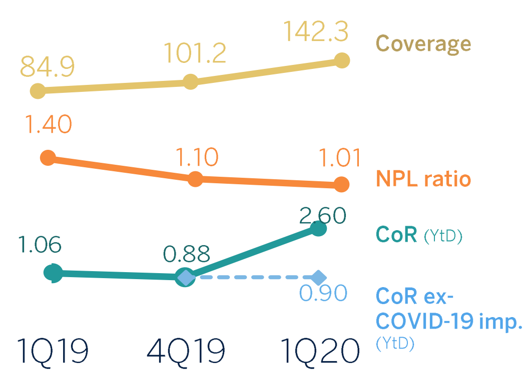
Note: Activity excludes repos. (1) Performing loans under management.

KEY RATIOS

CUSTOMER SPREAD (%)



ASSET QUALITY RATIOS (%)



- Loans: high growth QoQ (+8.1%) due to wholesale clients drawing down credit lines.
- Operating income: double digit growth QoQ (+16.4%) thanks to CIB fees, higher NTI and lower expenses.
- NII impacted by lower interest rates and a lower contribution from the securities portfolio.
- Asset Quality: provision frontloading of €280M related to COVID-19 (includes higher provisions for the Oil and Gas sector *). Excluding this, CoR at 90 bps.

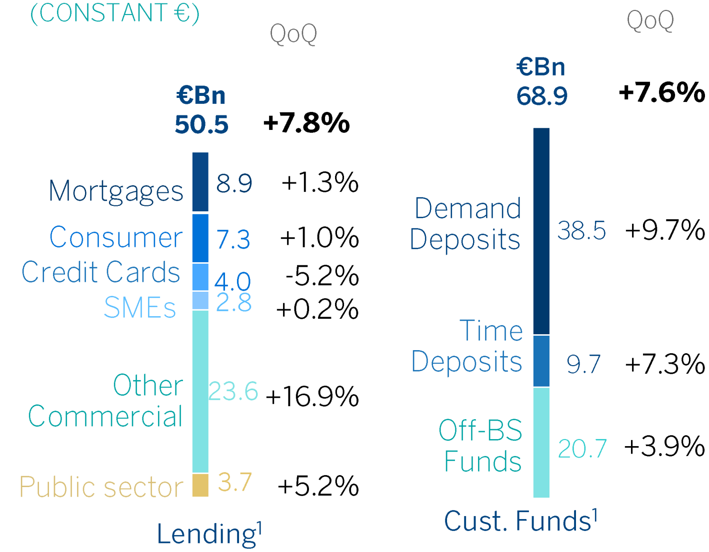
(*) Additionally, €23M have been booked in Provisions & Other gains (losses).

Mexico

Profit & Loss (€m constant)	1Q20	ΔConstant vs 1Q19 (%)	Δ Current vs 1Q19 (%)	Δ Constant vs 4Q19 (%)
Net Interest Income	**1,545**	**4.4**	**3.0**	**-0.6**
Net Fees and Commissions	296	-0.1	-1.4	-11.5
Net Trading Income	78	26.7	25.1	18.1
Other Income & Expenses	71	80.8	78.5	-20.0
Gross Income	**1,991**	**6.0**	**4.6**	**-2.6**
Operating Expenses	-660	5.5	4.1	-0.4
Operating Income	**1,330**	**6.3**	**4.9**	**-3.7**
Impairment on Financial Assets	-773	98.5	95.9	74.1
Provisions & other gains (losses)	-13	n.a.	n.a.	n.a.
Income Before Tax	**545**	**-37.1**	**-37.9**	**-43.0**
Income Tax	-172	-30.2	-31.1	-30.0
Net Attributable Profit	**372**	**-39.9**	**-40.6**	**-47.5**

ACTIVITY (MAR-20)

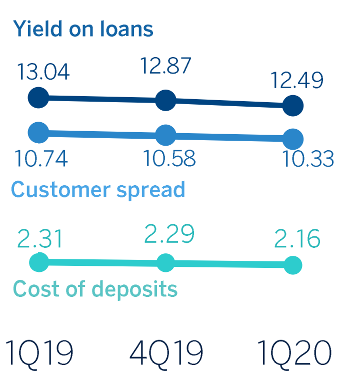
(CONSTANT €)



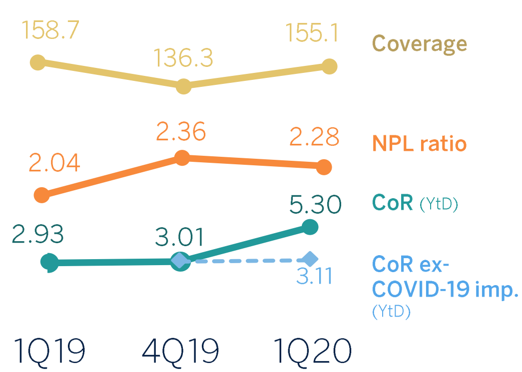
(1) Performing loans and Cust. Funds under management, excluding repos, according to local GAAP

KEY RATIOS

CUSTOMER SPREAD (%)



ASSET QUALITY RATIOS (%)



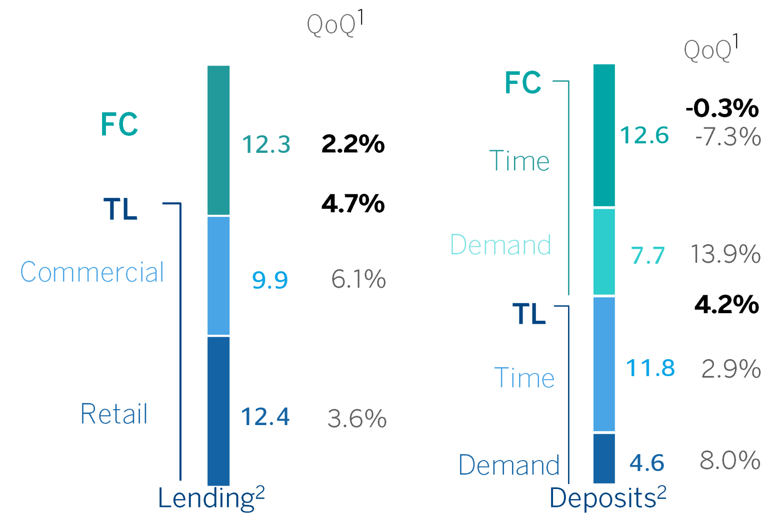
- Loans: strong growth QoQ (+4% excl. FX) driven by commercial segments due to drawdown of credit lines, leading to market share gains (+55 bps QoQ)
- Resilient Operating Income (+6% YoY) with revenues and positive operating jaws as the main levers.
- NII impacted by lower lending yields and a loan mix effect (growth biased to commercial segments).
- Asset quality: Significant frontloading of COVID-19 related provisions (€320M). Excluding this, CoR at 311 bps.

Turkey

Profit & Loss (€m constant)	**1Q20**	ΔConstant vs 1Q19 (%)	Δ Current vs 1Q19 (%)	Δ Constant vs 4Q19 (%)
Net Interest Income	**819**	**30.2**	**18.0**	**9.8**
Net Fees and Commissions	165	-6.1	-14.9	2.1
Net Trading Income	67	n.a.	n.a.	-5.4
Other Income & Expenses	22	312.3	273.6	77.3
Gross Income	**1,073**	**34.0**	**21.5**	**8.3**
Operating Expenses	-310	9.3	-0.9	-0.8
Operating Income	**763**	**47.6**	**33.7**	**12.6**
Impairment on Financial Assets	-403	120.8	100.1	62.3
Provisions & other gains (losses)	-20	1,673.5	-77.1	-77.1
Income Before Tax	**340**	**1.9**	**-7.6**	**-0.4**
Income Tax	-78	8.8	-1.4	-19.5
Non-controlling Interest	-133	-0.2	-9.6	7.1
Net Attributable Profit	**129**	**0.3**	**-9.1**	**7.3**

ACTIVITY (MAR-20)

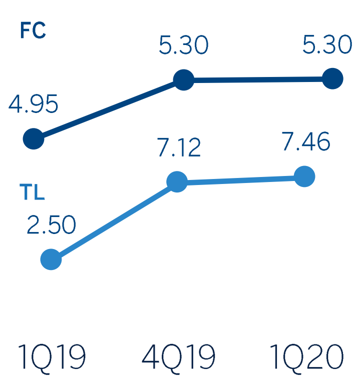
(CONSTANT €; BANK ONLY)



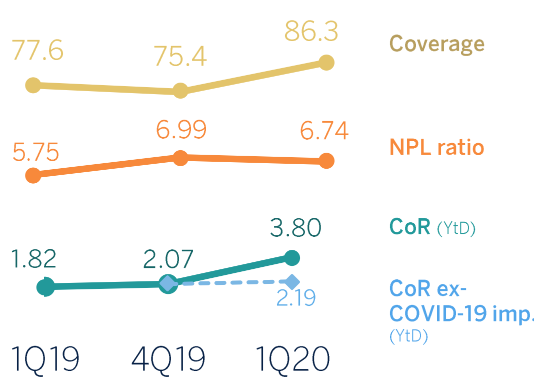
(1) FC evolution excluding FX impact. (2) Performing loans and deposits under management, excluding repos, according to local GAAP

KEY RATIOS

CUSTOMER SPREAD (%)



