

The slide features a background image of the BBVA headquarters building, a large, modern structure with a distinctive arched, copper-clad roof and a glass facade. The building is set against a backdrop of a city skyline and distant mountains under a clear sky. A dark blue rectangular overlay on the left side of the image contains the text 'BBVA Group' and '2018 Results'.

# BBVA Group

2018 Results

Creating Opportunities

# 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.

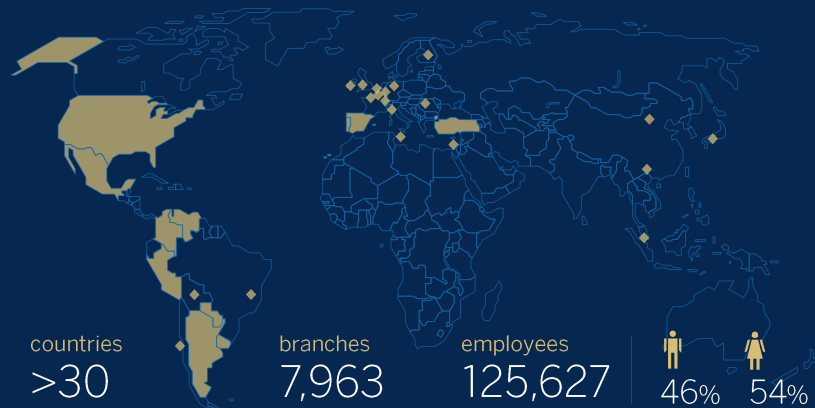
This document contains or may contain forward looking statements (in the usual meaning and within the meaning of the US Private Securities Litigation Reform Act of 1995) regarding intentions, expectations or projections of BBVA or of its management on the date thereof, that refer to or incorporate various 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.


## BBVA'S GLOBAL PRESENCE

DECEMBER 2018



## FINANCIAL HIGHLIGHTS

DECEMBER 2018

Total assets	Loans and advances to customers - gross	Deposits from customers	
676,689	386,225	375,970	
<hr/>			
	Net attributable profit 12M18	NPL ratio	Coverage ratio
	5,324	3.9%	73%
<hr/>			
CET 1 FL	TBV per share + Shareholders remuneration	ROE	ROTE
11.34%	6.11	10.2%	12.5%

## CUSTOMERS & DIGITAL SALES


DECEMBER 2018

### CUSTOMERS

74 million

 Digital customers

27.2 m

 Mobile customers

23.0 m

### DIGITAL SALES

PRV\*  
32.0%

Units  
40.7%

## SUSTAINABLE DEVELOPMENT AND DIRECT CONTRIBUTION TO SOCIETY

BBVA's Pledge 2025



€100 billion

MOBILIZED between 2018 and 2025

Allocated to social programs

103 €m

BBVA Open Talent 2017

 Fundación BBVA MicroFinanzas

Fundación BBVA

 BBVA Momentum

 Open Mind

(\*) PRV: Product Relative Value as a proxy of a better economic representation of units sold

A hand holding a smartphone. The screen shows a blue background with white clouds and the BBVA logo in the center. The status bar at the top of the phone shows 'Carrier', '12:20', and '100%' battery.

# BBVA Purpose

# We are BBVA. We create opportunities

## OUR PURPOSE

“ To bring the age of  
opportunity  
to everyone ”



## SIX STRATEGIC PRIORITIES



New standard in customer experience



Digital sales



New business models



Optimize capital allocation



Unrivalled efficiency



A first class workforce

## New value proposition

Based on our customers' real needs



**Helping our customers**  
to make the best financial  
decisions offering relevant  
advice



**Providing the best  
solutions**  
that generate trust for our  
customers, being clear,  
transparent and based  
on integrity



