

Fixed Income Presentation 4Q19

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Creating Opportunities

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Strong Liquidity & Funding Structure

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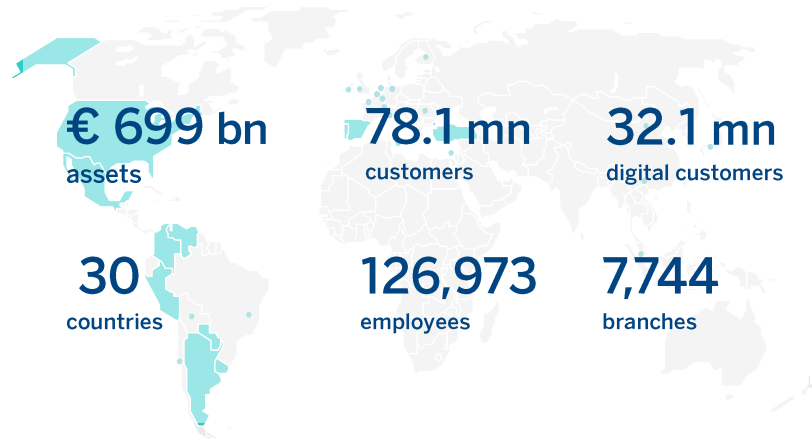
Annex

01

About BBVA & Financial Highlights

About BBVA

BBVA'S GLOBAL PRESENCE DEC.19



DEFINED STRATEGIC PATH

Our Purpose

"To bring the age of opportunity to everyone"

Strategic Priorities



New standard in customer experience



Optimal capital allocation



Drive digital sales



Unrivalled efficiency



New business models



A first class workforce

DIVERSIFICATION UNDER A DECENTRALIZED MODEL

Total Assets ⁽¹⁾

Dec.19



Gross Income ⁽¹⁾

12M 19



- Exposure to **high growth markets** through **leading franchises**.
- **Decentralized model:** Self-sufficient subsidiaries responsible for their own capital and liquidity management. No liquidity transfers.

(1) Figures exclude the Corporate Center

COMMITTED WITH SUSTAINABLE DEVELOPMENT



2025 Pledge
€100 bn (2018-2025)
 of which **€30 bn** have
 been mobilized as of
 Dec.19

- Green Finance
- Sustainable infrastructure and agribusiness
- Financial inclusion & entrepreneurship

Sustainable Development Goals Bond Framework

2019 Highlights

01	Robust core revenue growth	NII (€ constant) +5.6% vs. 12M18	FEES (€ constant) +4.2% vs. 12M18	
02	Further improvement in best-in-class efficiency	COST TO INCOME (YTD) 48.5% -92 bps vs. 12M18 (€ constant)		
03	Sound risk indicators	NPL RATIO 3.79% -15 bps vs. Dec.18	COVERAGE RATIO 77% +349 bps vs. Dec.18	CoR 1.04% +2 bps vs. 12M18
04	Strong capital position	CET 1 FL 11.74% +40 bps vs. Dec-18	WITHIN THE TARGET RANGE	
05	Outstanding delivery on shareholder value creation	ROTE (YTD) 11.9%	TBV/SHARE + DIVIDENDS (YoY growth) +11.5%	
06	Ahead of the curve in digital transformation	DIGITAL SALES (YTD, units) 59.4%	DIGITAL CUSTOMERS 57.1% Penetration	MOBILE CUSTOMERS 51.5% Penetration

Note: For a better understanding of the financial performance of BBVA Group, in the whole presentation: 1) BBVA Chile recurrent operations have been excluded in 2018 (sale closed on July 6th); 2) Capital gains from BBVA Chile sale have been excluded in 2018; 3) An amendment to IAS 12 "Income Taxes" was introduced during the year 2019 with effect for accounting purposes January 1, 2019. For comparison purposes, 2018 income statement has been re-expressed. It did not result in any significant impact; 4) ROTE figures excludes BBVA USA goodwill impairment as of Dec-19.

02

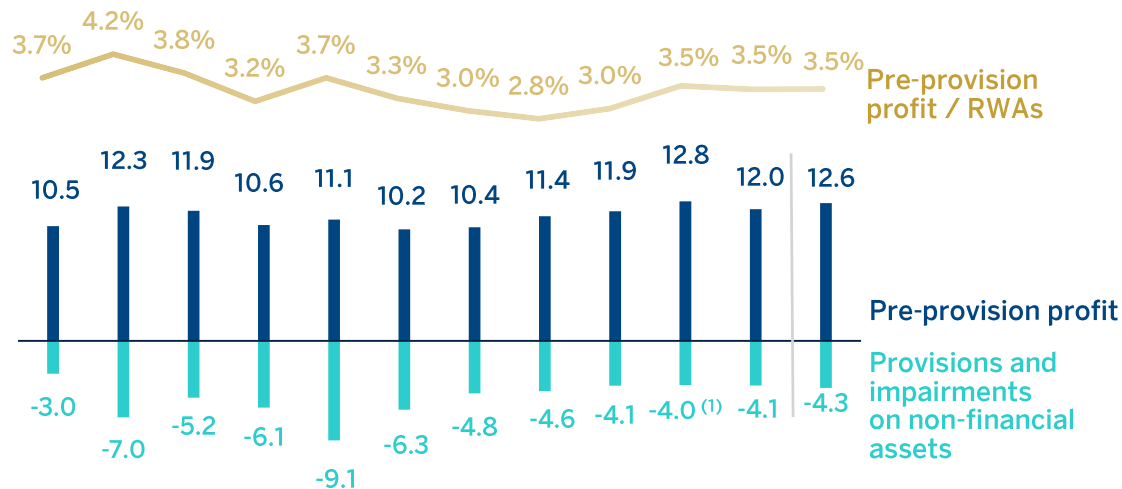
BBVA's Strengths

BBVA's Strengths leading to superior earnings and profitability

- Diversified footprint
- Sound asset quality
- Solid capital position
- Strong liquidity & funding structure
- Leading transformation strategy

RESILIENCE AND LOW EARNINGS VOLATILITY

(€ BN, CURRENT, %)

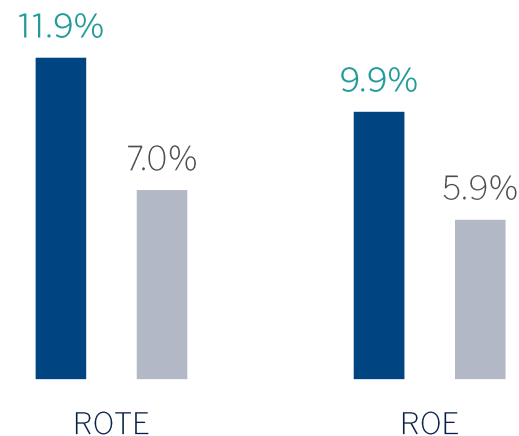


2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019

(1) Excluding Telefonica one off impairment (€-1,123Mn).

HIGH PROFITABILITY METRICS

BBVA DEC.19 / EUROPEAN PEERS SEP.19



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



Creating Opportunities

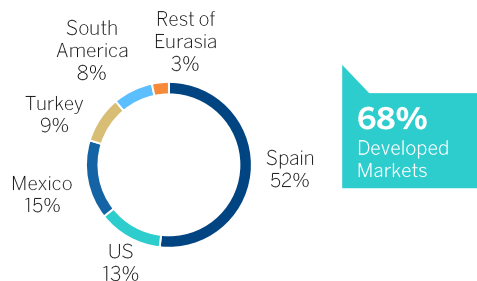
Diversified Footprint

Unique footprint with leadership positioning

BREAKDOWN BY BUSINESS AREA

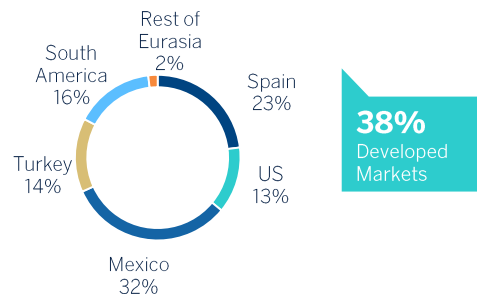
TOTAL ASSETS ⁽¹⁾

DEC.19



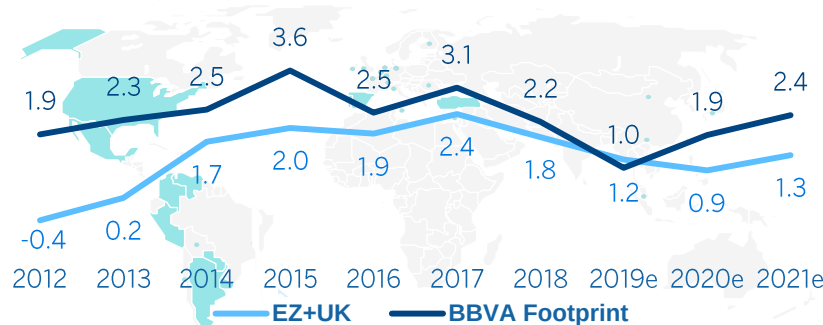
GROSS INCOME ⁽¹⁾

12M19



GROWTH PROSPECTS

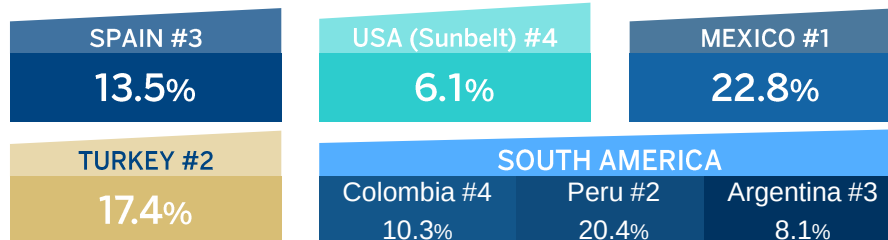
GDP GROWTH (YOY. %)