ASSET QUALITY RATIOS (%)



- Loans: strong growth in TL. Growth in FC levered on S/T export loans.
- Strong operating income growth (+48% YoY)
- Significant NII growth (+30% YoY) explained by loan growth and the improvement in customer spreads due to the decrease in the cost of deposits.
- Costs growing below average inflation (+13.5%)
- Asset quality: impairment increased due to strong frontloading of provisions due to COVID-19 (€169M). Excluding this, CoR at 219 bps

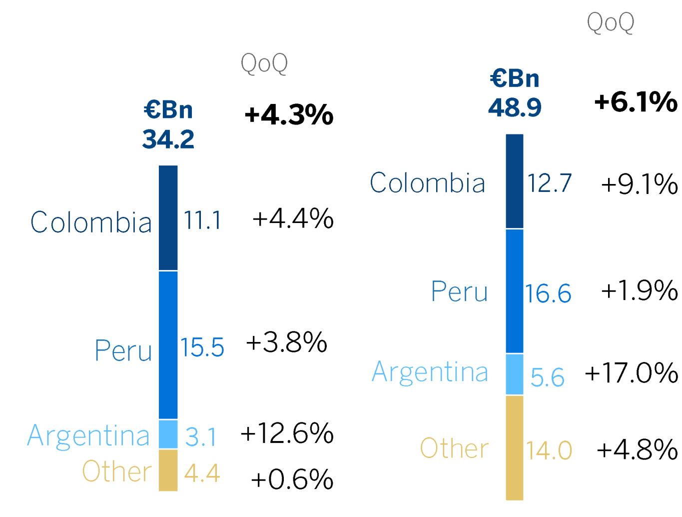
South America

Net Attributable Profit (€m constant)	1Q20	Δ Constant[1] vs 1Q19 (%)	Δ Current[1] vs 1Q19 (%)	Δ Constant vs 4Q19 (%)
Colombia	8	-84.5	-85.8	-87.5
Peru	30	-30.7	-30.3	-37.9
Argentina	8	-70.4	-87.0	-70.7
Other[2]	24	-15.8	-26.1	20.6
South America	**70**	**-53.8**	**-63.8**	**-56.6**

(1) Venezuela in current €m

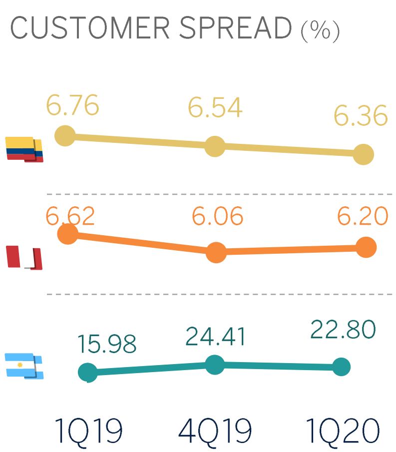
(2) Other includes BBVA Forum, Venezuela, Paraguay, Uruguay and Bolivia.

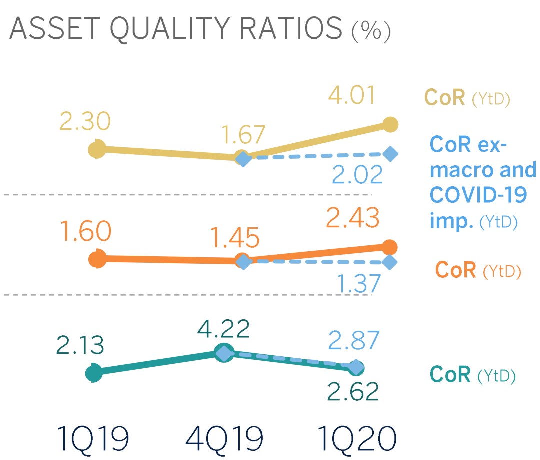
ACTIVITY (MAR-20) (CONSTANT €)



Note: Activity excludes repos. (1) Performing loans under management

KEY RATIOS



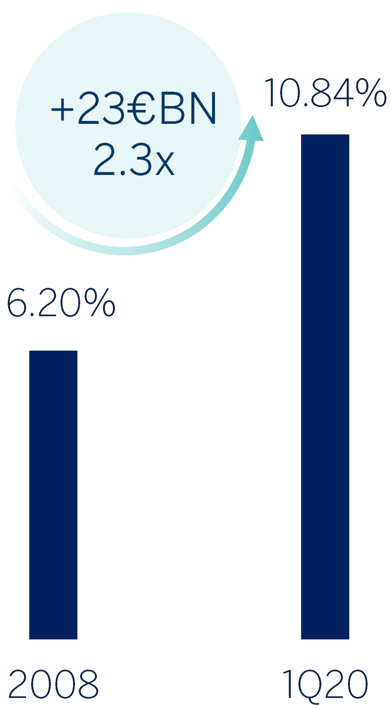


- Colombia: High single digit growth in NII YoY, supported by activity. Strong frontloading of COVID-19 provision. CoR excluding this at 202 bps
- Peru: Loan growth driven by CIB. Provisions impacted by COVID-19 impact frontloading. Excluding this, CoR improves to 137bps
- Argentina: Positive Net Attributable Profit despite a €42M provision for the sovereign debt portfolio

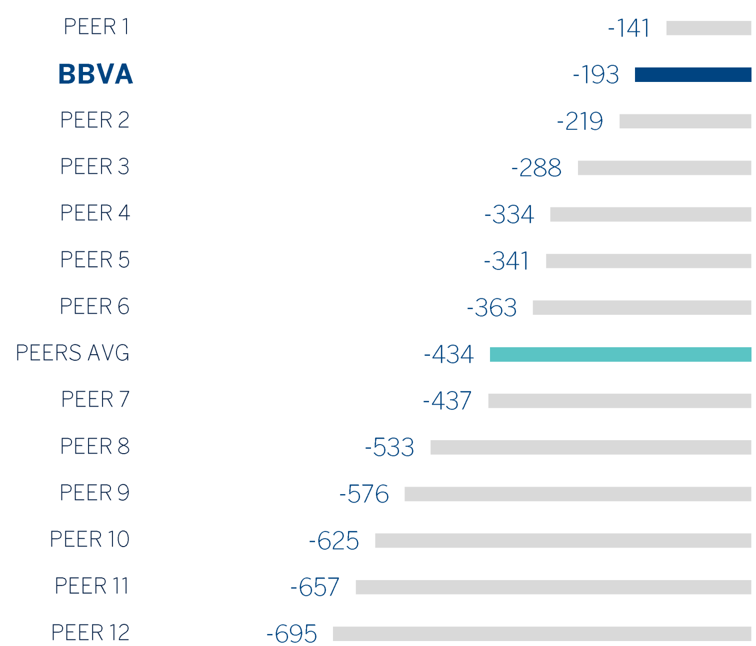
Sound capital position

A proven track record in capital generation and superior resilience under stress

BBVA GROUP CET1 FULLY LOADED (%)



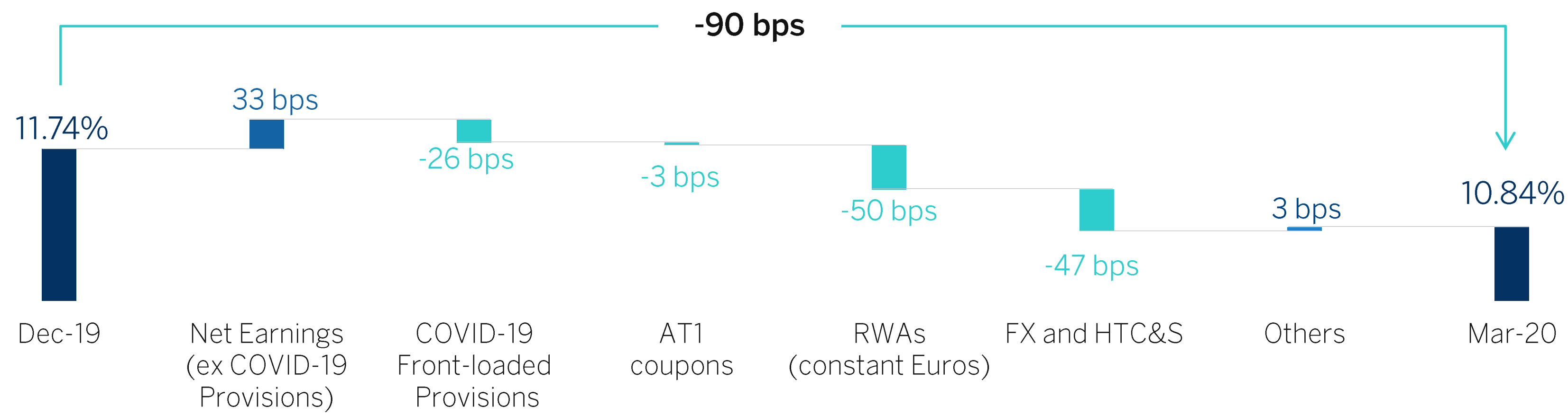
EBA STRESS TEST 2018: ADVERSE SCENARIO CET1 FL DEPLETION 2020 VS 2017 (BPS)



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

In 1Q20, CET1 ratio was impacted by strong activity, market related impacts and provision frontloading

CET1 FULLY-LOADED
QUARTERLY EVOLUTION (%, BPS)