**Through an easy and  
convenient experience**  
DIY through digital  
channels or human  
interaction

Our aspiration is to strengthen the relationship with the customer

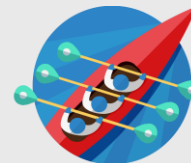
# Our Values



Customer **comes first**



We think **big**



We are **one team**

 We are empathetic

 We are ambitious

 I am committed

 We have integrity

 We break the mold

 I trust others

 We meet their needs

 We amaze our customers

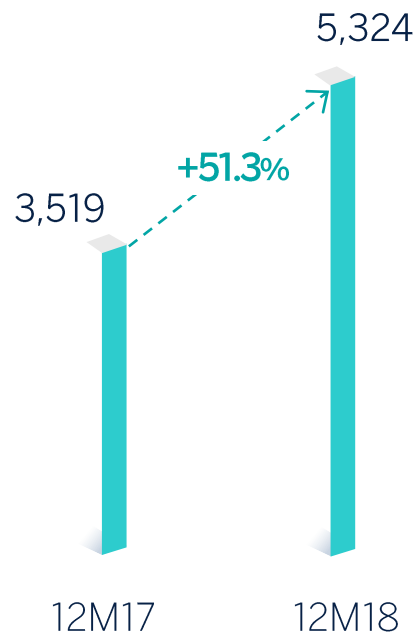
 I am BBVA

# 2018 Results

## Strong results in a challenging environment

### Net Attributable Profit

(€m)



- Strong core revenue growth
- Efficiency improvement
- Outstanding trend in digital sales and customers
- Sound risk indicators
- Resilient capital position
- Focus on shareholder value

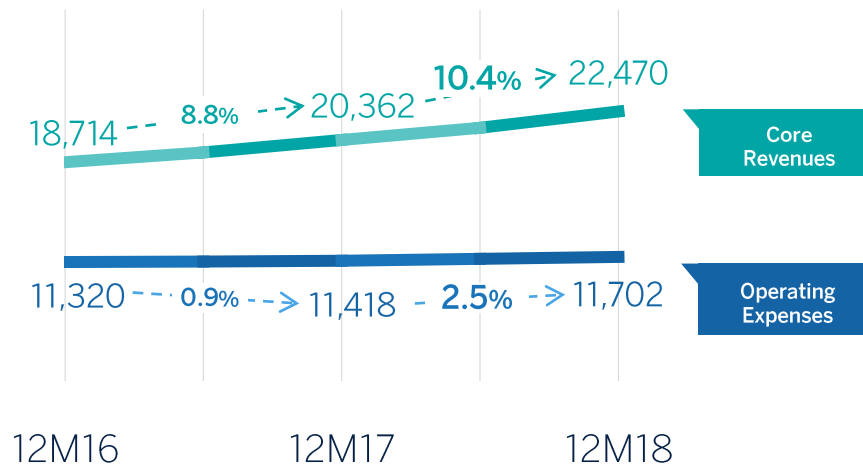
## 2018 Profit & Loss

BBVA Group (€m)	12M18	12M17	Change 12M18/12M17	
			%	% constant
<b>Net Interest Income</b>	<b>17,591</b>	<b>17,758</b>	<b>-0.9</b>	<b>10.8</b>
Net Fees and Commissions	4,879	4,921	-0.8	8.9
Net Trading Income	1,223	1,968	-37.8	-33.9
Other Income & Expenses	54	622	-91.4	-90.2
<b>Gross Income</b>	<b>23,747</b>	<b>25,270</b>	<b>-6.0</b>	<b>4.3</b>
Operating Expenses	-11,702	-12,500	-6.4	2.5
<b>Operating Income</b>	<b>12,045</b>	<b>12,770</b>	<b>-5.7</b>	<b>6.2</b>
Impairment on Financial Assets	-3,981	-4,803	-17.1	-12.0
Provisions and Other Gains and Losses	-483	-1,036	-53.3	-51.8
<b>Income Before Tax</b>	<b>7,580</b>	<b>6,931</b>	<b>9.4</b>	<b>30.4</b>
Income Tax	-2,062	-2,169	-4.9	9.2
Corporate Operations Income	633	0	n.s.	n.s.
Non-controlling Interest	-827	-1,243	-33.5	-11.7
<b>Net Attributable Profit</b>	<b>5,324</b>	<b>3,519</b>	<b>51.3</b>	<b>78.2</b>
BBVA Chile impact (capital gains in 2018 and recurrent operations in 2017 and 2018)	697	127	n.s.	n.s.
Telefónica impairment and capital gains from CNCB sale	0	-931	n.s.	n.s.
<b>Net Attributable Profit</b> (ex-BBVA Chile impact & ex-Telefónica imp. and CNCB sale in 2017)	<b>4,627</b>	<b>4,324</b>	<b>7.0</b>	<b>21.9</b>