Source: BBVA Research. GDP growth: weighted by each country contribution to Group's Gross Income

LEADERSHIP POSITIONING

MARKET SHARE (IN %) AND RANKING ⁽³⁾



(3) Loans market shares except for USA (Deposits). **Spain** based on BoS (Nov'19) and ranking (Nov'19) by AEB and CECA; **Mexico** data as of Nov.19 (CNBV); **South America** (Sep'19 for Argentina and Oct'19 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 Dec'19 and ranking as of Sep'19)

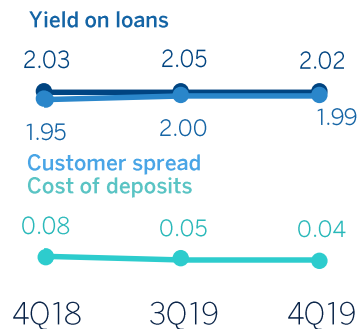
(1) Percentages exclude Corporate Center

Spain

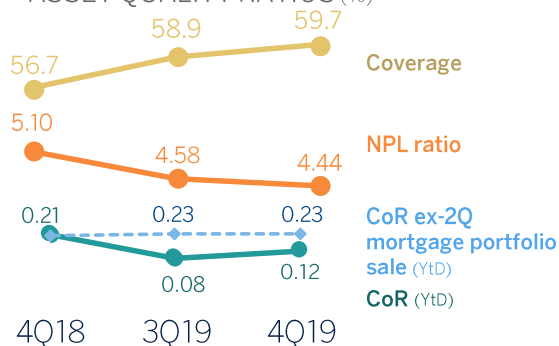
Profit & Loss				
(€m)	4Q19	Δ (%) vs 4Q18	12M19	Δ (%) vs 12M18
Net Interest Income	925	0.2	3,645	-1.4
Net Fees and Commissions	464	12.8	1,751	4.1
Net Trading Income	117	-42.9	239	-54.9
Other Income & Expenses	-79	21.7	98	65.2
Gross Income	1,427	-3.2	5,734	-3.9
Operating Expenses	-812	-0.6	-3,253	-2.4
Operating Income	614	-6.6	2,480	-5.8
Impairment on Financial Assets	-110	14.1	-216	-43.6
Provisions & other gains (losses)	-115	-42.8	-386	-5.9
Income Before Tax	389	8.3	1,878	2.1
Income Tax	-66	32.7	-489	12.0
Net Attributable Profit	322	4.4	1,386	-1.0

KEY RATIOS

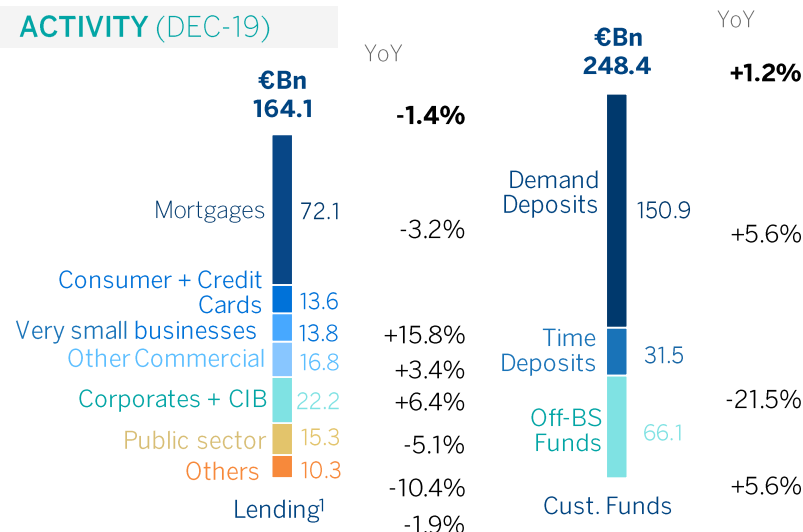
CUSTOMER SPREAD (%)



ASSET QUALITY RATIOS (%)



ACTIVITY (DEC-19)



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

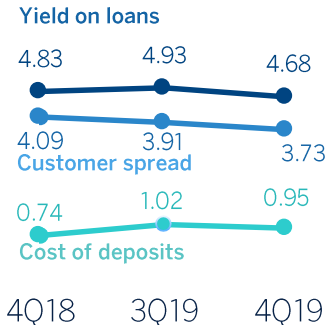
- Loans: growth in most profitable retail segments.
- NII aligned with expectations: positive performance of commercial activity more than offset by lower ALCO contribution and IFRS16 impact.
- Fees. Significant recovery in 4Q19, thanks to CIB and asset management fees.
- Costs continue to go down.
- Asset quality: CoR in line with expectations.



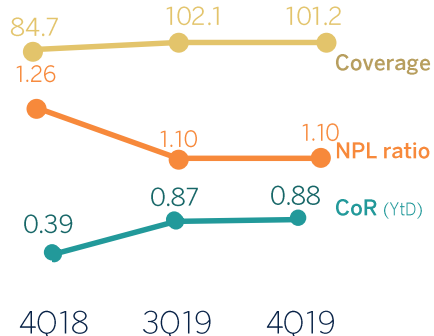
Profit & Loss					
(€m constant)	4Q19	ΔConstant vs 4Q18 (%)	12M19	Δ Constant vs 12M18 (%)	Δ Current vs 12M18 (%)
Net Interest Income	577	-7.5	2,395	-0.2	5.2
Net Fees and Commissions	154	2.8	644	2.6	8.1
Net Trading Income	34	-14.6	173	51.6	58.8
Other Income & Expenses	10	2.8	12	29.3	31.7
Gross Income	775	-5.9	3,223	2.3	7.8
Operating Expenses	-509	2.0	-1,966	0.3	5.7
Operating Income	266	-18.0	1,257	5.8	11.4
Impairment on Financial Assets	-143	59.0	-550	132.3	144.9
Provisions & other gains (losses)	-7	n.s.	-2	n.s.	n.s.
Income Before Tax	117	-51.0	705	-27.3	-23.4
Income Tax	-5	-86.9	-115	-40.8	-37.7
Net Attributable Profit	111	-43.7	590	-23.9	-19.9

KEY RATIOS

CUSTOMER SPREAD (%)

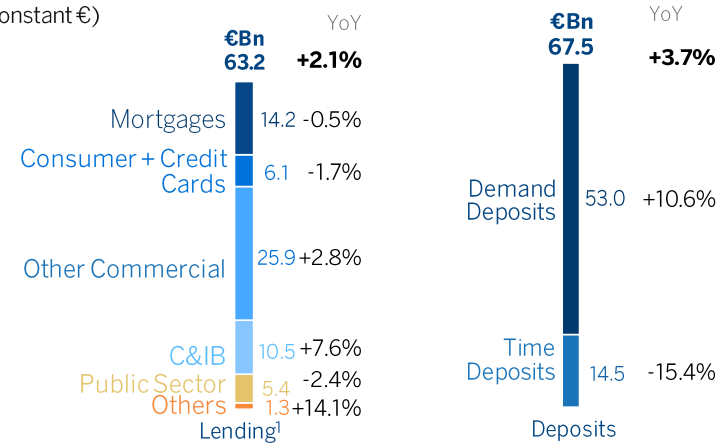


ASSET QUALITY RATIOS (%)



ACTIVITY (DEC-19)

(constant €)



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

- **Loan growth** at low single digit, driven by the commercial portfolio.
- **Deposits** +3.7% YoY, and mix improvement.
- **Flat NII**, in line with expectations. QoQ decrease explained by lower rates.
- **Positive jaws** with flat operating expenses in 2019.
- **Asset quality**: CoR within the 80-90bps guidance.



