

BBVA, a unique growth proposition

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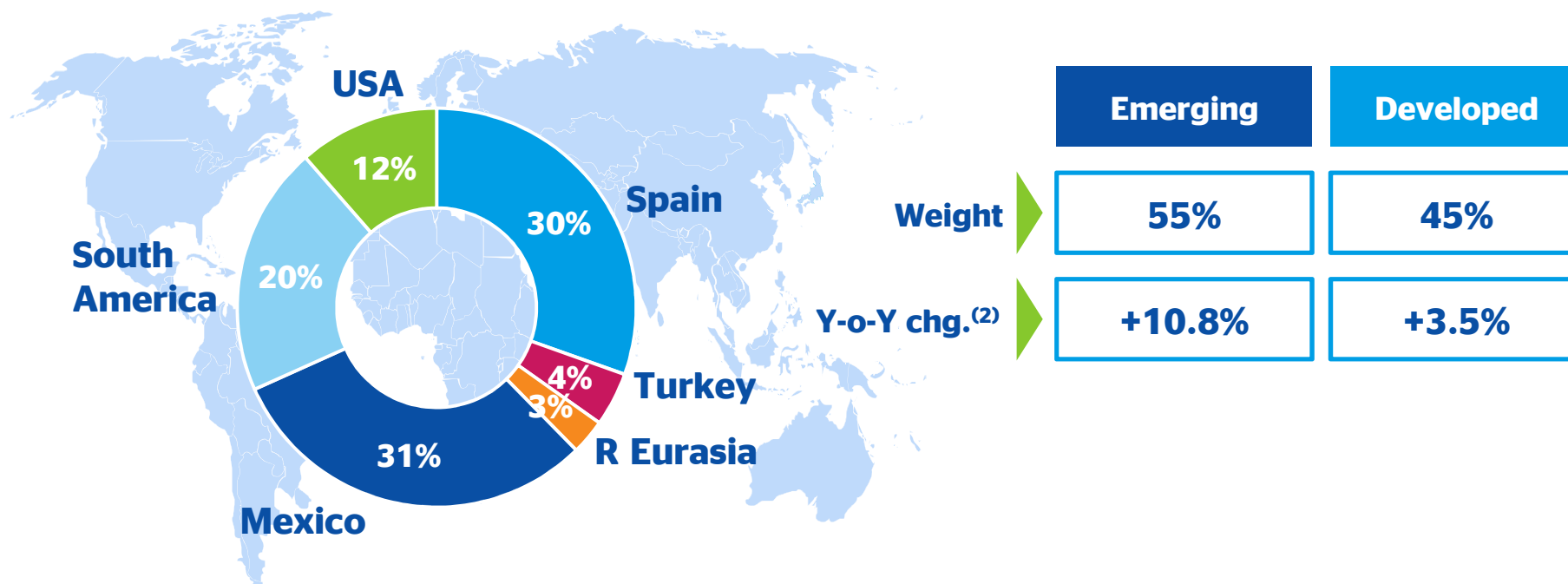
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BBVA has a well-diversified footprint ...

BBVA Group's 1T15 Gross Income
Breakdown by business area ⁽¹⁾

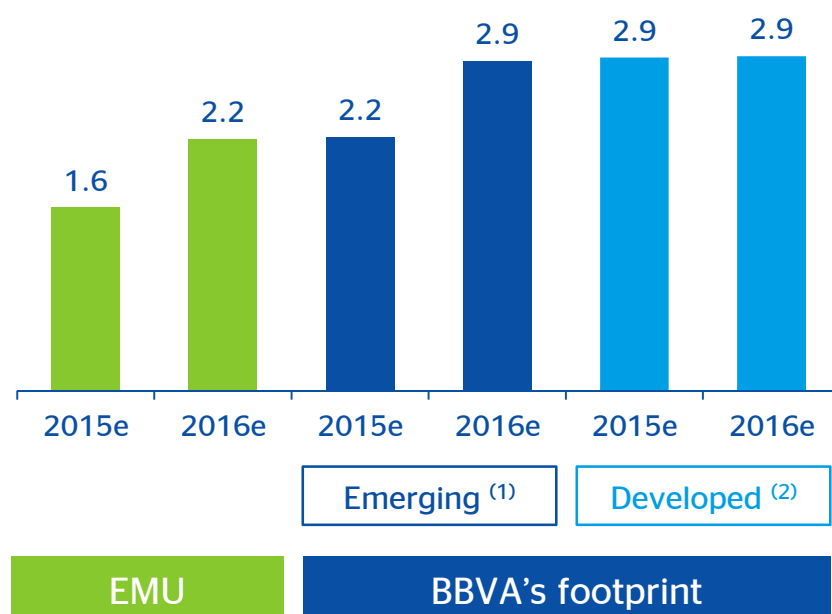


~ 90% of gross income coming from investment grade countries

(1) Excluding Corporate Centre. (2) In constant €. Note: Investment grade countries: Spain, USA, Mexico, Chile, Colombia, Peru, Uruguay, China, Turkey (except by S&P) and rest of Europe; Non-investment grade countries: Portugal, Argentina, Paraguay and Venezuela.

