

The BBVA logo is displayed in white on a dark blue background. To its right, the tagline "Creating Opportunities" is written in a smaller, lighter blue font.

BBVA Creating Opportunities

2Q17 Results

July, 27th 2017

Disclaimer

This document is only provided for information purposes and does not constitute, nor should it be interpreted as, an offer to sell or exchange or acquire, or an invitation for offers to buy securities issued by any of the aforementioned companies. Any decision to buy or invest in securities in relation to a specific issue must be made solely and exclusively on the basis of the information set out in the pertinent prospectus filed by the company in relation to such specific issue. No one who becomes aware of the information contained in this report should regard it as definitive, because it is subject to changes and modifications.

This document contains or may contain forward looking statements (in the usual meaning and within the meaning of the US Private Securities Litigation Reform Act of 1995) regarding intentions, expectations or projections of BBVA or of its management on the date thereof, that refer to or incorporate various assumptions and projections, including projections about the future earnings of the business. The statements contained herein are based on our current projections, but the actual results may be substantially modified in the future by various risks and other factors that may cause the results or final decisions to differ from such intentions, projections or estimates. These factors include, without limitation, (1) the market situation, macroeconomic factors, regulatory, political or government guidelines, (2) domestic and international stock market movements, exchange rates and interest rates, (3) competitive pressures, (4) technological changes, (5) alterations in the financial situation, creditworthiness or solvency of our customers, debtors or counterparts. These factors could cause or result in actual events differing from the information and intentions stated, projected or forecast in this document or in other past or future documents. BBVA does not undertake to publicly revise the contents of this or any other document, either if the events are not as described herein, or if such events lead to changes in the information contained in this document.

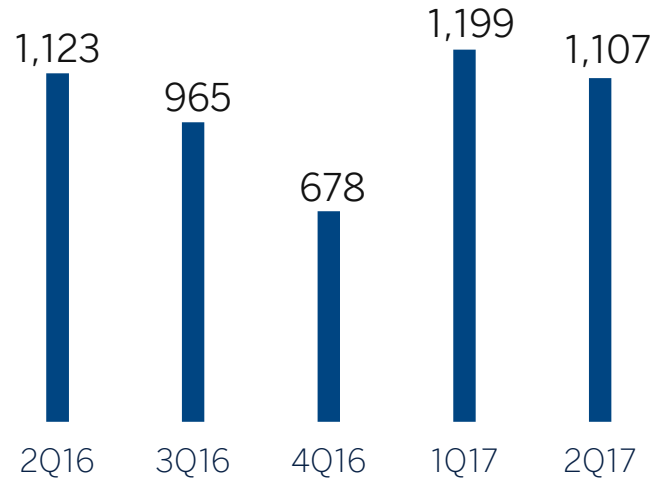
This document may contain summarised information or information that has not been audited, and its recipients are invited to consult the documentation and public information filed by BBVA with stock market supervisory bodies, in particular, the prospectuses and periodical information filed with the Spanish Securities Exchange Commission (CNMV) and the Annual Report on Form 20-F and information on Form 6-K that are filed with the US Securities and Exchange Commission.

Distribution of this document in other jurisdictions may be prohibited, and recipients into whose possession this document comes shall be solely responsible for informing themselves about, and observing any such restrictions. By accepting this document you agree to be bound by the foregoing restrictions.

Continued Strength in the 2nd Quarter

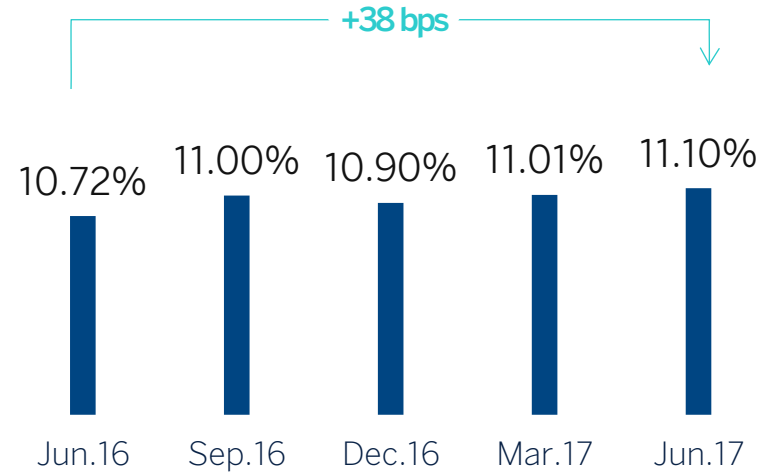
Net Attributable Profit

Quarterly evolution (€m)