Profit & Loss					
(€m constant)	4Q19	Δ Constant vs 4Q18 (%)	12M19	Δ Constant vs 12M18 (%)	Δ Current vs 12M18 (%)
Net Interest Income	1,593	4.1	6,209	5.9	11.5
Net Fees and Commissions	343	7.4	1,298	2.3	7.8
Net Trading Income	68	165.7	310	31.7	38.7
Other Income & Expenses	91	31.2	212	2.1	7.6
Gross Income	2,095	7.8	8,029	6.0	11.6
Operating Expenses	-680	5.3	-2,645	4.9	10.6
Operating Income	1,415	9.0	5,384	6.5	12.2
Impairment on Financial Assets	-455	-13.3	-1,698	3.6	9.2
Provisions & other gains (losses)	19	n.s.	5	-81.4	-80.4
Income Before Tax	979	28.0	3,691	7.2	12.9
Income Tax	-252	20.2	-992	4.4	10.0
Net Attributable Profit	727	30.9	2,699	8.2	14.0

KEY RATIOS

CUSTOMER SPREAD (%)

Yield on loans

12.84 13.00 12.87

10.58 10.46 10.58

Customer spread

2.25 2.54 2.29

Cost of deposits

4Q18 3Q19 4Q19

ASSET QUALITY RATIOS (%)

154.1 136.2 136.3 Coverage

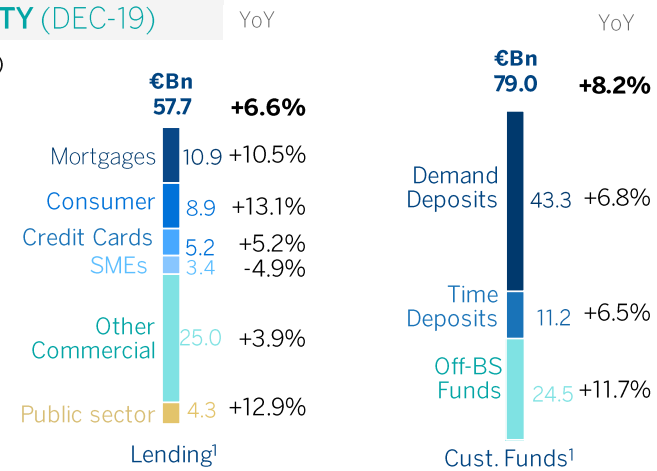
2.05 2.39 2.36 NPL ratio

3.07 2.98 3.01 CoR (YtD)

4Q18 3Q19 4Q19

ACTIVITY (DEC-19)

(constant €)



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

- Resilient profitability in a lower GDP growth context.
- NII: the main P&L driver, supported by loan growth.
- Loan growth (+7% excl. FX), driven by retail. Gaining share in consumer loans (+212 bps YoY) and mortgages (+26 bps YoY).
- Fees growth accelerated in 4Q thanks to CIB.
- Positive jaws maintained, despite best in class efficiency.
- CoR at 301bps, in line with expectations.

Turkey

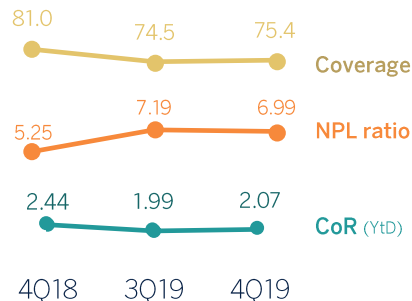
Profit & Loss (€m constant)	4Q19	ΔConstant vs 4Q18 (%)	12M19	Δ Constant vs 12M18 (%)	Δ Current vs 12M18 (%)
Net Interest Income	791	-12.5	2,814	0.1	-10.2
Net Fees and Commissions	171	1.3	717	16.5	4.5
Net Trading Income	75	n.s.	10	-1.6	-11.7
Other Income & Expenses	13	-29.7	50	-20.5	-28.7
Gross Income	1,050	-2.3	3,590	2.6	-8.0
Operating Expenses	-331	1.9	-1,215	8.6	-2.6
Operating Income	719	-4.1	2,375	-0.2	-10.5
Impairment on Financial Assets	-263	-49.9	-906	-16.0	-24.6
Provisions & other gains (losses)	-94	323.2	-128	1,703.9	1,518.5
Income Before Tax	362	79.6	1,341	3.5	-7.1
Income Tax	-103	354.9	-312	18.7	6.5
Non-controlling Interest	-132	44.7	-524	-0.2	-10.4
Net Attributable Profit	127	44.8	506	-0.5	-10.7

KEY RATIOS

CUSTOMER SPREAD (%)

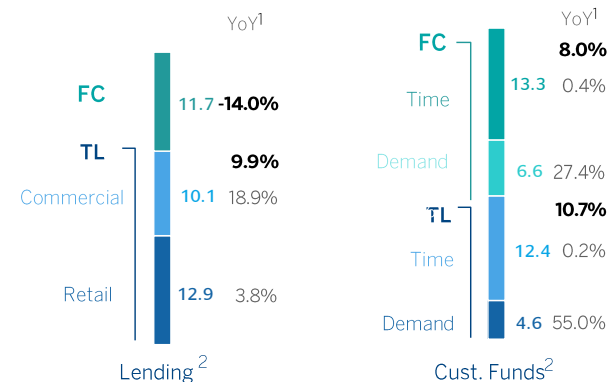


ASSET QUALITY RATIOS (%)



ACTIVITY (DEC-19)

(constant €); Bank only



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

- TL loan growth acceleration in 4Q19 to 10% YoY. FC loans continue to shrink, in line with expectations.
- Significant improvement in TL spread (+302 bps QoQ) due to lower deposit costs.
- NII: flat in 2019, despite the lower contribution from CPI-linkers (-469 €m vs. 2018).
- Strong fee growth.
- Costs growing significantly below inflation (15.5%).
- CoR better than expected: 207 bps, significantly below 250 bps.



South America

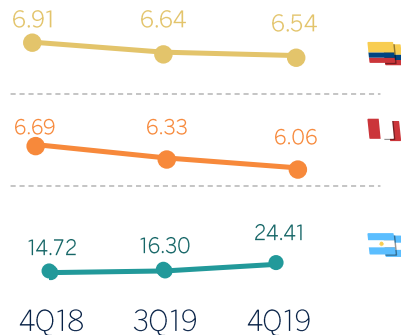
Net Attributable Profit					
(€m constant)	4Q19	Δ Constant ¹ vs 4Q18 (%)	12M19	Δ Constant ¹ vs 12M18 (%)	Δ Current vs 12M18 (%)
Colombia	70	50.6	267	25.5	19.1
Peru	48	-28.7	202	1.9	5.9
Argentina	29	n.s.	133	n.s.	n.s.
Other ²	22	-38.2	120	-3.6	-8.6
South America	170	72.6	721	64.0	40.4

(1) Venezuela in current €m

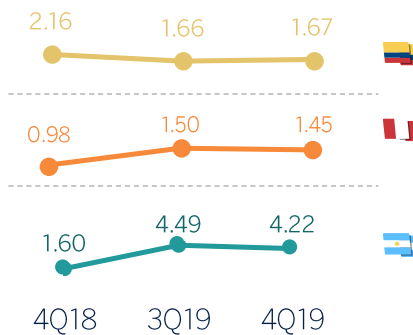
(2) Other includes BBVA Forum, Venezuela, Paraguay, Uruguay and Bolivia
South America comparison at constant perimeter (excl. BBVA Chile)

KEY RATIOS

CUSTOMER SPREAD (%)

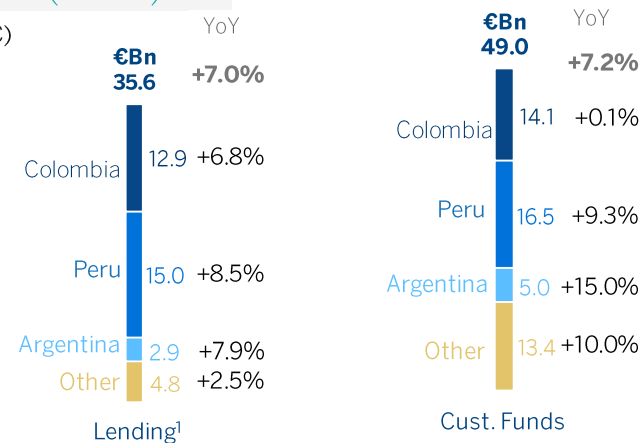


COST OF RISK YTD (%)



ACTIVITY (SEP-19)

(constant €)



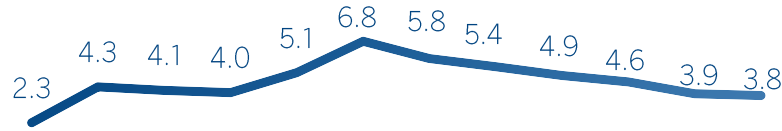
Note: Activity excludes repos. (1) Performing loans under management.