... that offers higher organic growth prospects

Real GDP growth
%, YoY



Emerging markets

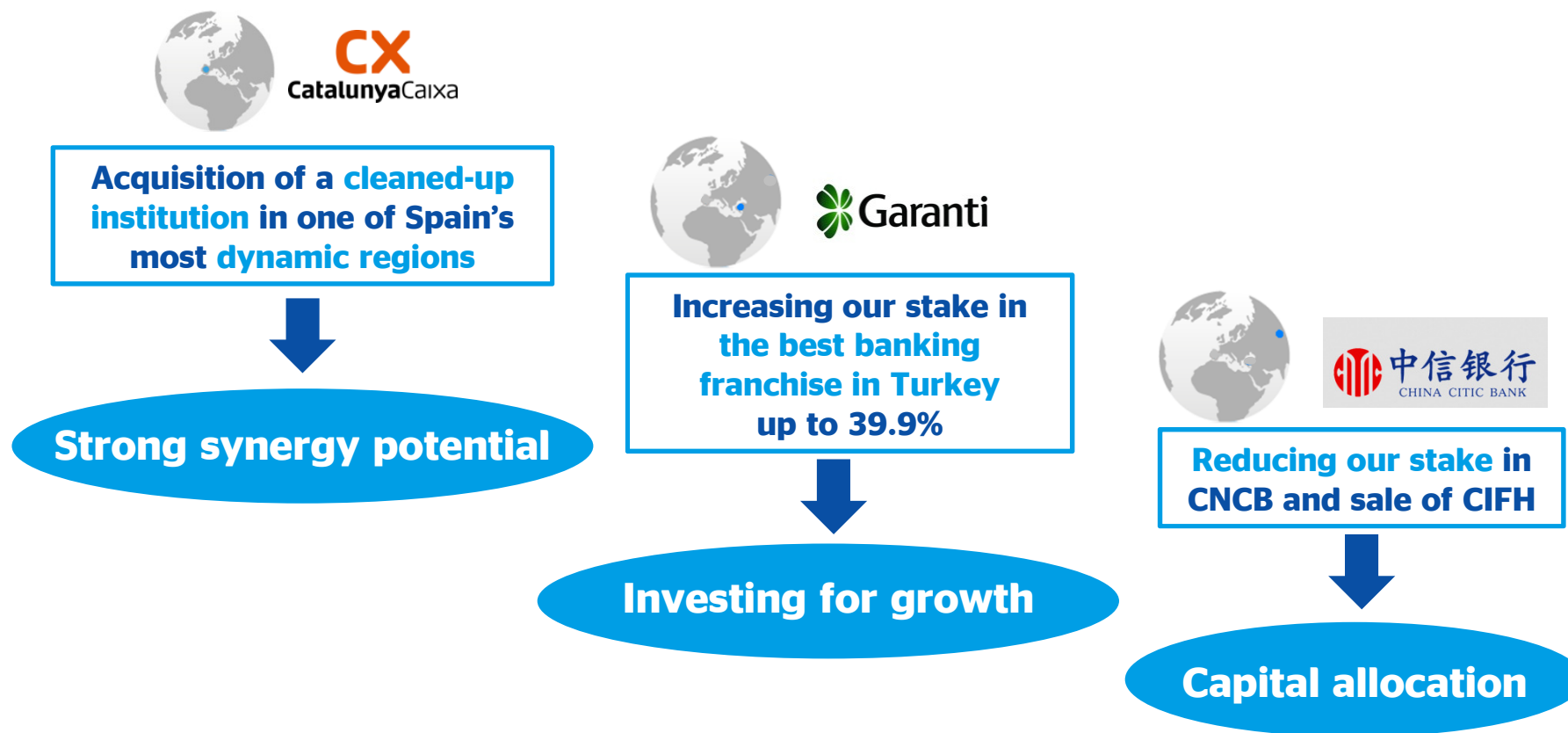
- ✓ Recovery after a challenging 2014 ...
- ✓ ... although still below potential growth

Developed markets

- ✓ Growth boosted by Spain and the US

BBVA

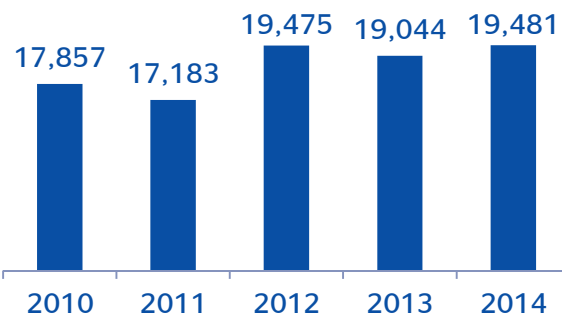
BBVA continues to actively manage its business portfolio



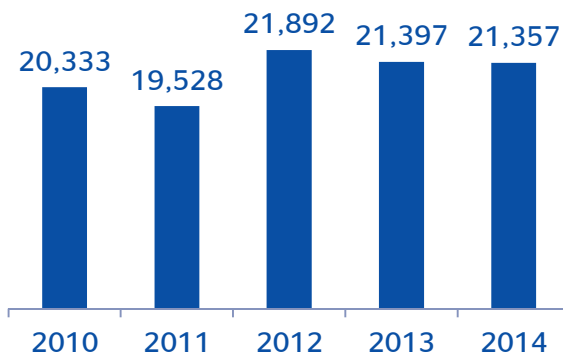
Focusing on our core markets to further enhance our growth profile

BBVA has maintained strong recurring revenues and operating profit ...

