

# **BBVA Global Markets B.V.**

Annual Report for the year 2017

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# Directors' report

The Board of Directors of BBVA Global Markets B.V. (hereinafter, the "Company") herewith presents the directors' report and the audited financial statements for the year ended December 31<sup>st</sup>, 2017.

## Incorporation

BBVA Global Markets B.V. was incorporated under the laws of the Netherlands on October 29<sup>th</sup>, 2009, with limited liability and having its statutory seat in Amsterdam, the Netherlands.

The Company is a wholly-owned subsidiary of Banco Bilbao Vizcaya Argentaria, S.A. (hereinafter, the "Bank" or the "Parent Company"), a Spanish banking institution headquartered in Bilbao, Spain, and is therefore integrated in the Banco Bilbao Vizcaya Argentaria Group (hereinafter, the "Group" or "BBVA Group").

## Principal activities, business review and future developments

The objectives for which the Company is established are to raise finance through the issuance of bonds, notes, warrants, certificates and other debt instruments, and invest the funds raised in financial assets with the Parent Company, Banco Bilbao Vizcaya Argentaria, S.A. For these purposes, the Company may enter into (i) derivative transactions or other economic hedging agreements, and (ii) other agreements with third parties in connection with the above objective.

During the year 2017, the Company has issued 346 debt instruments.

On November 10<sup>th</sup>, 2009 the Company's Board of Directors approved a Structured Medium Term Note Programme targeted to international investors (hereinafter, "SMTN Programme") to issue notes, denominated in any currency, up to an aggregated amount of EUR 2,000,000,000 which was increased to EUR 4,000,000,000 in 2017. The obligations of the Company in respect of the notes will be unconditionally and irrevocably guaranteed by Banco Bilbao Vizcaya Argentaria, S.A., as guarantor. The Company performed the last update of the Programme on July 21<sup>st</sup>, 2017 (hereinafter, "SMTN Programme update").

On December 21<sup>st</sup>, 2011 the Company's Board of Directors approved a EUR 2,000,000,000 Programme for the Issue of Warrants. The obligations of the Company in respect of the warrants will be unconditionally and irrevocably guaranteed by Banco Bilbao Vizcaya Argentaria, S.A., as guarantor. During 2017, the Company has not issued any warrants.

On March 12<sup>th</sup>, 2015 the Company's Board of Directors approved a Structured Medium Term Note Programme targeted to Spanish investors (hereinafter, "CNMV Programme") to issue notes, denominated in any currency, up to an aggregated amount of EUR 2,000,000,000. The obligations of the Company in respect of the notes will be unconditionally and irrevocably guaranteed by Banco Bilbao Vizcaya Argentaria, S.A., as guarantor. The Company performed the last update of the Programme on April 18<sup>th</sup>, 2017 (hereinafter, "CNMV Programme update").

During 2017 and 2016 the Company issued several notes instruments with linked credit default swaps. The credit default swaps were valued at their negative net fair value as of December 31<sup>st</sup>, 2017 and 2016, for the amount of EUR 21,171 thousand and EUR 8,788 thousand, respectively.

During 2016 the Company issued several notes instruments with linked currency options. The fair value regarding these currency options associated to deposits value as of December 31<sup>st</sup>, 2017 and 2016 amounted to EUR 0 thousand and EUR 64 thousand, negative, whereas the fair value for currency options associated to debt securities issued shows the opposite sign.

All the debt securities issues outstanding as of December 31<sup>st</sup>, 2017 and 2016 were listed on the Irish Stock Exchange or AIAF.

The Company does not anticipate any significant change in the kind of activities for the next financial year.

The Company has not developed or incurred in R&D expenses.

#### Economic environment

The year 2017 has closed with a global growth of 3.6%, that is better than expected. The emerging economies have contributed to this improvement, but it has been the developed ones that have done the most.

In developed markets, growth was in 2.3% in 2017, quite similar in the US and the Eurozone. In terms of emerging economies, the average growth in 2017 was around 5.1%, with large divergences between geographical areas: with Asia (excluding Japan) growing at rates close to 6.2%, EMEA at 3.3% and Latam that comes out of the recession that it suffered last year, at 1.2%. The year has gone with continued upward trends in the growth forecasts from the second quarter.

In the United States growth could reach 2.3% in 2017 with a strong acceleration compared to 2016, which also makes progress in the political area with the approval of the tax reform in the last months of the year. In the Eurozone, there is also a strong acceleration of growth in 2017, with an expectation of 2.3%, above the average growth of recent years and with the potential growth. Despite this, political instability has continued throughout the year, with the inconclusive result of the German elections and the Catalan independence process. China, for its part, continues with the stability of its economy (6.8%), which is still growing at rates higher than the rest of the major markets, even improving slightly compared to 2016. In Latam, Mexico presents moderate growth (2.1 %) while Brazil returns to positive growth rates (0.9%). In EMEA spotlights the strong growth of Turkey (6.3%) after the drop-off of the political turbulence compared to 2016.

In monetary terms, inflation rates have remained moderate in general, despite the rises in the prices of raw materials. As for the underlying inflation rates, in the Eurozone they seem to have sharply declined (in the first quarter of the year) although they remain quite low. Meanwhile, in

the USA underlying inflation falls, especially due to the strong impact in the first half of the year (lower prices in telecommunications, online commerce and automobiles), although it is still quite above the European level.

In monetary policy, the central banks of the main areas continue the process of monetary normalization, although at different rates, despite the fact that inflation remains very low. The FED continues to raise rates to the 1.25% -1.5% range and begins the passive reduction of the balance (October), while the ECB maintains the rates (both refinancing and deposit) unchanged, although it announces the reduction in the pace of asset purchases as of January 2018. The Bank of England broke the 2016 rate slide in a difficult environment in November, with a slight growth and rising inflation that is above 3%. The Bank of Japan, for its part, maintains the expansive monetary policies of recent years (unchanged rates, control objective of the government rate curve and balance sheet expansion).

#### Principal risks and uncertainties

The use of financial instruments may involve the transfer of one or more types of risk. The risks associated with these financial instruments are:

- Credit risk: Credit risk is defined as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. In accordance with IFRS 7 “Financial Instruments: Disclosures”, the maximum credit risk exposure by headings in the balance sheet as of December 31, 2017, is provided below:

<i>Maximum Credit Risk Exposure (Thousands of Euros)</i>	<b>2017</b>	<b>2016</b>
<b>Balance:</b>		
Deposits due from Parent	2,195,016	1,327,512
Derivatives	143,927	45,349
<b>Total exposure</b>	<b>2,338,943</b>	<b>1,372,861</b>

As of December 31<sup>st</sup>, 2017 credit risk is concentrated geographically in Spain, specifically with the Parent Company. As of December 31<sup>st</sup>, 2017 there were no impaired assets.

- Market risks: These are defined as the risks arising from the maintenance of financial instruments whose value may be affected by changes in market conditions. It includes three types of risk:
  - Interest rate risk: This risk arises as a result of changes in market interest rates. Changes in interest rates affect the interest received from deposits and the interest paid on issues equally. Therefore, the changes in interest rates offset each other, and the margins are maintained.
  - Foreign exchange risk: This is the risk resulting from variations in foreign exchange rates. Since the funds obtained by the Company from the issues are invested in deposits in the same currency, the exposure to currency risk is not relevant. Changes in

foreign exchange rates affect face value and interests from deposits and face value and interests paid on issues equally. Therefore, the changes in foreign exchange rates offset each other, and the margins are maintained.

- Price risk: This is the risk resulting from variations in market prices, either due to factors specific to the instrument itself, or alternatively to factors which affect all the instruments traded on the market. The fair value of the issues launched does not differ from the fair value of the deposits since their features (amount, term and interest rate) are the same.
- Equity risk: This arises as a result of movements in share prices. This risk is generated in spot positions in derivative products whose underlying asset is a share or an equity index.
- Liquidity risk: This is the possibility that a company cannot meet its payment commitments duly, or, to do so, must resort to borrowing funds under onerous conditions, or risking its image and the reputation of the entity. The Company obtains the liquidity required to meet interest payments, redemptions of issues and the needs of its business activities from deposits on the issues arranged with Banco Bilbao Vizcaya Argentaria, S.A. The Note 11 details the maturities of principal and interest of the debt securities issued and the Note 9 gives the breakdown of deposits in BBVA to cover the liquidity necessary for such maturities. The liquidity to meet the interest payments on the debt securities is derived from interest earned on BBVA deposits, which have similar maturities.
- Concentration risk: the Company is a wholly-owned subsidiary of Banco Bilbao Vizcaya Argentaria, S.A., a Spanish banking institution headquartered in Bilbao, Spain, and is therefore integrated in the Banco Bilbao Vizcaya Argentaria Group.

The Company's notes are totally guaranteed by the Parent Company. No additional collateral is established. The Company's deposits are totally due from the Parent Company.

All notes and derivatives registered by the Company are back to back and therefore, there is no effect in the income statement. All notes are linked to specific assets and are guaranteed by BBVA Group. Taking into account this consideration and assuming that the credit spread of BBVA Group and BBVA Global Markets B.V. is the same (same interest rate, maturity and other features, as we commented previously), the estimation of the counterparty credit risk associated to derivatives would be the same in assets and Liabilities. The Parent Company is the only guarantor for the BBVA Global Markets' Notes.

Any adverse changes affecting the Spanish economy are likely to have an adverse impact on the Parent Company's financial situation and consecutively, on the Company's financial condition, results of operations and cash flows. Negative economic conditions are mitigated by Banco Bilbao Vizcaya Argentaria, S.A. and its subsidiaries, showing a great and demonstrated capacity for generating earnings based on the diversification of its

geographical business areas. Latest information (April 2018) about the qualifications of BBVA Group by some of the main rating agencies, shows a grade of A-.

Additionally, there have not been any default position to the date. All BBVA Global Markets B.V.'s deposits due from Parent related to notes with maturity in 2017 and previous years until the date of this report, have been reimbursed.

- Other risks: the Company as a wholly-owned subsidiary of Banco Bilbao Vizcaya Argentaria, S.A., is subject to risks and uncertainties ensuing from changes in legislation and regulation in Banking and Capital Markets in Europe. In addition, considering the operations of the Company, risks arisen from internal and external reporting is limited.

The Company and the Group where is incorporated, have developed an integrated risk management system that is structured around three main components: (i) a corporate risk governance regime, with adequate segregation of duties and responsibilities, (ii) a set of tools, circuits and procedures that constitute the various different risk management regimes, and (iii) an internal control system.

#### **(i) CORPORATE GOVERNANCE RISK SYSTEM**

The Group has a corporate governance system which is in line with international recommendations and trends, adapted to requirements set by regulators in each country and to the most advanced practices in the markets in which it pursues its business.

In the field of risks, the Board of Directors of Banco Bilbao Vizcaya Argentaria, is responsible for establishing the general principles that define the Institution's risk objectives, approving the risk control and management policy and the regular monitoring of the internal systems of information and control.

The risk management function is distributed into the Risk Units of the business areas and the Corporate Area, which defines the policy, strategies, methodologies and global infrastructure. The risk units in the business areas propose and maintain the risk profile of each client independently, but within the corporate framework for action.

The Corporate Risk Area combines the view by risk type with a global view. It is made up of the Corporate Risk Management unit, which covers the different types of risk, the Technical Secretary responsible for technical comparison, which works alongside the transversal units: such as Structural Management & Asset Allocation, Risk Assessment Methodologies and Technology, and Validation and Control, which include internal control and operational risks.

#### **(ii) TOOLS, CIRCUITS AND PROCEDURES**

The Group has implemented an integral risk management system designed to cater for the needs arising in relation to the various types of risk. This has prompted it to equip the management processes for each risk with measurement tools for risk acceptance, assessment and monitoring and to define the appropriate circuits and procedures, which are reflected in manuals that also include management criteria.

### **(iii) INTERNAL CONTROL MODEL**

The Group's Internal Control Model is based on the best practices described in the following documents: "*Enterprise Risk Management – Integrated Framework*" by the COSO (*Committee of Sponsoring Organizations of the Treadway Commission*) and "*Framework for Internal Control Systems in Banking Organizations*" by the Bank for International Settlements (BIS).

The Internal Control Model therefore comes within the Integral Risk Management Framework. Said framework is understood as the process within an organization involving its board of directors, its management and all its staff, which is designed to identify potential risks facing the institution and which enables them to be managed within the limits defined, in such a way as to reasonably assure that the organization meets its business targets. This Integral Risk Management Framework is made up of Specialized Units (Risks, Compliance, Accounting and Consolidation, Legal Services), the Internal Control Function and Operational Risk and Internal Audit.

#### Risk concentration

Risk concentration limits are established at a Group level. In the trading area, limits are approved each year by the Board's Risk Committee on exposures to trading, structural interest rate, structural currency, equity and liquidity risk at the banking entities and in the asset management, pension and insurance businesses. These limits factor in many variables, including economic capital and earnings volatility criteria, and are reinforced with alert triggers and a stop-loss scheme.

In relation to credit risk, maximum exposure limits are set by customer and country; generic limits are also set for maximum exposure to specific deals and products. Upper limits are allocated based on iso-risk curves, determined as the sum of expected losses and economic capital, and its ratings based equivalence in terms of gross nominal exposure.

There is also an additional guideline in terms of oversight of maximum risk concentration up to and at the level of 10% of equity: stringent requirements in terms of in-depth knowledge of the counterparty, its operating markets and sectors.

#### Results for the year

The Company recorded a net profit of EUR 112 thousand for the year under review. The result for the year is set out on page 70. Results of the Company are at the disposal of the Annual General Meeting.

#### Directors and their interest

The Directors and Secretary of the Board who held office on December 31<sup>st</sup>, 2017 did not hold any shares in the Company at year-end or during the period. There were no contracts of any



significance in relation to the business of the Company in which the Directors had any interest at anytime during the year.

#### Personnel

During the year, the Company had no employees. The Managing Directors are employees at Banco Bilbao Vizcaya Argentaria Group.

#### Board composition

For 2017, the allocation of seats in the Board of Directors between men and women is not in equilibrium. The current Managing Board has the necessary experience and expertise to ensure that its duties are properly executed. The Board of Directors is of the opinion that the addition of a female member would be beneficial to its functioning and would then align with the BBVA Group policy on diversity and inclusion. The Board of Directors will therefore commit to identifying and nominating a female candidate on the Board of Directors if a vacancy would arise.

#### Audit Committee

The Audit Committee of the BBVA Group is also formally responsible for the Company as per the relevant requirements included in the Dutch Laws that is applicable to the Company.

#### Board of Directors and Shareholders meetings

The Board of Directors and the Shareholders have held meetings since April 27<sup>th</sup>, 2017 which were as follows:

April 27th, 2017	Shareholder resolution
June 28th, 2017	Board of Directors
June 28th, 2017	Sole shareholder resolution
July 21th, 2017	Board of Directors
July 21th 2017	Sole shareholders resolution

All the above resolutions of the Board of Managing Directors and the Sole-Shareholder were adopted outside of meetings and recorded in writing, pursuant to articles 12.7 and 18 of the Articles of Assotiation of the Company.

#### Accounting records

The Directors believe that they have complied with the legal requirements for the financial statements as included in Part 9 of Book 2 of the Dutch Civil Code. The books of account of the Company are maintained by Deutsche International Trust Company N.V. at Postbus 1100, De entree 99, 1101 HE Amsterdam, The Netherlands.