- **Colombia: Bottom line growth >25%**, supported by activity, positive jaws and lower impairments.
- **Peru: high-single digit growth in revenues** more than offsetting the increase in provisions, due to releases in 2018.
- **Argentina: positive contribution** thanks to NII growth (due to securities portfolios) and NTI (Prisma).

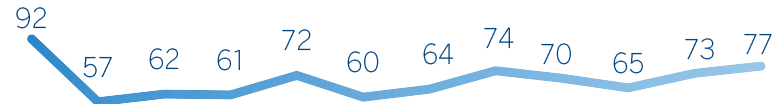
Sound Asset Quality

Sound Risk Indicators

NPL Ratio (%)



Coverage ratio (%)



Cost of Risk YtD (%)



2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019

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



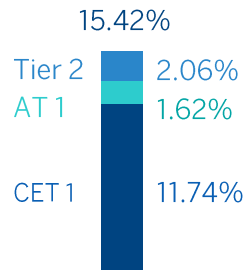
Creating Opportunities

Solid Capital Position

BBVA Group: Solid capital position and ability to generate capital

FL CAPITAL RATIOS (*)

DEC.19 (%)



(*) Excludes the 2015 €1.5 Bn AT1 issuance to be redeemed in Feb-20

CET1 FL

YTD EVOLUTION (% bps)

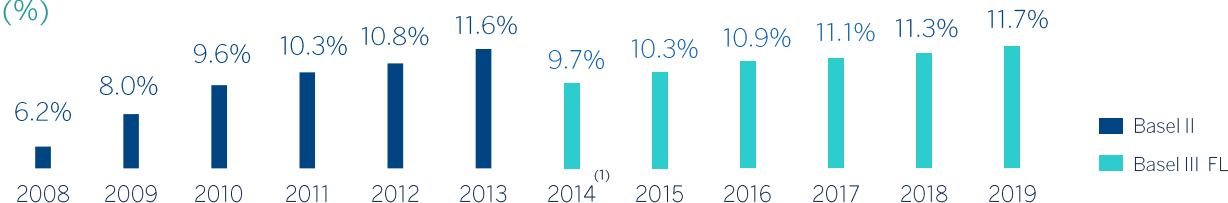


(1) Regulatory impacts includes IFRS-16 Impact (-11 bps) & TRIM (-14 bps).

(2) Others includes mainly market related impacts (FX impact and mark to market of HTC&S portfolios), among others.

CET1 FL RATIO

(%)



CET1 €17.5 Bn

x 2.4

→ €42.9 Bn

CET1 FL TARGET

11.5% - 12.0%

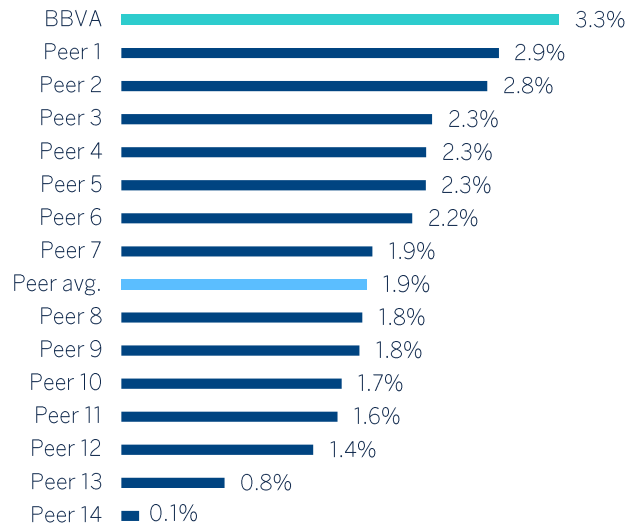
Within the
target range

(1) Pro-forma ratio including corporate operations announced and pending to be closed (acquisition of CatalunyaBanc, acquisition of an additional 14.89% stake in Garanti, sale of 29.86% of CIFH and sale of a 4.9% stake in CNCB); reported ratio stood at 10.4%.

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

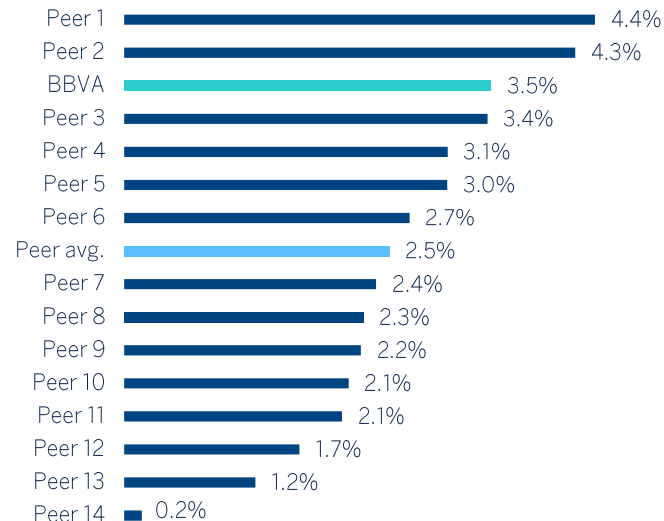
PRE-PROVISION PROFIT⁽¹⁾ / NET LOANS

BBVA 12M19 / EUROPEAN PEERS 9M19



PRE-PROVISION PROFIT⁽¹⁾ / RWAS

BBVA 12M19 / EUROPEAN PEERS 9M19



In less than 4 years, BBVA is able to generate Pre-Provision Profit equivalent to its 11.5%-12.0% CET1 FL target

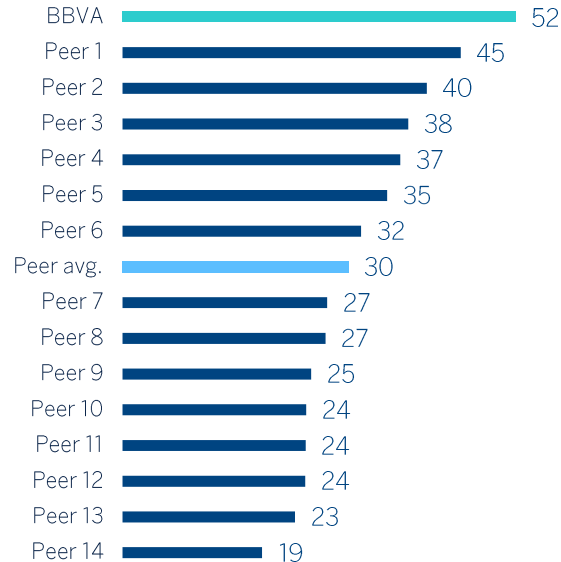
(1) Annualized Pre-provision profit. European Peer Group: BARC, BNPP, CASA, CS, CMZ, DB, HSBC, ISP, LBG, RBS, SAN, SG, UBS, UCG.