DIVIDENDS

2019

0.26 € / share paid for 2019 results, last payment of 0.16 €/share (29 bps of CET1) paid in April 2020. **Already booked in 2019**

2020

No dividend payment until uncertainties disappear

CET1 ratio sensitivity to market movements (1)

TO CURRENCY DEPRECIATION

BBVA GROUP 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

SENSITIVITY TO A 10% DEPRECIATION (MAR.20)

- **MXN** -3 bps
- **TRY** -3 bps
- **USD** +9 bps

P&L

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

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

2020 NET ATTRIBUTABLE PROFIT FX HEDGING (MAR.20)

- **MEXICO:** c.100%
- **TURKEY:** c.50%
- **COLOMBIA:** c.70%

TO A 10% DECLINE IN TEF SHARE PRICE

MAR.20

-2.5 bps

TO +100 BPS WIDENING IN THE SPANISH CREDIT SPREAD

MAR.20

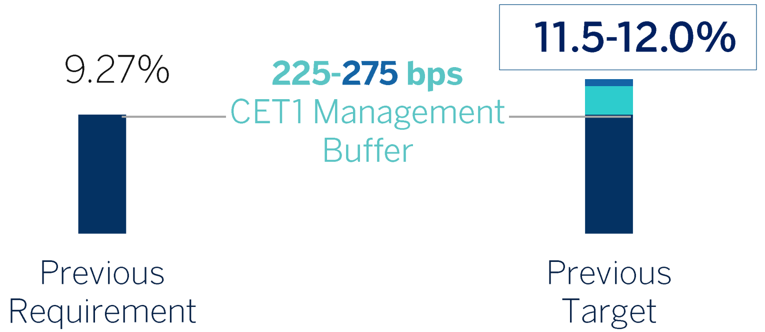
-13 bps

(1) CET1 sensitivity considering the FL capital ratio as of March 31st.

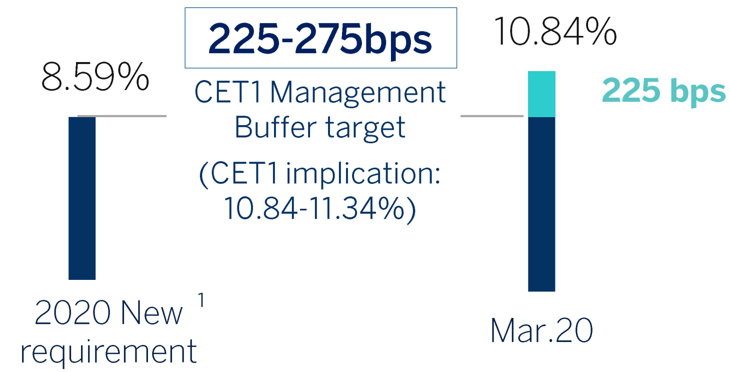
Moving from a CET1 target of 11.5%-12% to a 225-275 bps CET1 management buffer target

CET1 FULLY-LOADED- BBVA GROUP (%)

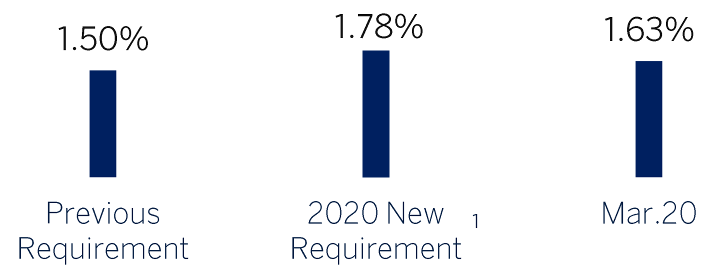
FROM: %CET1 TARGET



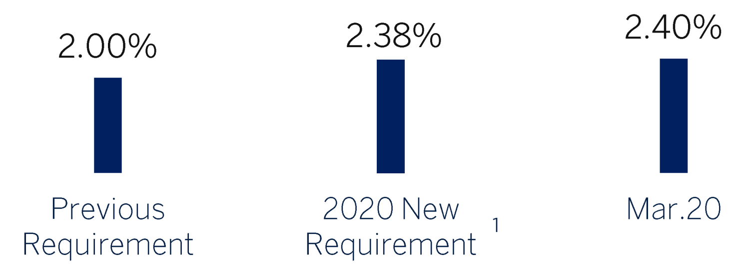
TO: CET1 MANAGEMENT BUFFER



AT1 (%)



TIER 2 (%)

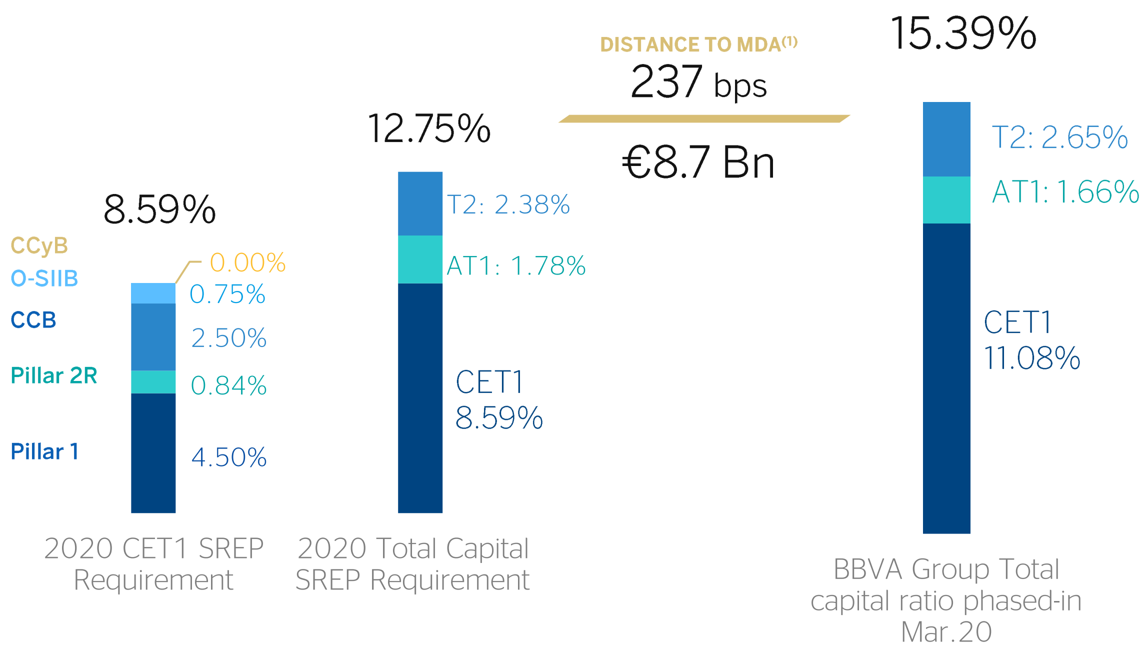


(1) P2R tiering measure announced by ECB, maintains total capital requirement but reduces CET1 requirement by 66 bps while increasing AT1 (+28 bps) and T2 (+38 bps). Additionally, Countercyclical buffer requirement has been removed (-2 bps).

In our base case scenario, we should be close to the upper part of the target range by year end

Capital ratios well above requirements

/ 2020 SREP REQUIREMENT AND DISTANCE TO MDA AT GROUP LEVEL



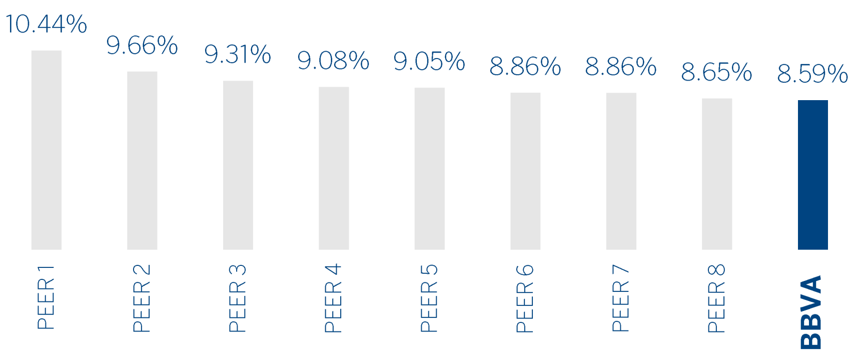
- Well above 2020 Total Capital and CET1 SREP requirements
- Significant buffer to MDA: 237 bps
- Pro-forma buffer to MDA on a fully loaded basis[2]: 209 bps

(1) 237 bps of Buffer to MDA = 11.08% Mar.20 CET1 phased-in ratio - 0.12% AT1 shortfall - 8.59% 2020 CET1 SREP Requirement
(2) Provided for information purposes as the distance to MDA is calculated based on phased-in ratios and these are the legally binding ones