## Post balance sheet events

Since January 1<sup>st</sup>, 2018 until the date of this report, the Company has issued the following Notes:

Issues as of April, 2018:	Currency	Issuance date	Maturity date	Nominal Amount (Thousands of original currency)	Nominal Amount (Thousands Euros)
SMTN610	USD	02/02/2018	02/02/2022	1,100	917
SMTN570	USD	01/04/2018	01/04/2021	642	535
SMTN571	USD	01/04/2018	01/04/2021	774	645
SMTN572	USD	01/02/2018	01/04/2019	2,150	1,793
SMTN649	USD	03/06/2018	03/07/2022	2,000	1,668
SMTN609	USD	02/08/2018	02/08/2019	1,000	834
SMTN573	USD	01/24/2018	01/09/2028	10,000	8,338
SMTN611	USD	02/09/2018	02/09/2021	994	829
SMTN612	GBP	02/09/2018	02/09/2021	568	640
SMTN621	USD	02/09/2018	02/09/2022	1,100	917
SMTN625	USD	02/12/2018	02/12/2019	1,020	850
CNMV130	EUR	01/08/2018	01/08/2024	2,975	2,975
CNMV131	EUR	01/10/2018	01/11/2023	1,650	1,650
SMTN566	EUR	01/16/2018	01/16/2020	500	500
SMTN582	USD	01/16/2018	01/18/2022	1,300	1,084
SMTN585	USD	01/17/2018	01/18/2022	1,300	1,084
SMTN589	USD	01/22/2018	01/19/2022	1,000	834
SMTN592	USD	01/23/2018	01/23/2020	700	584
SMTN683	USD	03/26/2018	03/23/2022	2,400	2,001
SMTN597	USD	01/24/2018	01/24/2019	700	584
SMTN599	USD	01/29/2018	01/26/2022	1,800	1,501
SMTN591	USD	01/30/2018	01/30/2020	20,000	16,676
SMTN598	USD	01/29/2018	01/28/2019	1,123	936
SMTN603	USD	01/30/2018	01/30/2024	1,050	876
SMTN604	USD	01/31/2018	07/31/2019	1,290	1,076
SMTN535	GBP	02/02/2018	02/02/2024	1,235	1,392
SMTN536	USD	02/02/2018	02/02/2024	394	329
SMTN618	USD	02/07/2018	02/08/2021	750	625
SMTN620	USD	02/08/2018	02/07/2019	1,215	1,013
SMTN594	CHF	01/24/2018	02/14/2024	15,000	12,818
SMTN596	CHF	01/24/2018	02/14/2024	5,000	4,273
SMTN626	USD	02/13/2018	02/13/2020	1,000	834
SMTN633	USD	02/14/2018	02/14/2020	500	417
SMTN634	USD	02/14/2018	02/16/2021	500	417
CNMV134	EUR	02/15/2018	02/15/2021	5,000	5,000
SMTN577	GBP	02/21/2018	02/21/2024	4,056	4,572
SMTN578	USD	02/21/2018	02/21/2024	1,554	1,296
SMTN602	CHF	01/30/2018	02/27/2024	7,300	6,238
SMTN644	USD	02/27/2018	02/28/2028	1,500	1,251
SMTN614	USD	02/07/2018	02/28/2024	10,000	8,338
SMTN643	USD	02/28/2018	02/28/2020	1,088	907
SMTN608	EUR	03/01/2018	03/01/2024	1,072	1,072
SMTN627	USD	03/01/2018	03/01/2024	1,110	926

Issues as of April, 2018:	Currency	Issuance date	Maturity date	Nominal Amount (Thousands of original currency)	Nominal Amount (Thousands Euros)
SMTN623	CHF	02/12/2018	03/04/2024	10,000	8,546
SMTN624	CHF	02/12/2018	03/04/2024	4,000	3,418
SMTN653	EUR	03/07/2018	03/07/2023	2,000	2,000
SMTN657	CHF	03/12/2018	03/12/2024	4,000	3,418
SMTN606	USD	03/13/2018	03/13/2024	768	640
SMTN607	GBP	03/13/2018	03/13/2024	2,338	2,635
SMTN650	USD	03/13/2018	03/15/2021	15,000	12,507
SMTN651	USD	03/13/2018	03/13/2020	885	738
SMTN658	USD	03/19/2018	03/19/2021	15,000	12,507
SMTN672	USD	03/19/2018	03/19/2019	490	409
SMTN667	USD	03/21/2018	03/23/2020	1,322	1,102
SMTN668	USD	03/21/2018	03/23/2020	616	514
CNMV137	EUR	02/23/2018	06/25/2018	11,000	11,000
SMTN492 T-2	GBP	01/05/2018	09/25/2023	195	220
SMTN492 T-3	GBP	01/15/2018	09/25/2023	124	140
SMTN492 T-4	GBP	01/23/2018	09/25/2023	76	86
SMTN492 T-5	GBP	02/14/2018	09/25/2023	32	36
SMTN492 T-6	GBP	03/07/2018	09/25/2023	250	282
SMTN492 T-7	GBP	03/22/2018	09/25/2023	500	564
SMTN638	EUR	03/28/2018	03/28/2024	355	355
SMTN639	GBP	03/28/2018	03/28/2024	4,416	4,977
SMTN640	USD	03/28/2018	03/28/2024	5,954	4,965
SMTN555	USD	01/12/2018	12/29/2023	320	267
SMTN556	GBP	01/12/2018	12/29/2023	495	558
SMTN659	CHF	03/13/2018	04/05/2024	20,000	17,091
SMTN660	CHF	03/13/2018	04/05/2024	7,450	6,366
SMTN677	EUR	03/28/2018	01/09/2023	4,600	4,600
SMTN534	GBP	01/12/2018	01/12/2024	617	695
SMTN678	USD	03/23/2018	04/15/2024	13,000	10,840
SMTN580	USD	01/22/2018	01/09/2023	1,000	834
SMTN545	USD	01/31/2018	01/31/2024	706	589
SMTN605	EUR	02/01/2018	08/01/2019	700	700
SMTN587	GBP	02/23/2018	02/16/2024	650	733
CNMV136	EUR	02/26/2018	02/26/2020	2,000	2,000
SMTN646	USD	03/05/2018	03/05/2021	500	417
SMTN600	GBP	03/21/2018	03/07/2024	500	564
SMTN601	USD	03/21/2018	03/07/2024	500	417
SMTN601 T-2	USD	03/28/2018	03/07/2024	154	128
SMTN629	USD	03/07/2018	03/07/2024	482	402
SMTN630	USD	03/07/2018	03/07/2024	1,000	834
SMTN676	USD	03/21/2018	03/21/2028	2,510	2,093
SMTN622	USD	03/14/2018	03/14/2024	500	417
SMTN675	USD	03/27/2018	03/29/2021	1,000	834
CNMV132	EUR	01/05/2018	01/05/2023	10,000	10,000
CNMV119	EUR	01/09/2018	01/09/2023	3,000	3,000
SMTN613	EUR	02/15/2018	01/09/2021	2,000	2,000
SMTN647	USD	03/22/2018	01/09/2025	650	542

Issues as of April, 2018:	Currency	Issuance date	Maturity date	Nominal Amount (Thousands of original currency)	Nominal Amount (Thousands Euros)
SMTN648	USD	03/06/2018	01/09/2023	1,300	1,084
SMTN590	EUR	01/30/2018	01/09/2021	1,000	1,000
SMTN656	USD	03/19/2018	01/19/2024	2,500	2,085
SMTN552	USD	02/09/2018	02/09/2024	752	627
SMTN553	GBP	02/09/2018	02/09/2024	1,256	1,416
SMTN632	EUR	02/21/2018	02/14/2023	1,000	1,000
SMTN641	EUR	02/19/2018	02/20/2023	1,000	1,000
SMTN575	GBP	02/21/2018	02/21/2024	820	924
SMTN576	USD	02/21/2018	02/21/2024	1,442	1,202
SMTN635	EUR	02/22/2018	02/23/2024	500	500
SMTN636	USD	02/22/2018	02/23/2024	600	500
SMTN581	EUR	03/14/2018	03/14/2024	1,373	1,373
SMTN615	GBP	03/23/2018	03/25/2024	992	1,118
SMTN616	USD	03/23/2018	03/25/2024	538	449
SMTN669	EUR	03/23/2018	03/23/2021	2,000	2,000
SMTN661	USD	03/29/2018	04/02/2024	1,004	837
SMTN662	USD	03/29/2018	04/02/2024	630	525
SMTN628	USD	03/07/2018	03/07/2024	600	500
SMTN579	USD	01/12/2018	01/13/2020	600	500
SMTN567	USD	01/04/2018	01/04/2021	1,174	979
SMTN619	USD	02/08/2018	02/08/2021	1,601	1,335
SMTN617	GBP	02/09/2018	02/09/2024	2,000	2,254
SMTN642	EUR	02/23/2018	02/23/2021	2,000	2,000
SMTN645	USD	03/15/2018	03/15/2024	2,000	1,668
SMTN673	USD	03/27/2018	03/29/2021	1,000	834
SMTN583	USD	01/31/2018	01/31/2048	75,000	62,537
SMTN584	USD	01/31/2018	01/31/2048	75,000	62,537
CNMV135	EUR	02/26/2018	02/28/2028	1,000	1,000
SMTN631	MXN	02/21/2018	02/21/2023	744,700	31,473
SMTN654	USD	03/14/2018	03/14/2024	500	417
SMTN655	USD	03/14/2018	03/14/2024	500	417
SMTN685	USD	04/02/2018	04/02/2020	870	725
SMTN689	EUR	04/03/2018	09/28/2018	2,000	2,000
SMTN690	USD	04/04/2018	04/03/2023	500	417
SMTN692	CHF	04/04/2018	04/04/2024	1,500	1,282
SMTN492 T-8	GBP	04/06/2018	09/25/2023	445	502
SMTN691	USD	04/06/2018	04/06/2021	10,000	8,338
SMTN693	USD	04/10/2018	07/10/2023	584	487
SMTN684	USD	04/11/2018	07/10/2025	1,200	1,001
SMTN697	USD	04/18/2018	04/18/2019	450	375
SMTN698	USD	04/18/2018	04/19/2021	500	417
CNMV138	EUR	04/13/2018	07/10/2023	1,275	1,275
SMTN663	GBP	04/19/2018	04/19/2024	411	463
SMTN664	USD	04/19/2018	04/19/2024	638	532
SMTN637	EUR	04/20/2018	04/20/2021	1,000	1,000
SMTN688	GBP	04/23/2018	04/23/2024	395	445
SMTN700	EUR	04/25/2018	04/25/2023	3,000	3,000

Issues as of April, 2018:	Currency	Issuance date	Maturity date	Nominal Amount (Thousands of original currency)	Nominal Amount (Thousands Euros)
SMTN686	GBP	04/27/2018	04/29/2024	1,310	1,477
SMTN687	USD	04/27/2018	04/29/2024	950	792
SMTN574	USD	01/10/2018	03/12/2018	2,000	1,668
SMTN593	USD	01/23/2018	03/23/2018	2,400	2,001
SMTN586	EUR	01/18/2018	04/18/2018	500	500
SMTN588	EUR	01/19/2018	04/19/2018	3,000	3,000
SMTN595	CHF	01/24/2018	04/24/2018	10,000	8,546
CNMV133	EUR	01/30/2018	04/30/2018	10,000	10,000
<b>Total</b>					<b>476,354</b>

Additionally, since January 1<sup>st</sup>, 2018 until the date of this report early redemption was applied for 63 outstanding issues and, therefore, the Company cancelled the associated deposits whose nominal value was the same amount. The detail of those issues is as follows:

2018							
Issue	Currency	Issuance date	Maturity date	Redemption date	Initial Value (Thousands of Euros)	Redemption Value (Thousands of Euros)	Final Value (Thousands of Euros)
SMTN466	USD	10/03/2017	10/05/2020	01/03/2018	2,026	2,026	-
CNMV77	EUR	01/10/2017	01/10/2022	01/10/2018	5,000	5,000	-
SMTN468	USD	10/11/2017	10/11/2019	01/11/2018	417	417	-
CNMV121	EUR	11/17/2017	01/09/2026	01/11/2018	35,000	10,000	25,000
SMTN470	USD	10/12/2017	10/13/2020	01/12/2018	834	834	-
SMTN471	USD	10/12/2017	10/13/2020	01/12/2018	834	834	-
SMTN482	USD	10/17/2017	10/17/2023	01/17/2018	10,006	10,006	-
SMTN413	USD	08/02/2017	01/22/2019	01/19/2018	334	334	-
SMTN454	EUR	09/19/2017	09/19/2018	01/19/2018	1,275	1,275	-
SMTN515	USD	11/20/2017	11/22/2021	01/22/2018	2,001	2,001	-
SMTN288	USD	01/24/2017	01/24/2022	01/23/2018	417	417	-
SMTN489	EUR	10/26/2017	10/26/2022	01/26/2018	3,000	3,000	-
SMTN421	USD	08/03/2017	07/27/2023	01/29/2018	742	742	-
SMTN485	USD	10/27/2017	10/29/2018	01/29/2018	603	603	-
SMTN494	USD	10/27/2017	10/27/2020	01/29/2018	919	919	-
CNMV128	EUR	11/23/2017	05/30/2019	01/30/2018	10,000	10,000	-
SMTN133	EUR	07/03/2015	06/20/2020	01/19/2018	4,090	1,360	2,730
SMTN134	EUR	06/30/2015	06/20/2020	01/19/2018	2,150	2,050	100
SMTN164	USD	12/07/2015	01/10/2020	01/10/2020	1,751	1,751	-
SMTN260	USD	12/07/2016	01/11/2022	01/11/2022	1,126	1,126	-
SMTN132	USD	07/03/2015	06/20/2020	01/19/2018	9,939	9,939	-
SMTN262	USD	12/07/2016	01/11/2022	01/11/2022	792	792	-
SMTN345	USD	05/08/2017	07/11/2022	07/11/2022	1,668	1,668	-
SMTN241	USD	11/03/2016	01/07/2027	01/19/2018	834	834	-
SMTN268	USD	12/20/2016	01/11/2022	01/11/2022	1,376	1,376	-
SMTN497	EUR	11/01/2017	11/02/2020	02/01/2018	1,323	1,323	-
SMTN418	EUR	08/02/2017	08/02/2019	02/02/2018	600	600	-
SMTN419	CHF	08/02/2017	08/02/2019	02/02/2018	641	641	-
SMTN500	USD	11/02/2017	11/02/2021	02/02/2018	834	834	-

2018							
Issue	Currency	Issuance date	Maturity date	Redemption date	Initial Value (Thousands of Euros)	Redemption Value (Thousands of Euros)	Final Value (Thousands of Euros)
SMTN483	USD	10/17/2017	11/07/2023	02/07/2018	8,338	8,338	-
SMTN509	USD	11/14/2017	11/16/2020	02/14/2018	1,827	1,827	-
SMTN269	PEN	12/21/2016	12/21/2019	02/08/2018	4,380	4,380	-
SMTN300	COP	02/15/2017	02/15/2020	02/08/2018	4,046	4,046	-
CNMV125	EUR	11/23/2017	02/23/2018	02/23/2018	11,000	11,000	-
SMTN522	USD	11/24/2017	11/26/2018	02/26/2018	496	496	-
SMTN524	USD	11/28/2017	11/30/2020	02/28/2018	580	580	-
SMTN525	EUR	11/28/2017	11/30/2020	02/28/2018	687	687	-
SMTN528	USD	11/28/2017	11/28/2018	02/27/2018	708	708	-
SMTN405	USD	07/17/2017	07/10/2018	02/28/2018	1,668	1,668	-
CNMV72	EUR	03/01/2017	03/01/2018	03/01/2018	66,000	66,000	-
SMTN440	USD	08/30/2017	08/31/2020	03/02/2018	834	834	-
SMTN533	USD	12/05/2017	12/06/2021	12/06/2021	1,668	1,668	-
SMTN512	CHF	11/20/2017	12/11/2023	03/12/2018	17,091	17,091	-
SMTN517	CHF	11/21/2017	12/12/2023	03/12/2018	6,794	6,794	-
SMTN574	USD	01/10/2018	01/00/1900	01/10/2022	1,668	1,668	-
CNMV88	EUR	03/14/2017	03/14/2022	03/14/2018	1,000	1,000	-
SMTN325	USD	03/17/2017	03/19/2018	03/19/2018	859	859	-
SMTN455	USD	09/20/2017	09/20/2019	03/20/2018	2,501	2,501	-
SMTN52	USD	02/14/2013	03/20/2018	03/20/2018	11,173	11,173	-
SMTN53	USD	02/28/2013	03/20/2018	03/20/2018	1,834	1,834	-
SMTN57	USD	03/14/2013	03/20/2018	03/20/2018	1,834	1,834	-
SMTN58	EUR	03/22/2013	03/20/2018	03/20/2018	400	400	-
SMTN550	USD	12/21/2017	12/23/2019	03/21/2018	2,001	2,001	-
SMTN593	USD	01/23/2018	01/00/1900	01/25/2022	2,001	2,001	-
CNMV117	EUR	09/14/2017	09/14/2023	04/04/2018	2,550	2,550	-
SMTN557	CHF	12/19/2017	01/09/2024	04/10/2018	8,546	8,546	-
SMTN335	USD	04/12/2017	04/11/2018	04/11/2018	1,038	1,038	-
SMTN586	EUR	01/18/2018	04/18/2018	04/18/2018	500	500	-
SMTN588	EUR	01/19/2018	04/19/2018	04/19/2018	3,000	3,000	-
SMTN487	USD	10/24/2017	10/24/2018	10/24/2018	1,247	1,247	-
SMTN595	CHF	01/24/2018	04/24/2018	04/24/2018	8,546	8,546	-
CNMV133	EUR	01/30/2018	04/30/2018	04/30/2018	10,000	10,000	-
N.ESTRDAS80	EUR	04/28/2011	04/30/2018	04/30/2018	2,800	2,800	-
<b>Total</b>					<b>290,144</b>	<b>262,314</b>	<b>27,830</b>

#### Internal and external factors

BBVA Global Markets B.V., is a wholly-owned subsidiary of Banco Bilbao Vizcaya Argentaria, S.A., a Spanish banking institution headquartered in Bilbao, Spain, and is therefore integrated in the Banco Bilbao Vizcaya Argentaria Group.

The Company's notes are totally guaranteed by the Parent Company. No additional collateral is established. BBVA Global Markets B.V.'s deposits are totally due from the Parent Company. Any adverse changes affecting the Spanish economy are likely to have an adverse impact on the

Parent Company's financial situation and consecutively, on the Company's financial condition, results of operations and cash flows.

Global economic growth has stabilized during 2017. The confidence data are still improving and they are accompanied for the recovery of global trade and the industrial sector, while maintaining the strength of the private consumption in developed countries. This positive dynamic reflects a better economic performance in all the areas. As regards the advanced economies, the US GDP increased slightly more than expected in the 2017 (+ 2.3%), which reduces doubts about sustainability of growth for the next year. In Europe, the greater strength of domestic factors explained the acceleration of growth (+ 2.5% in 2017). In relation to emerging economies, China's growth will continue supporting the rest of Asia, which, together with the favorable conditions of the financial markets, will help to make progress in the Latin American countries. Finally, the recovery in Russia and Brazil has stopped curbing the global growth. As a result, and unlike others episodes after the financial crisis, the global recovery is now more synchronized.

The Spanish economy has maintained significant growth this period continuing from its increase last year. Households and businesses have reached a high level of indebtedness, particularly in Spain, which has created increased risk in the Spanish banking system. In addition, the high proportion of loans referenced to variable interest rates makes debt service on such loans more vulnerable to upward movements in interest rates and the profitability of the loans more vulnerable to interest rate decreases. Highly indebted households and businesses are less likely to be able to service debt obligations as a result of adverse economic events.