BBVA's business model provides significant room to absorb losses

High quality capital

RWAS/ TOTAL ASSETS

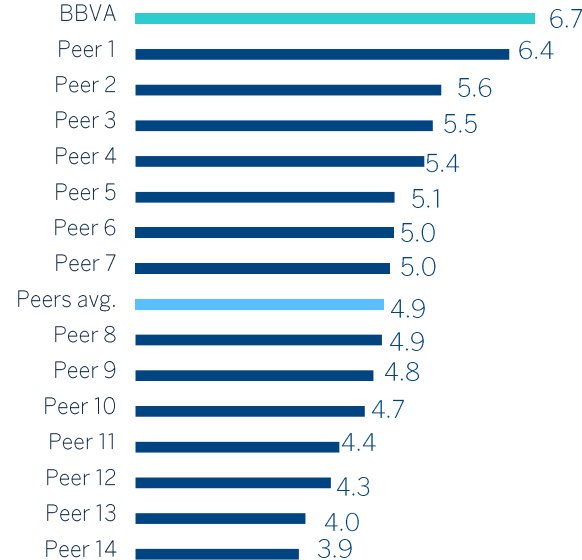
BBVA DEC.19 / EUROPEAN PEERS SEP.19 , %



#1

FULLY-LOADED LEVERAGE RATIO

BBVA DEC.19 / EUROPEAN PEERS SEP.19 , %



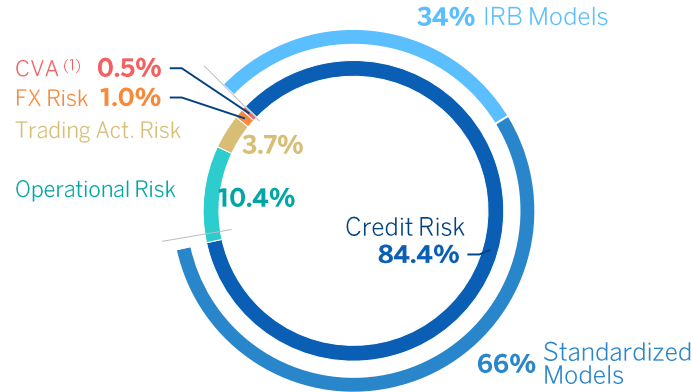
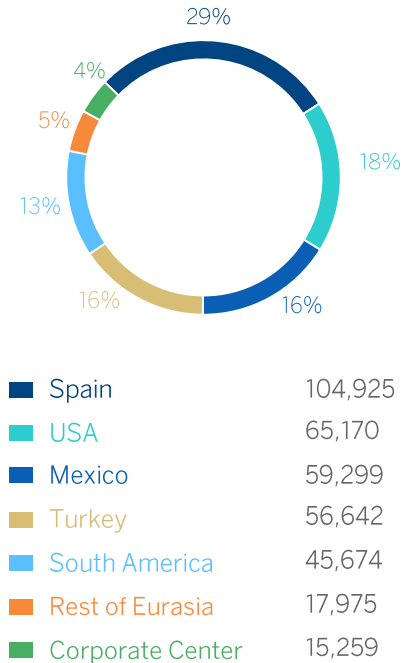
#1

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 Asset Distribution

TOTAL RWAS FULLY- LOADED DEC.19
364,943 €Mn



- 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

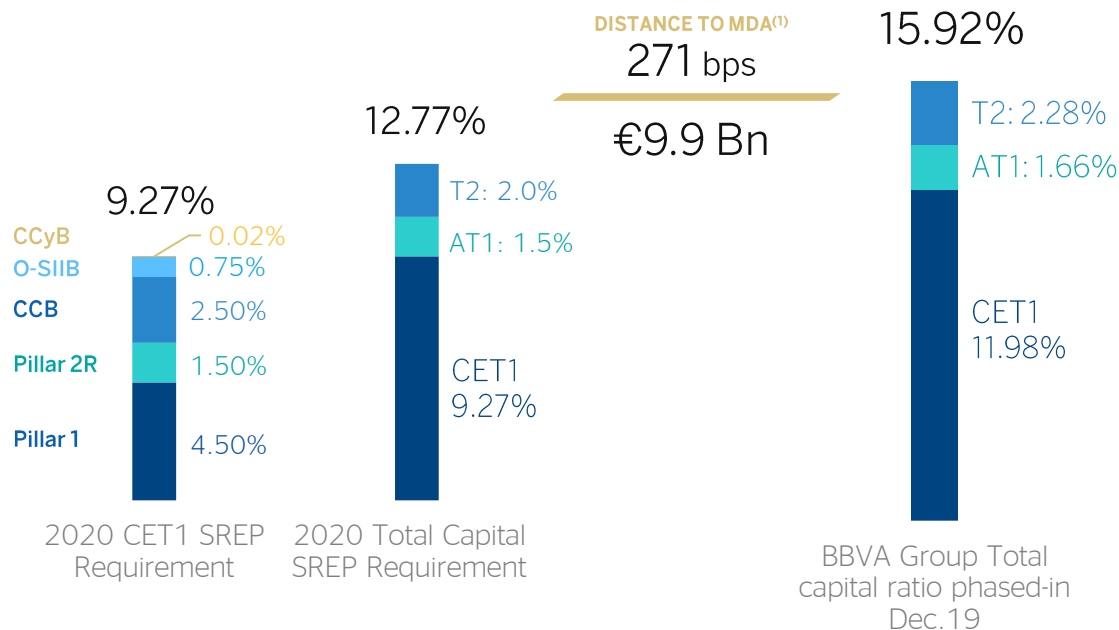
(1) Credit Valuation Adjustment.

Note: Distribution of RWAs by type of risk and Model based on 3Q19 Pillar III report.

Capital ratios well above requirements

2020 SREP REQUIREMENT AND DISTANCE TO MDA AT GROUP LEVEL

DEC.19



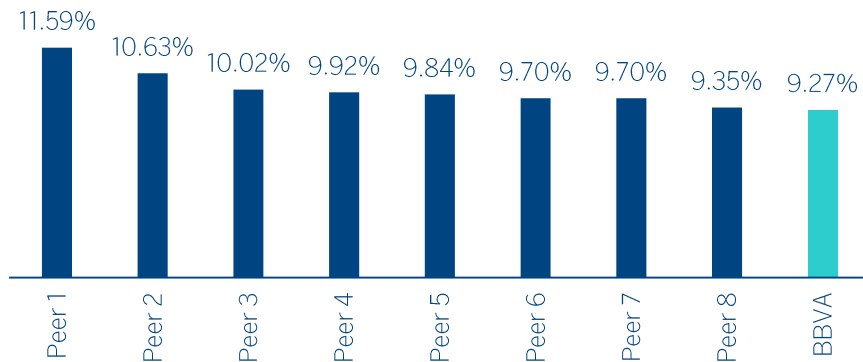
- Well above 2020 Total Capital and CET1 SREP requirements
- Significant buffer to MDA: 271 bps
- Pro-forma buffer to MDA on a fully loaded basis⁽²⁾: 247 bps

(1) 271 bps of Buffer to MDA = 11.98% Dec.19 CET1 phased-in ratio - 9.27% 2020 CET1 SREP Requirement

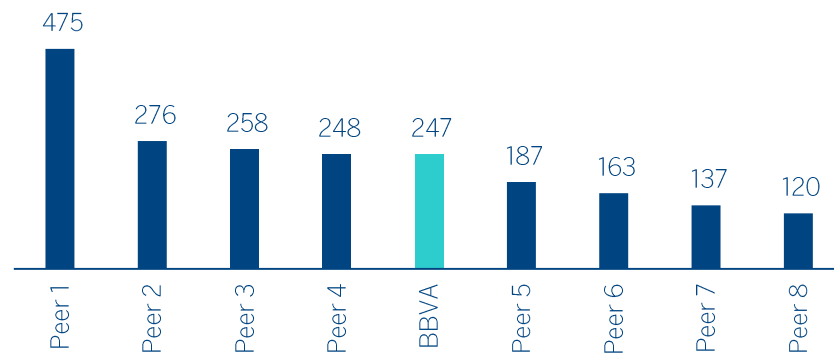
(2) Provided for information purposes as the distance to MDA is calculated based on phased-in ratios and these are the legally binding ones

Lowest SREP requirement among peers

CET1 SREP REQUIREMENT - FL (BASED ON 2020 REQUIREMENT)



DISTANCE TO MDA VS FULLY-LOADED SREP REQUIREMENT BBVA DEC.19 / EUROPEAN PEERS SEP.19



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

- **BBVA 2020 SREP requirement has remained unchanged** since 2017

- **Ample buffer** over minimum requirements

- **Efficient capital** structure

High level of Available Distributable Items (ADIs)

BBVA, S.A. (PARENT COMPANY)

DEC.19, € Bn

€ 9.2 Bn



ADIs

BBVA, S.A.
ADIs:
c. 30x
2019 AT1 coupons

€ 0.3 Bn



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

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.19)

APPROX
-4 bps MXN
-2 bps TRY

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 (Dec.19)

c. 21% At a Group level
Mexico c.30%; Turkey c.25%

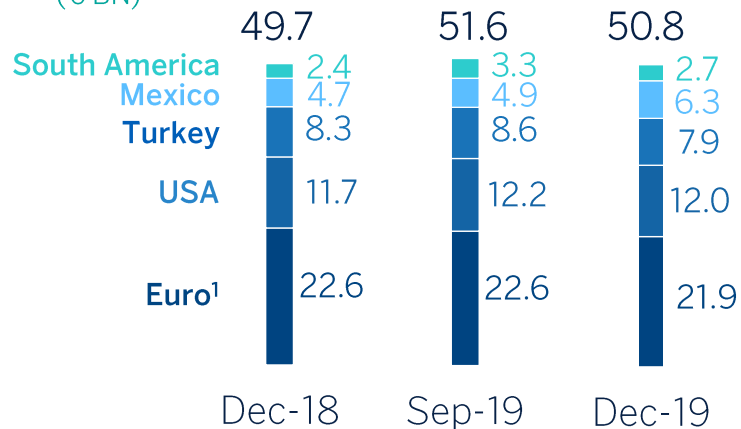
P&L hedging costs booked in the Corporate Center (NTI)

Prudent FX hedging policy to ensure low volatility on the CET1 ratio and limited FX impact on the P&L account