Lowest SREP requirement among peers

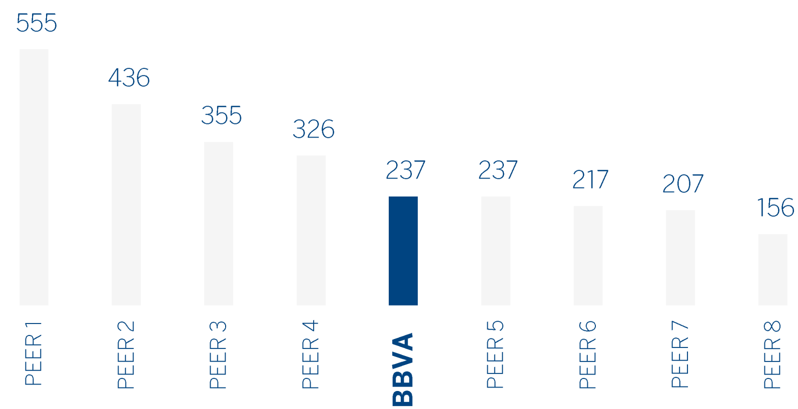
/ CET1 SREP REQUIREMENT

BASED ON 2020 REQUIREMENT POST P2R TIERING



/ DISTANCE TO MDA

MAR.20 (BPS)



- **BBVA has the lowest SREP requirement** among its European peers

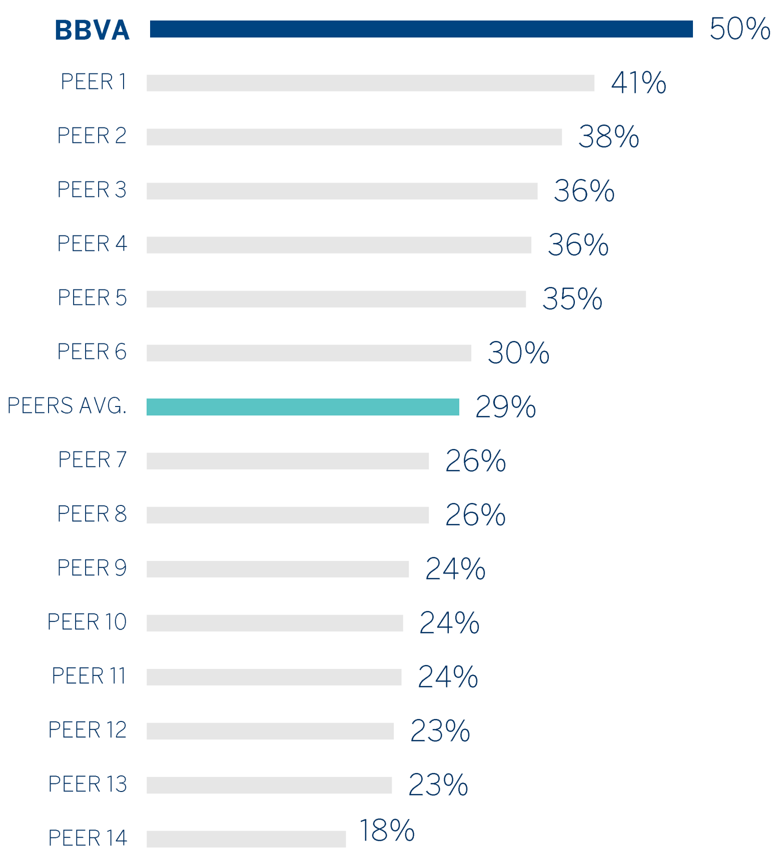
- **Ample buffer** over minimum requirements
- **Efficient capital** structure

European Peer Group subject to ECB regulation: BNPP, CA, CMZ, DB, ISP, SAN, SG, UCG

High quality capital

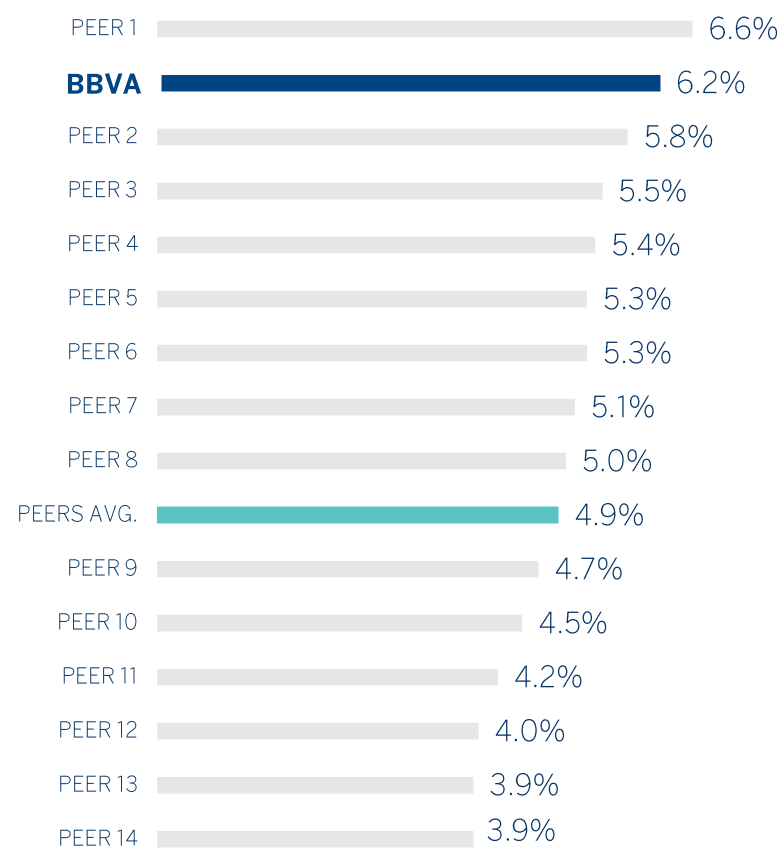
/ RWA / TOTAL ASSETS

MAR.20



/ LEVERAGE RATIO FULLY-LOADED

MAR.20



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

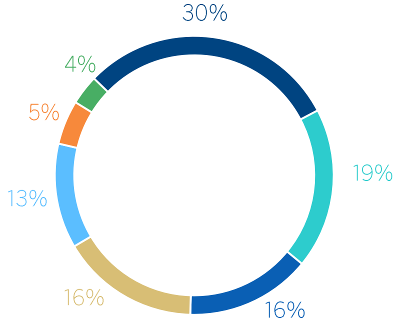
BBVA, leading the rankings in terms of RWAs density and leverage ratio

BBVA Group RWA Distribution

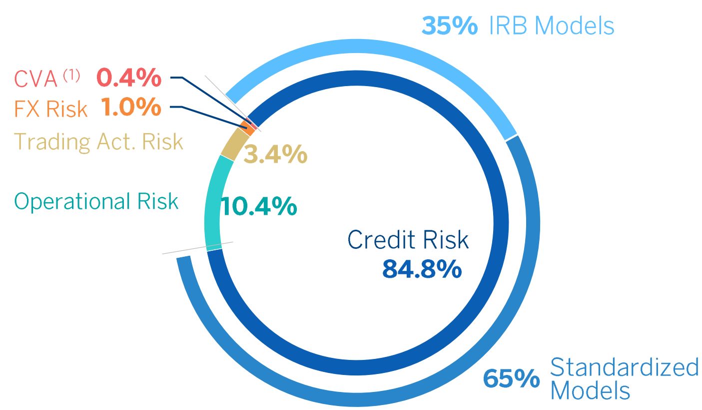
/ TOTAL RWAS FULLY-LOADED

MAR.20

368,827 €Mn



Spain		110,929
USA		68,765
Mexico		53,522
Turkey		59,163
South America		44,876
Rest of Eurasia		18,878
Corporate Center		12,692

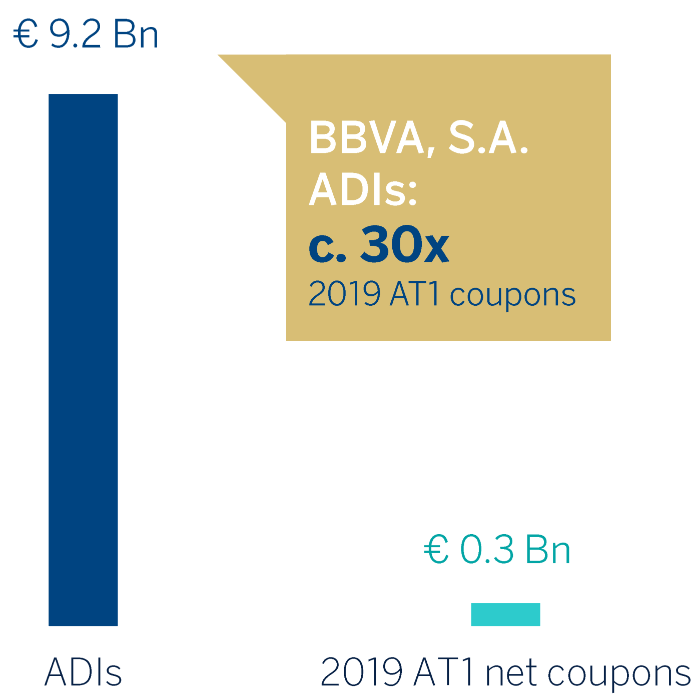


- Optimizing Capital Allocation is one of BBVA's Strategic Priorities
- Limited usage of internal models in Credit Risk RWAs, mitigating potential impacts from future regulatory requirements

(1) Credit Valuation Adjustment.
Note: Distribution of RWAs by type of risk and Model based on 4Q19 Pilar III report.

High level of Available Distributable Items (ADIs)

BBVA, S.A.- PARENT COMPANY
DEC.19, €BN



- 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 - 2019 Dividend - AT1 coupons. BBVA does not include within the ADIs figure the Share Premium (amounting to additional €24 Bn as of December 31st, 2019).