CET1 fully-loaded – BBVA Group

Quarterly evolution (%)

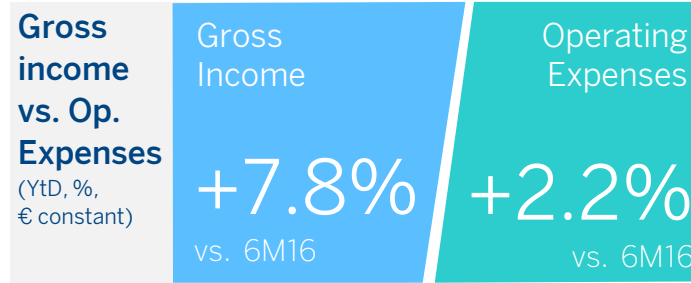


2Q17 Highlights

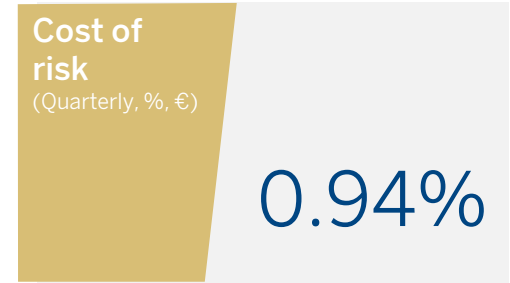
Core revenues growth



Cost control



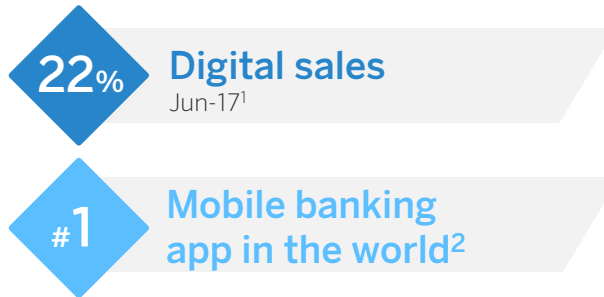
Sound asset quality



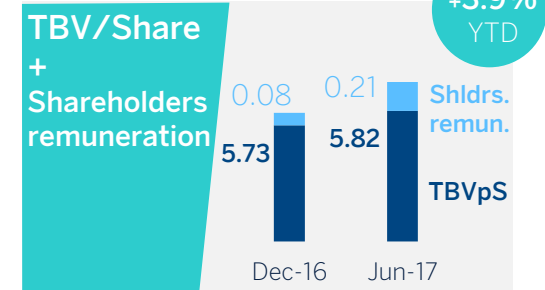
Strong capital generation



Delivering on our transformation



Creating value for the shareholder



(1) % of total sales YtD, # of transactions (2) According to 2017 Forrester Research report, "Global Mobile Banking Benchmark"

2Q17 Profit & Loss

BBVA Group (€m)	2Q17	Change 2Q17/2Q16	
		%	% constant
Net Interest Income	4,481	6.4	10.0
Net Fees and Commissions	1,233	3.7	6.7
Net Trading Income	378	-53.9	-51.0
Other Income & Expenses	244	8.6	-2.8
Gross Income	6,336	-1.7	1.3
Operating Expenses	-3,175	0.5	2.7
Operating Income	3,161	-3.8	0.0
Impairment on Financial Assets	-997	-7.5	-4.8
Provisions and Other Gains and Losses	-196	25.0	11.8
Income Before Tax	1,969	-4.1	1.4
Income Tax	-546	-2.0	4.8
Net Income	1,422	-4.9	0.2
Non-controlling Interest	-315	-15.5	-2.6
Net Attributable Profit	1,107	-1.4	1.0