## Efficiency improvement

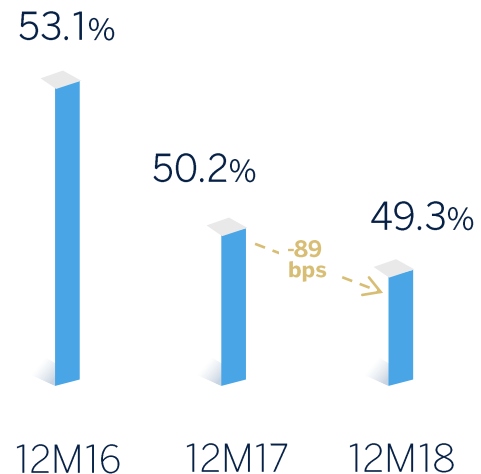
### Group Operating Jaws

(YoY (%); (€ constant))



### Efficiency Ratio

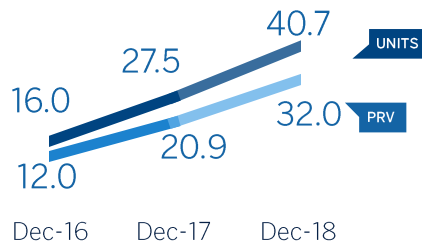
(€ constant)



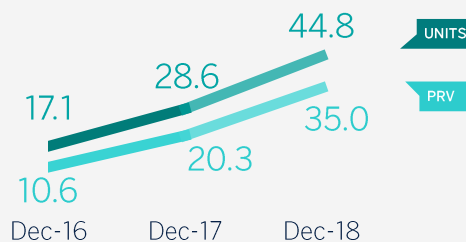
# Outstanding trend in digital sales across the board

(% of total sales YtD, # of transactions and PRV\*)

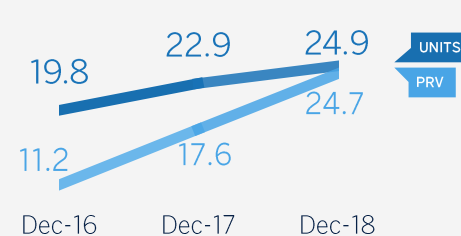
## GROUP



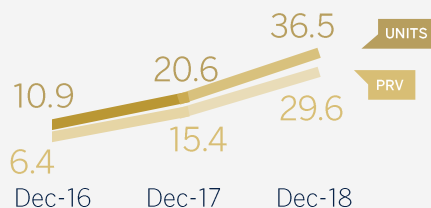
## SPAIN



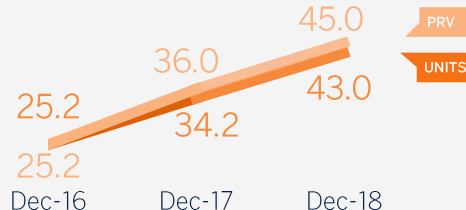
## USA



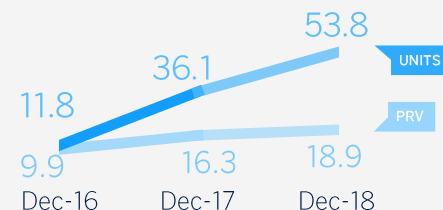
## MEXICO



## TURKEY



## SOUTH AMERICA



Figures have been restated due to the inclusion of additional products.

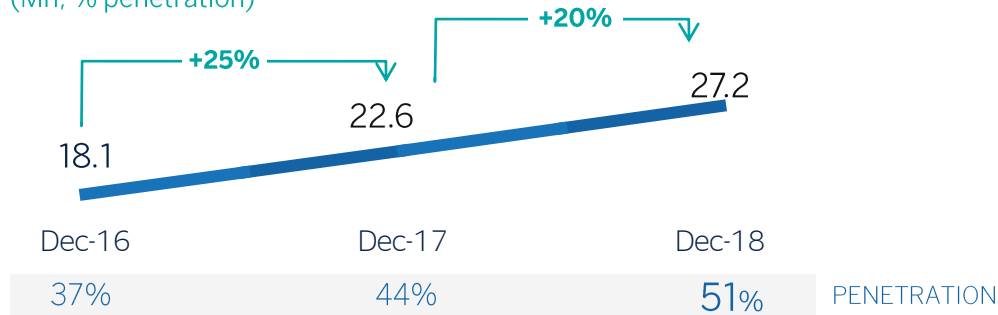
Group and South America figures exclude Venezuela and Chile.