BBVA
Creating Opportunities

Comfortable liquidity position

Liquidity ratios well above 100% minimum requirements

BBVA GROUP LIQUIDITY AND FUNDING METRICS
MAR.20

	Eurozone (2)	USA	Mexico	Turkey	South America
LTD	101%	98%	103%	95% (4)	95%
LCR	156%	144% (3)	146%	153%	>100%
NSFR	114%	112%	127%	151%	>100%

LCR Group
134%

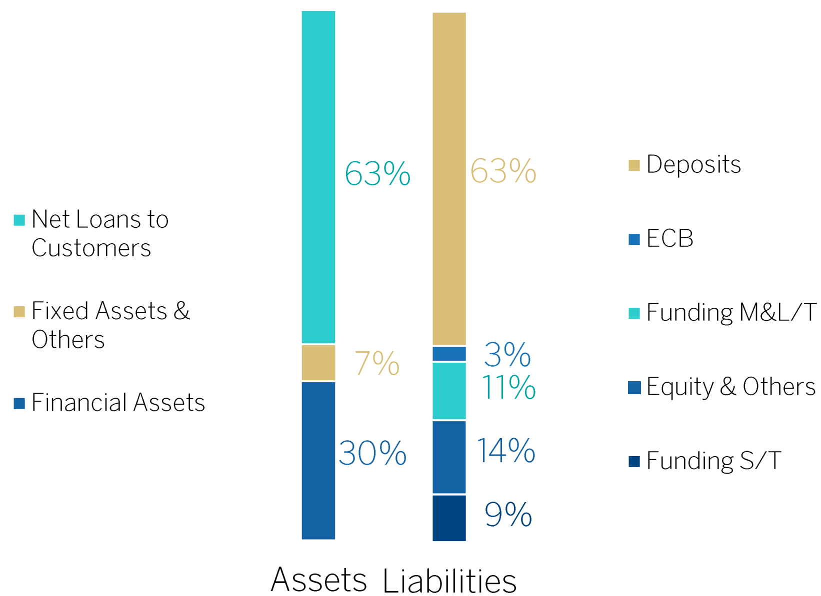
156% considering excess liquidity in subsidiaries

HQLAs (Mar.20, € Mn) (5)

Level 1	108,131
Level 2	3,468
Level 2A	1,086
Level 2B	2,383

NSFR Group
120%

BBVA GROUP LIQUIDITY BALANCE SHEET(1)
MAR.20



(2) Perimeter: Spain+Rest of Eurasia. Liquidity Management Buffer: €77bn.
(3) Compass LCR calculated according to local regulation (Fed Modified LCR)
(4) Calculated at bank-only local level
(5) 12 month average of total HQLAs of the Group

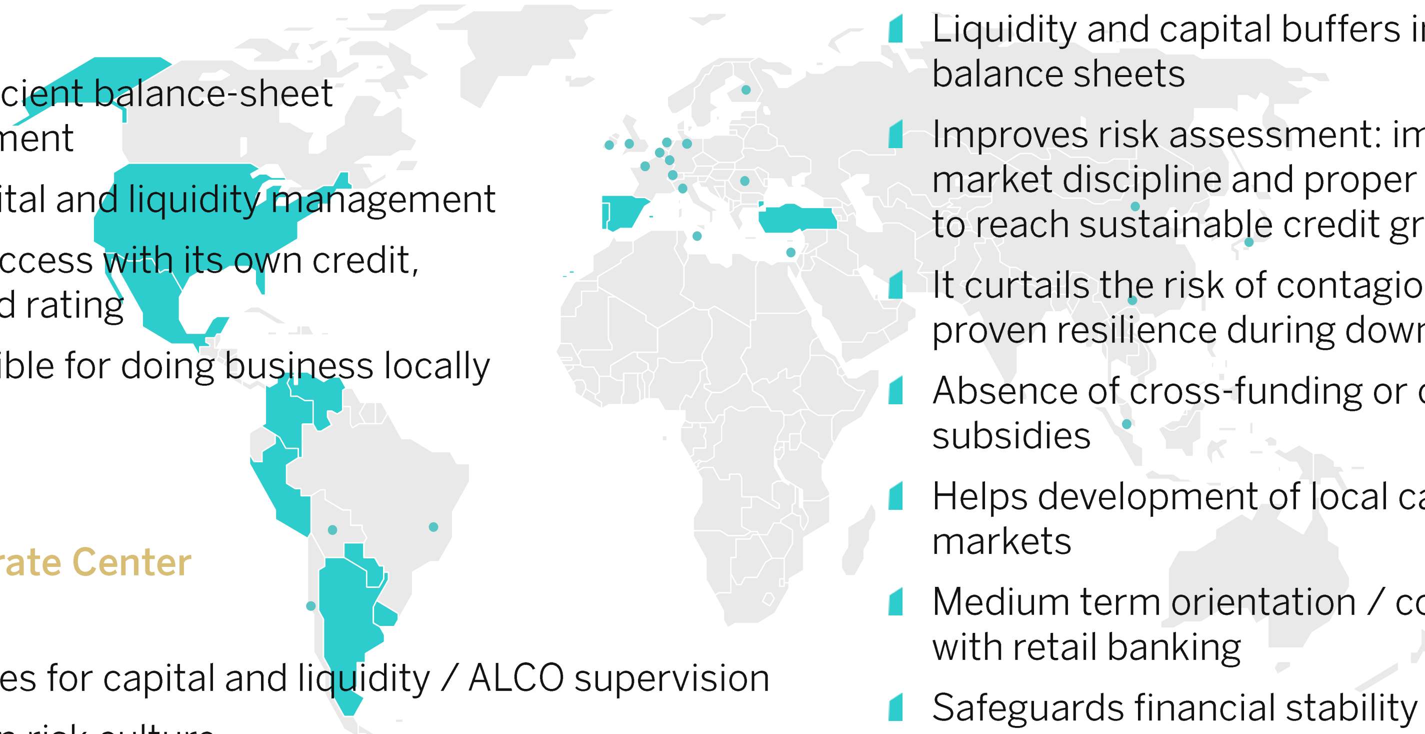
(1) Management liquidity balance sheet (net of interbank balances and derivatives)

High liquidity standards promoting both short-term and long-term resilience

BBVA guidelines for managing 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: Multiple Point of Entry



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

- Liquidity and capital buffers in different balance sheets
- Improves risk assessment: imposes market discipline and proper incentives to reach sustainable credit growth
- It curtails the risk of contagion with proven resilience during downturns
- Absence of cross-funding or cross-subsidies
- Helps development of local capital markets
- Medium term orientation / consistent with retail banking
- Safeguards financial stability / proven resilience during the crisis

No liquidity transfers between the parent and subsidiaries or among subsidiaries

Funding plan

Creating Opportunities

2020 Funding Plan: keep optimizing our total capital and funding structure

BBVA, S.A.

(€ bn)	Issued 2020 YTD	2020[1] (subject to market conditions)
AT1	--	Maintain both buckets fulfilled and endow management buffer
Tier 2	1.0	
SNP	1.4	2.5 - 3.5
SP	--	Refinance loss of accountability for MREL
CBs	--	No issuance expected
SUBSIDIARIES: MEXICO & TURKEY		2020 Issuances subject to market conditions

The potential 1st call option of the 2016 € 1 Bn NC5 **AT1** could be pre-financed, helping to optimize P2R

T2 already endowed profiting from P2R flexibility, potential buffer on top of the requirement

At least two additional **SP/SNP** deals expected, at least **1 social/green**

MREL

- MREL Requirement: 15.16% TLOF / 28.50% RWA, by 1st Jan.21 (EU Resolution Group [2])
- Minimum Subordination Requirement:
  - 9.18% TLOF / 17.25% RWA (8.01% and 15.05% post-allowance)
  - > 90% of MREL eligible with subordination > or = to SNP
- Expecting new SRB MREL's policy and BRRD2