Additionally, there has not been any default position to the date. All Company's deposits due from the Parent related to notes with maturity in 2017 and previous years until the date of this report, have been reimbursed.

Amsterdam, April 27<sup>th</sup>, 2018

Board of Directors:

Marian Coscarón Tomé  
Eloy Fontecha Fernández  
Raúl Moreno Carnero  
Christian Hojbjerre Mortensen

## **Statement of Directors' responsibilities in respect of directors' report and the financial statements**

The Directors are responsible for preparing the directors' report and financial statements in accordance with applicable law and regulations.

The Directors consider that, in preparing the financial statements, the Company, has used the most appropriate accounting policies, consistently applied and supported by reasonable and prudent judgement and estimates, and that all International Financial Reporting Standards as adopted by the European Union and requirements of Part 9 of Book 2 of the Dutch Civil Code which they consider to be applicable have been followed.

The Company's financial statements are required by law to give a true and fair view of the financial position of the Company and of its financial performance.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with International Financial Reporting Standards as adopted by the European Union ("EU-IFRS") and with Part 9 of Book 2 of the Dutch Civil Code. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are also responsible for preparing a directors' report that complies with the requirements of Part 9 of Book 2 of the Dutch Civil Code.

Date: April 27<sup>th</sup>, 2018

Board of Directors:

Marian Coscarón Tomé  
Eloy Fontecha Fernández  
Raúl Moreno Carnero  
Christian Højbjerg Mortensen



# STATEMENTS OF FINANCIAL POSITION AS OF DECEMBER 31<sup>st</sup>, 2017 AND 2016

(before appropriation of result)

<i>Thousands of Euros</i>	<b>Note</b>	<b>12.31.2017</b>	<b>12.31.2016 (*)</b>
<b>ASSETS:</b>			
<i>Non-current assets</i>			
- Long-Term deposits due from Parent	<b>9</b>	2,025,020	1,224,154
- Derivatives	<b>10</b>	136,027	41,402
<i>Current assets</i>			
- Short-Term part of deposits due from Parent	<b>9</b>	169,996	103,358
- Derivatives	<b>10</b>	7,900	3,947
- Other assets		21	2
- Interest receivable from Parent	<b>9</b>	93,102	68,925
- Cash and cash equivalents	<b>8</b>	210	481
<b>Total assets</b>		<b>2,432,276</b>	<b>1,442,269</b>
<b>LIABILITIES:</b>			
<i>Long-Term liabilities</i>			
- Long-Term debt securities issued	<b>11</b>	2,024,055	1,223,474
- Derivatives	<b>10</b>	136,027	41,402
<i>Short-Term liabilities</i>			
- Short-Term part of debt securities issued	<b>11</b>	169,998	103,392
- Derivatives	<b>10</b>	7,900	3,947
- Interest payable to third parties	<b>11</b>	92,994	68,806
- Other liabilities		36	29
- Credit account		501	498
- Current tax liabilities		78	146
<b>Total liabilities</b>		<b>2,431,589</b>	<b>1,441,694</b>
<b>SHAREHOLDER'S EQUITY:</b>			
- Issued share capital	<b>12</b>	90	90
- Other reserves		485	327
- Result of the year		112	158
<b>Total shareholder's equity</b>		<b>687</b>	<b>575</b>
<b>Total liabilities and shareholder's equity</b>		<b>2,432,276</b>	<b>1,442,269</b>

(\*) Presented for comparison purposes only.

The accompanying Notes 1 to 20 are an integral part of 2017 financial statements.

## STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31<sup>st</sup>, 2017 AND 2016

<i>Thousands of Euros</i>	<b>Note</b>	<b>2017</b>	<b>2016 (*)</b>
- Interest income and similar income	<b>9 - 10</b>	200,488	101,321
- Interest expense and similar expenses	<b>10 - 11</b>	(200,063)	(100,890)
- Exchange rate differences		(141)	37
- Other operating income		188	-
- Other operating expenses		(318)	(234)
<b>Result of the year before tax</b>		<b>154</b>	<b>234</b>
- Income tax		(42)	(76)
<b>Result of the year from continued operations</b>		<b>112</b>	<b>158</b>
<b>Comprehensive result of the year</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive result of the year</b>		<b>112</b>	<b>158</b>

(\*) Presented for comparison purposes only.

The accompanying Notes 1 to 20 are an integral part of 2017 financial statements.

## STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY FOR THE YEARS ENDED DECEMBER 31<sup>st</sup>, 2017 AND 2016

<i>Thousands of Euros</i>	Note	Issued Share Capital	Other reserves	Result of the year	Total
Balance at beginning of the year (January 1 <sup>st</sup> , 2016) (*)		90	135	192	417
- Result of the year		-	-	158	158
- Result of previous years		-	192	(192)	-
Balance at end of the year (December 31 <sup>st</sup> , 2016)		90	327	158	575
Balance at beginning of the year (January 1 <sup>st</sup> , 2017)					
- Result of the year		-	-	112	112
- Result of previous years		-	158	(158)	-
Balance at end of the year (December 31 <sup>st</sup> , 2017)	12	90	485	112	687

(\*) Presented for comparison purposes only.

The accompanying Notes 1 to 20 are an integral part of 2017 financial statements.

# STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31<sup>st</sup>, 2017 AND 2016

<i>Thousands of Euros</i>	<i>Note</i>	<b>2017</b>	<b>2016 (*)</b>
<b>Result of the year before tax</b>		<b>154</b>	<b>234</b>
<b>ADJUSTMENTS TO RECONCILE NET (LOSS) INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>			
<b>Adjustments for:</b>		<b>(284)</b>	<b>(468)</b>
Finance income		(200,488)	(101,321)
Finance cost		200,063	100,890
Exchange differences		141	(37)
<b>Changes in working capital:</b>		<b>4</b>	<b>(20)</b>
Trade and other payables		4	(27)
Trade and other receivables		-	7
<b>Other cash flows from operating activities:</b>		<b>(129)</b>	<b>390</b>
Interest paid		(40,548)	(72,515)
Interest received		40,575	72,945
Income tax recovered (paid)		(156)	(40)
<b>Net cash provided by/(used in) operating activities</b>		<b>(409)</b>	<b>(98)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>			
<b>Investments:</b>		<b>(1,852,862)</b>	<b>(908,571)</b>
Deposits at the parent		(1,852,862)	(908,571)
<b>Disinvestments:</b>		<b>704,470</b>	<b>512,707</b>
Deposits at the parent		704,470	512,707
<b>Net cash provided by/(used in) investing activities</b>		<b>(1,148,392)</b>	<b>(395,864)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>			
<b>Proceeds and payments relating to financial liability instruments</b>		<b>1,148,376</b>	<b>396,108</b>
Proceeds from issue of debt instruments and other marketable securities		1,852,843	908,545
Proceeds from issue of borrowings from Group companies and associates		3	270
Redemption of debt instruments and other marketable securities		(704,470)	(512,707)
<b>Net cash provided by/(used in) financing activities</b>		<b>1,148,376</b>	<b>396,108</b>
Net increase/(decrease) in cash and cash equivalents		(271)	380
Effect of currency translations		-	-
Cash and cash equivalents at the beginning of the period		481	101
<b>Cash and cash equivalents at the end of the period</b>	<b>8</b>	<b>210</b>	<b>481</b>

(\*) Presented for comparison purposes only.

The accompanying Notes 1 to 20 are an integral part of 2017 financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

Notes to the financial statements for the year ended December 31<sup>st</sup>, 2017 (Currency – Thousands of Euros)

### **1. Group affiliation, principal activity and tax regulation**

BBVA Global Markets B.V. (hereinafter, the “Company”), is a corporation with limited liability, incorporated under Dutch law, whose trade register code number is 34363108. The Company has its seat and statutory domicile in Amsterdam, the Netherlands and its principal place of business and tax residence at Calle Saucedo, 28, 28050, Madrid, Spain. It was incorporated under the laws of the Netherlands on October 29<sup>th</sup>, 2009, and is a wholly-owned subsidiary of Banco Bilbao Vizcaya Argentaria, S.A. (hereinafter, the “Bank” or the “Parent Company”), a Spanish banking institution headquartered in Bilbao, Spain. The Company is integrated in the Banco Bilbao Vizcaya Argentaria Group (hereinafter, the “Group” or “BBVA Group”), and therefore these financial statements are consolidated by the Parent Company ([www.bbva.com](http://www.bbva.com)).

The objectives for which the Company is established are to raise finance through the issuance of bonds, notes, warrants, certificates and other debt instruments, and invest the funds raised in any kind of financial assets. For these purposes, the Company may enter into (i) derivative transactions or other economic hedging agreements, and (ii) other agreements with third parties in connection with the above objective with the parent Company. The Company has no direct employees, and no remuneration is paid by the Company to the Managing Directors.

### **2. Significant accounting policies**

The financial statements of the Company are prepared in accordance with International Financial Reporting Standards as adopted by the European Union (“EU- IFRS”) and with Part 9 of Book 2 of the Dutch Civil code, with significant policies applied below.

#### **a) Cash and cash equivalents**

Cash and cash equivalents consist of cash at bank and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value.

Cash and cash equivalents are carried at amortized cost in the statement of financial position.

#### **b) Debt securities and deposits due from Parent**

Debt securities and deposits due from Parent are initially for at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability, unless there is evidence to the contrary, the best evidence of the fair value of a financial instrument at initial recognition shall be the transaction price.

For subsequent measurement, debt securities and deposits due from Parent are recognized at amortized cost, which represents the received amount, plus or minus the cumulative amortization

using the effective interest rate of any difference between that initial amount and the maturity amount.

The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument, considering all contractual terms of the financial instruments, transaction costs, and all other premiums or discounts.

Issuing notes, sometimes, involves incurring costs and commissions in relation to the offering. These fees and costs are considered as transaction costs in calculating the effective interest rate.

### **c) Derivative financial instruments**

Hybrid financial instruments simultaneously include a non-derivative host contract and a financial derivative, known as an embedded derivative, that is not separately transferable and has the effect that some of the cash flows of the hybrid contract vary in a way similar to a stand-alone derivative (e.g. bonds tied to the price of certain shares or changes in a stock market index).

The Company recognizes measures and presents the host contract (either the deposit or the issue) and the embedded derivative separately, when the following circumstances concur:

- a) The economic characteristics and risks inherent to the embedded derivative are not closely related to those of the host contract.
- b) A separate instrument with the same terms as the embedded derivative would meet the definition of a derivative.
- c) The hybrid contract is not measured at fair value with changes in fair value recognized in profit or loss.

The embedded derivative is treated for accounting purposes as a derivative financial instrument and the host contract is recognized according to its nature (either the deposit or the issue). This assessment is only made at initial recognition unless there is a change in the terms of the contract that significantly alters the future cash flows, in which case the derivative must be revalued.

Derivatives are classified as financial asset or financial liability at fair value through profit or loss. Upon initial recognition it is designated by the entity as at fair value through profit or loss. After initial recognition the entity, measures the assets and liabilities at their fair values.

### **d) Impairment of (financial) assets**

The Company determines at each reporting period whether there is objective evidence that a financial asset is impaired. A financial asset is impaired and impairment losses are recognized if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the assets and prior to the balance sheet date ('a loss event') and that event adversely impacts estimated future cash flows of the financial asset. An objective evidence that a financial asset is impaired when give rise to an adverse impact on the future cash flows that were estimated at the time the transaction was arranged. So they are

considered impaired when there are reasonable doubts that the balances will be recovered in full and/or the related interest will be collected for the amounts and on the dates initially agreed.

When the estimates used to determine the recoverable amount have changed since the last time, an impairment loss was recognized and these changes then result in an increase of the recoverable amount, such an increase represents a reversal of some of the impairment losses in the statement of comprehensive income.

During 2017, the Company did not recognize any impairment of financial assets. The Company's total assets are held with Banco Bilbao Vizcaya Argentaria, S.A., the sole shareholder of the Company.

**e) Recognition of revenues and expenses**

For accounting purposes, revenues and expenses are recorded on an accrual basis as they are earned or incurred. Revenues include interest earned by assets due from the Parent and expenses include interest incurred by debt securities.

**f) Statement of Comprehensive Income**

IAS 1 requires that all items of income and expense be presented either: in a single statement (a "statement of comprehensive income"), or in two statements (a separate "income statement" and "statement of comprehensive income"). The Company has elected to present a single statement of comprehensive income. The Company does not have separate components of other comprehensive income; therefore, comprehensive income is equal to the profit/(loss) reported for all periods presented.

**g) Cash flow statement**

The cash flow statement, based on the indirect method of calculation, gives details of the source of cash and cash equivalents which became available during the period and the application of these cash and cash equivalents over the course of the year.

**h) Recognition and derecognition**

Financial assets and liabilities are recognized when they are acquired or funded by the Company and derecognized when settled.

**i) Income taxes**

The charge for current tax is based on the result for the period adjusted for items that are non-assessable or disallowed.

Deferred taxes are recognized to the extent that it is probable that taxable profits will be available.

The Company files consolidated tax returns as part of the 2/82<sup>1</sup> Group, whose Parent Company is Banco Bilbao Vizcaya Argentaria, S.A.

The Parent Company is part of a fiscal unity for corporate income tax and for that reason it is jointly and severally liable for the tax liabilities of the whole fiscal unity.

#### **j) Financial instruments offset**

Financial assets and liabilities may be netted, i.e. they are presented for a net amount on the consolidated balance sheet only when the Entity satisfy with the provisions of IAS 32-Paragraph 42, so they have both the legal right to net recognized amounts, and the intention of settling the net amount or of realizing the asset and simultaneously paying the liability. As of 31 december 2017 and 2016, there are no asset and liabilities presented netted in the balance sheet.

### **3. Related party transactions**

The Company is a wholly-owned subsidiary of Banco Bilbao Vizcaya Argentaria, S.A. and enters into transactions with related parties in the normal course of business. This includes amongst others cash deposits agreements. All the outstanding amounts have been disclosed in the notes to each separate account balance when applicable.

No remuneration is paid by the Company to the Managing Directors as they are not employed by the Company, as they are employees of the Parent Company.

All the notes are unconditionally and irrevocably guaranteed by the Parent Company.

### **4. Statement of compliance**

The financial statements for the year ended December 31<sup>st</sup>, 2017 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil code.

### **5. Adoption of new and revised International Financial Reporting Standards ('IFRS') and Interpretations**

In the current period, the Company has adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board ('IASB') and the International Financial Reporting Interpretations Committee ('IFRIC') of the IAS that are relevant to its operations and effective for accounting periods beginning on or after January 1<sup>st</sup>, 2017. The adoption of these new and revised Standards and Interpretations has not resulted in major changes to the Company's records.

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<sup>1</sup> Pursuant to current Spanish legislation, number code 2/82 refers to the BBVA Consolidated Tax Group, including the Parent Company and those subsidiaries that meet the requirements provided for under Spanish legislation.



### **Mandatory Standards, amendments and Interpretations**

Standards, amendments and Interpretations to existing standards that became mandatory for the first time for the 2017 financial statements:

The following amendments to the IFRS standards or their interpretations (hereinafter “IFRIC”) came into force after January 1, 2017. Their integration in the Company has not had a significant impact on these financial statements:

- IAS 12 – “Income Taxes. Recognition of Deferred Tax Assets for Unrealized Losses”. The amendments to IAS 12 clarify that unrealised losses on debt instruments measured at fair value for financial reporting purposes but at cost for tax purposes can give rise to a deductible temporary difference and how such a temporary difference should be assessed in determining whether a deferred tax asset should be recognised.
- IAS 7 – “Statement of Cash Flows. Disclosure Initiative”. The amendments to IAS 7 require disclosure of both cash and non-cash changes in liabilities arising from financing activities (being liabilities for which cash flows were, or future cash flows will be, classified as being from financing activities).
- IFRS 12- “Disclosure of Interests in Other Entities issued in the Annual Improvements Cycle 2014-2016”. The amendments to IFRS 12 introduced in the 2014-2016 annual improvement cycle clarify that all requirements of that Standard (other than those covered by an existing exemption from disclosure of summarised financial information on interests in subsidiaries, joint ventures and associates) apply to interests classified as held for sale or discontinued operations in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

The European Union has not approved the adoption of the amendments.

### **Future changes in accounting policies: IFRS standards not yet effective**

New International Financial Reporting Standards together with their interpretations had been published at the date of preparation of the accompanying financial statements, but are not obligatory as of December 31, 2017. Although in some cases the IASB permits early adoption before they come into force, the Company has not done so as of that date, as it is still analyzing the effects that will result from them:

- IFRS 9 - “Financial instruments”: As of July, 24, 2014, the IASB issued IFRS 9 which replaces IAS 39 on financial statements from the 1st of January 2018 onwards and includes: new classification and measurement requirements for financial assets and liabilities, a new impairment model and hedge accounting policies.

IFRS 9 introduces a new approach for the classification and measurement of financial assets which is based on the business models used for the management of these assets as well as their cash flow characteristics.

During 2017, the Company reviewed the existing business models to establish their classification in accordance with IFRS 9, taking into account the special characteristics of the management strategies, as well as the type of products under management.

#### Financial Assets and liabilities

As a result of the analyses carried out, certain accounting reclassifications are expected affecting both financial assets and, as the case may be, financial liabilities related to those assets. In general, it is expected that the Company will hold a greater volume of assets and liabilities valued at fair value with changes in the income statement and therefore the valuation method of some instruments will also be changed according to the one that best reflects the business model to which they belong.