(\*) Product Relative Value as a proxy of a better economic representation of units sold

## 50% digital customers goal exceed in 2018

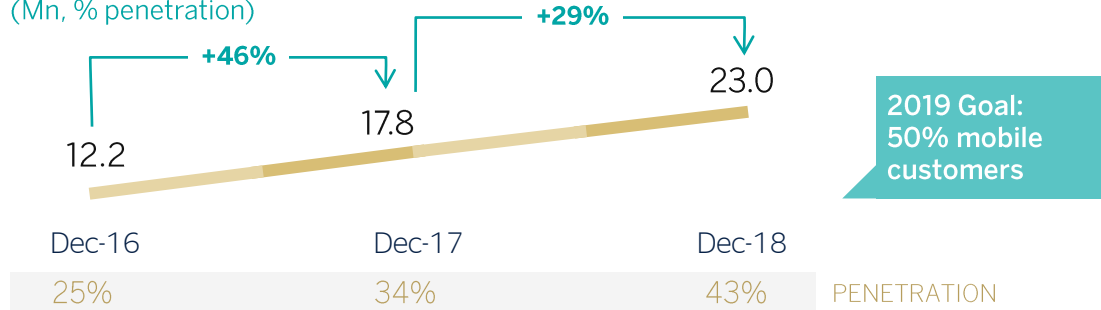
### Digital Customers

(Mn, % penetration)

















### Mobile Customers

(Mn, % penetration)



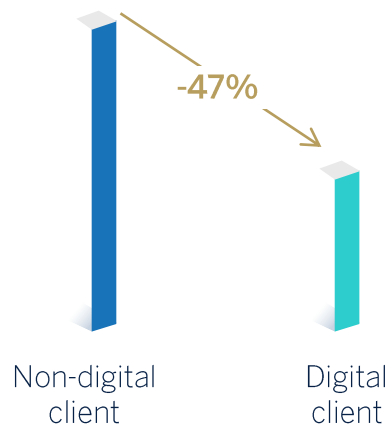
## Strong client satisfaction across all countries

### BBVA NPS RANK (Dec-18)

	Spain		#1
	Mexico		#1
	Turkey		#1
	Peru		#1
	Uruguay		#1
	Paraguay		#1
	Colombia		#2