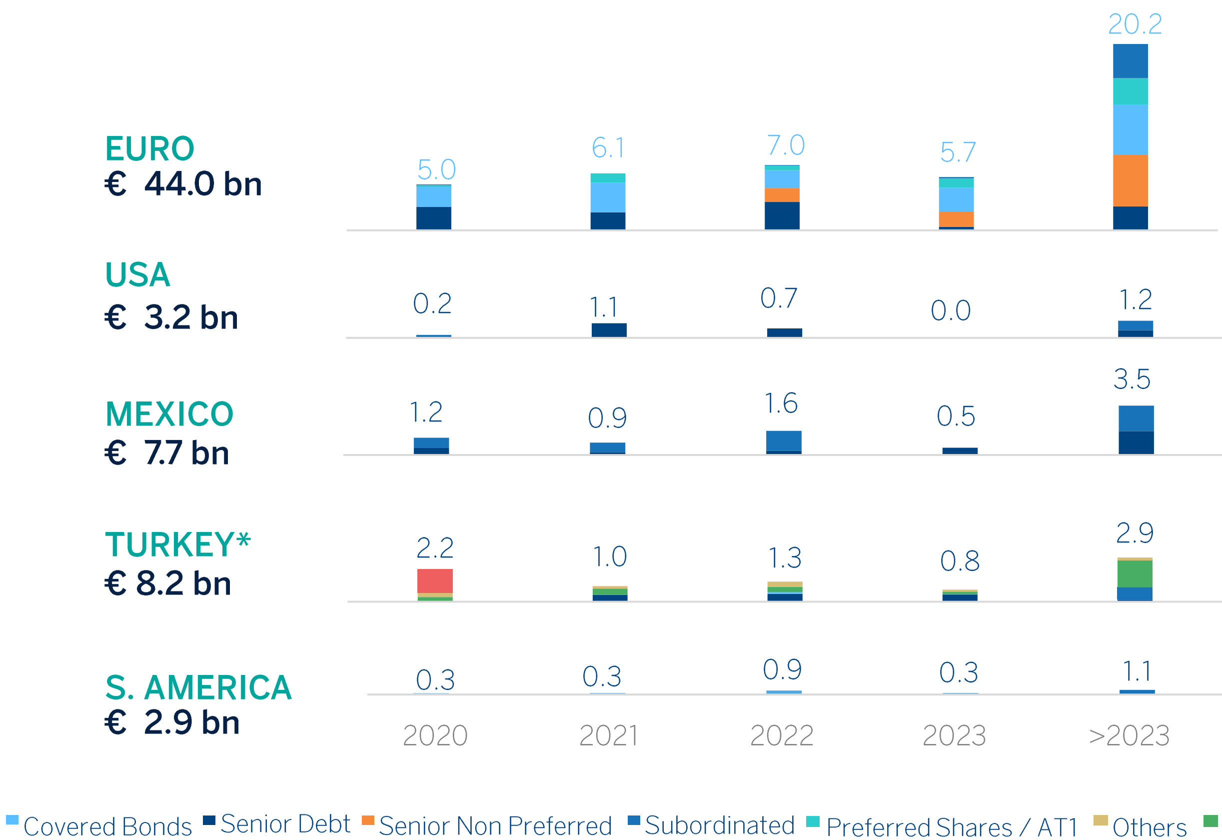
BBVA, S.A. redeemable instruments in 2019/20 were called **at first reset date**

(1)Supervisory, Macro prudential an Resolution authorities decisions on own funds, buffers and MREL requirements could trigger the amendment of the current funding plan (2) BBVA Resolution Group consists on BBVA, S.A. and its subsidiaries that belong to the same European resolution group. As of Dec- 17, the amount of Total Liabilities and own funds (TLOF) of the European Resolution Group was € 371,910 Mn, while the RWAs of the European resolution Group stood at € 197,819 Mn.

Broaden geographical diversification of access to market

MEDIUM & LONG-TERM WHOLESALE FUNDING MATURITIES

MAR.20, €BN



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

*Other in Turkey includes mainly bilateral loans, secured finance and other ST funding Outstanding amounts as of Mar.20: FX as of Mar.20: EUR = 1.09 USD; EUR = 26.18 MXN; EUR= 7.60 TRY

Digital edge as a competitive advantage

BBVA
Creating Opportunities

In this context, our digital edge is a competitive advantage

REMOTE CHANNELS

% OF ACTIVITY INCREASE (1,2)

+32%

Transaction volume through digital and remote channels

REMOTE CAPABILITIES

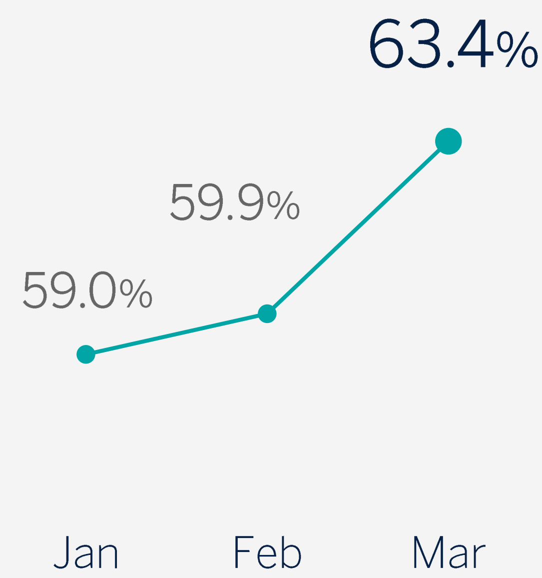
% VISITS TO "MY CONVERSATIONS" (2)

+35%

"My Conversations" App functionality in Spain to chat with remote managers 4 weeks pre vs. post confinement

DIGITAL SALES

% OF TOTAL UNITS SALES MTD



(1) Remote= App, web and contact centers. Activity measured by technical Transactions. Transaction is the processing unit, being the set of orders to be executed building an indivisible working unit. Weekly average change between the week of Feb 17th vs. the week of Mar 30th.
(2) Data corresponding to Spain.

Reorienting our clients to remote and digital channels

Continue to provide an essential service to the economies where we operate

59%

Digital customers

54%

Mobile customers

63%

Digital sales

Data as of March 2020.

03

Ratings

BBVA S.A. Ratings (1)

BBVA LONG TERM SENIOR UNSECURED RATINGS

Moody's	Stable outlook (Jun. 19th, 2019)	A3
S&P	Negative outlook (Apr. 29th, 2020)	A-
Fitch	Rating Watch Negative (Mar. 27th, 2020)	A
DBRS	Stable outlook (Apr. 1st, 2020)	A (High)

BBVA RATINGS BY TYPE OF INSTRUMENT

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

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. Ratings as of May 19th, 2020

Annex

Creating Opportunities

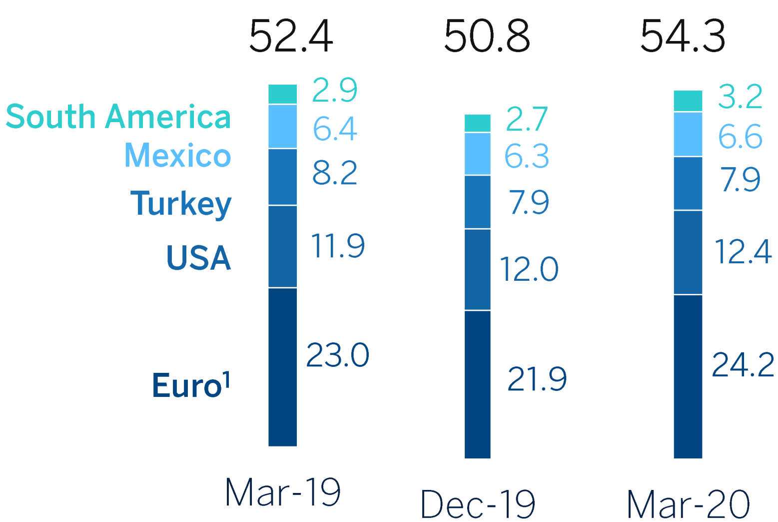
- BBVA Group 1Q20 Profit & Loss
- ALCO portfolio
- Sovereign Exposure by geography
- Outstanding loan commitments to non-financial corporations
- Stages breakdown by business area
- Exposure at default to most vulnerable sectors in the current environment
- Book Value of the main subsidiaries
- Main Subsidiaries Ratings
- Capital Base: BBVA Group & BBVA, S.A.
- BBVA, S.A. SREP Requirement and Distance to MDA
- Debt Issuances 2018 – 2020YTD
- Called notes – 2018 – 2020YTD
- Sustainable Finance: Pledge 2025

BBVA Group 1Q20 Profit & Loss

BBVA Group (€m)	1Q20	Change 1Q20/1Q19 %	Change 1Q20/1Q19 % constant
Net Interest Income	**4,556**	**3.6**	**7.5**
Net Fees and Commissions	1,258	3.6	6.3
Net Trading Income	594	39.5	54.6
Other Income & Expenses	75	n.a.	n.a.
Gross Income	**6,484**	**7.2**	**11.4**
Operating Expenses	-2,918	-0.1	2.2
Operating Income	**3,566**	**14.1**	**20.3**
Impairment on Financial Assets	-2,575	n.a.	n.a.
Provisions and Other Gains and Losses	-341	n.a.	n.a.
Income Before Tax	**649**	**-66.8**	**-64.6**
Income Tax	-186	-65.6	-63.4
Non-controlling Interest	-172	-26.6	-15.7
Net Attributable Profit (ex-BBVA USA Goodwill impairment)	**292**	**-75.3**	**-74.0**
BBVA USA Goodwill impairment	-2,084	n.a.	n.a.
Net Attributable Profit (reported)	**-1,792**	**-251.6**	**-259.7**

ALCO portfolio

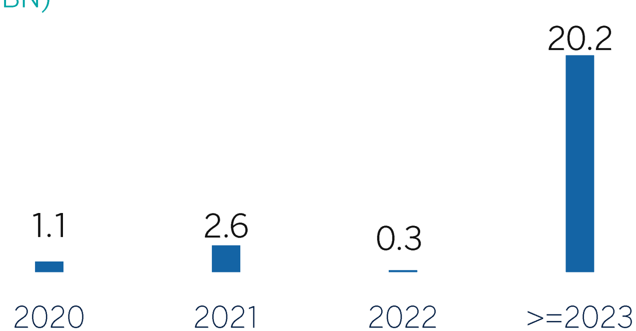
ALCO PORTFOLIO BREAKDOWN BY REGION
(€ BN)



	Amort Cost (HTC)	Fair Value (HTC&S)	
March 2020	(€BN)	(€BN)	(duration)
South America	0.1	3.2	1.3 years
Mexico	1.0	5.6	1.8 years
Turkey	4.5	3.4	4.0 years
USA	6.7	5.7	1.9 years
Euro	15.5	8.7	3.3 years
Spain	11.6	3.8	
Italy	3.7	1.1	
Rest	0.1	3.9	

(1) Figures excludes SAREB senior bonds (€4.6bn as of Mar-19, and €4.5bn for Dec-19 and Mar-20) and High Quality Liquid Assets portfolios (€8.7bn as of Mar-19, €11.1bn as of Dec-19 and €12.6bn as of Mar-20) .