**NII + Fees
(€m)**



**Gross Income
(€m)**



■ BBVA operating income (€bn)
■ Provisions and impairment of non-financial assets (€bn) Operating profit / RWA in % ⁽¹⁾

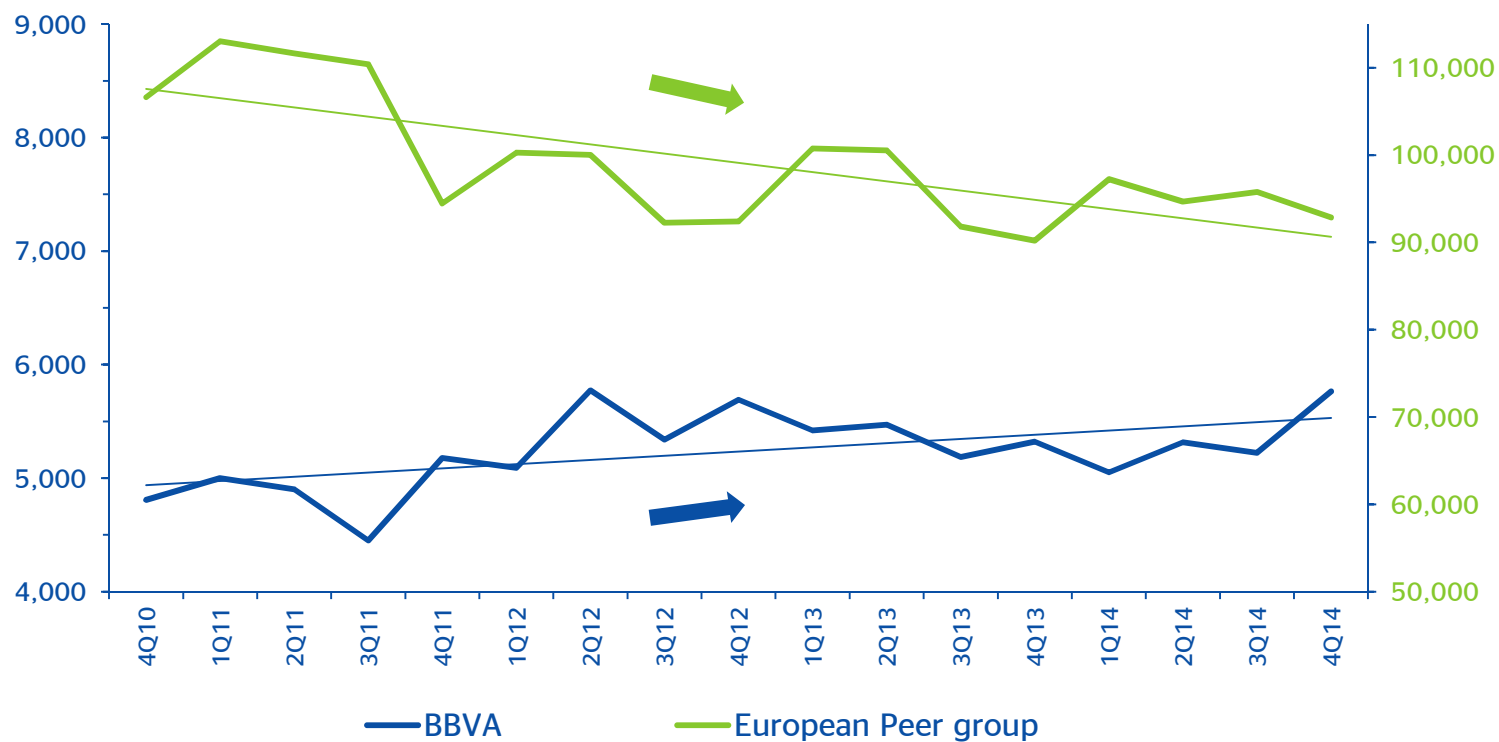


Ability to cover losses
even under stressed
scenarios

(1) Proforma 2013 considering BIS3 RWA = 3.0%

... bucking the trend of its European peers

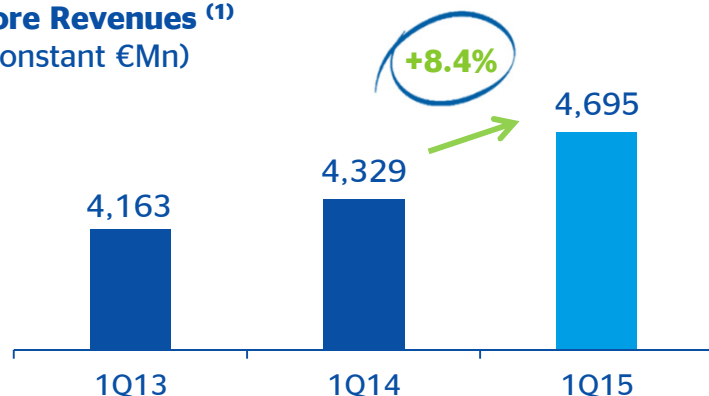
Gross Income (€m)
BBVA vs Peer group (Aggregate figures)