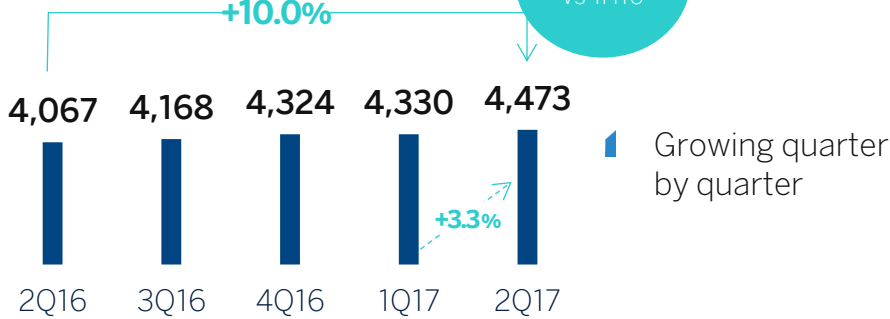
1H17 Profit & Loss

BBVA Group (€m)	1H17	Change 1H17/1H16	
		%	% constant
Net Interest Income	8,803	5.2	9.6
Net Fees and Commissions	2,456	4.5	8.0
Net Trading Income	1,069	-9.1	-2.4
Other Income & Expenses	390	13.7	-1.7
Gross Income	12,718	4.0	7.8
Operating Expenses	-6,311	-0.3	2.2
Operating Income	6,407	8.6	13.9
Impairment on Financial Assets	-1,941	-8.0	-4.9
Provisions and Other Gains	-432	8.2	4.0
Income Before Tax	4,033	18.9	27.2
Income Tax	-1,120	21.8	32.9
Net Income	2,914	17.9	25.2
Non-controlling Interest	-607	-5.0	7.7
Net Attributable Profit	2,306	25.9	30.8

Earnings - Gross Income

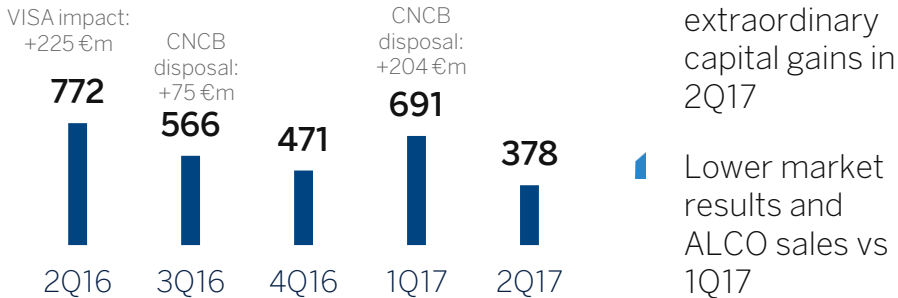
Net Interest Income

(€m constant)



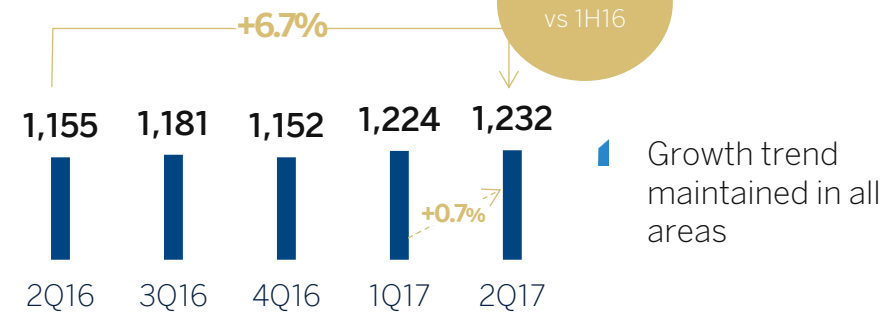
Net Trading Income

(€m constant)



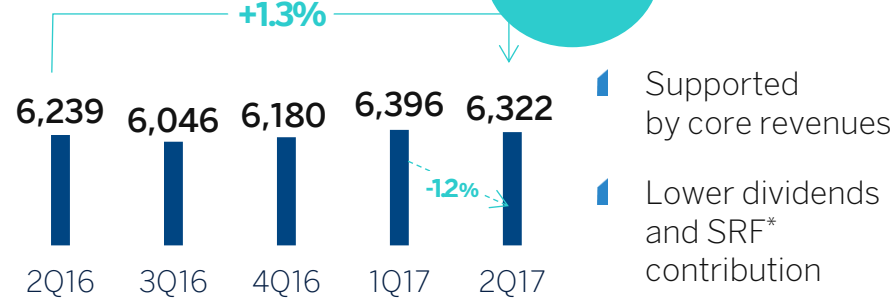
Net Fees and Commissions

(€m constant)