These changes are not expected to have a significant impact neither on the income statement nor on equity for the Company.

#### Impairment requirements

Impairment requirements are not expected to have an impact on the Company's financial statements since the exposure to credit risk is 100% held with the Parent Company and the majority of financial and liabilities are expected to be held at fair value through profit and loss.

#### Hedge accounting requirements

The Company does not apply any hedge accounting on its financial statements and therefore no impact is expected from these new requirements.

- IFRS 15 – “Revenue from Contracts with Customers” This modification becomes mandatory for financial statements beginning on or after January 1, 2018; earlier application of the amendment is permitted.  
The Company does not expect to have a significant impact on its financial statements based on these requirements.
- IFRS 16 – “Leases” – This modification specifies how an IFRS reporter will recognise, measure, present and disclose leases. IFRS 16 was issued in January 2016 and applies to annual reporting periods beginning on or after 1 January 2019.

Additionally, the annual improvements cycle to IFRSs 2014-2016 includes minor changes and clarifications to IFRS 1- First-time Adoption of International Financial Reporting Standards and IAS 28 – Investments in Associates and Joint Ventures, which will be applied to the accounting periods beginning on or after January 1, 2018, although early application is permitted to amendments to IAS 28.

## **6. Foreign currency translation**

The financial performance of the Company is reported using the currency (“functional currency”) that best reflects the economic substance of the underlying events and circumstances relevant to the entity, which is the Euro. Transactions in a currency that differs from the functional currency are translated into functional currency at the foreign currency exchange rate at transactions date.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the foreign exchange rates prevailing at the balance sheet date. Currency translation differences on all monetary financial assets and liabilities are included in foreign exchange gains and losses income.

As of December 31<sup>st</sup>, 2017, the Company had 173 outstanding issuances in US dollars, constituting, at the same time, 173 deposits with the full amounts of the funds obtained and in the same currency. Also the Company had 25 outstanding issuances in GB pounds, constituting, at the same time, 25 deposits with the full amount of the funds obtained and in the same currency. In addition, the Company had 5 outstanding issuances in CH franc, constituting, at the same time, 5 deposits with the full amount of the funds obtained and in the same currency. Furthermore, the Company had an outstanding issuance in PEN, constituting, at the same time, a deposit with the full amount of the funds obtained and in the same currency. Additionally, the Company had 4 outstanding issuances in CL, constituting, at the same time, 4 deposits with the full amount of the funds obtained and in the same currency. Finally, the Company had 10 outstanding issuances in COP, constituting, at the same time, 10 deposits with the full amount of the funds obtained and in the same currency. The interest rates related to the deposits are identical to those related to the issues. As a result, the exchange differences in this connection were no significant.

## **7. Risk exposure**

The use of financial instruments may involve the transfer of one or more types of risk. The risks associated with these financial instruments are:

- Credit risk: Credit risk is defined as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. In accordance with IFRS 7 “Financial Instruments: Disclosures”, the maximum credit risk exposure by headings in the balance sheet as of December 31, 2017, is provided below.

<i>Maximum Credit Risk Exposure (Thousands of Euros)</i>	<b>2017</b>	<b>2016</b>
<b>Balance:</b>		
Deposits due from Parent	2,195,016	1,327,512
Derivatives	143,927	45,349
<b>Total exposure</b>	<b>2,338,943</b>	<b>1,372,861</b>

As of December 31<sup>st</sup>, 2017 credit risk is concentrated geographically in Spain, specifically with the Parent Company. As of December 31<sup>st</sup>, 2017 there were no impaired assets.

- Market risks: These are defined as the risks arising from the maintenance of financial instruments whose value may be affected by changes in market conditions. It includes three types of risk:
  - Interest rate risk: This risk arises as a result of changes in market interest rates. Changes in interest rates affect the interest received from deposits and the interest paid on issues equally. Therefore, the changes in interest rates offset each other, and the margins are maintained.
  - Foreign exchange risk: This is the risk resulting from variations in foreign exchange rates. Since the funds obtained by the Company from the issues are invested in deposits in the same currency, the exposure to currency risk is not relevant. Changes in foreign exchange rates affect face value and interests from deposits and face value and interests paid on issues equally. Therefore, the changes in foreign exchange rates offset each other, and the margins are maintained.
  - Price risk: This is the risk resulting from variations in market prices, either due to factors specific to the instrument itself, or alternatively to factors which affect all the instruments traded on the market. The fair value of the issues launched does not differ from the fair value of the deposits since their features (amount, term and interest rate) are the same.
  - Equity risk: This arises as a result of movements in equity prices. This risk is generated in spot positions in derivative products whose underlying asset is a share or an equity index.
- Liquidity risk: This is the possibility that a company cannot meet its payment commitments duly, or, to do so, must resort to borrowing funds under onerous conditions, or risking its image and the reputation of the entity. The Company obtains the liquidity required to meet interest payments, redemptions of issues and the needs of its business activities from deposits on the issues arranged with Banco Bilbao Vizcaya Argentaria, S.A. The Note 11 details the maturities of principal and interest of the debt securities issued and the Note 9 gives the breakdown of deposits in BBVA to cover the liquidity necessary for such maturities. The liquidity to meet the interest payments on the debt securities is derived from interest earned on BBVA deposits, which have similar maturities.

- Concentration risk: the Company is a wholly-owned subsidiary of Banco Bilbao Vizcaya Argentaria, S.A., a Spanish banking institution headquartered in Bilbao, Spain, and is therefore integrated in the Banco Bilbao Vizcaya Argentaria Group.

The Company's notes are totally guaranteed by the Parent Company. No additional collateral is established. The Company's deposits are totally due from the Parent Company.

All notes and derivatives registered by the Company are back to back and therefore, there is no effect in the income statement. All notes are linked to specific assets and are guaranteed by BBVA Group. Taking into account this consideration and assuming that the credit spread of BBVA Group and BBVA Global Markets B.V. is the same (same interest rate, maturity and other features, as we commented previously), the estimation of the counterparty credit risk associated to derivatives would be the same in assets and Liabilities. The Parent Company is the only guarantor for the BBVA Global Markets' Notes.

Any adverse changes affecting the Spanish economy are likely to have an adverse impact on the Parent Company's financial situation and consecutively, on the Company's financial condition, results of operations and cash flows. Negative economic conditions are mitigated by Banco Bilbao Vizcaya Argentaria, S.A. and its subsidiaries, showing a great and demonstrated capacity for generating earnings based on the diversification of its geographical business areas. Latest information (April 2018) about the qualifications of BBVA Group by some of the main rating agencies, shows a grade of A-.

Additionally, there have not been any default position to the date. All BBVA Global Markets B.V.'s deposits due from Parent related to notes with maturity in 2017 and previous years until the date of this report, have been reimbursed.

- Other risks: the Company as a wholly-owned subsidiary of Banco Bilbao Vizcaya Argentaria, S.A., is subject to risks and uncertainties ensuing from changes in legislation and regulation in Banking and Capital Markets in Europe. In addition, considering the operations of the Company, risks arisen from internal and external reporting is limited.

The Company and the Group where it is incorporated, have developed an integrated risk management system that is structured around three main components: (i) a corporate risk governance regime, with adequate segregation of duties and responsibilities, (ii) a set of tools, circuits and procedures that constitute the various different risk management regimes, and (iii) an internal control system.

## **(I) CORPORATE RISK GOVERNANCE SYSTEM**

The Group has a corporate governance system which is in keeping with international recommendations and trends, adapted to requirements set by regulators in each country and to the most advanced practices in the markets in which it pursues its business.

In the field of risks, the Board of Directors of Banco Bilbao Vizcaya Argentaria, S.A., is responsible for establishing the general principles that define the Institution's risk objectives, approving the risk control and management policy and the regular monitoring of the internal systems of information and control.

The risk management function is distributed into the Risk Units of the business areas and the Corporate Area, which defines the policy, strategies, methodologies and global infrastructure. The risk units in the business areas propose and maintain the risk profile of each client independently, but within the corporate framework for action.

The Corporate Risk Area combines the view by risk type with a global view. It is made up of the Corporate Risk Management unit, which covers the different types of risk, the Technical Secretary responsible for technical comparison, which works alongside the transversal units: such as Structural Management & Asset Allocation, Risk Assessment Methodologies and Technology, and Validation and Control, which include internal control and operational risks.

## **(II) TOOLS, CIRCUITS AND PROCEDURES**

The Group has implemented an integral risk management system designed to cater for the needs arising in relation to the various types of risk. This has prompted it to equip the management processes for each risk with measurement tools for risk acceptance, assessment and monitoring and to define the appropriate circuits and procedures, which are reflected in manuals that also include management criteria.

## **(III) INTERNAL CONTROL MODEL**

The Group's Internal Control Model is based on the best practices described in the following documents: *"Enterprise Risk Management – Integrated Framework"* by the COSO (*Committee of Sponsoring Organizations of the Treadway Commission*) and *"Framework for Internal Control Systems in Banking Organizations"* by the Bank for International Settlements (BIS).

The Internal Control Model therefore comes within the Integral Risk Management Framework. Said framework is understood as the process within an organization involving its board of directors, its management and all its staff, which is designed to identify potential risks facing the institution and which enables them to be managed within the limits defined, in such a way as to reasonably assure that the organization meets its business targets. This Integral Risk Management Framework is made up of Specialized Units (Risks, Compliance, Accounting and Consolidation, Legal Services), the Internal Control Function and Operational Risk and Internal Audit.

### **Risk concentration**

Risk concentrations limits are established at a Group level. In the trading area, limits are approved each year by the Board's Risk Committee on exposures to trading, structural interest rate, structural currency, equity and liquidity risk at the banking entities and in the asset management, pension and insurance businesses. These limits factor in many variables, including

economic capital and earnings volatility criteria, and are reinforced with alert triggers and a stop-loss scheme.

In relation to credit risk, maximum exposure limits are set by customer and country; generic limits are also set for maximum exposure to specific deals and products. Upper limits are allocated based on iso-risk curves, determined as the sum of expected losses and economic capital, and its ratings based equivalence in terms of gross nominal exposure.

## **8. Cash and cash equivalents**

The balance of this heading of the statements of financial position as of December 31<sup>st</sup>, 2017 and 2016 includes the amount of a demand deposit held by the Company at Banco Bilbao Vizcaya Argentaria, S.A. as of that date, which bears no interest.

## **9. Deposits due from Parent**

The detail of the balances of this heading in the accompanying statements of financial position is as follows:

<b>Deposits at Parent as of December 31, 2017:</b>	<b>Currency</b>	<b>Issuance date</b>	<b>Maturity date</b>	<b>Amount (Thousands Euros)</b>
SMTN9	USD	10/26/2010	10/26/2040	125,073
SMTN42	EUR	03/30/2012	03/28/2022	33,249
SMTN48	USD	11/29/2012	11/29/2042	6,850
SMTN46	USD	11/30/2012	11/30/2042	5,507
SMTN47	USD	11/30/2012	11/30/2042	6,850
SMTN49	EUR	12/27/2012	12/28/2020	3,000
SMTN50	EUR	04/30/2013	04/30/2021	2,000
SMTN62	EUR	05/10/2013	06/20/2023	2,000
SMTN60	EUR	06/18/2013	06/18/2021	3,000
SMTN78	EUR	09/23/2013	09/20/2019	700
SMTN85	EUR	12/27/2013	12/27/2021	4,400
SMTN92	EUR	02/07/2014	02/07/2019	1,000
SMTN98	USD	02/07/2014	02/07/2019	414
SMTN93	EUR	03/28/2014	03/28/2022	2,000
SMTN99	EUR	04/04/2014	04/04/2019	1,000
SMTN101	EUR	04/24/2014	04/26/2019	18,000
SMTN102	EUR	06/13/2014	06/13/2019	1,595
SMTN110	USD	07/08/2014	07/08/2019	1,071
SMTN108	EUR	08/08/2014	08/08/2019	499
SMTN114	EUR	10/10/2014	10/10/2019	886
SMTN125	EUR	05/04/2015	05/20/2025	2,000
CNMV6	EUR	06/02/2015	06/02/2020	15,000
SMTN134	EUR	06/30/2015	06/20/2020	2,149
SMTN132	USD	07/03/2015	06/20/2020	9,939
SMTN133	EUR	07/03/2015	06/20/2020	4,089
SMTN136	EUR	07/06/2015	07/06/2022	9,999

Deposits at Parent as of December 31, 2017:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
CNMV8	EUR	07/31/2015	07/30/2020	9,950
SMTN144	EUR	10/19/2015	10/19/2035	4,999
SMTN149	USD	11/06/2015	12/20/2020	937
SMTN146	USD	11/09/2015	11/09/2025	20,844
SMTN147	USD	11/09/2015	11/09/2025	20,844
SMTN148	USD	11/09/2015	11/09/2025	20,844
SMTN142	EUR	11/20/2015	11/20/2023	1,399
SMTN160	USD	11/27/2015	11/29/2021	1,656
SMTN164	USD	12/07/2015	01/10/2020	1,733
SMTN161	USD	12/08/2015	12/08/2025	20,844
SMTN165	USD	12/08/2015	12/08/2020	1,033
CNMV18 - PP	EUR	12/18/2015	12/18/2035	4,996
CNMV19 - PP	EUR	12/18/2015	12/18/2035	1,496
CNMV13	EUR	12/18/2015	12/18/2020	5,963
SMTN171	EUR	12/22/2015	12/20/2020	2,904
SMTN166	USD	12/23/2015	12/23/2025	20,842
SMTN158	EUR	12/28/2015	12/28/2023	1,759
CNMV20 - PP	EUR	01/04/2016	01/04/2036	997
CNMV22 - PP	EUR	01/04/2016	01/04/2036	3,997
SMTN176	USD	02/09/2016	02/09/2026	20,844
CNMV28 - PP	EUR	02/11/2016	02/11/2036	2,997
SMTN182	USD	03/28/2016	03/28/2026	20,844
SMTN185	USD	03/30/2016	03/30/2026	20,844
SMTN181	GBP	03/31/2016	03/31/2022	583
CNMV32	EUR	04/04/2016	06/20/2021	19,997
SMTN187	USD	04/06/2016	04/06/2026	20,844
SMTN188	USD	04/06/2016	04/06/2026	20,844
CNMV32 T-2	EUR	04/19/2016	06/20/2021	30,009
CNMV36	EUR	05/09/2016	05/09/2022	14,122
SMTN200	COP	05/27/2016	05/27/2021	1,322
SMTN196	EUR	05/31/2016	05/31/2021	799
CNMV41	EUR	06/09/2016	06/09/2022	7,922
SMTN186	EUR	06/17/2016	06/17/2024	999
CNMV47	EUR	06/20/2016	06/20/2021	4,997
CNMV49	EUR	06/22/2016	06/20/2021	1,597
CNMV52	EUR	06/29/2016	06/20/2026	4,996
CNMV51	EUR	06/29/2016	09/20/2026	4,996
SMTN207	GBP	08/05/2016	08/05/2022	566
SMTN216	USD	08/10/2016	10/10/2046	62,535
SMTN206	EUR	08/12/2016	08/12/2019	150
SMTN212	EUR	09/09/2016	09/09/2021	2,125
CNMV57	EUR	10/18/2016	10/18/2021	39,997
SMTN236	COP	10/19/2016	10/19/2026	2,511
CNMV62 - PP	EUR	11/02/2016	11/02/2036	996
SMTN241	USD	11/03/2016	01/07/2027	833
SMTN233	EUR	11/04/2016	11/04/2019	159



Deposits at Parent as of December 31, 2017:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
SMTN228	GBP	11/07/2016	11/07/2022	557
CNMV32 T-3	EUR	11/08/2016	06/20/2021	5,065
SMTN227	EUR	11/11/2016	11/11/2021	1,097
SMTN223	EUR	11/11/2016	11/11/2021	1,667
SMTN245	USD	11/14/2016	01/11/2022	833
CNMV65	EUR	11/16/2016	01/06/2027	1,996
SMTN243	USD	11/16/2016	11/16/2046	62,535
SMTN250	CHF	11/17/2016	01/10/2022	1,307
SMTN244	USD	11/18/2016	11/18/2046	62,535
CNMV64	EUR	11/22/2016	01/07/2022	4,997
SMTN253	USD	11/23/2016	01/11/2022	833
SMTN254	USD	11/23/2016	01/11/2022	833
SMTN258	USD	12/06/2016	12/06/2026	20,844
SMTN260	USD	12/07/2016	01/11/2022	1,125
SMTN261	USD	12/07/2016	01/11/2022	1,000
SMTN262	USD	12/07/2016	01/11/2022	791
SMTN263	USD	12/07/2016	01/11/2022	708
SMTN264	EUR	12/07/2016	01/11/2022	649
SMTN259	EUR	12/14/2016	12/14/2021	1,499
SMTN268	USD	12/20/2016	01/11/2022	1,375
SMTN269	PEN	12/21/2016	12/21/2019	4,379
SMTN249	EUR	12/30/2016	12/30/2021	1,032
CNMV77	EUR	01/10/2017	01/10/2022	4,997
CNMV80	EUR	01/10/2017	01/10/2025	948
SMTN278	USD	01/12/2017	01/14/2019	834
CNMV79	EUR	01/13/2017	01/11/2027	996
SMTN276	EUR	01/13/2017	01/11/2027	999
SMTN281	USD	01/20/2017	01/20/2047	83,380
SMTN282	USD	01/20/2017	01/20/2047	83,380
SMTN285	USD	01/24/2017	01/24/2047	54,198
SMTN288	USD	01/24/2017	01/24/2022	417
SMTN289	EUR	01/26/2017	01/10/2022	992
SMTN290	EUR	01/27/2017	01/11/2027	750
SMTN295	COP	02/06/2017	02/06/2022	18,074
SMTN297	USD	02/09/2017	02/09/2022	834
SMTN300	COP	02/15/2017	02/15/2020	4,046
SMTN298	USD	02/16/2017	01/10/2022	792
SMTN299	EUR	02/16/2017	01/10/2022	630
SMTN286	USD	02/24/2017	02/24/2023	819
SMTN287	GBP	02/24/2017	02/24/2023	560
SMTN306	GBP	02/28/2017	02/28/2023	782
SMTN307	USD	02/28/2017	02/28/2023	331
SMTN284	GBP	03/01/2017	03/01/2023	1,343
SMTN318	USD	03/06/2017	03/09/2020	18,523
SMTN317	USD	03/08/2017	03/09/2020	83
SMTN319	USD	03/10/2017	03/10/2022	584