Recent operating trends support underlying recurring growth

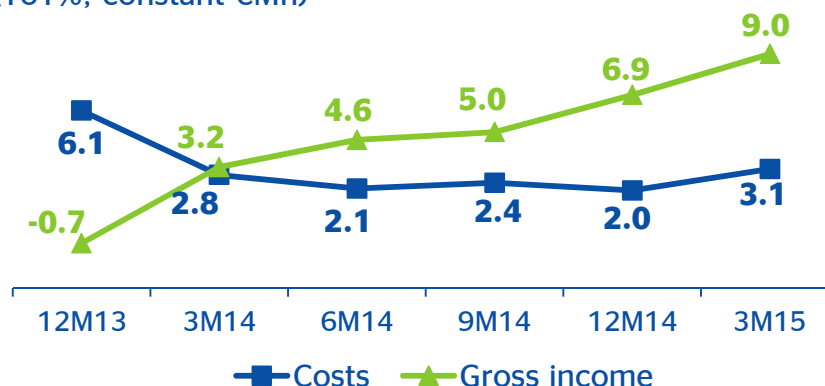
Upward trend in revenues

Core Revenues ⁽¹⁾
(Constant €Mn)



Widening operating jaws

Gross income vs costs
(YoY%, constant €Mn)



Profit growth

1Q2015, constant € Mn

Operating Income	2,778	+16%
Net Attrib. Profit	1,536	n/d
Net Attrib. Profit (Ex, corporate operations)	953	+47%

Risk indicators improving

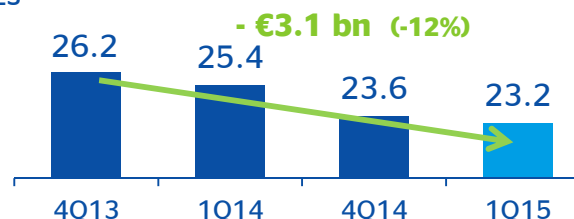
NPL ratio

5.6%

Coverage ratio

65%

NPLs
€bn

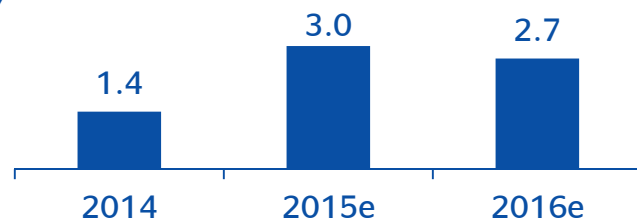


Note: Figures exclude Venezuela. (1) Including NII + Fees & Commissions.

Banking activity in Spain: P&L recovery to continue

GDP growth acceleration

Real GDP growth
%, YoY

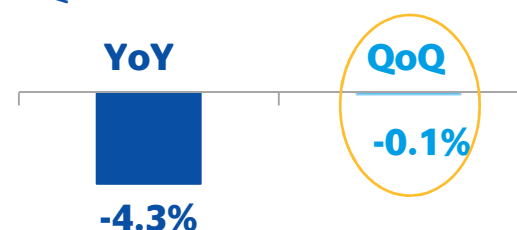


Source: BBVA Research estimates

Turnaround in activity

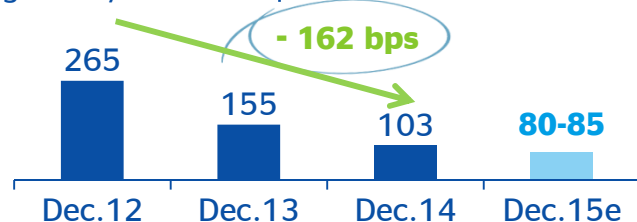
Gross loans evolution

1Q2015



Towards cost of risk normalization

Cumulative cost of risk (bps)
Banking Activity + RE developers loans



P&L

1Q2015, € Mn

YoY ⁽¹⁾

Gross Income	1,786	+2%
Operating Income	1,081	+3%
Net Attrib. Profit	347	-10%

2015^e
Trends

Turnaround in activity

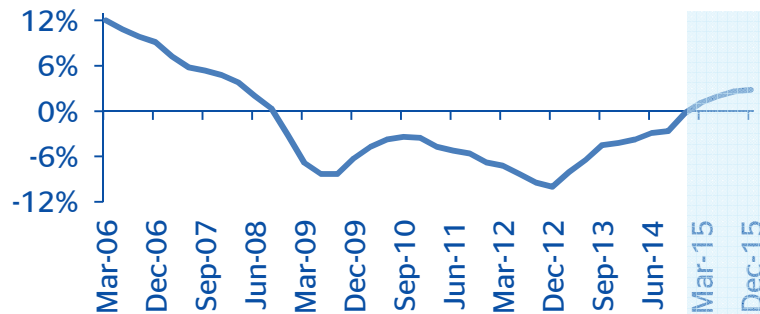
Focused on diversified revenue sources and cost control

Cost of risk (including RE) expected to go down to 80 - 85 bps

Real Estate: 2014, the turnaround year

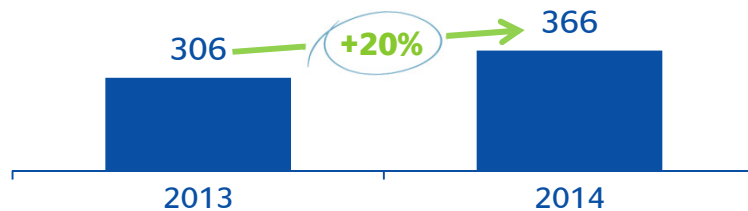
Improving market indicators

Residential home prices
%, YoY



Source: BBVA estimates based on Ministry of Public Works and Transport data.