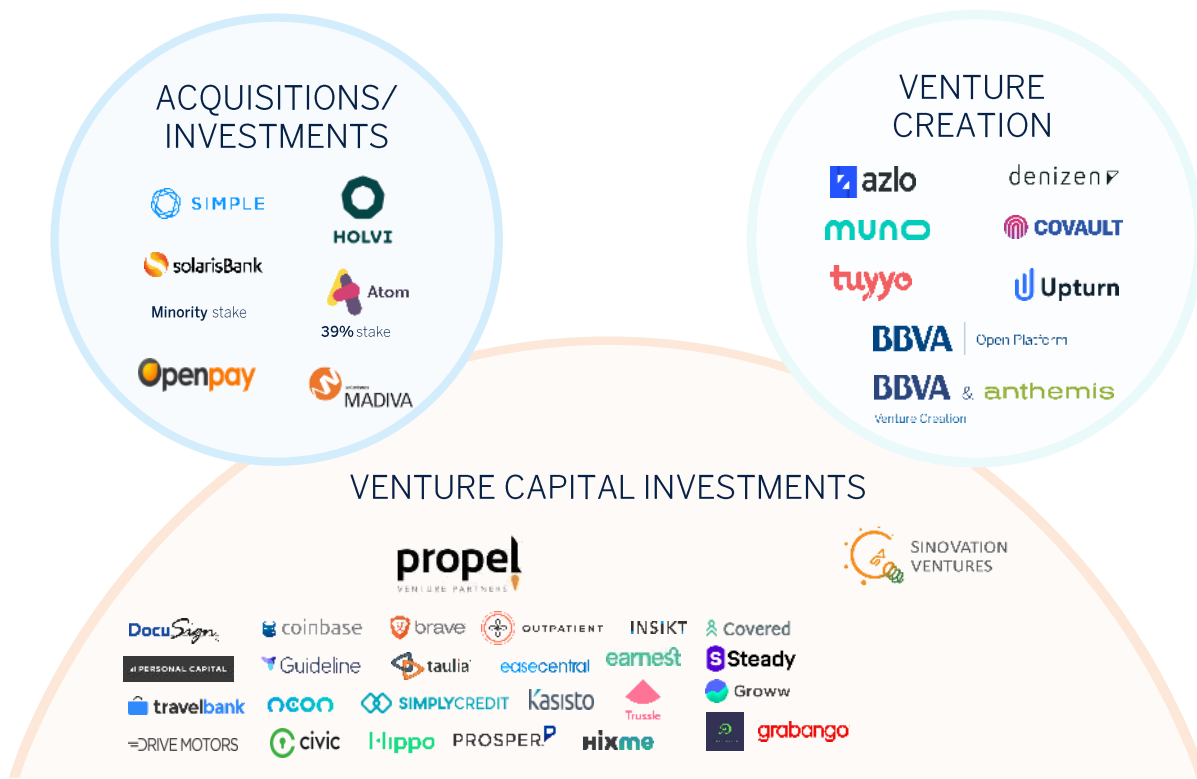
### Digital reduces attrition

(Attrition ratio %, Digital vs. Non-digital clients, 2018)



## New business models

Leveraging the FinTech ecosystem to develop our value proposition

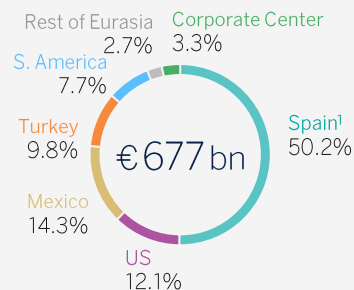


# Business Areas

# Unique footprint with high growth prospects

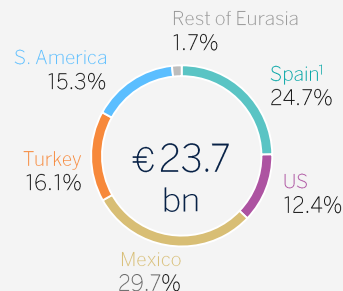
## Breakdown by Business Area

### TOTAL ASSETS (Dec.18)



**67%<sup>2</sup>**  
Developed Markets

### GROSS INCOME<sup>3</sup> (2018)

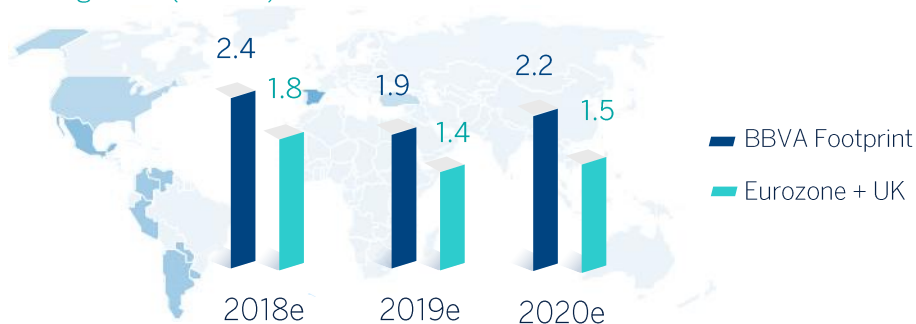


**39%**  
Developed Markets

(1) Includes Banking activity in Spain and Non Core Real Estate; (2) Excludes Corporate Center; (3) Percentages exclude the Corporate Center (2018 Gross Income of €-432Mn)

## Higher Growth Prospects

GDP growth (YoY, %)



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

## Leadership positioning

Market share (in %) and ranking<sup>4</sup>

SPAIN #3	USA (Sunbelt) #4	MEXICO #1	TURKEY #2	S.AMERICA (footprint) #1
13.5%	6.2%	22.6%	10.6%	12.9%

(4) Loans' market shares except for USA (Deposits). Spain based on BoS (Nov.18) and ranking (Oct.18) by AEB and CECA; Mexico data as of Nov.18 (CNBV); S. America (Nov.18), market share includes Argentina, Peru, Colombia, Venezuela, Uruguay and Paraguay. Ranking considering main peers in each country; USA: SNL (Jun.18) considering Texas and Alabama; Turkey: BRSA total performing loans equivalent to 17.5% among private banks (Dec.18) and ranking (only considers private banks) as of Sep.18