Deposits at Parent as of December 31, 2017:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
CNMV88	EUR	03/14/2017	03/14/2022	998
SMTN321	USD	03/20/2017	01/10/2022	667
SMTN296	GBP	03/20/2017	03/20/2023	848
SMTN322	EUR	03/21/2017	01/10/2022	2,782
SMTN324	EUR	03/21/2017	01/10/2022	1,000
SMTN323	EUR	03/22/2017	03/22/2022	883
CNMV92	EUR	03/24/2017	07/10/2027	2,000
SMTN327	USD	03/27/2017	01/10/2022	459
SMTN315	USD	03/28/2017	03/28/2023	1,600
CNMV91	EUR	03/29/2017	01/10/2020	1,125
CNMV94	EUR	03/29/2017	01/11/2027	1,000
SMTN328	EUR	03/31/2017	03/31/2022	1,190
SMTN302	EUR	03/31/2017	03/31/2020	500
SMTN311	GBP	04/06/2017	04/06/2022	610
SMTN308	USD	04/07/2017	04/11/2023	481
SMTN309	GBP	04/07/2017	04/11/2023	582
SMTN334	USD	04/18/2017	07/10/2023	1,647
SMTN314	GBP	04/20/2017	04/20/2023	1,436
CNMV97	EUR	04/27/2017	07/10/2022	1,250
SMTN337	EUR	04/27/2017	07/10/2022	1,000
SMTN341	COP	04/27/2017	04/24/2022	3,906
CNMV96	EUR	04/28/2017	04/28/2023	10,000
SMTN342	USD	05/02/2017	07/10/2022	936
SMTN345	USD	05/08/2017	07/11/2022	1,668
CNMV95	EUR	05/15/2017	05/15/2020	2,375
SMTN348	EUR	05/18/2017	05/18/2022	1,264
SMTN331	GBP	05/25/2017	05/25/2023	1,435
SMTN332	USD	05/25/2017	05/25/2023	413
CNMV89	EUR	05/26/2017	05/26/2025	49,550
SMTN353	USD	05/30/2017	07/11/2022	775
SMTN352	USD	05/31/2017	05/31/2023	920
SMTN358	USD	05/31/2017	07/11/2022	2,016
SMTN359	EUR	06/02/2017	06/02/2020	1,091
SMTN354	GBP	06/02/2017	06/03/2024	558
SMTN363	USD	06/05/2017	07/11/2022	1,289
SMTN364	USD	06/05/2017	07/11/2022	1,289
SMTN370	USD	06/07/2017	06/08/2020	325
SMTN367	USD	06/07/2017	06/07/2022	689
SMTN368	USD	06/08/2017	06/30/2022	625
CNMV101	EUR	06/08/2017	07/10/2020	1,150
SMTN365	EUR	06/08/2017	07/10/2020	2,575
CNMV103	EUR	06/09/2017	06/09/2022	14,998
SMTN372	USD	06/14/2017	07/10/2020	2,043
SMTN374	USD	06/16/2017	06/16/2022	826
SMTN375	EUR	06/16/2017	06/16/2022	496
SMTN377	COP	06/22/2017	06/22/2022	16,193

Deposits at Parent as of December 31, 2017:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
CNMV104	EUR	06/23/2017	07/10/2027	500
SMTN290 T2	EUR	06/23/2017	01/11/2027	300
SMTN385	USD	06/28/2017	06/28/2019	554
SMTN388	COP	06/29/2017	06/29/2022	4,185
SMTN344	EUR	06/30/2017	06/30/2020	500
SMTN383	USD	07/03/2017	07/03/2047	41,691
CNMV107	EUR	07/06/2017	06/29/2023	1,325
SMTN355	GBP	07/07/2017	07/07/2023	1,648
SMTN356	USD	07/07/2017	07/07/2023	436
SMTN391	USD	07/10/2017	07/12/2021	2,502
SMTN392	USD	07/10/2017	07/12/2021	2,501
CNMV98	EUR	07/13/2017	07/13/2020	1,575
SMTN401	USD	07/14/2017	07/11/2022	3,009
SMTN402	USD	07/14/2017	07/11/2022	1,505
SMTN389	EUR	07/14/2017	07/14/2020	1,934
SMTN411	USD	07/18/2017	07/11/2020	468
SMTN412	USD	07/18/2017	07/11/2020	234
SMTN410	USD	07/18/2017	07/11/2022	1,330
SMTN406	EUR	07/18/2017	07/18/2023	8,878
SMTN400	USD	07/18/2017	07/18/2047	62,537
CNMV109 - PP	EUR	07/21/2017	07/21/2037	2,000
CNMV110	EUR	07/24/2017	07/10/2023	2,300
CNMV111	EUR	07/27/2017	07/10/2027	9,525
SMTN413	USD	08/02/2017	01/22/2019	332
SMTN417	USD	08/02/2017	01/25/2019	8,338
SMTN418	EUR	08/02/2017	08/02/2019	595
SMTN419	CHF	08/02/2017	08/02/2019	636
SMTN421	USD	08/03/2017	07/27/2023	735
SMTN420	USD	08/03/2017	08/03/2020	584
CNMV99	EUR	08/04/2017	07/17/2025	13,000
SMTN424	USD	08/08/2017	07/11/2022	834
SMTN422	USD	08/08/2017	02/04/2019	917
SMTN429	USD	08/08/2017	02/04/2019	500
SMTN426	EUR	08/09/2017	07/10/2027	1,200
CNMV114	EUR	08/10/2017	08/10/2022	7,000
CNMV115	EUR	08/11/2017	07/11/2024	2,375
SMTN407	USD	08/11/2017	08/11/2020	1,355
SMTN373	EUR	08/11/2017	08/11/2022	1,087
SMTN396	EUR	08/11/2017	08/11/2023	1,239
SMTN428	EUR	08/16/2017	07/11/2022	600
SMTN387	EUR	08/18/2017	08/18/2023	1,139
CNMV116	EUR	08/18/2017	06/09/2022	3,501
SMTN436	CLP	08/18/2017	02/06/2019	692
SMTN439	USD	08/23/2017	08/24/2020	1,396
SMTN434	USD	08/25/2017	02/25/2019	1,490
SMTN435	USD	08/25/2017	02/19/2019	667

Deposits at Parent as of December 31, 2017:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
SMTN437	USD	08/29/2017	07/11/2022	1,982
SMTN438	USD	08/29/2017	07/11/2022	1,101
SMTN440	USD	08/30/2017	08/31/2020	833
SMTN394	GBP	09/01/2017	09/01/2023	1,505
SMTN395	USD	09/01/2017	09/01/2023	752
SMTN444	GBP	09/05/2017	09/05/2019	447
SMTN448	EUR	09/08/2017	09/08/2022	200
SMTN452	USD	09/12/2017	09/12/2019	517
CNMV117	EUR	09/14/2017	09/14/2023	2,526
SMTN453	EUR	09/19/2017	09/19/2022	970
SMTN451	EUR	09/19/2017	07/11/2022	1,550
SMTN455	USD	09/20/2017	09/20/2019	2,448
SMTN459	USD	09/27/2017	07/10/2022	584
SMTN457	EUR	09/27/2017	09/27/2022	705
SMTN460	USD	09/28/2017	07/11/2022	1,543
CNMV105	EUR	09/29/2017	10/06/2022	1,982
SMTN464	USD	10/03/2017	04/02/2019	584
SMTN466	USD	10/03/2017	10/05/2020	1,980
SMTN462	USD	10/03/2017	07/11/2022	5,420
SMTN467	USD	10/04/2017	10/04/2020	375
SMTN456	USD	10/04/2017	07/10/2027	16,676
SMTN469	USD	10/06/2017	10/06/2022	413
SMTN468	USD	10/11/2017	10/11/2019	410
SMTN470	USD	10/12/2017	10/13/2020	822
SMTN471	USD	10/12/2017	10/13/2020	817
SMTN441	GBP	10/13/2017	10/13/2023	2,318
SMTN443	USD	10/13/2017	10/13/2023	1,143
SMTN473	USD	10/17/2017	07/10/2022	374
SMTN474	USD	10/17/2017	07/10/2022	374
SMTN482	USD	10/17/2017	10/17/2023	9,910
SMTN483	USD	10/17/2017	11/07/2023	8,258
SMTN476	EUR	10/18/2017	10/18/2021	1,981
SMTN477	USD	10/18/2017	04/20/2021	991
SMTN479	GBP	10/19/2017	10/19/2023	1,395
SMTN480	EUR	10/20/2017	01/09/2023	600
SMTN478	EUR	10/20/2017	10/20/2027	500
SMTN481	USD	10/20/2017	10/20/2025	2,477
SMTN484	USD	10/24/2017	10/24/2025	1,651
SMTN489	EUR	10/26/2017	10/26/2022	2,971
SMTN493	EUR	10/26/2017	10/28/2019	1,734
SMTN488	USD	10/27/2017	01/09/2023	2,110
SMTN494	USD	10/27/2017	10/27/2020	910
SMTN486	CLP	10/30/2017	06/11/2019	3,499
SMTN497	EUR	11/01/2017	11/02/2020	1,311
SMTN500	USD	11/02/2017	11/02/2021	834
CNMV118	EUR	11/02/2017	11/02/2020	1,675

Deposits at Parent as of December 31, 2017:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
SMTN501	USD	11/03/2017	11/03/2022	826
SMTN495	USD	11/03/2017	11/03/2020	4,336
SMTN496	USD	11/07/2017	01/06/2023	542
SMTN498	USD	11/09/2017	05/03/2019	414
SMTN499	USD	11/09/2017	11/09/2026	1,651
SMTN504	USD	11/09/2017	11/09/2022	818
SMTN509	USD	11/14/2017	11/16/2020	1,787
SMTN503	USD	11/14/2017	11/14/2019	636
SMTN465	EUR	11/17/2017	11/17/2020	3,000
CNMV124	EUR	11/17/2017	11/17/2022	5,000
CNMV121	EUR	11/17/2017	01/09/2026	35,074
SMTN505	USD	11/17/2017	11/17/2023	1,668
SMTN515	USD	11/20/2017	11/22/2021	2,001
SMTN516	USD	11/20/2017	11/22/2021	917
SMTN512	CHF	11/20/2017	12/11/2023	16,924
SMTN507	USD	11/21/2017	11/23/2020	388
SMTN506	EUR	11/21/2017	12/30/2027	15,000
SMTN517	CHF	11/21/2017	12/12/2023	6,727
CNMV128	EUR	11/23/2017	05/30/2019	9,908
SMTN510	EUR	11/24/2017	11/24/2022	2,971
SMTN511	EUR	11/27/2017	11/27/2025	8,015
SMTN524	USD	11/28/2017	11/30/2020	575
SMTN525	EUR	11/28/2017	11/30/2020	680
SMTN529	USD	11/29/2017	11/30/2020	384
SMTN519	COP	11/29/2017	11/29/2020	35,899
CNMV127	EUR	11/30/2017	12/30/2020	14,856
SMTN520	GBP	11/30/2017	11/30/2023	1,395
SMTN518	USD	12/01/2017	12/01/2023	413
SMTN533	USD	12/05/2017	12/06/2021	1,668
SMTN531	EUR	12/05/2017	12/05/2023	1,426
SMTN532	EUR	12/05/2017	12/05/2019	5,685
SMTN523	GBP	12/07/2017	12/07/2023	815
SMTN521	EUR	12/11/2017	12/11/2023	1,386
CNMV129	EUR	12/11/2017	12/18/2020	2,971
SMTN490	GBP	12/12/2017	12/12/2023	1,005
SMTN491	USD	12/12/2017	12/12/2023	880
SMTN537	USD	12/12/2017	01/09/2023	417
SMTN538	USD	12/12/2017	01/09/2023	500
SMTN530	USD	12/12/2017	01/09/2028	8,338
SMTN492	GBP	12/13/2017	09/25/2023	8,769
SMTN547	USD	12/13/2017	12/14/2020	413
SMTN542	USD	12/13/2017	12/14/2020	1,488
SMTN549	USD	12/14/2017	06/14/2019	1,007
SMTN472	USD	12/15/2017	12/15/2023	1,318
SMTN527	GBP	12/15/2017	12/15/2023	1,981
SMTN475	GBP	12/15/2017	12/15/2023	2,565

Deposits at Parent as of December 31, 2017:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
CNMV126	EUR	12/15/2017	03/15/2019	15,000
SMTN557	CHF	12/19/2017	01/09/2024	8,461
SMTN559	EUR	12/19/2017	12/19/2022	495
CNMV122	EUR	12/20/2017	12/12/2025	11,000
SMTN544	EUR	12/20/2017	12/20/2022	495
SMTN540	EUR	12/21/2017	12/21/2023	396
SMTN541	USD	12/21/2017	12/21/2023	330
SMTN550	USD	12/21/2017	12/23/2019	2,001
SMTN513	EUR	12/22/2017	12/22/2020	1,100
SMTN558	EUR	12/22/2017	12/22/2022	2,970
SMTN561	EUR	12/22/2017	11/05/2025	17,326
SMTN564	USD	12/27/2017	12/28/2023	1,072
SMTN565	USD	12/27/2017	12/29/2020	383
CNMV120	EUR	12/27/2017	03/27/2019	118,917
CNMV123	EUR	12/28/2017	12/28/2020	850
SMTN562	CLP	12/28/2017	06/12/2019	6,062
SMTN492 T-I	GBP	12/28/2017	09/25/2023	665
SMTN560	USD	12/29/2017	12/29/2025	1,651
SMTN502	EUR	12/29/2017	12/29/2022	515
SMTN568	EUR	12/29/2017	12/29/2022	2,970
SMTN569	EUR	12/29/2017	12/29/2022	2,970
NOTAS ESTRUTURADAS 80	EUR	04/28/2011	04/30/2018 (*)	2,799
SMTN52	USD	02/14/2013	03/20/2018 (*)	11,174
SMTN53	USD	02/28/2013	03/20/2018 (*)	1,834
SMTN57	USD	03/14/2013	03/20/2018 (*)	1,834
SMTN58	EUR	03/22/2013	03/20/2018 (*)	400
SMTN64	USD	05/16/2013	06/23/2018 (*)	12,507
SMTN67	USD	05/23/2013	11/23/2018 (*)	2,168
SMTN68	USD	06/13/2013	06/13/2018 (*)	2,918
SMTN71	USD	08/07/2013	06/20/2018 (*)	334
SMTN73	EUR	08/12/2013	09/20/2018 (*)	400
SMTN80	USD	10/08/2013	10/08/2018 (*)	407
SMTN83	EUR	10/21/2013	12/20/2018 (*)	400
SMTN87	USD	10/30/2013	12/20/2018 (*)	834
SMTN88	USD	11/19/2013	11/19/2018 (*)	1,155
CNMV2	EUR	05/29/2015	05/29/2018 (*)	999
CNMV7	EUR	06/10/2015	06/10/2018 (*)	100
CNMV9	EUR	07/17/2015	07/17/2018 (*)	999
SMTN163	EUR	12/01/2015	12/20/2018 (*)	1,000
CNMV14	EUR	12/18/2015	05/29/2018 (*)	6,989
SMTN235	COP	10/18/2016	10/18/2018 (*)	2,790
SMTN237	GBP	10/21/2016	10/22/2018 (*)	788
CNMV72	EUR	03/01/2017	03/01/2018 (*)	65,907
SMTN325	USD	03/17/2017	03/19/2018 (*)	859
SMTN335	USD	04/12/2017	04/11/2018 (*)	1,035

Deposits at Parent as of December 31, 2017:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
SMTN350	CLP	05/18/2017	11/08/2018 (*)	2,794
SMTN349	USD	05/19/2017	05/21/2018 (*)	457
CNMV100	EUR	05/24/2017	11/26/2018 (*)	4,971
CNMV106	EUR	06/30/2017	12/31/2018 (*)	9,935
SMTN404	USD	07/17/2017	07/10/2018 (*)	1,081
SMTN405	USD	07/17/2017	07/10/2018 (*)	1,663
SMTN430	EUR	08/08/2017	08/07/2018 (*)	1,190
CNMV113	EUR	08/10/2017	08/10/2018 (*)	1,023
SMTN454	EUR	09/19/2017	09/19/2018 (*)	1,275
SMTN463	USD	09/27/2017	09/26/2018 (*)	719
SMTN458	COP	09/27/2017	09/27/2018 (*)	2,430
SMTN487	USD	10/24/2017	10/24/2018 (*)	1,234
SMTN485	USD	10/27/2017	10/29/2018 (*)	603
SMTN508	USD	11/14/2017	11/14/2018 (*)	963
CNMV125	EUR	11/23/2017	02/23/2018 (*)	11,000
SMTN522	USD	11/24/2017	11/26/2018 (*)	484
SMTN526	USD	11/24/2017	11/27/2018 (*)	488
SMTN528	USD	11/28/2017	11/28/2018 (*)	698
SMTN539	USD	12/06/2017	12/06/2018 (*)	1,228
SMTN546	USD	12/13/2017	12/13/2018 (*)	350
SMTN548	USD	12/13/2017	12/13/2018 (*)	450
SMTN543	USD	12/13/2017	12/12/2018 (*)	504
SMTN551	USD	12/14/2017	12/14/2018 (*)	1,320
SMTN554	USD	12/18/2017	12/18/2018 (*)	917
SMTN563	USD	12/27/2017	12/27/2018 (*)	1,422
SMTN563 T-1	USD	12/28/2017	12/27/2018 (*)	167
<b>Total Deposits at Parent as of December 31, 2017</b>				<b>2,195,016</b>

(\*) Short-term deposits due from Parent amount to 169,996 thousand of Euros.