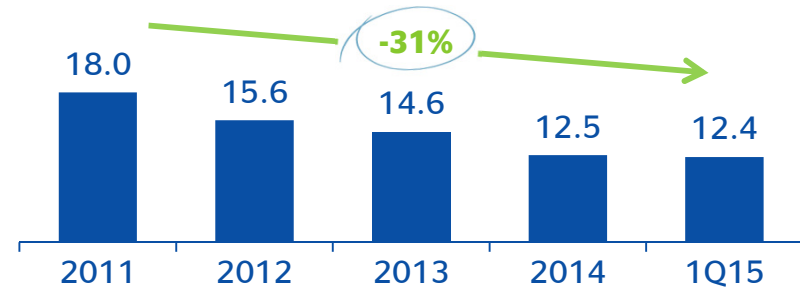
Residential housing demand
Housing transactions - in thousands



Source: General Council of Spanish Notary Publics

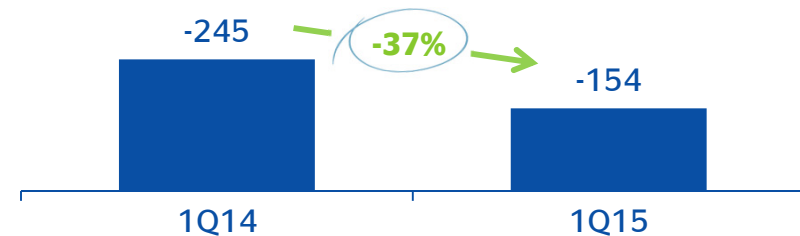
Reduction of BBVA's net exposure to RE

BBVA net exposure to RE
Bank of Spain's RE transparency scope - € Bn



RE Net attributable profit

BBVA RE net attributable profit
€ Mn



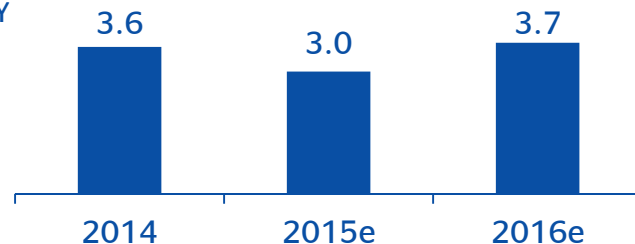
2015^e
Trends

Limited negative P&L contribution in 2016

USA: a growing franchise

Limited impact from oil prices

Sunbelt: Real GDP growth
%, YoY



Source: BBVA Research estimates

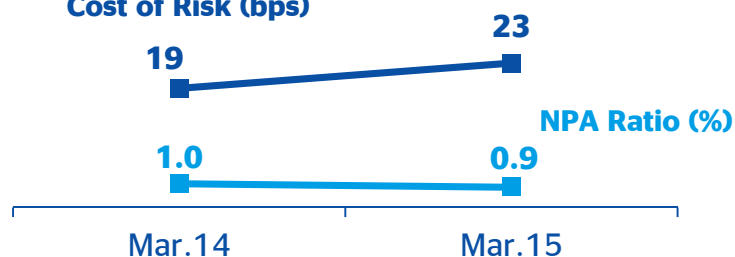
Activity dynamism⁽¹⁾

Constant €, average balances, YoY
Mar.14 vs. Mar.15

Lending	+12.2%
Customer Funds	+15.3%

Sound risk indicators

Cost of Risk (bps)



Higher contribution to the Group

1Q2015, constant € Mn

YoY

Gross Income	654	+4%
Operating Income	223	+10%
Net Attrib. Profit	136	+6%

2015^e
Trends

Activity growth to remain solid

Positive sensitivity to interest rates increases (expected start: 2H15)

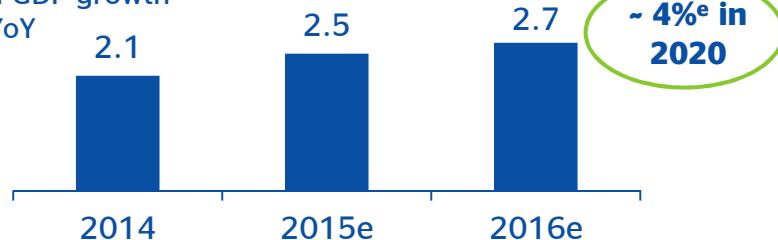
Cost of risk to inch up towards more normalized levels (+10/15 bps)

(1) Excluding NY business activity.

Mexico: significant and recurrent contributor to the Group

2015 GDP growth > 2014, despite lower oil prices

Real GDP growth
%, YoY



Source: BBVA Research estimates

Activity dynamism

Constant €, average balances, YoY
Mar.14 vs. Mar.15

Lending	+14.1%
Customer Funds	+14.5%

Stable risk indicators

Cost of Risk (bps)

351 **344**

3.4

NPA Ratio (%)

2.8

Mar.14

Mar.15

Dynamic growth in all P&L lines

1Q2015, constant € Mn

YoY

Gross Income	1,752	+6%
Operating Income	1,105	+6%
Net Attrib. Profit	524	+7%

**2015^e
Trends**

Double digit activity growth, keeping better asset quality than peers

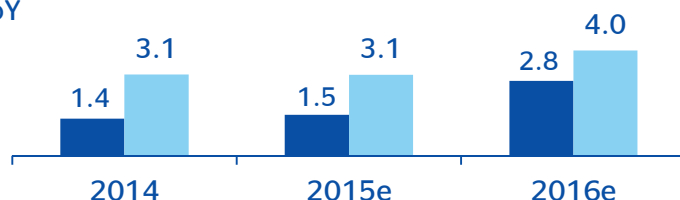
Committed to maintaining positive jaws achieved in 2014

Cost of risk to remain stable at around 350 bps

South America: a well-diversified footprint in a high-growth region

The Andean region, the main growth lever

Real GDP growth
%, YoY



■ BBVA's footprint in S.America ■ Andean countries (Chile, Colombia, Perú)

Note: Data based on BBVA Research estimates and each country's weight on BBVA Group's gross income as of 1Q15.