Gross Income

(€m constant)

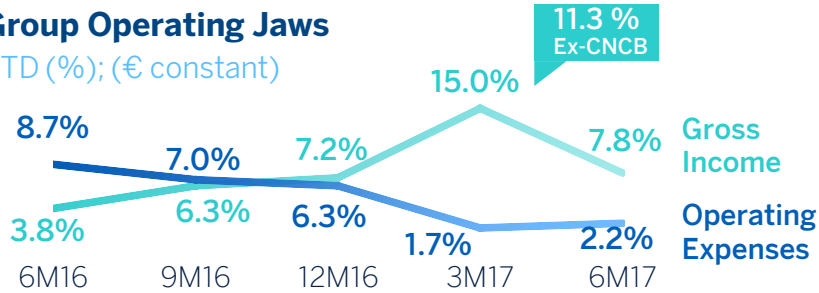


(*) Single Resolution Fund

Operating Expenses and Operating Income

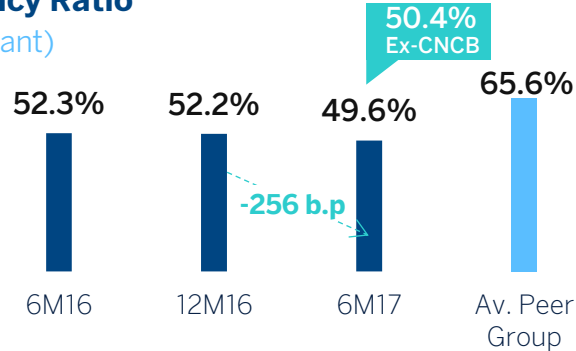
Group Operating Jaws

YTD (%); (€ constant)



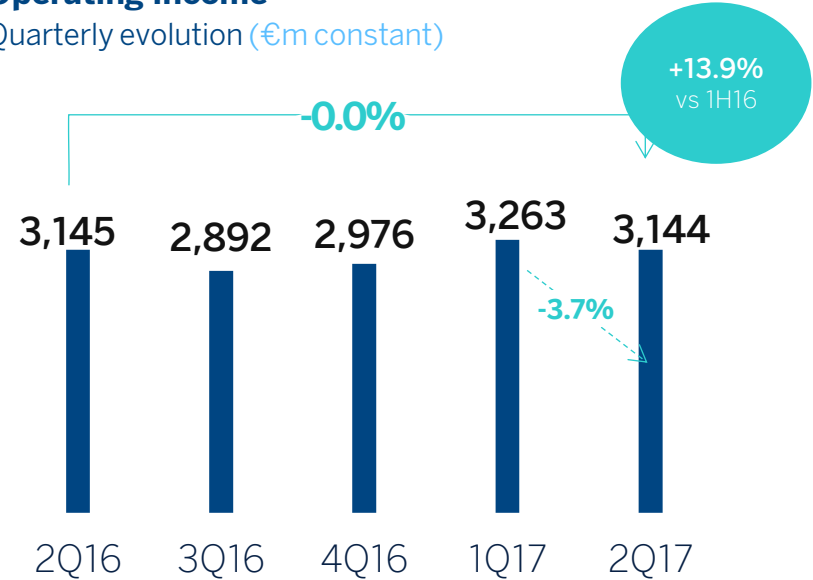
Efficiency Ratio

(€ constant)



Operating Income

Quarterly evolution (€m constant)



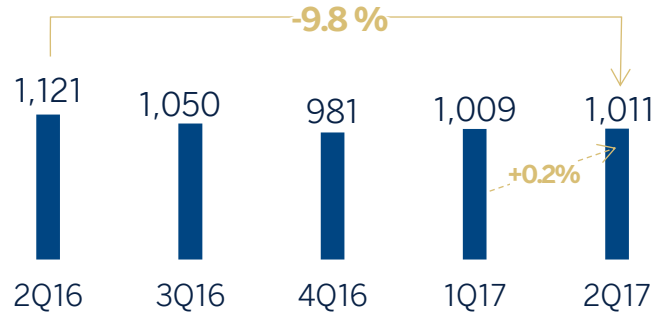
European Peer Group: BARC, BNPP, CASA, CS, CMZ, DB, HSBC, ISP, LBG, RBS, SAN, SG, UBS, UCI. Figures as of March 2017.