ALCO & Equity HTC&S Portfolio

ALCO PORTFOLIO BREAKDOWN BY REGION

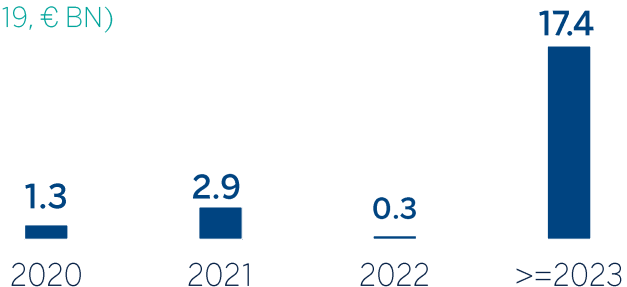
(€ BN)



December 2019	Amort Cost (HTC)	Fair Value (HTC&S)	Fair Value duration
	(€ Bn)	(€ Bn)	
South America	0.1	2.7	1.7 years
Mexico	0.8	5.5	1.4 years
Turkey	4.3	3.7	3.1 years
USA	5.5	6.5	2.1 years
Euro	12.5	9.4	3.1 years
Spain	9.3	3.8	
Italy	3.0	1.1	
Rest	0.2	4.5	

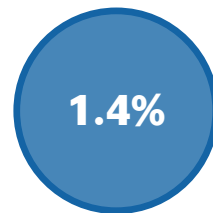
EURO ALCO PORTFOLIO MATURITY PROFILE

(DEC.19, € BN)



EURO ALCO YIELD

(DEC.19)



EQUITY HTC&S PORTFOLIO – MAIN STAKE



(1) Figures excludes SAREB senior bonds (€4.6bn as of Dec-18, €4.6bn as of Sep-19 and €4.5bn as of Dec-19) and High Quality Liquid Assets portfolios (€3bn as of Dec-18, €11.7bn as of Sep-19 and €11.1bn as of Dec-19) .

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

Strong Liquidity & Funding Structure

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

Decentralized
model

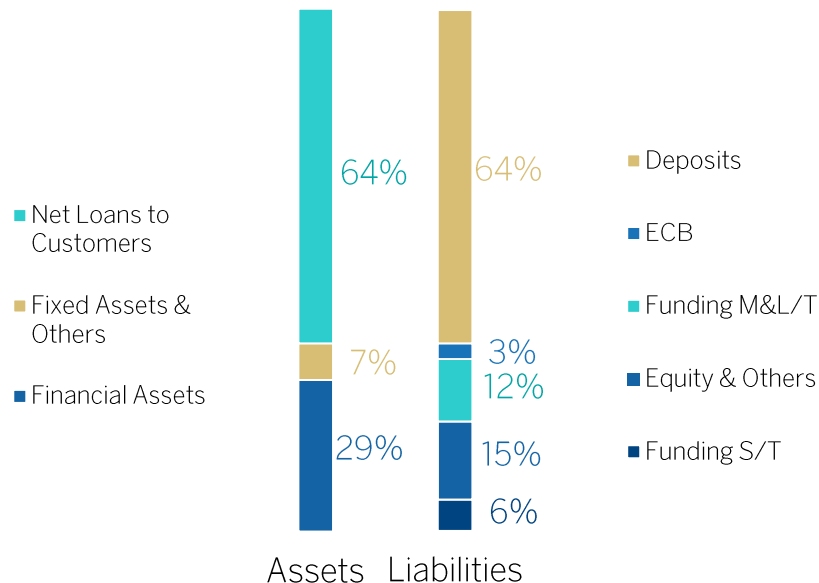
Advantages

- 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

Financial and liquidity soundness

BBVA GROUP LIQUIDITY BALANCE SHEET ⁽¹⁾ (DEC.19)



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

BBVA GROUP LIQUIDITY & FUNDING METRICS (DEC.19)

	Euroz ⁽²⁾	USA	Mexico	Turkey	S. Amer
LTD	100%	94%	104%	94% ⁽⁴⁾	99%
LCR	147%	145% ⁽³⁾	147%	206%	well >100%
NSFR	113%	116%	130%	151%	well >100%



HQLAs (Dec.19, € Mn) ⁽⁵⁾

Level 1	105,439
Level 2	3,397
Level 2A	1,153
Level 2B	2,244



(2) Perimeter: Spain+Rest of Eurasia. Liquidity Management Buffer: €79bn.

(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

Comfortable
liquidity & funding position

Liquidity & Funding ratios above regulatory requirements
both for the Group and subsidiaries (> 100% in 4Q19)



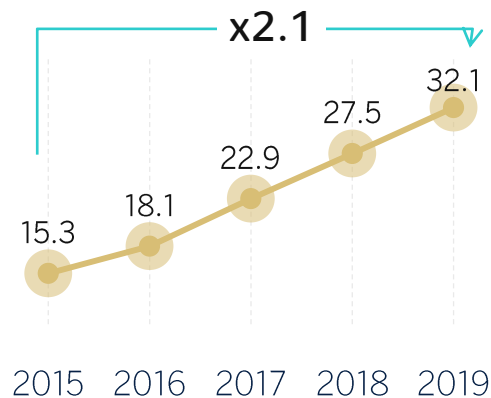
Creating Opportunities

Leading Transformation Strategy

Impressive progress on the digitization of our clients and value proposition

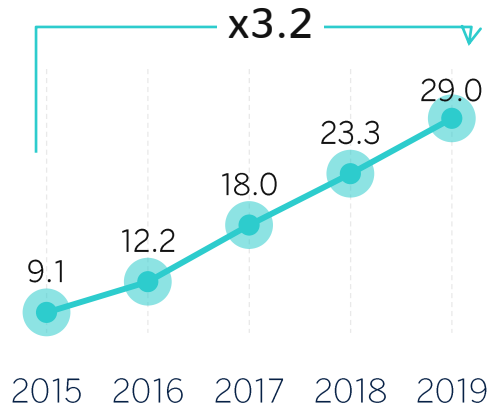
DIGITAL CUSTOMERS

MILLION, % YOY GROWTH



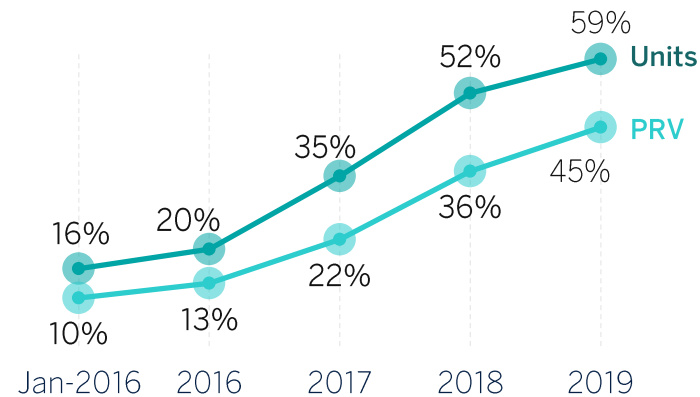
MOBILE CUSTOMERS

MILLION, % YOY GROWTH



DIGITAL SALES

(% OF TOTAL SALES YTD, # OF TRANSACTIONS AND PRV¹)



PENETRATION, ACUMM., %



03

Funding Plan

Keep optimizing our total capital and funding structure

BBVA, S.A.

€ bn	2020 YTD Issued	2020 Funding Plan (subject to market conditions)	
AT1	--	Maintain both buckets	• The potential 1 st call option of the 2016 € 1 Bn NC5 AT1 could be pre-financed
Tier 2	1	fulfilled	• No further public issue from BBVA, S.A. expected
SNP	1.25	2.5 - 3.5	• One or two additional deals expected
SP	--	Subject to Euro BS evolution and subordination requirement	• 2016 €1bn SP maturing 1Q21 could be pre-financed
CBs	--		• No CB issuance expected

BBVA, S.A. redeemable instruments in 2019 have been called at first reset date

SUBSIDIARIES (expected 2020)

- **BBVA Mexico:** USD 750 Mn Sub-debt expected to be replaced by Senior debt
- **BBVA Turkey:** TRY Tier 2 planned to be issued in 2020

MREL

- ✓ MREL Requirement: 15.16% TLOF / 28.50% RWA, by 1st Jan.21 (EU Resolution Group ⁽¹⁾)
- ✓ Focus on rolling-over non-capital maturities into MREL eligible
- ✓ 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
- ✓ **BBVA considers it complies with MREL**

(1) BBVA Resolution Group consists on BBVA, S.A. and its subsidiaries that belong to the same European resolution group. As of December 2017, 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

(DIC.19; € BN)



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

■ Covered Bonds ■ Senior Debt ■ Senior Non Preferred ■ Subordinated ■ Preferred Shares / AT1 ■ Others ■ Securitization (Turkey) ■ Syndicated loans (Turkey)