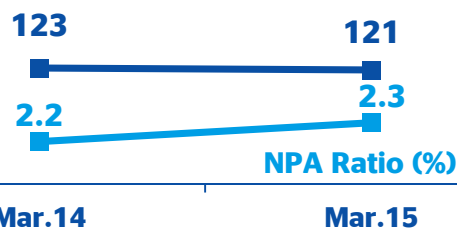
Activity dynamism

Constant €, average balances, YoY. Ex Venezuela
Mar.14 vs. Mar.15

Lending **+12.5%**
Customer Funds **+11.0%**

Stable risk indicators

Cost of Risk (bps)



Note: Figures ex Venezuela.

Strong P&L growth

1Q2015, constant € Mn. Ex Venezuela YoY

Gross Income	1,065	+14%
Operating Income	576	+14%
Net Attrib. Profit	213	+8%

2015^e
Trends

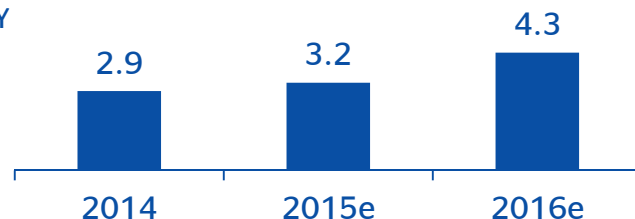
The area will continue to be a relevant contributor to the Group

Venezuela: Limited contribution to P&L after the application of Simadi

Turkey: Garanti boosts BBVA's long-term growth

Growth acceleration despite geopolitical volatility

Real GDP growth
%, YoY



Source: BBVA Research estimates

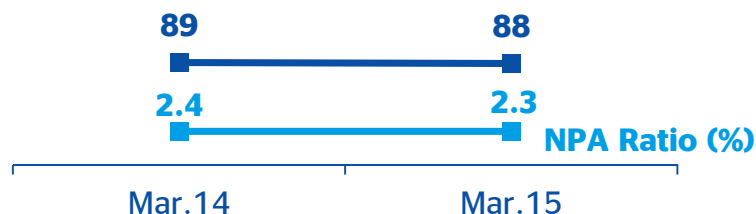
Activity dynamism

Local figures in Turkish Lira, year-end, YoY growth
Mar.14 vs. Mar.15

Performing Loans	+20%
Customer Deposits	+17%

Sound asset quality

Cost of Risk⁽¹⁾ (bps)



Increasing contribution to BBVA Group's P&L

1Q2015⁽²⁾, constant € Mn

YoY

Gross Income	250	+9%
Operating Income	140	+8%
Net Attrib. Profit	86	+12%

2015^e
Trends

Turkish Lira loans growing at ~15% in 2015

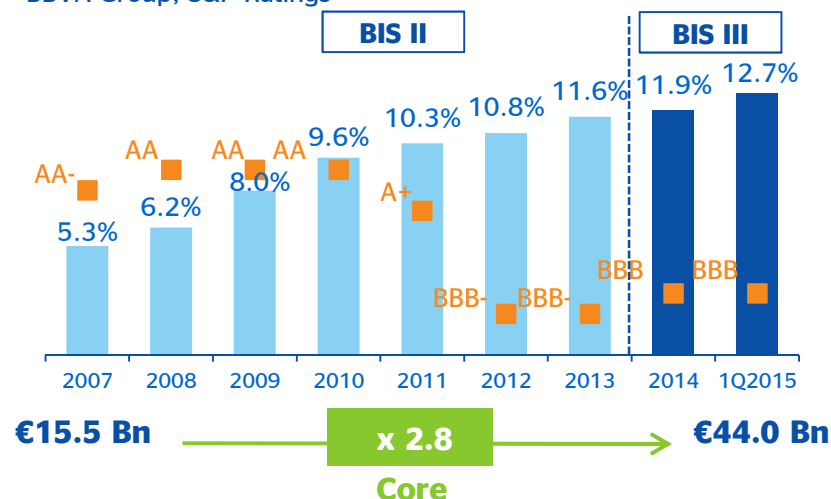
NIM expansion to continue

Stable cost or risk vs. 2014, standing out in asset quality vs. the system

Note: Garanti BRSA bank-only financials for fair comparison with Garanti's Operating Plan guidance. (1) Net cost of risk, including recoveries (2) Stake of 25.01% in Garanti, as of end-Mar.2015;

Strong & Resilient Regulatory Ratios

Historical Core Capital ratios (%)
BBVA Group; S&P Ratings



Core Capital CRD IV
1Q2015

12.7%
(Phased-in)

10.8%
(Fully-loaded)