## Business Areas

### Spain BANKING ACTIVITY

#### NET ATTRIBUTABLE PROFIT (12M18)

1,522 €m +10.8% vs. 12M17

NPL RATIO

4.6%

vs. 5.5% 4Q17

COVERAGE RATIO

57%

vs. 50% 4Q17

- Core revenue growth
- Significant cost reduction
- Asset quality improvement
- Loans: growth in high profitable segments

### Non core real estate

#### NET ATTRIBUTABLE PROFIT (12M18)

-78 €m -84.2% vs. 12M17

NET EXPOSURE

-61.1%

vs. Dec.17

- Net exposure decrease due to Cerberus transaction and loan portfolio sales
- Significant reduction in Net losses

### USA € constants

#### NET ATTRIBUTABLE PROFIT (12M18)

735 €m +56.9% vs. 12M17

NPL RATIO

1.3%

vs. 1.2% 4Q17

COVERAGE RATIO

85%

vs. 104% 4Q17

- Double-digit NII growth
- Costs: positive jaws and efficiency improvement
- Loan growth acceleration
- Good asset quality
- Achieving double-digit profitability

Note: NPL and Coverage ratio of 2018 under IFRS9 standards, 2017 figures under IAS 39.

## Business Areas

### Mexico € constants

#### NET ATTRIBUTABLE PROFIT (12M18)

2,384 €m **+16.1%** vs. 12M17

NPL RATIO

2.1%  
vs. 2.3% 4Q17

COVERAGE RATIO

154%  
vs. 123% 4Q17

- High single digit growth in Loans and NII
- Impressive trend in costs and efficiency
- Strong asset quality metrics
- Outstanding profitability: bottom line growth at double digits

### Turkey € constants

#### NET ATTRIBUTABLE PROFIT (12M18)

569 €m **-4.5%** vs. 12M17

NPL RATIO

5.3%  
vs. 3.9% 4Q17

COVERAGE RATIO

81%  
vs. 85% 4Q17



- NII growth boosted by higher CPI linkers contribution
- Expenses growth below inflation
- Loans: TL loan growth significant slowdown explained by macro and higher rates. FC loans continue to decrease
- Asset quality impacted by macro deterioration

### South America € constants

#### NET ATTRIBUTABLE PROFIT<sup>1</sup> (12M18)

591 €m **-16.5%** vs. 12M17

NPL RATIO

 6.0% vs. 5.3% 4Q17  
 4.0% vs. 3.8% 4Q17  
 2.0% vs. 0.8% 4Q17

- Colombia: double digit growth supported by core revenues and lower impairments
- Peru: NII as the main P&L driver, thanks to a more profitable loan mix
- Argentina: loan growth slowdown due to the economic environment

Note: NPL and Coverage ratio of 2018 under IFRS9 standards, 2017 figures under IAS 39.

## CIB – 12M18 Results

### Business activity

(constant €, % YtD)

#### LENDING

59 €bn +8.3%

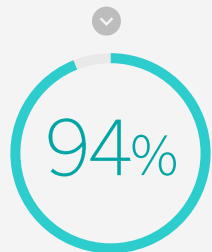
#### CUSTOMER FUNDS

41 €bn -7.0%

### Client's revenue

(constant €, % YoY)

2,753 €m +5%



Wholesale banking  
recurrent business<sup>1</sup>  
% of revenues given by  
our relations with clients

### Results

(constant €, % YoY)

#### GROSS INCOME

2,941 €m +2.9%

#### OPERATING INCOME

1,935 €m +4.8%

#### NET ATTRIBUTABLE PROFIT

1,016 €m -2.1%

- Recovery in lending volume specially in Mexico, Argentina and Turkey
- Customer income increase due to commercial activity
- Good performance in Gross Margin, due to excellent results in Turkey and Argentina. Net Attributable profit affected by provisions in Turkey in the last quarter

(1) Client's revenue / Gross income

# Annex

The image shows a multi-level office environment. On the left, a glass-enclosed corridor or mezzanine level is visible, with a white concrete railing. Below this, a large, open-plan office space is filled with rows of desks and computers, where several people are working. To the right, a wooden walkway or platform runs parallel to the glass corridor, providing a view of the office below. The ceiling is high with recessed lighting, and the overall atmosphere is bright and modern.