Deposits at Parent as of December 31, 2016:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
SMTN9	USD	10/26/2010	10/26/2040	142,302
Structured Notes 80	EUR	04/28/2011	04/30/2018	2,795
SMTN42	EUR	03/30/2012	03/28/2022	31,650
SMTN48	USD	11/29/2012	11/29/2042	7,324
SMTN46	USD	11/30/2012	11/30/2042	5,887
SMTN47	USD	11/30/2012	11/30/2042	7,324
SMTN49	EUR	12/27/2012	12/28/2020	3,000
SMTN52	USD	02/14/2013	03/20/2018	12,712
SMTN53	USD	02/28/2013	03/20/2018	2,087
SMTN57	USD	03/14/2013	03/20/2018	2,087
SMTN58	EUR	03/22/2013	03/20/2018	400
SMTN50	EUR	04/30/2013	04/30/2021	2,000
SMTN62	EUR	05/10/2013	06/20/2023	2,000
SMTN64	USD	05/16/2013	06/23/2018	14,230

Deposits at Parent as of December 31, 2016:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
SMTN67	USD	05/23/2013	11/23/2018	2,467
SMTN68	USD	06/13/2013	06/13/2018	3,320
SMTN60	EUR	06/18/2013	06/18/2021	3,000
SMTN71	USD	08/07/2013	06/20/2018	379
SMTN73	EUR	08/12/2013	09/20/2018	1,075
SMTN78	EUR	09/23/2013	09/20/2019	1,350
SMTN80	USD	10/08/2013	10/08/2018	448
SMTN81	EUR	10/10/2013	12/20/2019	1,000
SMTN83	EUR	10/21/2013	12/20/2018	400
SMTN87	USD	10/30/2013	12/20/2018	949
SMTN88	USD	11/19/2013	11/19/2018	1,278
SMTN85	EUR	12/27/2013	12/27/2021	4,400
SMTN92	EUR	02/07/2014	02/07/2019	1,000
SMTN98	USD	02/07/2014	02/07/2019	465
SMTN93	EUR	03/28/2014	03/28/2022	2,000
SMTN99	EUR	04/04/2014	04/04/2019	1,000
SMTN101	EUR	04/24/2014	04/26/2019	18,000
SMTN102	EUR	06/13/2014	06/13/2019	1,595
SMTN110	USD	07/08/2014	07/08/2019	1,180
SMTN108	EUR	08/08/2014	08/08/2019	498
SMTN114	EUR	10/10/2014	10/10/2019	886
SMTN125	EUR	05/04/2015	05/20/2025	2,000
CNMV2	EUR	05/29/2015	05/29/2018	995
CNMV5	EUR	06/01/2015	06/01/2018	498
CNMV6	EUR	06/02/2015	06/02/2020	15,000
CNMV7	EUR	06/10/2015	06/10/2018	100
SMTN134	EUR	06/30/2015	06/20/2020	2,949
SMTN132	USD	07/03/2015	06/20/2020	11,307
SMTN133	EUR	07/03/2015	06/20/2020	5,189
SMTN136	EUR	07/06/2015	07/06/2022	9,999
CNMV9	EUR	07/17/2015	07/17/2018	998
CNMV8	EUR	07/31/2015	07/30/2020	9,931
SMTN143	EUR	10/08/2015	10/08/2020	8,585
SMTN144	EUR	10/19/2015	10/19/2035	4,999
CNMV12	EUR	10/21/2015	10/22/2018	2,980
SMTN149	USD	11/06/2015	12/20/2020	1,066
SMTN146	USD	11/09/2015	11/09/2025	23,716
SMTN147	USD	11/09/2015	11/09/2025	23,716
SMTN148	USD	11/09/2015	11/09/2025	23,716
SMTN152	EUR	11/10/2015	11/12/2018	2,086
SMTN153	USD	11/10/2015	11/13/2018	1,885
SMTN154	CHF	11/12/2015	11/12/2021	4,618
SMTN157	CHF	11/12/2015	11/12/2021	6,557
SMTN142	EUR	11/20/2015	11/20/2023	1,399
SMTN160	USD	11/27/2015	11/29/2021	1,881
SMTN163	EUR	12/01/2015	12/20/2018	999
SMTN156	GBP	12/04/2015	12/06/2021	595
SMTN164	USD	12/07/2015	01/10/2020	1,962



Deposits at Parent as of December 31, 2016:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
SMTN161	USD	12/08/2015	12/08/2025	23,716
SMTN165	USD	12/08/2015	12/08/2020	1,175
CNMV18	EUR	12/18/2015	12/18/2035	4,996
CNMV19	EUR	12/18/2015	12/18/2035	1,496
CNMV14	EUR	12/18/2015	05/29/2018	6,960
CNMV13	EUR	12/18/2015	12/18/2020	5,951
SMTN171	EUR	12/22/2015	12/20/2020	2,872
SMTN166	USD	12/23/2015	12/23/2025	23,712
SMTN168	EUR	12/23/2015	12/24/2019	2,282
SMTN158	EUR	12/28/2015	12/28/2023	1,759
CNMV20	EUR	01/04/2016	01/04/2036	996
CNMV22	EUR	01/04/2016	01/04/2036	3,996
SMTN172	EUR	01/07/2016	01/07/2021	991
SMTN169	USD	01/29/2016	01/31/2022	1,201
SMTN170	GBP	01/29/2016	01/31/2022	1,964
CNMV24	EUR	02/05/2016	02/05/2019	4,963
SMTN176	USD	02/09/2016	02/09/2026	23,716
CNMV28	EUR	02/11/2016	02/11/2036	2,996
CNMV27	EUR	02/22/2016	02/22/2018	17,448
CNMV26	EUR	02/25/2016	02/25/2019	4,441
CNMV23	EUR	03/11/2016	03/23/2021	14,876
SMTN182	USD	03/28/2016	03/28/2026	23,716
SMTN185	USD	03/30/2016	03/30/2026	23,715
SMTN181	GBP	03/31/2016	03/31/2022	604
CNMV32	EUR	04/04/2016	06/20/2021	19,997
SMTN187	USD	04/06/2016	04/06/2026	23,715
SMTN188	USD	04/06/2016	04/06/2026	23,715
CNMV32 T-2	EUR	04/19/2016	06/20/2021	30,011
CNMV33	EUR	04/27/2016	04/24/2019	5,589
CNMV34	EUR	04/27/2016	04/24/2019	1,295
CNMV38	EUR	04/29/2016	04/29/2021	1,979
CNMV37	EUR	05/03/2016	05/03/2021	3,990
SMTN197	USD	05/05/2016	05/05/2022	1,385
CNMV36	EUR	05/09/2016	05/09/2022	14,122
SMTN195	GBP	05/19/2016	05/19/2022	1,159
SMTN200	COP	05/27/2016	05/27/2021	1,579
SMTN196	EUR	05/31/2016	05/31/2021	799
CNMV43	EUR	06/03/2016	06/04/2018	916
CNMV39	EUR	06/03/2016	06/03/2019	6,187
CNMV41	EUR	06/09/2016	06/09/2022	7,921
SMTN186	EUR	06/17/2016	06/17/2024	999
CNMV47	EUR	06/20/2016	06/20/2021	4,996
CNMV50	EUR	06/20/2016	06/20/2019	989
CNMV49	EUR	06/22/2016	06/20/2021	1,596
SMTN201	GBP	06/24/2016	06/24/2022	685
CNMV52	EUR	06/29/2016	06/20/2026	4,996
CNMV51	EUR	06/29/2016	09/20/2026	4,996
CNMV46	EUR	07/01/2016	07/01/2019	4,789

Deposits at Parent as of December 31, 2016:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
SMTN208	EUR	07/08/2016	07/04/2018	574
CNMV53	EUR	07/12/2016	07/12/2021	3,590
CNMV54	EUR	07/28/2016	07/29/2019	4,289
SMTN215	USD	07/28/2016	07/28/2023	642
SMTN205	GBP	07/29/2016	07/29/2022	573
SMTN207	GBP	08/05/2016	08/05/2022	586
SMTN216	USD	08/10/2016	10/10/2046	71,149
CNMV55	EUR	08/11/2016	08/11/2021	3,315
SMTN206	EUR	08/12/2016	08/12/2019	1,499
SMTN221	EUR	09/05/2016	08/25/2026	1,286
SMTN226	USD	09/06/2016	09/06/2019	939
SMTN212	EUR	09/09/2016	09/09/2021	2,125
SMTN229	CHF	09/27/2016	10/11/2022	5,213
SMTN230	CHF	09/28/2016	10/12/2022	10,707
SMTN231	GBP	09/28/2016	09/28/2022	867
SMTN225	GBP	09/30/2016	09/30/2022	1,725
SMTN234	EUR	10/11/2016	04/11/2018	499
CNMV57	EUR	10/18/2016	10/18/2021	39,996
SMTN235	COP	10/18/2016	10/18/2018	3,159
SMTN236	COP	10/19/2016	10/19/2026	2,843
SMTN238	CHF	10/21/2016	11/04/2022	1,843
SMTN237	GBP	10/21/2016	10/22/2018	817
SMTN239	USD	11/01/2016	11/01/2018	469
CNMV62	EUR	11/02/2016	11/02/2036	996
SMTN241	USD	11/03/2016	01/07/2027	947
SMTN240	USD	11/03/2016	05/03/2021	938
SMTN233	EUR	11/04/2016	11/04/2019	799
SMTN228	GBP	11/07/2016	11/07/2022	576
SMTN242	USD	11/07/2016	09/08/2019	234
CNMV32 T-3	EUR	11/08/2016	06/20/2021	5,083
SMTN227	EUR	11/11/2016	11/11/2021	1,097
SMTN223	EUR	11/11/2016	11/11/2021	1,667
SMTN245	USD	11/14/2016	01/11/2022	948
SMTN248	USD	11/14/2016	11/14/2022	512
CNMV65	EUR	11/16/2016	01/06/2027	1,996
CNMV68	EUR	11/16/2016	11/18/2019	2,967
SMTN243	USD	11/16/2016	11/16/2046	71,149
SMTN250	CHF	11/17/2016	01/10/2022	1,424
SMTN251	CHF	11/18/2016	12/02/2022	9,220
SMTN244	USD	11/18/2016	11/18/2046	71,149
CNMV64	EUR	11/22/2016	01/07/2022	4,996
SMTN253	USD	11/23/2016	01/11/2022	948
SMTN254	USD	11/23/2016	01/11/2022	948
CNMV70	EUR	11/23/2016	05/23/2018	4,950
SMTN265	USD	12/02/2016	12/03/2018	2,059
SMTN247	GBP	12/05/2016	12/05/2022	438
SMTN246	USD	12/05/2016	12/05/2022	553
SMTN258	USD	12/06/2016	12/06/2026	23,715

Deposits at Parent as of December 31, 2016:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
SMTN264	EUR	12/07/2016	01/11/2022	649
SMTN262	USD	12/07/2016	01/11/2022	900
SMTN260	USD	12/07/2016	01/11/2022	1,280
SMTN263	USD	12/07/2016	01/11/2022	805
SMTN261	USD	12/07/2016	01/11/2022	1,137
SMTN266	USD	12/12/2016	12/19/2022	4,695
SMTN259	EUR	12/14/2016	12/14/2021	1,499
SMTN270	USD	12/14/2016	12/14/2018	908
SMTN268	USD	12/20/2016	01/11/2022	1,564
SMTN256	USD	12/21/2016	12/21/2022	652
SMTN269	PEN	12/21/2016	12/21/2019	15,575
SMTN255	GBP	12/28/2016	12/28/2022	1,103
SMTN271	USD	12/29/2016	07/01/2021	938
SMTN272	USD	12/30/2016	06/29/2018	1,243
SMTN249	EUR	12/30/2016	12/30/2021	1,032
CNMV66	EUR	11/10/2016	11/08/2017 (*)	4,954
SMTN209	USD	07/08/2016	07/12/2017 (*)	471
SMTN220	EUR	08/16/2016	08/16/2017 (*)	1,199
SMTN103	USD	05/13/2014	06/20/2017 (*)	2,846
SMTN162	EUR	12/01/2015	12/20/2017 (*)	998
SMTN95	USD	01/30/2014	03/20/2017 (*)	2,372
SMTN96	USD	01/30/2014	03/20/2017 (*)	2,372
SMTN210	USD	07/08/2016	07/08/2017 (*)	5,691
SMTN193	EUR	04/14/2016	07/14/2017 (*)	998
SMTN214	COP	07/21/2016	07/21/2017 (*)	2,843
SMTN84	EUR	10/30/2013	01/30/2017 (*)	15,000
SMTN138	USD	08/04/2015	02/06/2017 (*)	711
SMTN124	EUR	04/30/2015	05/05/2017 (*)	659
SMTN127	EUR	05/08/2015	05/08/2017 (*)	2,491
CNMV35	EUR	05/09/2016	11/09/2017 (*)	3,573
SMTN218	COP	08/11/2016	08/11/2017 (*)	1,263
SMTN178	USD	02/12/2016	07/21/2017 (*)	125
SMTN252	USD	11/14/2016	11/14/2017 (*)	758
SMTN139	USD	08/24/2015	02/24/2017 (*)	3,365
SMTN120	EUR	02/27/2015	02/27/2017 (*)	2,000
CNMV42	EUR	06/09/2016	12/11/2017 (*)	2,873
SMTN94	USD	01/24/2014	03/20/2017 (*)	4,791
CNMV31	EUR	04/08/2016	04/10/2017 (*)	9,899
CNMV10	EUR	10/15/2015	04/18/2017 (*)	2,744
SMTN128	EUR	05/12/2015	05/12/2017 (*)	499
SMTN31	EUR	05/16/2011	05/16/2017 (*)	5,000
SMTN65	USD	05/21/2013	05/22/2017 (*)	474
SMTN45	USD	11/16/2012	11/16/2017 (*)	1,038
SMTN44	USD	11/19/2012	11/20/2017 (*)	552
SMTN267	EUR	12/14/2016	12/14/2017 (*)	999
CNMV73	EUR	12/12/2016	12/12/2017 (*)	4,949
CNMV74	EUR	12/12/2016	12/12/2017 (*)	4,949
CNMV75	EUR	12/19/2016	12/19/2017 (*)	4,949

Deposits at Parent as of December 31, 2016:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
CNMV76	EUR	12/22/2016	12/22/2017 (*)	4,949
<b>Total Deposits at Parent as of December 31, 2016</b>				<b>1,327,512</b>

(\*) Short-term deposits due from Parent amount to 103,358 thousand of Euros.