Efficiency, a key strategic priority

Risk Indicators

Total Impairments (Financial Assets and RE)

(€m constant)



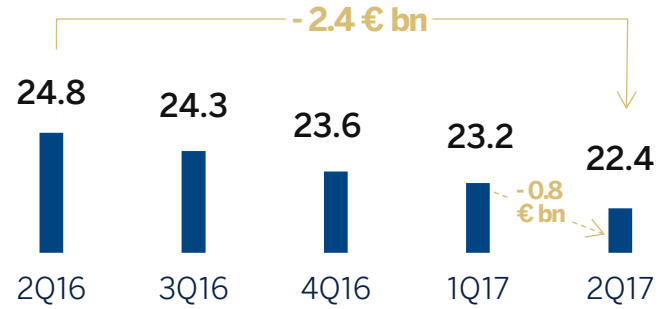
Cost of risk

YTD (%)



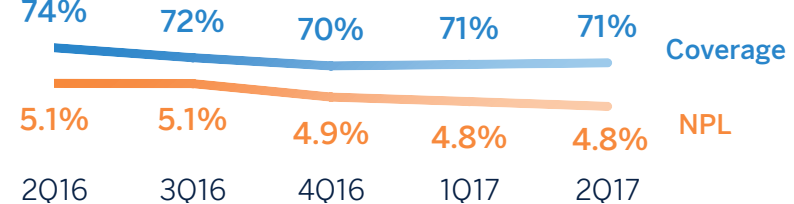
NPLs

(€bn)



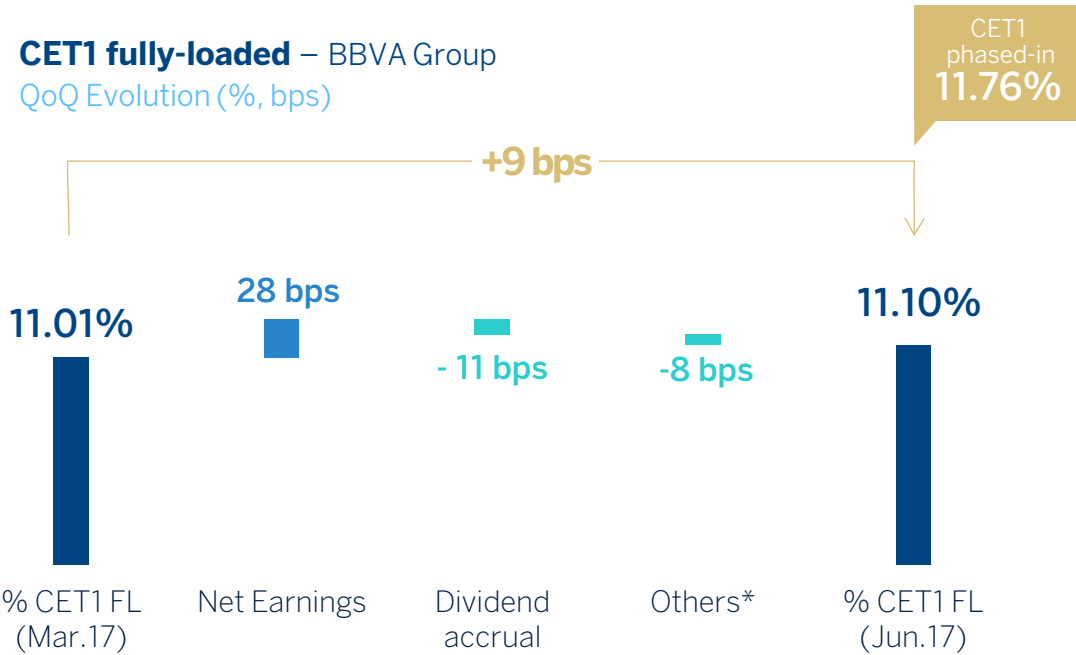
NPL & Coverage ratios

(%)



Continuous reduction of NPLs

Capital Ratios



(*) Includes, among others, the mark to market of the AFS portfolio

AT1 issuance in 2Q17 at the lowest cost achieved by a Spanish institution



Delivering on our Transformation

Customer Experience Improvements in 2Q17

Products & Functionalities

> **EstarSeguros** (Spain)