EURO ALCO PORTFOLIO MATURITY PROFILE
(€ BN)



EURO ALCO YIELD
(Mar-20, %)

1.2%

Sovereign Exposure by geography (1)

MAR.20, € bn

	Sovereign				
	Amortized Cost debt securities (HTC)	Fair Value debt securities (HTC&S)	Trading securities	Short Positions	Loans
Spain	13.7	13.3	9.3	(5.9)	14.4
Italy	3.8	1.8	3.2	(1.5)	0.1
Portugal	0.0	0.0	0.8	(1.0)	0.2
Mexico	1.7	6.3	10.3	(2.1)	5.8
USA	6.8	6.9	0.2	(0.0)	5.6
Turkey	4.1	3.1	0.2	(0.0)	0.1
All Others	0.1	4.5	1.2	(1.4)	2.2
TOTAL	**30.2**	**35.9**	**25.2**	**(11.9)**	**28.5**

(1) Risk balances according to EBA criteria. Therefore, sovereign risk of the Group's insurance companies is not included.

Outstanding loan commitments to non-financial corporations

BREAKDOWN BY BUSINESS AREAS
(MAR-20)

	€ bn
USA[1]	24.7
Spain	16.4
Eurasia	13.4
Turkey	2.5
South America	2.3
Mexico	1.9
Total Group	61.2

(1) USA includes € 14.4 billion of loan commitments in the NY branch.

Stages breakdown by business area

CREDIT RISK BREAKDOWN BY BUSINESS AREA
(Mar-20, € MN)

BBVA GROUP	Gross Exposure	Accumulated impairments
Stage 1	389,830	2,852
Stage 2	36,820	2,546
Stage 3	15,998	8,349

SPAIN	Gross Exposure	Accumulated impairments
Stage 1	172,069	732
Stage 2	14,893	818
Stage 3	8,413	4,013

USA	Gross Exposure	Accumulated impairments
Stage 1	64,712	432
Stage 2	7,918	420
Stage 3	740	201

MEXICO	Gross Exposure	Accumulated impairments
Stage 1	50,112	826
Stage 2	3,465	349
Stage 3	1,251	765

TURKEY	Gross Exposure	Accumulated impairments
Stage 1	43,069	378
Stage 2	5,425	587
Stage 3	3,503	2,059

SOUTH AMERICA	Gross Exposure	Accumulated impairments
Stage 1	34,973	455
Stage 2	3,855	327
Stage 3	1,803	1,100

COLOMBIA	Gross Exposure	Accumulated impairments
Stage 1	10,760	163
Stage 2	711	118
Stage 3	628	393

PERU	Gross Exposure	Accumulated impairments
Stage 1	17,001	206
Stage 2	2,452	150
Stage 3	866	510

ARGENTINA	Gross Exposure	Accumulated impairments
Stage 1	2,866	45
Stage 2	299	37
Stage 3	114	87

Exposure at default to most vulnerable sectors in the current environment

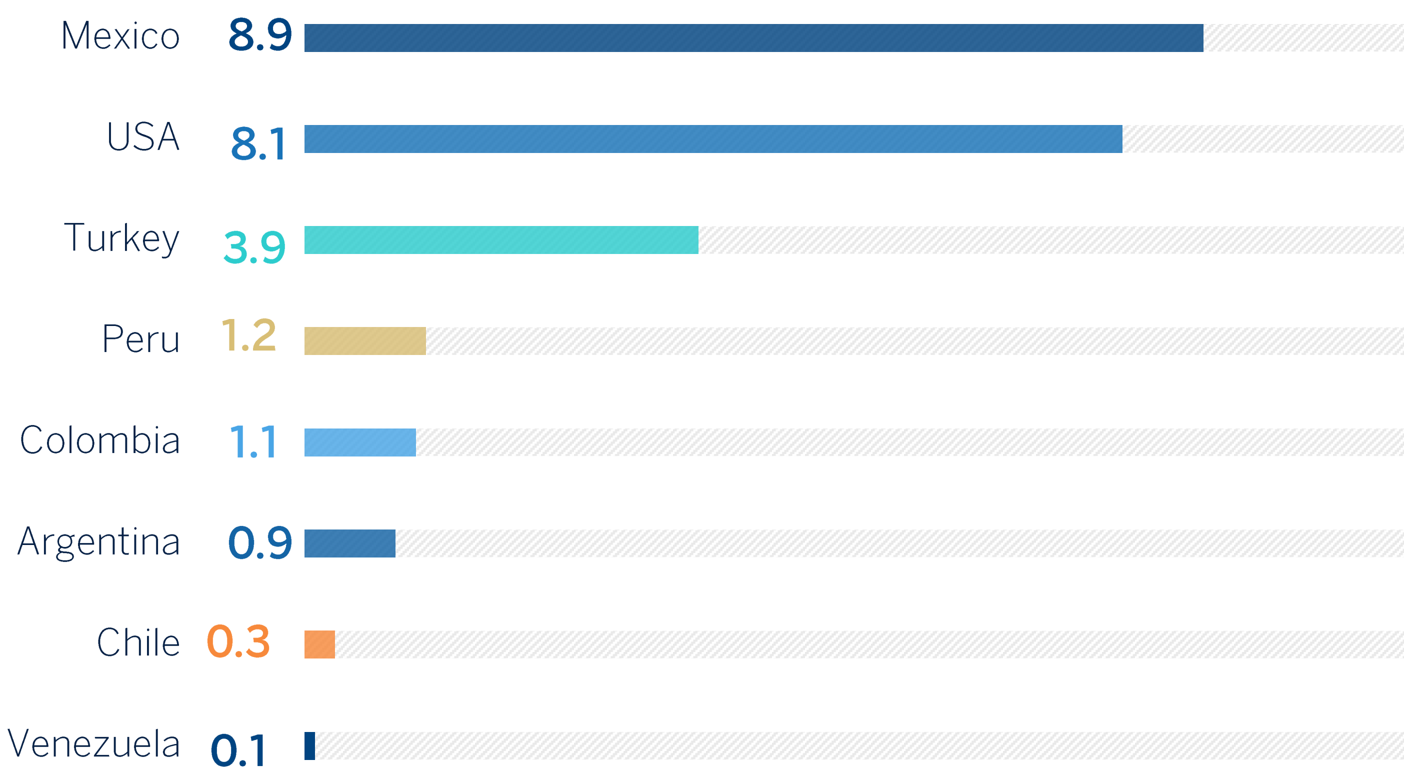
BREAKDOWN BY SECTORS
(Mar-20)

	bn €
Leisure[1]	10.41
Developer Real Estate	5.64
Retailers non food	5.44
Upstream & Oilfield services[2, 3]	4.70
Air & Marine transportation	1.88
Total EAD to the most vulnerable sectors	28.07
as a % of total EAD	6.30%

(1) Includes Hotels, Restaurants, Travel Agencies and Gaming, among others
(2) Of which, €2.8bn in USA and €0.2bn in Mexico.
(3) From a total of €13.4bn EAD to the Oil & Gas sector.

Book Value of the main subsidiaries (1,2)

€ BN, MAR 20



(1) Includes the initial investment + BBVA's undistributed results + FX impact + other valuation adjustments. The Goodwill associate to each subsidiary has been deducted from its Book Value.
(2) Turkey includes the Garanti Group.

Main Subsidiaries Ratings (1)

LONG TERM SENIOR UNSECURED RATINGS

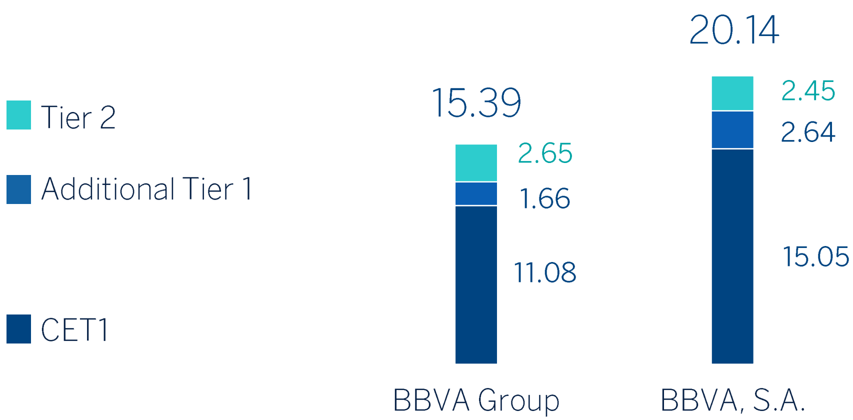
	Rating	BBVA Mexico	BBVA USA	Garanti BBVA	BBVA Argentina	BBVA Colombia	BBVA Peru
Investment grade	AAA/Aaa						
	AA+/Aa1						
	AA/Aa2						
	AA-/Aa3						
	A+/A1						
	A/A2						
	A-/A3						
	BBB+/Baa1	MOODY'S, FITCH	FITCH, S&P				S&P, FITCH
	BBB/Baa2	S&P	MOODY'S			FITCH	
	BBB-/Baa3						
Non Investment Grade	BB+/Ba1						
	BB/Ba2						
	BB-/Ba3						
	B+/B1			FITCH			
	B/B2			MOODY'S			
	B-/B3						
	CCC						
	CC				FITCH		
	(...)						