During 2017, early redemption was applied for 162 outstanding issues (67 outstanding issues during 2016) and, therefore, the Company cancelled the associated deposits whose nominal value was the same amount. The detail of those deposits is as follows:

2017							
Detail of deposits / debt securities	Currency	Issuance date	Maturity date	Redemption date	Initial Value (Thousands of Euros)	Redemption Value (Thousands of Euros)	Final Value (Thousands of Euros)
SMTN73	EUR	08/12/2013	09/20/2018	01/20/2017	1,075	675	400
SMTN78	EUR	09/23/2013	09/20/2019	01/20/2017	1,350	650	700
SMTN81	EUR	10/10/2013	12/20/2019	01/23/2017	1,000	1,000	-
SMTN83	EUR	10/21/2013	12/20/2018	12/20/2018	800	400	400
SMTN124	EUR	04/30/2015	05/05/2017	05/05/2017	660	660	-
SMTN127	EUR	05/08/2015	05/08/2017	05/08/2017	2,495	2,495	-
CNMV5	EUR	06/01/2015	06/01/2018	08/04/2017	500	500	-
SMTN134	EUR	06/30/2015	06/20/2020	01/20/2017	2,950	800	2,150
SMTN133	EUR	07/03/2015	06/20/2020	01/20/2017	5,190	1,100	4,090
SMTN138	USD	08/04/2015	02/06/2017	02/06/2017	664	664	-
SMTN143	EUR	10/08/2015	10/08/2020	04/10/2017	8,650	8,650	-
CNMV12	EUR	10/21/2015	10/22/2018	10/21/2017	3,000	3,000	-
SMTN152	EUR	11/10/2015	11/12/2018	05/12/2017	2,100	2,100	-
SMTN153	USD	11/10/2015	11/13/2018	05/12/2017	1,770	1,770	-
SMTN154	CHF	11/12/2015	11/12/2021	02/13/2017	4,497	4,497	-
SMTN157	CHF	11/12/2015	11/12/2021	02/13/2017	6,386	6,386	-
SMTN156	GBP	12/04/2015	12/06/2021	06/05/2017	586	586	-
SMTN168	EUR	12/23/2015	12/24/2019	06/26/2017	2,300	2,300	-
SMTN172	EUR	01/07/2016	01/07/2021	04/07/2017	1,000	1,000	-
SMTN169	USD	01/29/2016	01/31/2022	07/31/2017	1,131	1,131	-
SMTN170	GBP	01/29/2016	01/31/2022	07/31/2017	1,940	1,940	-
CNMV24	EUR	02/05/2016	02/05/2019	02/06/2017	5,000	5,000	-
CNMV27	EUR	02/22/2016	02/22/2018	08/04/2017	17,450	17,450	-
CNMV26	EUR	02/25/2016	02/25/2019	02/24/2017	4,475	4,475	-
CNMV23	EUR	03/11/2016	03/23/2021	03/23/2017	15,000	15,000	-
SMTN193	EUR	04/14/2016	07/14/2017	01/13/2017	1,000	1,000	-
CNMV33	EUR	04/27/2016	04/24/2019	04/27/2017	5,600	5,600	-
CNMV34	EUR	04/27/2016	04/24/2019	04/27/2017	1,300	1,300	-
CNMV38	EUR	04/29/2016	04/29/2021	04/28/2017	2,000	2,000	-
CNMV37	EUR	05/03/2016	05/03/2021	05/03/2017	4,000	4,000	-
SMTN197	USD	05/05/2016	05/05/2022	05/08/2017	1,305	1,305	-
SMTN195	GBP	05/19/2016	05/19/2022	05/19/2017	1,143	1,143	-
CNMV39	EUR	06/03/2016	06/03/2019	06/05/2017	6,200	6,200	-
CNMV43	EUR	06/03/2016	06/04/2018	06/05/2017	925	925	-
CNMV50	EUR	06/20/2016	06/20/2019	06/20/2017	1,000	1,000	-
SMTN201	GBP	06/24/2016	06/24/2022	06/26/2017	676	676	-

2017							
Detail of deposits / debt securities	Currency	Issuance date	Maturity date	Redemption date	Initial Value (Thousands of Euros)	Redemption Value (Thousands of Euros)	Final Value (Thousands of Euros)
CNMV46	EUR	07/01/2016	07/01/2019	07/03/2017	4,800	4,800	-
SMTN208	EUR	07/08/2016	07/04/2018	01/03/2017	575	575	-
SMTN209	USD	07/08/2016	07/12/2017	02/13/2017	443	443	-
CNMV53	EUR	07/12/2016	07/12/2021	07/12/2017	3,600	3,600	-
CNMV54	EUR	07/28/2016	07/29/2019	07/28/2017	4,300	4,300	-
SMTN215	USD	07/28/2016	07/28/2023	07/28/2017	606	606	-
SMTN205	GBP	07/29/2016	07/29/2022	07/31/2017	566	566	-
CNMV55	EUR	08/11/2016	08/11/2021	08/11/2017	3,350	3,350	-
SMTN206	EUR	08/12/2016	08/12/2019	02/13/2017	1,500	1,350	150
SMTN221	EUR	09/05/2016	08/25/2026	08/25/2017	1,300	1,300	-
SMTN226	USD	09/06/2016	09/06/2019	09/06/2017	885	885	-
SMTN229	CHF	09/27/2016	10/11/2022	01/11/2017	5,037	5,037	-
SMTN230	CHF	09/28/2016	10/12/2022	01/12/2017	10,344	10,344	-
SMTN231	GBP	09/28/2016	09/28/2022	09/28/2017	856	856	-
SMTN225	GBP	09/30/2016	09/30/2022	10/02/2017	1,702	1,702	-
SMTN234	EUR	10/11/2016	04/11/2018	01/11/2017	500	500	-
SMTN238	CHF	10/21/2016	11/04/2022	02/06/2017	1,799	1,799	-
SMTN239	USD	11/01/2016	11/01/2018	11/01/2017	443	443	-
SMTN240	USD	11/03/2016	05/03/2021	02/03/2017	885	885	-
SMTN233	EUR	11/04/2016	11/04/2019	05/04/2017	800	640	160
SMTN242	USD	11/07/2016	09/08/2019	05/08/2017	221	221	-
CNMV66	EUR	11/10/2016	11/08/2017	01/09/2017	5,000	5,000	-
SMTN248	USD	11/14/2016	11/14/2022	11/14/2017	483	483	-
SMTN252	USD	11/14/2016	11/14/2017	11/14/2017	708	708	-
CNMV68	EUR	11/16/2016	11/18/2019	02/16/2017	3,000	3,000	-
SMTN251	CHF	11/18/2016	12/02/2022	03/02/2017	8,995	8,995	-
CNMV70	EUR	11/23/2016	05/23/2018	05/23/2017	5,000	5,000	-
SMTN265	USD	12/02/2016	12/03/2018	03/06/2017	1,960	1,960	-
SMTN246	USD	12/05/2016	12/05/2022	12/05/2017	522	522	-
SMTN247	GBP	12/05/2016	12/05/2022	12/05/2017	433	433	-
CNMV73	EUR	12/12/2016	12/12/2017	01/12/2017	5,000	5,000	-
CNMV74	EUR	12/12/2016	12/12/2017	01/12/2017	5,000	5,000	-
SMTN266	USD	12/12/2016	12/19/2022	03/20/2017	4,426	4,426	-
SMTN270	USD	12/14/2016	12/14/2018	03/14/2017	864	864	-
SMTN267	EUR	12/14/2016	12/14/2017	04/13/2017	1,000	1,000	-
CNMV75	EUR	12/19/2016	12/19/2017	01/19/2017	5,000	5,000	-
SMTN256	USD	12/21/2016	12/21/2022	12/21/2017	616	616	-
SMTN269	PEN	12/21/2016	12/21/2019	10/20/2017	14,702	10,322	4,380
CNMV76	EUR	12/22/2016	12/22/2017	01/23/2017	5,000	5,000	-
SMTN255	GBP	12/28/2016	12/28/2022	12/28/2017	1,089	1,089	-
SMTN271	USD	12/29/2016	07/01/2021	03/31/2017	885	885	-
SMTN272	USD	12/30/2016	06/29/2018	09/29/2017	1,172	1,172	-
SMTN273	USD	01/03/2017	01/02/2019	07/03/2017	1,202	1,202	-
SMTN275	USD	01/04/2017	01/03/2019	07/05/2017	1,801	1,801	-
SMTN274	USD	01/04/2017	07/05/2018	10/05/2017	1,505	1,505	-
CNMV81	EUR	01/09/2017	01/09/2018	02/09/2017	10,000	10,000	-
CNMV78	EUR	01/10/2017	01/10/2018	02/10/2017	3,000	3,000	-
SMTN279	CHF	01/13/2017	01/31/2023	04/28/2017	8,995	8,995	-

2017							
Detail of deposits / debt securities	Currency	Issuance date	Maturity date	Redemption date	Initial Value (Thousands of Euros)	Redemption Value (Thousands of Euros)	Final Value (Thousands of Euros)
SMTN280	EUR	01/16/2017	01/19/2020	04/18/2017	1,000	1,000	-
CNMV83	EUR	01/17/2017	01/17/2018	03/17/2017	5,000	5,000	-
SMTN277	EUR	01/17/2017	01/17/2022	04/18/2017	1,100	1,100	-
CNMV82	EUR	01/19/2017	01/22/2018	05/20/2017	10,000	10,000	-
SMTN283	CHF	01/20/2017	02/03/2023	05/03/2017	8,995	8,995	-
SMTN291	CHF	01/31/2017	02/14/2023	05/15/2017	4,497	4,497	-
SMTN293	USD	01/31/2017	001/24/2019	10/24/2017	451	451	-
SMTN292	USD	01/31/2017	07/31/2018	10/31/2017	1,018	1,018	-
SMTN294	USD	02/03/2017	02/17/2023	05/17/2017	8,852	8,852	-
SMTN301	EUR	02/06/2017	02/06/2023	05/08/2017	775	775	-
CNMV86	EUR	02/13/2017	02/13/2018	03/13/2017	10,000	10,000	-
SMTN300	COP	02/15/2017	02/15/2020	07/27/2017	14,696	10,650	4,046
SMTN303	EUR	02/16/2017	02/17/2020	05/16/2017	1,000	1,000	-
CNMV85	EUR	02/20/2017	02/20/2018	12/15/2017	10,000	10,000	-
SMTN310	CHF	02/21/2017	03/07/2023	06/07/2017	4,497	4,497	-
SMTN304	CHF	02/23/2017	03/09/2023	06/09/2017	7,376	7,376	-
SMTN305	CHF	02/23/2017	03/09/2023	06/09/2017	2,249	2,249	-
SMTN312	USD	03/02/2017	08/29/2019	08/29/2017	1,903	1,903	-
SMTN313	EUR	03/02/2017	08/31/2020	08/29/2017	700	700	-
CNMV87	EUR	03/08/2017	03/08/2018	08/04/2017	1,500	1,500	-
SMTN317	USD	03/08/2017	03/09/2020	09/08/2017	437	354	83
SMTN320	CHF	03/10/2017	03/27/2023	06/27/2017	5,847	5,847	-
SMTN319	USD	03/10/2017	03/10/2022	12/14/2017	3,062	2,479	583
CNMV90	EUR	03/15/2017	03/15/2018	04/18/2017	10,000	10,000	-
SMTN326	CHF	03/20/2017	03/04/2023	07/03/2017	3,598	3,598	-
CNMV93	EUR	03/21/2017	03/21/2018	04/21/2017	5,000	5,000	-
SMTN329	USD	03/27/2017	04/11/2023	07/12/2017	5,754	5,754	-
SMTN302	EUR	03/31/2017	03/31/2020	09/29/2017	2,500	2,000	500
SMTN330	EUR	04/07/2017	04/07/2022	07/07/2017	2,000	2,000	-
SMTN333	USD	04/10/2017	10/10/2018	10/10/2017	1,151	1,151	-
SMTN338	USD	04/19/2017	04/19/2018	07/19/2017	1,664	1,664	-
SMTN336	USD	04/19/2017	10/19/2018	10/19/2017	752	752	-
SMTN339	USD	04/21/2017	04/21/2020	07/24/2017	820	820	-
SMTN340	CHF	04/27/2017	05/08/2023	08/10/2017	8,995	8,995	-
SMTN343	CHF	05/03/2017	05/17/2023	08/17/2017	8,995	8,995	-
SMTN346	EUR	05/05/2017	05/07/2018	09/07/2017	900	900	-
SMTN347	USD	05/10/2017	05/10/2018	11/10/2017	2,567	2,567	-
SMTN351	USD	05/17/2017	05/17/2018	08/17/2017	2,213	2,213	-
SMTN361	CHF	05/26/2017	06/16/2023	09/18/2017	6,296	6,296	-
SMTN357	CHF	06/01/2017	06/21/2023	09/21/2017	8,995	8,995	-
SMTN360	EUR	06/02/2017	06/02/2020	12/04/2017	2,420	2,420	-
SMTN362	EUR	06/07/2017	06/08/2020	09/07/2017	1,000	1,000	-
SMTN370	USD	06/07/2017	06/08/2020	12/07/2017	1,706	1,381	325
SMTN371	CHF	06/08/2017	06/29/2023	09/29/2017	4,947	4,947	-
SMTN369	EUR	06/09/2017	06/09/2020	12/11/2017	800	800	-
SMTN376	USD	06/13/2017	07/05/2023	10/05/2017	8,852	8,852	-
SMTN378	EUR	06/15/2017	06/15/2023	12/15/2017	600	600	-
SMTN379	CHF	06/20/2017	07/11/2023	10/11/2017	3,598	3,598	-

2017							
Detail of deposits / debt securities	Currency	Issuance date	Maturity date	Redemption date	Initial Value (Thousands of Euros)	Redemption Value (Thousands of Euros)	Final Value (Thousands of Euros)
SMTN380	CHF	06/20/2017	07/11/2023	10/11/2017	8,995	8,995	-
SMTN381	CHF	06/20/2017	07/11/2023	10/11/2017	2,698	2,698	-
SMTN382	CHF	06/20/2017	07/11/2023	10/11/2017	4,497	4,497	-
SMTN384	CHF	06/27/2017	07/14/2023	10/16/2017	2,968	2,968	-
SMTN344	EUR	06/30/2017	06/30/2020	12/29/2017	2,500	2,000	500
SMTN386	CHF	06/30/2017	07/18/2023	10/18/2017	2,878	2,878	-
SMTN397	USD	07/05/2017	07/05/2018	10/04/2017	1,009	1,009	-
SMTN399	CHF	07/05/2017	07/26/2023	10/26/2017	5,307	5,307	-
SMTN398	EUR	07/05/2017	12/29/2017	12/29/2017	2,000	2,000	-
SMTN393	AUD	07/06/2017	07/08/2019	10/06/2017	888	888	-
SMTN409	USD	07/13/2017	07/13/2022	10/13/2017	8,852	8,852	-
SMTN408	USD	07/13/2017	08/03/2023	11/03/2017	1,328	1,328	-
SMTN403	USD	07/14/2017	07/14/2025	10/16/2017	575	575	-
SMTN414	USD	07/18/2017	01/25/2019	10/25/2017	930	930	-
SMTN416	USD	08/01/2017	08/03/2018	08/14/2017	1,546	1,546	-
SMTN415	USD	08/02/2017	08/02/2022	11/02/2017	885	885	-
SMTN423	USD	08/07/2017	07/24/2020	09/12/2017	443	443	-
CNMV112	EUR	08/07/2017	11/07/2017	11/07/2017	11,000	11,000	-
SMTN425	USD	08/09/2017	08/01/2018	11/01/2017	968	968	-
SMTN427	EUR	08/09/2017	08/02/2022	11/02/2017	3,000	3,000	-
SMTN431	EUR	08/22/2017	08/22/2022	11/22/2017	3,000	3,000	-
SMTN432	USD	08/24/2017	02/19/2019	11/17/2017	583	583	-
SMTN433	USD	08/24/2017	08/17/2018	11/17/2017	716	716	-
SMTN442	CHF	08/28/2017	09/18/2023	12/18/2017	8,995	8,995	-
SMTN445	USD	08/29/2017	08/29/2018	11/30/2017	976	976	-
SMTN449	CHF	09/05/2017	09/26/2023	12/27/2017	8,995	8,995	-
SMTN450	CHF	09/05/2017	09/26/2023	12/27/2017	13,492	13,492	-
SMTN446	USD	09/07/2017	09/07/2020	12/29/2017	443	443	-
SMTN461	GBP	09/25/2017	09/25/2023	10/24/2017	8,784	8,784	-
SMTN514	USD	11/20/2017	11/20/2020	12/20/2017	443	443	-
<b>Total</b>					<b>569,760</b>	<b>(551,293)</b>	<b>18,467</b>

2016							
Detail of deposits / debt securities	Currency	Issuance date	Maturity date	Redemption date	Initial Value (Thousands of Euros)	Redemption Value (Thousands of Euros)	Final Value (Thousands of Euros)
SMTN21	USD	12/17/2010	12/17/2040	12/19/2016	47,434	47,434	-
SMTN22	USD	12/23/2010	12/23/2040	12/23/2016	47,434	47,434	-
SMTN52	USD	02/14/2013	03/20/2018	04/28/2016	13,281	569	12,712
SMTN54	EUR	03/06/2013	03/06/2025	04/06/2016	5,000	5,000	-
SMTN55	EUR	03/06/2013	03/06/2020	04/06/2016	5,000	5,000	-
SMTN71	USD	08/07/2013	06/20/2018	04/28/2016	1,186	806	379
SMTN74	EUR	09/09/2013	09/20/2018	04/20/2016	1,000	1,000	-
SMTN83	EUR	10/21/2013	12/20/2018	03/23/2016	10,000	9,600	400
SMTN91	EUR	12/12/2013	12/12/2018	05/13/2016	1,075	1,075	-