> **BBVA Plan- Financial Goals** (Mexico)

- BBVA Smart Business (Spain)
- New PFM Dashboard (Spain)
- Digital Credit Card (USA)
- One click investment funds & term deposits (Mexico)
- Reject unrecognized purchases from the app (Mexico)
- Garanti Pay (Turkey)

> **Open Market Digital Loans** (USA)

- Garanti Mobile Keyboard (Turkey)
- Referrals payroll (Argentina)
- Mobile Payroll Advance (Colombia)
- Dinero móvil* (Colombia)
- Digital Mortgage (Argentina & Peru)
- Mobile App Commercial (Venezuela)
- BBVA Cloud (Chile)

Relationship Model

> **MIA- Mobile Interactive Assistant** (Turkey)

- Express customer digitization in branches (Spain)
- Live Chat (Mexico)
- Digital enrollment from branches (Argentina)

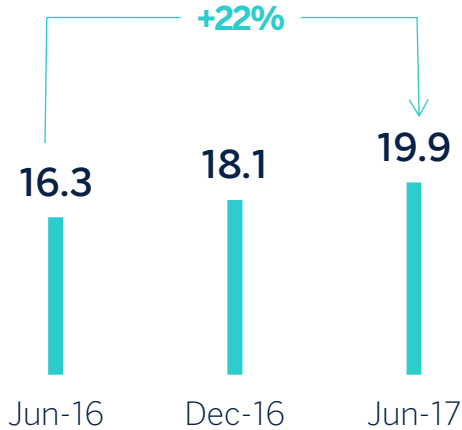
#1

Mobile banking app in the world*

Digital Customers – BBVA Group

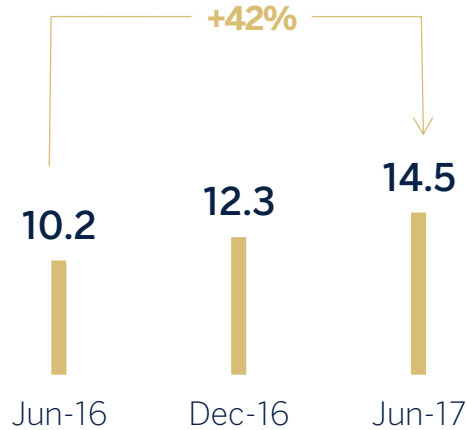
Digital Customers

(Million, % penetration)



Mobile Customers

(Million, % penetration)



Penetration **33%** **36%** **39%**

20% **24%** **28%**

50% tipping point in digital customers achieved

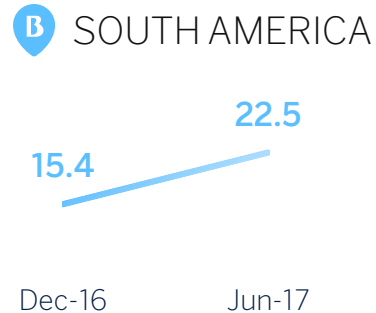
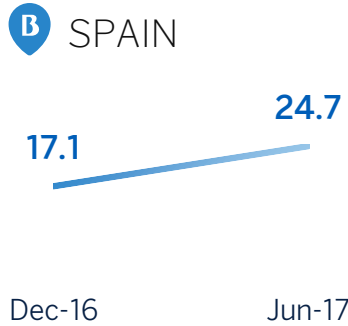
TURKEY

VENEZUELA

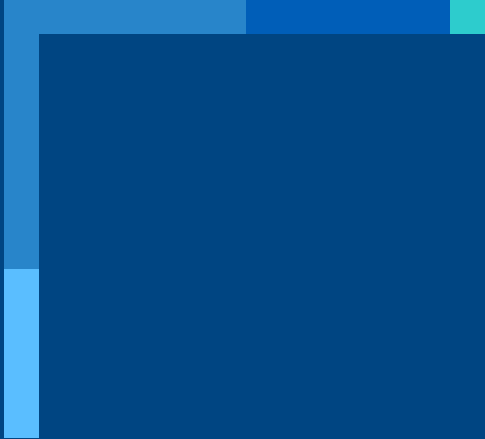
CHILE

Digital Sales

(% of total sales YtD, # of transactions)