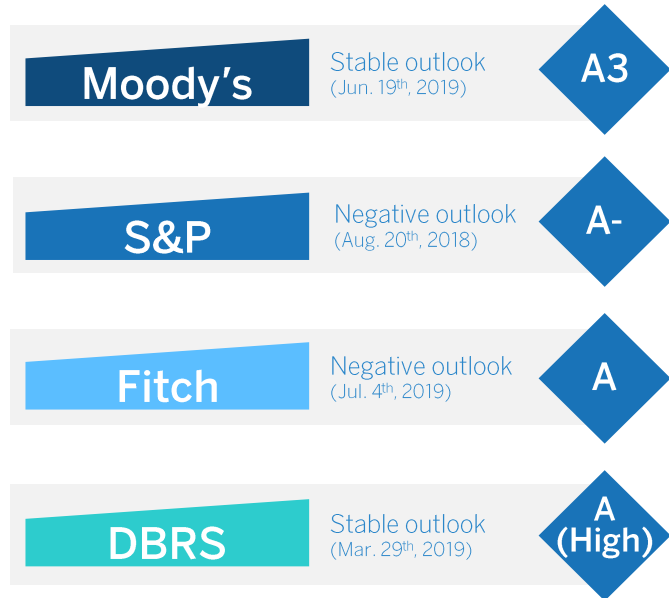
*Other in Turkey includes mainly bilateral loans, secured finance and other ST funding Outstanding amounts as of Dec.19: FX as of Dec.19: EUR = 1.12 USD; EUR = 21.22 MXN; EUR = 6.68 TRY

04

Ratings

BBVA, S.A. Ratings⁽¹⁾

BBVA LONG TERM SENIOR UNSECURED RATINGS



BBVA RATINGS BY TYPE OF INSTRUMENT

	Moody's	S&P	Fitch	DBRS
Investment grade	Aaa Aa1 CB Aa2 Aa3 A1 A2 A3 Senior Baa1 Baa2 SNP Baa3 T2	AAA AA+ CB AA AA- A+ A A- Senior BBB+ SNP BBB T2 BBB-	AAA AA+ AA AA- A+ A Senior A- SNP BBB+ T2 BBB BBB-	AAA CB AA (H) AA AA (L) A (H) Senior A A (L) T2 BBB (H) BBB BBB (L)
Non Investment Grade	Ba1 Ba2 AT1 Ba3 B1 B2 B3 (...)	BB+ BB BB- B+ B B- (...)	BB+ BB AT1 BB- B+ B B- (...)	BB (H) BB BB (L) B (H) 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 February 13th, 2020

All Rating Agencies assign BBVA a rating on the single A space



Creating Opportunities

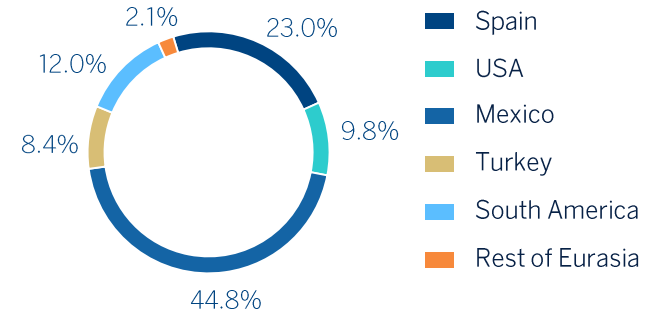
Annex

- BBVA Group 2019 Profit & Loss
- Risk Indicators by business areas
- Book Value of the main subsidiaries
- Capital Base: BBVA Group & BBVA, S.A.
- BBVA, S.A. SREP Requirement and Distance to MDA
- Called notes – 2018/2020YTD
- Debt Issuances – 2018/2020YTD
- Main Subsidiaries Ratings
- Sovereign Exposure by geography

BBVA Group 2019 Profit & Loss

BBVA Group (€m)	2019	Change ^(*) 2019/2018	
		%	% constant
Net Interest Income	18,202	4.8	5.6
Net Fees and Commissions	5,033	3.9	4.2
Net Trading Income	1,383	16.6	18.9
Other Income & Expenses	-77	n.a.	n.a.
Gross Income	24,542	4.7	5.4
Operating Expenses	-11,902	3.0	3.5
Operating Income	12,639	6.2	7.4
Impairment on Financial Assets	-4,151	5.3	7.1
Provisions and Other Gains and Losses	-772	58.3	62.2
Income Before Tax	7,716	3.3	4.0
Income Tax	-2,053	4.5	4.5
Non-controlling Interest	-833	4.4	16.0
Net Attributable Profit (ex-BBVA USA Goodwill impairment)	4,830	2.7	2.0
BBVA USA Goodwill impairment	-1,318	n.a.	n.a.
Net Attributable Profit (reported)	3,512	-35.0	-35.3

NET ATTRIBUTABLE PROFIT BREAKDOWN (%, 12M19)



Note: Figures exclude Corporate Center

Risk Indicators by business areas

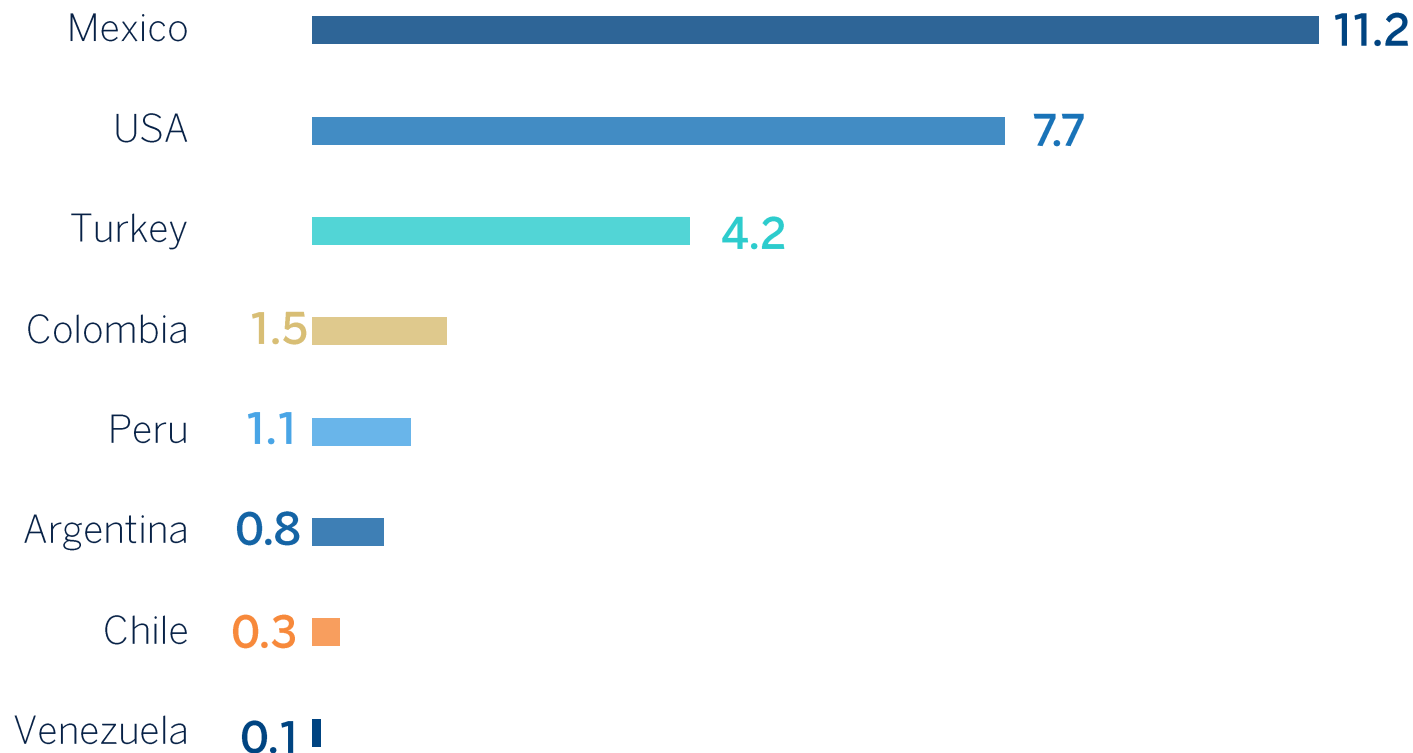
NPL ratio			
(%)	Dec.18	Sep.19	Dec.19
BBVA Group	3.9	3.9	3.8
Spain	5.1	4.6	4.4
The United States	1.3	1.1	1.1
Mexico	2.1	2.4	2.4
Turkey	5.3	7.2	7.0
Argentina	2.0	3.7	3.4
Peru	4.0	4.1	4.1
Colombia	6.0	5.2	5.3
Rest of Eurasia	1.7	1.3	1.2