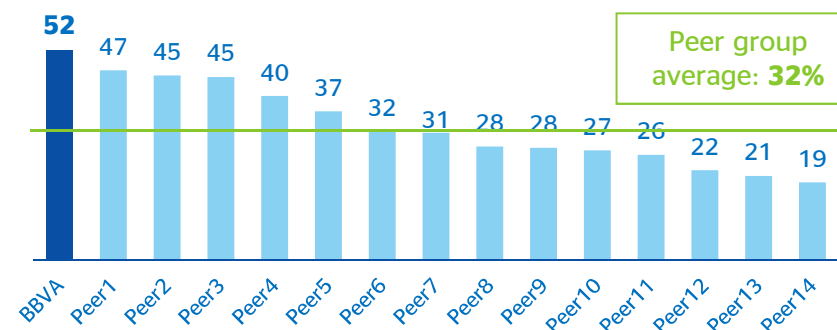
Pro-forma ⁽¹⁾

Core Capital CRD IV
9.8%_e
(Fully-loaded)

High Quality Capital

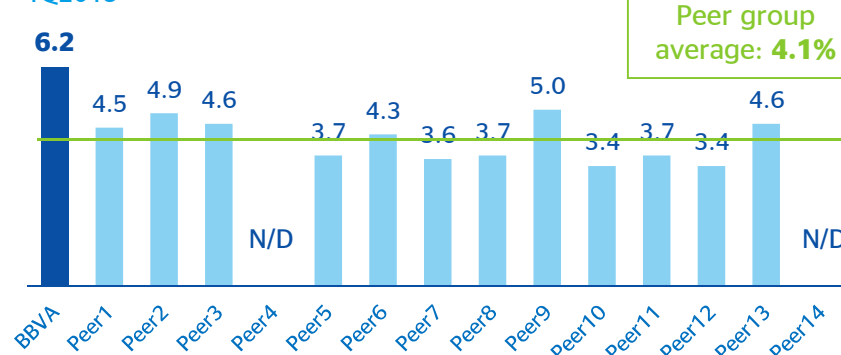
RWAs / Total Assets (%)

1Q2015



Leverage Ratio (%) ⁽²⁾

1Q2015

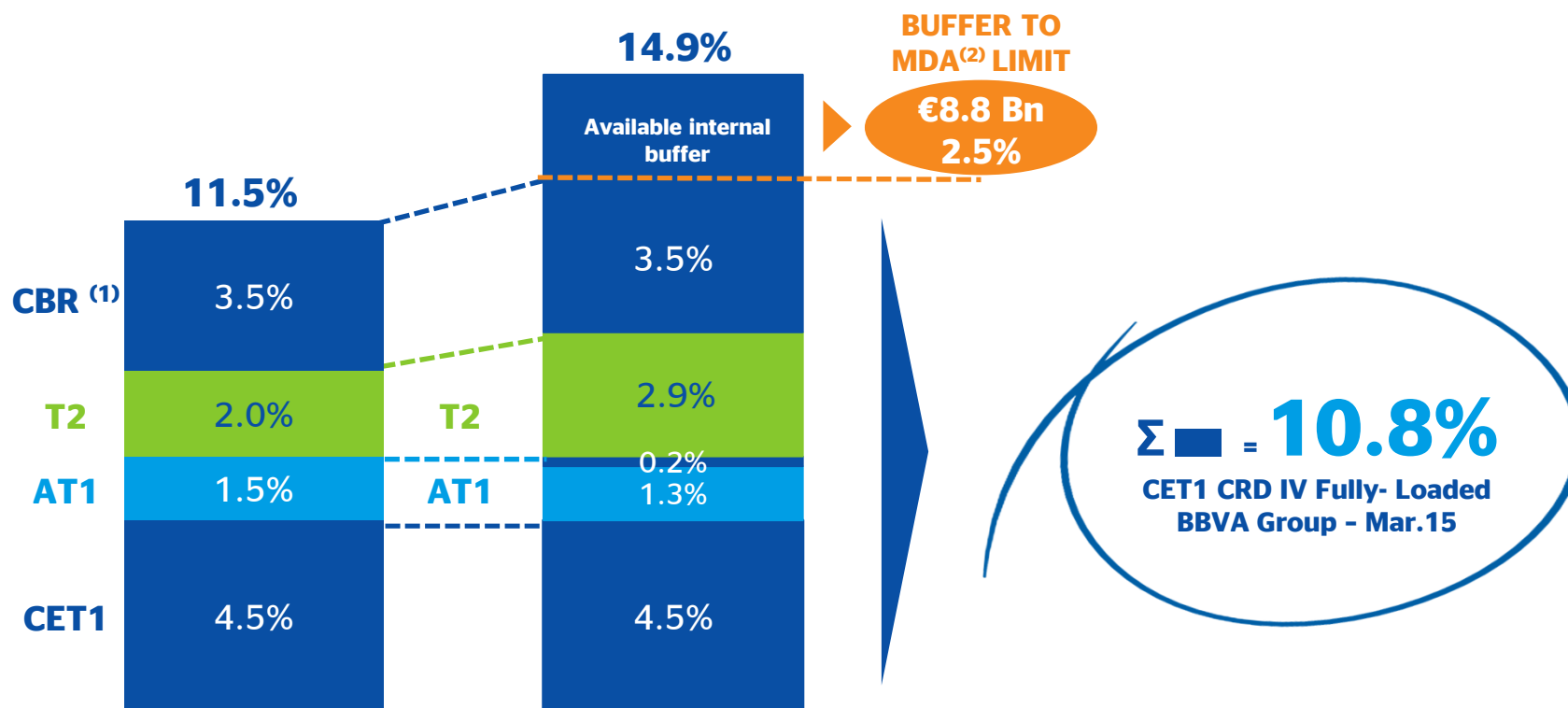


(1) Pro-forma of corporate operations announced and pending to be closed (2) Under CRDIV Fully-Loaded.
European Peer Group: BARC, BNPP, CASA, CS, CMZ, DB, HSBC, ISP, LBG, RBS, SAN, SG, UBS, UCG