Exponential
growth in all
franchises



Business Areas

Business areas

SPAIN Banking activity

NET ATTRIBUTABLE PROFIT

670 € m

+8.0% vs. 1H16

NPL RATIO

5.7% vs. 6.0% 2Q16

COVERAGE RATIO

53% vs. 60% 2Q16

- NII excluding CIB remains stable in 1H. Lower contribution from CIB due to Global Markets and securities portfolio sales
- Good trend in fees and insurance
- Cost and impairments reductions as the main P&L drivers
- Sound asset quality indicators, with NPLs decreasing by 8% YoY

NON CORE REAL ESTATE

NET ATTRIBUTABLE PROFIT

-191 € m

-7.6% vs. 1H16

NET EXPOSURE

-14.2%

vs. Dec.16

- Good market trends
- Delivering on our strategy: reducing exposure using all available sources
- Positive impacts of wholesale transactions in 2Q17 P&L

USA constant €

NET ATTRIBUTABLE PROFIT

297 € m

62.4% vs. 1H16

NPL RATIO

1.3% vs. 1.6% 2Q16

COVERAGE RATIO

105% vs. 90% 2Q16

- Positive earnings momentum
- Strong growth in core revenues, leveraging NII
- Significant reduction of impairments and provisions
- Strong improvement in asset quality indicators vs. 2Q16
- DFAST&CCAR results prove strength of capital and risk processes

Business areas

MEXICO constant €

NET ATTRIBUTABLE PROFIT

1,080 € m

+16.4% vs. 1H16

NPL RATIO

2.3% vs. 2.5% 2Q16

COVERAGE RATIO

126% vs. 121% 2Q16

- Sustained growth in all P&L lines
- Excellent top line growth thanks to core revenues
- Positive operating jaws maintained, best in class efficiency
- Stability of risk indicators

TURKEY constant €

NET ATTRIBUTABLE PROFIT

374 € m

+39.3% vs. 1H16

NPL RATIO

2.5% vs. 2.7% 2Q16

COVERAGE RATIO

135% vs. 128% 2Q16

- Strong core revenue growth, thanks to higher lending activity
- Cost growth in line with inflation improving efficiency
- Outstanding bottom-line growth

SOUTH AMERICA constant €

NET ATTRIBUTABLE PROFIT

404 € m

-3.0% vs. 1H16

NPL RATIO

3.5% vs. 2.7% 2Q16

COVERAGE RATIO

94% vs. 111% 2Q16

- Good growth in core revenues (NII and Fees)
- Cost growing with inflation, positive jaws excluding Argentina
- Deterioration in NPLs mainly in Colombia and Peru due to macro environment

2Q17 Key Takeaways

1. Excellent 1H results, solid trends strengthened

- Growth in core revenues
- Costs control
- Low cost of risk
- Solid capital generation

2. Delivering on our transformation: Best mobile app in the world

3. Creating value for the shareholder

Creating Opportunities



Annex

Total Spain – Profit & Loss

Total Spain (€m)	2Q17	Change (%)		1H17	Change (%)	
		2Q17 vs 2Q16	2Q17 vs 1Q17		1H17 vs 1H16	
Net Interest Income	951	-4.7	0.7	1,896	-4.4	
Net Fees and Commissions	401	7.3	4.4	785	3.0	
Net Trading Income	94	-70.1	-58.3	318	-18.4	
Other Income & Expenses	94	163.4	-8.2	196	23.7	
Gross Income	1,539	-10.5	-7.0	3,195	-3.0	
Operating Expenses	-881	-5.5	-0.5	-1,767	-4.8	
Operating Income	658	-16.5	-14.5	1,428	-0.7	
Impairment on Financial Assets (net)	-222	-23.0	31.3	-392	-34.0	
Provisions (net) and other gains (losses)	-121	27.3	-43.4	-335	44.1	
Income Before Tax	315	-22.1	-18.5	701	14.7	
Income Tax	-103	-14.1	-13.7	-222	13.2	
Net Attributable Profit	213	-25.0	-20.1	479	15.8	

The BBVA logo is displayed in white on a dark blue background. To its right, the tagline "Creating Opportunities" is written in a smaller, lighter blue font.

BBVA Creating Opportunities

2Q17 Results

July, 27th 2017