

**Banco Bilbao Vizcaya Argentaria, S.A.**  
*(Incorporated in Spain with limited liability)*

**€40,000,000,000 Global Medium Term Note Programme**

This Supplement (the **Supplement**) to the Offering Circular dated 17th July, 2017, as supplemented on 31st July, 2017, 27th October, 2017 and 28th December, 2017 (as so supplemented, the **Offering Circular**), which comprises a base prospectus, constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the **FSMA**) and is prepared in connection with the Global Medium Term Note Programme (the **Programme**) of Banco Bilbao Vizcaya Argentaria, S.A. (the **Issuer**).

Terms defined in the Offering Circular have the same meaning when used in this Supplement. This Supplement is supplemental to, and should be read in conjunction with, the Offering Circular and any other supplements to the Offering Circular issued by the Issuer.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

The purpose of this Supplement is to (i) incorporate by reference the 2017 Consolidated Financial Statements (as defined below) (including the auditors' report thereon), (ii) incorporate by reference certain information on alternative performance measures from the 2017 Report (as defined below), (iii) update the risk factors to reflect the results of the most recent SREP carried out by the ECB in 2017, (iv) update the date of the board resolution authorising the issue of Notes under the Programme and (v) confirm that there has been no material adverse change in the prospects of the Issuer or the Issuer and its consolidated subsidiaries (the **Group**) since 31st December, 2017 and that there has been no significant change in the financial position of the Issuer or the Group since 31st December, 2017.

### **The 2017 Consolidated Financial Statements**

On 14th February, 2018, the Group published its Consolidated Financial Statements, Management Report and Auditors' Report for the Year 2017 (the **2017 Report**), which includes, on pages 4 to 301 (inclusive) thereof, the Group's audited consolidated financial statements as at and for the financial year ended 31st December, 2017, on the page prior to the table of contents of the 2017 Report, the auditors' report thereon (together, the **2017 Consolidated Financial Statements**) and on pages 86 to 91 (inclusive) of the Management Report 2017 included in the 2017 Report, certain information on alternative performance measures.

A copy of the 2017 Report has been filed with the Financial Conduct Authority and, by virtue of this Supplement, (i) the 2017 Consolidated Financial Statements (including the auditors' report thereon) and (ii) the information on alternative performance measures on pages 86 to 91 (inclusive) of the Management Report 2017 included in the 2017 Report are incorporated by reference in, and form part of, the Offering Circular. The non-incorporated parts of the 2017 Report are either not relevant for an investor or are covered elsewhere in the Offering Circular.

Copies of all documents incorporated by reference in the Offering Circular are available on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html> and can also be obtained from the Issuer and the Principal Paying Agent in London as described on page 41 of the Offering Circular.

## Authorisation

The issue of Notes under the Programme has been further duly authorised by a resolution of the Board of Directors of the Issuer dated 31st January, 2018 and, by virtue of this Supplement, the Offering Circular shall be deemed updated accordingly.

## Updates to Risk Factors

By virtue of this Supplement, the fourth, fifth and sixth paragraphs on page 15, which fall under the risk factor entitled “*Factors that may affect the Issuer’s ability to fulfil its obligations in respect of Notes issued under the Programme – Legal, Regulatory and Compliance Risks – Increasingly onerous capital requirements may have a material adverse effect on the Issuer’s business, financial condition and results of operations*”, shall be deemed deleted and replaced by the following:

“As a result of the most recent SREP carried out by the ECB in 2017, the Issuer has been informed by the ECB that, effective from 1st January, 2018, it is required to maintain (i) a CET1 phased-in capital ratio of 8.4375 per cent. (on a consolidated basis) and 7.875 per cent. (on an individual basis); and (ii) a phased-in total capital ratio of 11.9375 per cent. (on a consolidated basis) and 11.375 per cent. (on an individual basis).

This phased-in total capital ratio of 11.9375 per cent. on a consolidated basis includes (i) the minimum CET1 capital ratio required under “Pillar 1” (4.5 per cent.); (ii) the “Pillar 1” Additional Tier 1 capital requirement (1.5 per cent.); (iii) the “Pillar 1” Tier 2 capital requirement (2.0 per cent.); (iv) the additional CET1 capital requirement under “Pillar 2” (1.5 per cent.); (v) the capital conservation buffer (1.875 per cent. CET1); and (vi) the D-SIBs buffer (0.5625 per cent. CET1).

As of 31st December, 2017, the Issuer’s phased-in total capital ratio was 15.37 per cent. on a consolidated basis (or 15.52 per cent. on a consolidated basis including (i) an updated calculation of the structural foreign exchange position for risk-weighted assets, pending confirmation by the ECB and (ii) a Tier 2 issuance by Türkiye Garanti Bankası A.Ş. (**Garanti**), pending computability approval by the ECB) and 22.54 per cent. on an individual basis. As of 31st December, 2017, the Issuer’s CET1 phased-in capital ratio was 11.67 per cent. on a consolidated basis (or 11.71 per cent. on a consolidated basis including an updated calculation of the structural foreign exchange position for risk-weighted assets, pending confirmation by the ECB) and 17.67 per cent. on an individual basis. Such ratios exceed the applicable regulatory requirements described above, but there can be no assurance that the total capital requirements imposed on the Issuer and/or the Group from time to time may not be higher than the levels of capital available at such point in time. There can also be no assurance as to the result of any future SREP carried out by the ECB and whether this will impose any further “Pillar 2” additional own funds requirements on the Issuer and/or the Group.”

## General

There has been no material adverse change in the prospects of the Issuer or the Group since 31st December, 2017 and there has been no significant change in the financial position of the Issuer or the Group since 31st December, 2017.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Offering Circular by this Supplement and (b) any other statement in or incorporated by reference in the Offering Circular, the statements in (a) above will prevail.

Save as disclosed in this Supplement there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Offering Circular since the publication of the Offering Circular.

If documents which are incorporated by reference or attached to this Supplement themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents

will not form part of this Supplement for the purposes of the Prospectus Directive (Directive 2003/71/EC) except where such information or other documents are specifically incorporated by reference or attached to this Supplement.