# BBVA had significant growth since 1995

More than 160 years of history

- **1995** Banco Continental (Peru)  
Probursa (México)
- **1996** Banco Ganadero (Colombia)  
Bancos Cremi and Oriente (Mexico)  
Banco Francés (Argentina)
- **1997** Banco Provincial (Venezuela)  
B.C. Argentino (Argentina)
- **1998** Poncebank (Puerto Rico)  
Banco Excel (Brazil)  
Banco BHIF (Chile)
- **1999** Provida (Chile)  
Consolidar (Argentina)
- **2000** Bancomer (Mexico)
- **2004** Valley Bank (USA)  
Laredo (USA)  
Public takeover offer for Bancomer (Mexico)
- **2005** Granahorrar (Colombia)  
Hipotecaria Nacional (Mexico)
- **2006** Texas Regional Bancshares (USA)  
Forum Servicios Financieros (Chile)  
State National Bancshares (USA)  
CITIC (China)
- **2007** Compass (USA)
- **2008** Extended CITIC agreement (China)
- **2009** Guaranty Bank (USA)
- **2010** New extension CITIC agreement (China)  
Turkiye Garanti Bankasi (Turkey)
- **2011** Extension of Forum SF agreement (Chile)  
Credit Uruguay (Uruguay)
- **2012** Sale of (Puerto Rico)  
Unnim Banc (Spain)
- **2013** Sale of (Panama)  
Sale of pension business in (Latam)  
Sale of CNCB's 5.1% (China)
- **2014** Simple (USA)
- **2015** Sale of CIFH's stake to CNCB (China)  
Sale of CNCB's 4.9% (China)  
Catalunya Banc (Spain)  
Acquisition of an additional stake in Turkiye Garanti Bankasi (Turkey)  
Acquisition of a 29.5% stake in Atom (UK)
- **2016** Holvi (Finland)  
Sale of CNCB's 1.12% (China)  
Sale of GarantiBank Moscow AO (Moscow)  
OpenPay (Mexico)
- **2017** Sale of CNCB (China)  
Acquisition of an additional stake in Turkiye Garanti Bankasi of 9.95% (Turkey)  
Agreement with Cerberus to transfer the Real Estate Business (Spain)
- **2018** Sale of the stake in BBVA Chile to The Bank of Nova Scotia (Chile)

# Organizational chart



Chief Executive Officer  
**Onur Genç**

## BUSINESS UNITS



Corporate & Investment Banking  
**Luisa Gómez Bravo**



Country Monitoring <sup>(1)</sup>  
**Jorge Sáenz-Azcúnaga**



Country Manager España  
**Cristina de Parias**



Country Manager México  
**Eduardo Osuna**



Country Manager Estados Unidos  
**Javier Rodríguez Soler**



Country Manager Turquía  
**Fuat Erbil**

## GLOBAL FUNCTIONS



Client Solutions  
**Derek White**



Finance & Accounting  
**Jaime Sáenz de Tejada**



Global Risk Management  
**Rafael Salinas**



GROUP EXECUTIVE CHAIRMAN  
**Carlos Torres Vila**

## TRANSFORMATION



Engineering & Organization  
**Ricardo Forcano**



Talent & Culture  
**Carlos Casas**



Data  
**David Puente**

## STRATEGY



Global Economics & Public Affairs  
**José Manuel González-Páramo**



Senior Advisor to the Chairman  
**Juan Asúa**



Strategy & M&A  
**Victoria del Castillo**



Communications  
**Paul G. Tobin**

## LEGAL AND CONTROL



Legal  
**María Jesús Arribas**



General Secretary  
**Domingo Armengol**



Supervisors, Regulation & Compliance <sup>(2)</sup>  
**Eduardo Arbizu**



Internal Audit <sup>(2)</sup>  
**Joaquín Gortari**

(1) Reporting channel to CEO for Argentina, Colombia, Peru, Venezuela, Uruguay and Paraguay, as well as monitoring of all countries, including Spain, Mexico, USA and Turkey

(2) Reporting to the Board of Directors through its corresponding committees

The slide features a background image of the BBVA headquarters building, a large, modern structure with a distinctive arched, copper-clad roof and a glass facade. The building is set against a backdrop of a city skyline and distant mountains under a clear sky. A dark blue rectangular overlay on the left side of the image contains the text 'BBVA Group' and '2018 Results'.

# BBVA Group

2018 Results

Creating Opportunities