Strong and resilient regulatory capital ratios

CRDIV Total Capital Requirement (fully loaded)

BBVA Group's Mar. 15 CRDIV fully-loaded ratios



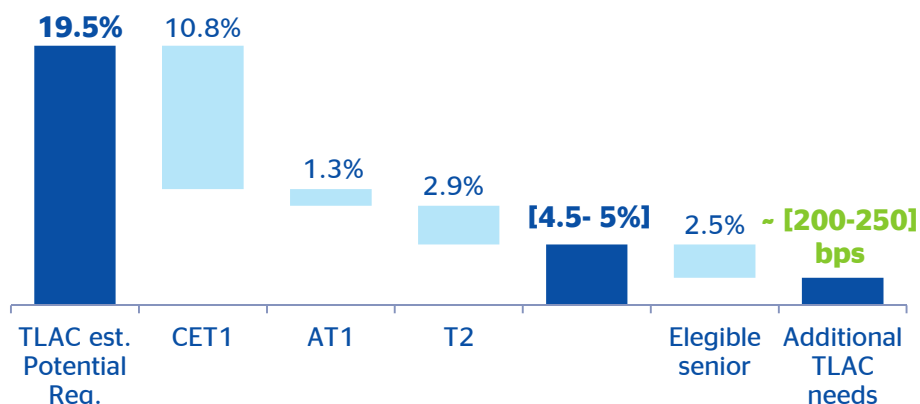
Commitment to maintain a CET1 fully loaded of 10%

(1) BBVA Group CBR (Combined Buffer Requirement) is currently expected to consist of 2.5% Capital Conservation Buffer (CCB) (2) MDA: Maximum Distributable Amount.

TLAC expected to have a manageable impact on BBVA ...

Estimated 2019 TLAC Walk-down for BBVA⁽¹⁾

(Fully-Loaded CET1 at a consolidated level. March, 2015)



Estimated Additional TLAC needs

BBVA ~ €10 Bn

**G- SIB ~ €20 Bn
peers avg.**

TLAC Considerations

- ✓ **BBVA's requirement** expected to be **based on RWAs, not on leverage**
- ✓ BBVA's structure predisposes **MPE as preferred resolution strategy**
- ✓ Expect **MREL** implementation **consistent and converging to TLAC**
- ✓ Assuming 2019 compliance, **annual TLAC issuance of ~ €3-4 Bn per annum**

... due to its strong capital position, maturity profile and demonstrated ability to access the market

(1) BBVA fully-loaded capital as of 1Q15. TLAC requirement calculated: 16% + 2.5% Capital Conservation Buffer + 1% GSIB Buffer.



Sound liquidity position in all franchises thanks to BBVA's decentralized management model

Independent ratings and liquidity management

Market discipline and proper incentives

Firewalls between subsidiaries and the parent company

Supervision and control by parent company

Proven resilience during the crisis

USA

Loan to deposits (Mar.15)
96%

Mexico

Loan to deposits (Mar.15)
98%

South America

Loan to deposits (Mar.15)
104%

Demonstrated ability to generate significant and recurrent earnings

A high growth potential due to an attractive geographical footprint

Strong and high-quality capital

BBVA, a unique growth proposition

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BBVA

Appendix



BBVA

BBVA Group ratings

BBVA's ratings (June, 2015)

MOODY'S	S&P	FITCH	DBRS	SCOPE
Aaa	AAA	AAA	AAA	AAA
Aa1 ●	AA+	AA+	AA (high)	AA+
Aa2	AA ●	AA	AA ●	AA
Aa3	AA-	AA- ●	AA (low)	AA-
A1	A+	A+	A (high)	A+
A2	A	A	A	A
A3	A-	A- BBVA (st.)	A (low) BBVA (st.)	A- BBVA (st.)
Baa1	BBB+	BBB+ Spain (st.)	BBB (high)	BBB+
Baa2 BBVA (**+) Spain (+)	BBB BBVA (st.) Spain (st.)	BBB	BBB	BBB
Baa3	BBB-	BBB-	BBB (low)	BBB-
Ba1	BB+	BB+	BB (high)	BB+
Ba2	BB	BB	BB	BB
Ba3	BB-	BB-	BB (low)	BB-
B1	B+	B+	B (high)	B+
B2	B	B	B	B
B3	B-	B-	B (low)	B-
(...)	(...)	(...)	(...)	(...)

Non investment grade

(+) Positive outlook; (st.) Stable outlook; (-) Negative outlook; (**+) Review for upgrade

● BBVA's all time high (all achieved in 2007 except for DBRS in 2009)

Inflection point: outlook changed from negative to stable in 2H2013 by 3 main agencies

1 notch upgrade by 3 main agencies in 1H2014 following the Spanish sovereign upgrade

New methodologies could improve BBVA's absolute and / or relative rating position vs. peers