Cost of Risk (YTD)			
(%)	Dec.18	Sep.19	Dec.19
BBVA Group	1.01	1.01	1.04
Spain	0.21	0.08	0.12
The United States	0.39	0.87	0.88
Mexico	3.07	2.98	3.01
Turkey	2.44	1.99	2.07
Argentina	1.60	4.49	4.22
Peru	0.98	1.50	1.45
Colombia	2.16	1.66	1.67
Rest of Eurasia	-0.11	0.05	0.02

NPL coverage ratio			
(%)	Dec.18	Sep.19	Dec.19
BBVA Group	73.1	75.4	76.6
Spain	56.7	58.9	59.7
The United States	84.7	102.1	101.2
Mexico	154.1	136.2	136.3
Turkey	81.0	74.5	75.4
Argentina	110.6	133.1	160.8
Peru	93.5	95.0	96.2
Colombia	99.6	96.1	98.4
Rest of Eurasia	82.8	96.7	97.7

Book Value of the main subsidiaries ^{1,2}

DEC 19 (€ BN)



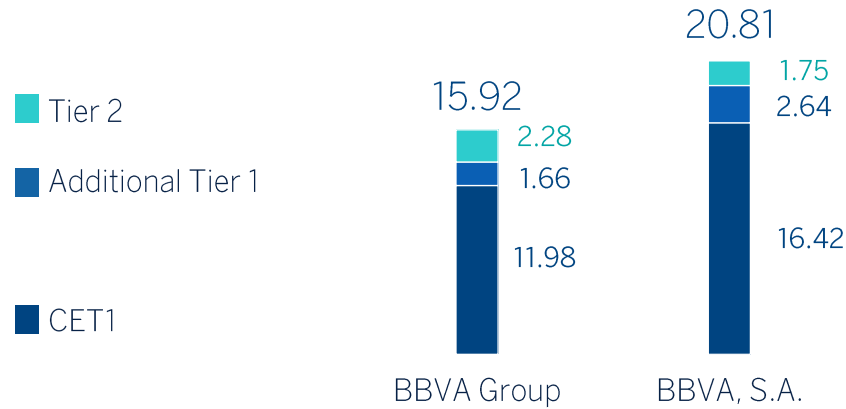
(1) Includes the initial investment + BBVA's undistributed results + FX impact + other valuation adjustments. The Goodwill associate to each subsidiary has been deducted from its Book Value.

(2) Turkey includes the Garanti Group.

Capital Base: BBVA Group & BBVA, S.A. (*)

PHASED-IN CAPITAL RATIOS

DEC.19 (%)

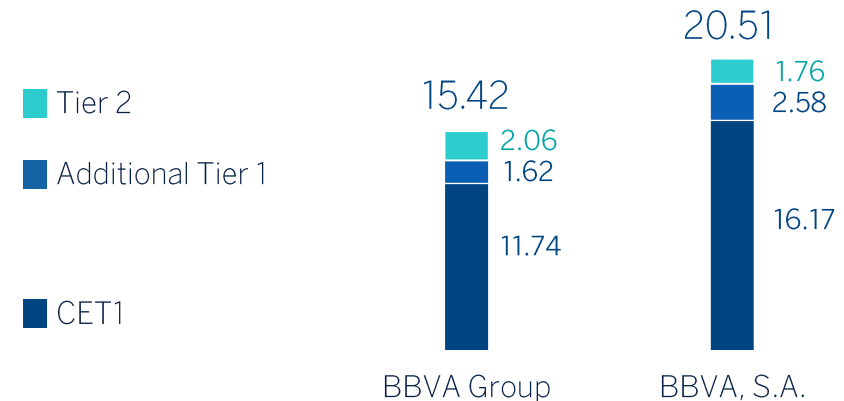


CET1	€ 43,653 m	€ 33,589 m
AT1	€ 6,048 m	€ 5,400 m
T2	€ 8,324 m	€ 3,585 m

Total Capital Base	€ 58,025 m	€ 42,574 m
RWA	€ 364,448 m	€ 204,539 m

FULLY-LOADED CAPITAL RATIOS

DEC.19 (%)



CET1	€ 42,856 m	€ 33,136 m
AT1	€ 5,919 m	€ 5,280 m
T2	€ 7,505 m	€ 3,602 m

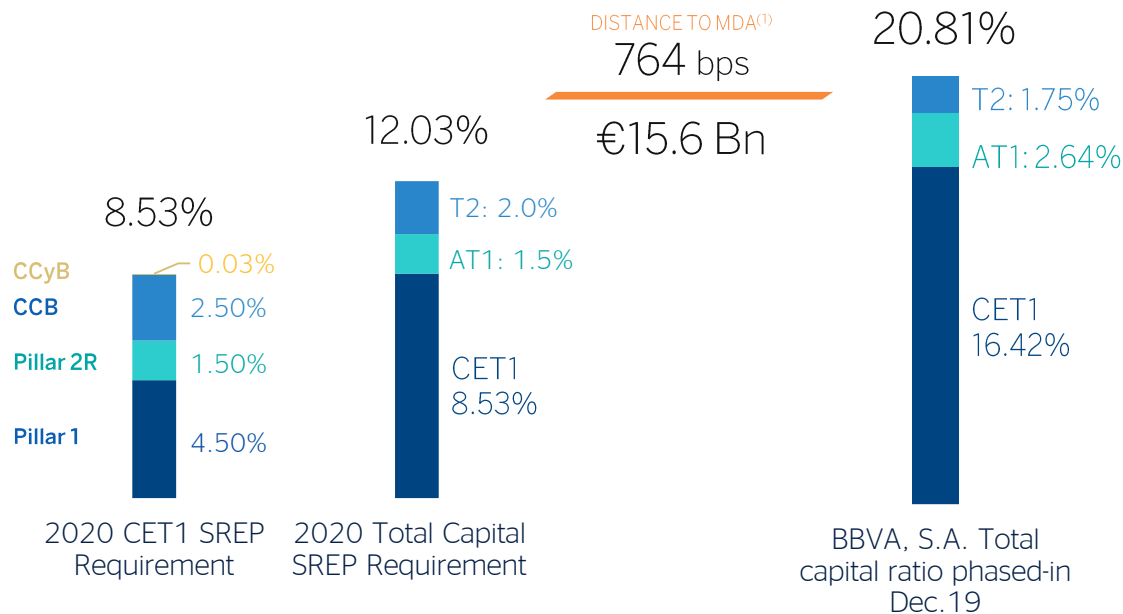
Total Capital Base	€ 56,281 m	€ 42,018 m
RWA	€ 364,943 m	€ 204,915 m

*) Both BBVA Group & BBVA, S.A. ratios exclude the 2015 €1.5 Bn AT1 issuance to be redeemed in Feb-20.

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

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

DEC. 2019



- Well above 2020 Total Capital and CET1 SREP requirements
- Significant buffer to MDA: 764 bps

(1) 764 bps of Buffer to MDA = 16.42% Dec.19 CET1 phased-in ratio - 0.25% Tier 2 shortfall - 8.53% 2019 CET1 SREP Requirement

Called notes – 2018 – 2020YTD

	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%
	AT1	Feb-14	Feb-19	€ 1,500	7,00%
	AT1	May-13	May-18	\$ 1,500	9,00%
	Tier 2	Feb-07	Feb-18	€ 257	3ME+0.80%
BBVA Subordinated Capital	Tier 2	Oct-05	Jan-18	€ 99	3ME+0.80%

BBVA follows
an economic
call policy

(2)

(1) Includes a total of 4 trust preferred securities issued in 2003 and 2004; (2) Average coupon of the 4 issuances

Debt Issuances 2018 – 2020YTD

BBVA, S.A.

Product	Issue Date	Call Date	Maturity	Nominal currency	Coupon	Reset (AT1)
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%	519
SNP	Jun-19	-	Jun-26	€ 1,000 M	1,000%	
AT1	Mar-19	Mar-24	Perp	€ 1,000 M	6,000%	604
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%	566
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	Flexd 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%

Main Subsidiaries Ratings ⁽¹⁾

LONG TERM SENIOR UNSECURED RATINGS

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

(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 February 13th, 2020.

Sovereign Exposure by geography ⁽¹⁾

DEC.19, € bn

	Sovereign				
	Amortized Cost debt securities (HTC)	Fair Value debt securities (HTC&S)	Trading securities	Short positions	Loans
Spain	12.5	12.4	6.1	(5.5)	14.5
Italy	3.1	1.3	2.2	(1.4)	0.1
Portugal	0.0	0.0	0.5	(1.4)	0.2
Mexico	1.6	6.4	12.8	(2.2)	6.8
USA	5.7	8.5	0.2	(0.0)	5.3
Turkey	4.1	3.7	0.1	-	0.1
All Others	0.1	4.6	1.5	(1.1)	2.3
TOTAL	27.0	36.8	23.2	(11.6)	29.3

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

Fixed Income Presentation 4Q19