(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. Ratings as of May 19th, 2020.

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

PHASED-IN CAPITAL RATIOS

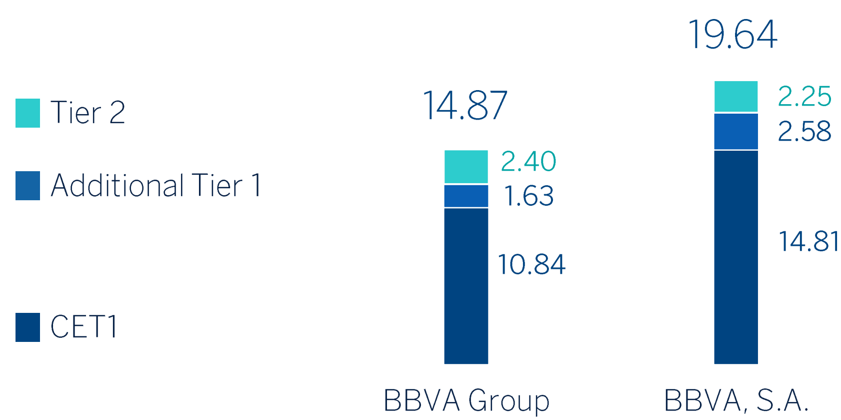
MAR.20 (%)



CET1	€ 40,852 m	€ 31,005 m
AT1	€ 6,120 m	€ 5,442 m
T2	€ 9,753 m	€ 5,046 m
Total Capital Base	**€ 56,725 m**	**€ 41,493 m**
RWA	**€ 368,654 m**	**€ 205,973 m**

FULLY-LOADED CAPITAL RATIOS

MAR.20 (%)

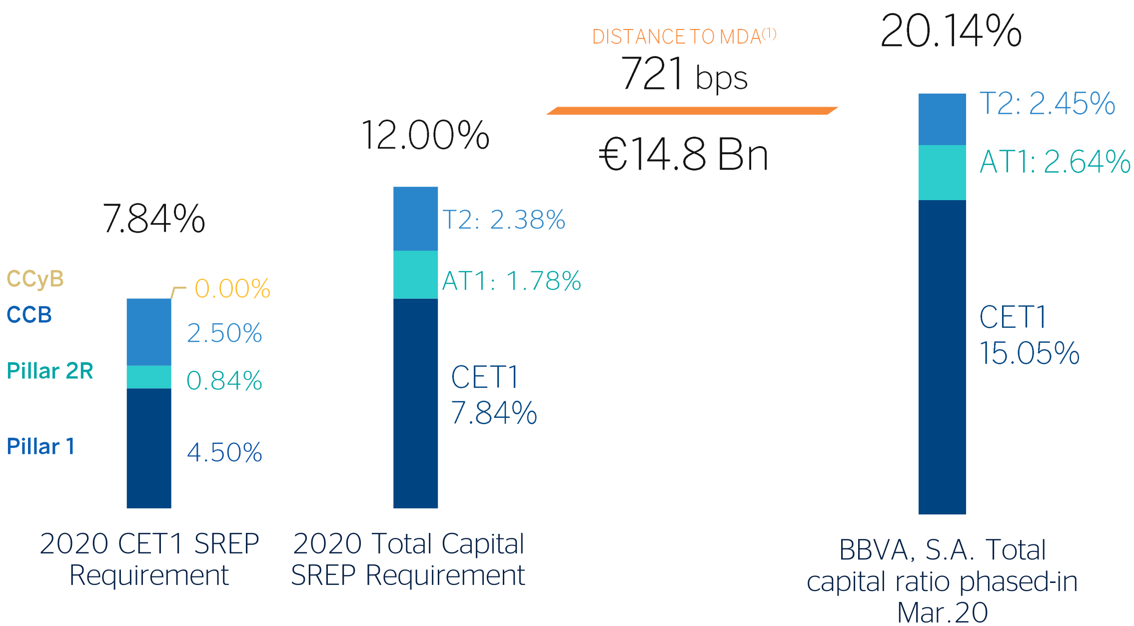


CET1	€ 39,984 m	€30,557 m
AT1	€ 5,995 m	€ 5,325 m
T2	€ 8,848 m	€ 4,637 m
Total Capital Base	**€ 54,827 m**	**€ 40,520 m**
RWA	**€368,827 m**	**€ 206,283 m**

BBVA, S.A. SREP Requirement and Distance to MDA

2020 SREP REQUIREMENT AND DISTANCE TO MDA FOR BBVA, S.A.

MAR. 2020



- Well above 2020 Total Capital and CET1 SREP requirements
- Significant buffer to MDA: 721 bps

(1) 721 bps of Buffer to MDA = 15.05% Mar.20 CET1 phased-in ratio - 7.84% 2020 CET1 SREP Requirement

Debt Issuances 2018 – 2020YTD

BBVA, S.A.

Product	Issue Date	Call Date	Maturity	Nominal currency	Coupon
SNP	Feb-20	-	Aug-26	CHF160 M	0,125%
Tier 2	Jan-20	Jan-25	Jan-30	€ 1,000 M	1,000%
SNP	Jan-20	-	Jan-27	€ 1,250 M	0,500%
SP	Nov-19	-	Nov-26	€ 1,000 M	0,375%
SNP	Oct-19	-	Oct-24	€ 1,000 M	0,375%
AT1	Aug-19	Mar-25	Perp	$ 1,000 M	6,500%
SNP	Jun-19	-	Jun-26	€ 1,000 M	1,000%
AT1	Mar-19	Mar-24	Perp	€ 1,000 M	6,000%
SNP	Feb-19	-	Feb-24	€ 1,000 M	1,125%
Tier 2	Feb-19	Feb-24	Feb-29	€ 750 M	2,575%
AT1	Sep-18	Sep-23	Perp	€ 1,000 M	5,875%
Tier 2	May-18	-	May-33	$ 300 M	5,25%
SNP	May-18	-	May-25	€ 1,000 M	1,375%
SNP	Mar-18	-	Mar-23	€ 1,500 M	3ME+ 0.60%

BBVA USA

Product	Issue Date	Call Date	Maturity	Nominal currency	Coupon
Senior Unsec	Aug-19	Jul-24	Aug-24	$ 600 M	2,500%
Senior Unsec	Jun-18	May-21	Jun-21	$ 1.150 M	Fiexd 3.5% FRN 3ML+73 bps

BBVA Mexico

Product	Issue Date	Call Date	Maturity	Nominal currency	Coupon
Tier 2	Sep-19	Sep-29	Sep-34	$ 750 M	5,875%
Tier 2	Jan-18	Jan-28	Jan-33	$ 1,000 M	5,125%

Called notes – 2018 – 2020YTD

BBVA follows an economic **call policy**

Issuer	Product	Issue Date	Redemption	Outstanding currency (M)	Coupon
BBVA, S.A.	AT1	Feb-15	Feb-20	€ 1,500	6,75%
Caixa d'Estalvis de Sabadell	Tier 2	Jun-09	May-19	€ 4.88	3ME + 5.25%
BBVA, S.A.	Tier 2	Apr-14	Apr-19	€ 1,500	3,50%
BBVA, S.A.	AT1	Feb-14	Feb-19	€ 1,500	7,00%
BBVA, S.A.	AT1	May-13	May-18	$ 1,500	9,00%
BBVA, S.A.	Tier 2	Feb-07	Feb-18	€ 257	3ME+0.80%
BBVA Subordinated Capital	Tier 2	Oct-05	Jan-18	€ 99	3ME+0.80%

Sustainable Finance: Pledge 2025

BBVA STRATEGY ON CLIMATE CHANGE AND SUSTAINABLE DEVELOPMENT

To finance

We will help to create the **scale of capital mobilisation** to halt global climate change & attain the UN Sustainable Development Goals

2025 PLEDGE €100 BN

OF WHICH €30 BN HAVE BEEN MOBILIZED AS OF DEC.19

- Green finance
- Sustainable infrastructure and agribusiness
- Financial inclusion and entrepreneurship

To manage

We will manage our environmental and social risks to **minimise potential negative direct & indirect impacts**

70% RENEWABLE ENERGY

68% REDUCTION IN CO_2 EMISSIONS

- Transparency in carbon-related exposure
- Activity progressively aligned with the Paris Agreement
- Sector norms in mining, energy, agribusiness and infrastructure

To engage

We will engage with all our stakeholders **to collectively promote the contribution** of financial industry to sustainable development

ACTIVE COLLABORATION

- Implementation of TCFD recommendations in 2020
- Financial education
- Promotion of Responsible Banking standards within the industry

€30bn have been mobilized as of December 2019

BBVA