2016							
Detail of deposits / debt securities	Currency	Issuance date	Maturity date	Redemption date	Initial Value (Thousands of Euros)	Redemption Value (Thousands of Euros)	Final Value (Thousands of Euros)
SMTN94	USD	01/24/2014	03/20/2017	04/20/2016	5,692	901	4,791
SMTN129	USD	05/14/2015	05/14/2025	02/16/2016	23,717	23,717	-
SMTN130	USD	05/22/2015	05/22/2025	02/22/2016	23,717	23,717	-
CNMV7	EUR	06/10/2015	06/10/2018	06/10/2016	1,000	900	100
SMTN131	USD	06/24/2015	06/24/2045	06/24/2016	18,974	18,974	-
SMTN132	USD	07/03/2015	06/20/2020	04/20/2016	12,546	1,238	11,308
SMTN133	EUR	07/03/2015	06/20/2020	04/20/2016	5,740	550	5,190
SMTN137	USD	07/23/2015	07/23/2045	07/25/2016	28,460	28,460	-
SMTN140	USD	10/05/2015	10/05/2025	07/05/2016	23,717	23,717	-
SMTN141	USD	10/07/2015	10/07/2025	07/07/2016	23,717	23,717	-
CNMV11	EUR	10/27/2015	10/29/2018	10/27/2016	12,000	12,000	-
SMTN145	USD	10/28/2015	10/28/2025	07/28/2016	23,717	23,717	-
SMTN150	USD	11/09/2015	05/11/2017	05/10/2016	949	949	-
SMTN151	USD	11/09/2015	05/11/2017	08/09/2016	949	949	-
SMTN155	CHF	11/12/2015	11/12/2021	02/12/2016	2,328	2,328	-
SMTN159	CHF	11/27/2015	11/29/2021	08/29/2016	4,935	4,935	-
CNMV15	EUR	12/02/2015	12/02/2020	09/02/2016	1,275	1,275	-
SMTN167	CHF	12/14/2015	12/17/2021	03/17/2016	2,794	2,794	-
CNMV16	EUR	12/30/2015	12/28/2018	12/30/2016	5,300	5,300	-
CNMV17	EUR	12/30/2015	12/28/2018	12/30/2016	4,000	4,000	-
CNMV21	EUR	12/30/2015	12/30/2020	12/30/2016	3,000	3,000	-
SMTN173	CHF	12/31/2015	12/31/2021	04/04/2016	2,328	2,328	-
SMTN174	CHF	12/31/2015	12/31/2021	04/04/2016	6,705	6,705	-
SMTN175	CHF	01/22/2016	01/24/2022	04/22/2016	4,656	4,656	-
SMTN177	EUR	02/05/2016	02/13/2017	09/12/2016	1,000	1,000	-
CNMV29	EUR	02/23/2016	02/22/2019	05/23/2016	1,100	1,100	-
SMTN179	GBP	03/11/2016	03/11/2022	09/12/2016	748	748	-
SMTN180	USD	03/11/2016	03/12/2022	09/12/2016	577	577	-
SMTN189	CHF	04/04/2016	04/01/2022	07/04/2016	2,514	2,514	-
SMTN190	CHF	04/04/2016	04/01/2022	07/04/2016	6,705	6,705	-
SMTN191	CHF	04/05/2016	04/05/2022	07/05/2016	1,862	1,862	-
SMTN192	CHF	04/05/2016	04/05/2022	07/05/2016	6,891	6,891	-
SMTN183	GBP	04/15/2016	04/15/2022	10/18/2016	703	703	-
SMTN184	USD	04/15/2016	04/15/2022	10/18/2016	474	474	-
SMTN194	CHF	04/19/2016	04/19/2022	07/19/2016	1,862	1,862	-
SMTN198	USD	05/12/2016	05/12/2020	08/12/2016	949	949	-
SMTN199	CHF	05/17/2016	05/16/2022	08/16/2016	9,312	9,312	-
CNMV40	EUR	05/18/2016	11/20/2017	11/18/2016	5,000	5,000	-
SMTN202	CHF	06/13/2016	06/16/2022	09/16/2016	4,656	4,656	-
CNMV45	EUR	06/21/2016	06/21/2021	12/20/2016	3,000	3,000	-
CNMV48	EUR	06/23/2016	03/23/2017	07/25/2016	5,000	5,000	-
SMTN203	CHF	06/28/2016	06/28/2022	09/28/2016	9,312	9,312	-
SMTN204	EUR	07/01/2016	07/03/2017	11/07/2016	950	950	-
SMTN211	USD	07/08/2016	07/08/2017	09/28/2016	5,692	5,692	-
SMTN213	CHF	07/22/2016	07/20/2022	10/20/2016	3,725	3,725	-



2016							
Detail of deposits / debt securities	Currency	Issuance date	Maturity date	Redemption date	Initial Value (Thousands of Euros)	Redemption Value (Thousands of Euros)	Final Value (Thousands of Euros)
CNMV56	EUR	08/04/2016	05/04/2017	09/05/2016	5,000	5,000	-
SMTN217	USD	08/10/2016	08/10/2020	11/10/2016	949	949	-
SMTN219	CHF	08/16/2016	08/16/2022	11/16/2016	8,381	8,381	-
SMTN222	CHF	08/29/2016	08/31/2022	11/30/2016	4,656	4,656	-
CNMV58	EUR	09/05/2016	06/19/2017	10/19/2016	5,000	5,000	-
SMTN224	CHF	09/06/2016	09/06/2022	12/06/2016	9,312	9,312	-
CNMV59	EUR	09/08/2016	06/08/2017	10/10/2016	5,000	5,000	-
CNMV60	EUR	09/09/2016	06/09/2017	12/09/2016	5,000	5,000	-
CNMV61	EUR	10/10/2016	10/08/2017	11/08/2016	5,000	5,000	-
CNMV63	EUR	10/19/2016	10/10/2017	11/21/2016	5,000	5,000	-
CNMV67	EUR	11/11/2016	11/11/2017	12/12/2016	5,000	5,000	-
CNMV69	EUR	11/16/2016	11/19/2017	12/16/2016	5,000	5,000	-
CNMV71	EUR	11/21/2016	11/21/2017	12/21/2016	5,000	5,000	-
<b>Total</b>					<b>513,956</b>	<b>(479,075)</b>	<b>34,880</b>

The interest generated for the Company by all of the deposits placed at Banco Bilbao Vizcaya Argentaria, S.A. in 2017 and 2016 amounted to EUR 74,951 thousand and EUR 56,801 thousand, respectively, and was recorded under the heading "Interest income and similar income" in the accompanying statements of comprehensive income.

The amount of the accrued uncollected interests on the aforementioned deposits as of December 31<sup>st</sup>, 2017 and 2016 totalled EUR 93,102 thousand and EUR 68,925 thousand, respectively, and was recognized under the heading "Interest receivable from Parent" in the accompanying statements of financial position.

The average interest rate received from deposits held in banks is 3.26% and 2.94% for the year ended December 31<sup>st</sup>, 2017 and 2016, respectively.

Additionally, the detail of the deposits, both placed and matured during 2017 and 2016 is as follows:

2017				
Deposits / Debt securities issued and matured during 2017	Currency	Issuance date	Maturity date	Nominal Amount (Thousands of Euros)
CNMV84	EUR	02/14/17	05/16/17	7,500
CNMV102	EUR	06/12/17	09/12/17	11,000
SMTN366	EUR	06/05/17	12/29/17	3,000
SMTN390	EUR	28/06/17	12/29/17	2,000
SMTN398	EUR	07/05/17	12/29/17	2,000
<b>Total deposits/debt securities issued and matured during 2017</b>				<b>25,500</b>

2016				
Deposits / Debt securities issued and matured during 2016	Currency	Issuance date	Maturity date	Nominal Amount (Thousands of Euros)
CNMV25	EUR	02/11/2016	05/16/2016	3,000
CNMV30	EUR	02/26/2016	05/26/2016	3,000
CNMV44	EUR	06/20/2016	09/19/2016	3,500
Total deposits/debt securities issued and matured during 2016				9,500

## **10. Derivatives**

Certain Company's issues include embedded derivatives, which are unbundled and recognized separately from the issue to which they are tied initially, pursuant to International Accounting Standard 39 "Financial Instruments: Recognition and Measurement". The Company uses the funds raised from these issues to make a deposit with Banco Bilbao Vizcaya Argentaria, S.A. linked to a financial derivative with the same terms but with the opposite sign to the related issue. Each option is being hedged with another option with the same critical terms, so there is no mismatching.

On December 21<sup>st</sup>, 2011 the Company approved the establishment of a EUR 2,000,000,000 programme for the issuance, offer and sale from time to time of warrants by and between the Company as issuer and Banco Bilbao Vizcaya Argentaria, S.A. as guarantor in respect of warrants to be issued by the Company. The obligations of the Company in respect of the warrants will be unconditionally and irrevocably guaranteed by the Guarantor. The issuer performed the last technical update of this programme on April 14<sup>th</sup>, 2017.

On April 22<sup>nd</sup>, 2015, the Company issued under this programme, a long-term warrant. Its fair value amounted as of December 31<sup>st</sup>, 2016 was EUR 2 thousand listed on the Irish Stock Exchange, and it is hedged with a securities option with the opposite sign. As of December 31<sup>st</sup>, 2017, the Company haven't any warrant registered on the balance sheet.

The balance of this heading in the accompanying statements of financial position as of December 31<sup>st</sup>, 2017 and 2016 includes the amount of credit default swaps, securities options and interest rate and equity derivatives. The detail of derivatives, associated to deposits and debt securities, is as follows:

Derivatives associated to deposits	Thousands of Euros	
	2017	2016
CDS (Credit default swaps)	30,923	11,136
Securities Options	84,269	34,147
Interest rate and Equity Derivatives	28,735	-
Currency Options	-	66
<b>Total</b>	<b>143,927</b>	<b>45,349</b>

Derivatives associated to debt securities	Thousands of Euros	
	2017	2016
CDS (Credit default swaps)	30,923	11,136
Securities Options	84,269	34,147
Interest rate and Equity Derivatives	28,735	-
Currency Options	-	66
<b>Total</b>	<b>143,927</b>	<b>45,349</b>

As of December 31<sup>st</sup>, 2017 and 2016, the Company had 94 and 56 credit default swaps, respectively, associated to deposits and debt securities issued. The detail of the net fair value regarding these credit default swaps is as follows:

CDS associated to deposits	Thousands of Euros	
	2017	2016
Positive fair value	26,047	9,962
Negative fair value	(4,876)	(1,174)
<b>Net fair value</b>	<b>21,171</b>	<b>8,788</b>

CDS associated to debt securities	Thousands of Euros	
	2017	2016
Positive fair value	4,876	1,174
Negative fair value	(26,047)	(9,962)
<b>Net fair value</b>	<b>(21,171)</b>	<b>(8,788)</b>

Additionally, as of December 31<sup>st</sup>, 2017 and 2016, the Company had 257 and 136 securities options, respectively, associated to deposits and debt securities issued. The detail of the net fair value regarding these securities options is as follows:

Securities options associated to deposits	Thousands of Euros	
	2017	2016
Positive fair value	72,145	23,617
Negative fair value	(12,124)	(10,530)
<b>Net fair value</b>	<b>60,021</b>	<b>13,087</b>

Securities options associated to debt instruments	Thousands of Euros	
	2017	2016
Positive fair value	12,124	10,530
Negative fair value	(72,145)	(23,617)
<b>Net fair value</b>	<b>(60,021)</b>	<b>(13,087)</b>

As of December 31<sup>st</sup> 2016, the Company had 8 currency options associated to deposits and debt securities issued. The fair value regarding these currency options associated to deposits amounted to EUR 64 thousand negative, respectively, whereas fair value for currency options associated to debt securities issued shows the opposite sign.

Additionally, as of December 31<sup>st</sup>, 2017, the Company had 43 interest rate derivatives associated to deposits and debt securities issued. The detail of the net fair value regarding these securities options is as follows:

Interest Rate and equity derivatives associated to deposits	Thousands of Euros
	2017
Positive fair value	1,838
Negative fair value	(26,897)
<b>Net fair value</b>	<b>(25,059)</b>

Interest Rate and equity derivatives associated to debt securities	Thousands of Euros
	2017
Positive fair value	26,897
Negative fair value	(1,838)
<b>Net fair value</b>	<b>25,059</b>

As of December 31<sup>st</sup>, 2017, the Company had options for equities and index equities all with BBVA Group, which notional amounts were as follows:

Thousands of Euros	Maturity				
	2018	2019	2020	After 2021	Total
Buy contracts	162,070	236,114	198,278	948,291	<b>1,544,753</b>
Sell contracts	162,070	236,114	198,278	948,291	<b>1,544,753</b>

As of December 31<sup>st</sup>, 2016, the Company had options for equities and index equities all with BBVA Group, which notional amounts were as follows:

Thousands of Euros	Maturity				
	2017	2018	2019	After 2020	Total
Buy contracts	107,894	157,216	54,936	364,515	<b>684,561</b>
Sell contracts	107,894	157,216	54,936	364,515	<b>684,561</b>

During 2017 and 2016, the net embedded options and the warrants pricing variance were as follows:

Thousands of Euros	2017		
	Deposits (*)	Issues (*)	Warrants
Interest income and similar income	75,055	50,481	1
Interest expense and similar expenses	(50,482)	(75,055)	-
<b>Net Profit / (Loss)</b>	<b>24,573</b>	<b>(24,574)</b>	<b>1</b>

(\*) The options pricing variance difference between deposits and issues in 2017 emerges in the pricing variance of the 1 options associated to the warrants (EUR 1 thousand loss).

Thousands of Euros	2016		
	Deposits (*)	Issues (*)	Warrants
Interest income and similar income	30,022	14,460	38
Interest expense and similar expenses	(14,497)	(30,022)	-
<b>Net Profit / (Loss)</b>	<b>15,525</b>	<b>(15,562)</b>	<b>38</b>

(\*) The options pricing variance difference between deposits and issues in 2016 emerges in the pricing variance of the 1 options associated to the warrants (EUR 38 thousand loss).

Within the assessment and in compliance with IFRS 7, the Company classifies the derivatives as Level 2 and Level 3, being the fair value determined by valuation techniques using, or not (Level 3), inputs drawn from market observable data. The Company uses a valuation methodology based on the use of techniques and valuation models widely accepted on the market (Black & Scholes, Montecarlo, discounted cash flows). The main inputs considered in the valuation are the following:

- Curves interest rate (Euribor, Libor).
- Exchange rates published by the ECB.
- Credit spread of the issuer
- Exchange brokers and market prices.

## **11. Debt securities issued**

On November 10<sup>th</sup>, 2009 the Company's Board of Directors approved a Structured Medium Term Note Programme targeted to international investors (hereinafter, "SMTN Programme") to issue notes, denominated in any currency, up to an aggregated amount of EUR 2,000,000 thousand which was increased to EUR 4,000,000 thousand in 2017. The issuer performed the last update of the Programme on July 21<sup>st</sup>, 2017 (hereinafter, "SMTN Programme update").

On March 12<sup>th</sup>, 2015 the Company's Board of Directors approved a Structured Medium Term Note Programme targeted to Spanish investors (hereinafter, "CNMV Programme") to issue notes, denominated in any currency, up to an aggregated amount of EUR 2,000,000 thousand. The issuer performed the last update of the Programme on April 18<sup>th</sup>, 2017 (hereinafter, "CNMV Programme update").

As of December 31<sup>st</sup>, 2017 and 2016, under the programmes mentioned above, the Company had the following outstanding issues:

Issues as of December 31, 2017:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
SMTN9	USD	10/26/2010	10/26/2040	125,073
SMTN42	EUR	03/30/2012	03/28/2022	33,249
SMTN48	USD	11/29/2012	11/29/2042	6,467
SMTN46	USD	11/30/2012	11/30/2042	5,198
SMTN47	USD	11/30/2012	11/30/2042	6,466
SMTN49	EUR	12/27/2012	12/28/2020	3,000
SMTN50	EUR	04/30/2013	04/30/2021	2,000
SMTN62	EUR	05/10/2013	06/20/2023	2,000
SMTN60	EUR	06/18/2013	06/18/2021	3,000
SMTN78	EUR	09/23/2013	09/20/2019	700
SMTN85	EUR	12/27/2013	12/27/2021	4,400
SMTN92	EUR	02/07/2014	02/07/2019	1,000
SMTN98	USD	02/07/2014	02/07/2019	412
SMTN93	EUR	03/28/2014	03/28/2022	2,000
SMTN99	EUR	04/04/2014	04/04/2019	1,000
SMTN101	EUR	04/24/2014	04/26/2019	18,000
SMTN102	EUR	06/13/2014	06/13/2019	1,595
SMTN110	USD	07/08/2014	07/08/2019	1,071
SMTN108	EUR	08/08/2014	08/08/2019	498
SMTN114	EUR	10/10/2014	10/10/2019	886
SMTN125	EUR	05/04/2015	05/20/2025	2,000
CNMV6	EUR	06/02/2015	06/02/2020	15,000
SMTN134	EUR	06/30/2015	06/20/2020	2,150
SMTN132	USD	07/03/2015	06/20/2020	9,939
SMTN133	EUR	07/03/2015	06/20/2020	4,090
SMTN136	EUR	07/06/2015	07/06/2022	10,000
CNMV8	EUR	07/31/2015	07/30/2020	9,950
SMTN144	EUR	10/19/2015	10/19/2035	5,000
SMTN149	USD	11/06/2015	12/20/2020	938
SMTN146	USD	11/09/2015	11/09/2025	20,846
SMTN147	USD	11/09/2015	11/09/2025	20,846
SMTN148	USD	11/09/2015	11/09/2025	20,846
SMTN142	EUR	11/20/2015	11/20/2023	1,400
SMTN160	USD	11/27/2015	11/29/2021	1,657
SMTN164	USD	12/07/2015	01/10/2020	1,734
SMTN161	USD	12/08/2015	12/08/2025	20,845
SMTN165	USD	12/08/2015	12/08/2020	1,034
CNMV18 - PP	EUR	12/18/2015	12/18/2035	5,000
CNMV19 - PP	EUR	12/18/2015	12/18/2035	1,500
CNMV13	EUR	12/18/2015	12/18/2020	5,966
SMTN171	EUR	12/22/2015	12/20/2020	2,904
SMTN166	USD	12/23/2015	12/23/2025	20,845
SMTN158	EUR	12/28/2015	12/28/2023	1,760
CNMV20 - PP	EUR	01/04/2016	01/04/2036	999

Issues as of December 31, 2017:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
CNMV22 - PP	EUR	01/04/2016	01/04/2036	3,999
SMTN176	USD	02/09/2016	02/09/2026	20,846
CNMV28 - PP	EUR	02/11/2016	02/11/2036	2,999
SMTN182	USD	03/28/2016	03/28/2026	20,845
SMTN185	USD	03/30/2016	03/30/2026	20,845
SMTN181	GBP	03/31/2016	03/31/2022	584
CNMV32	EUR	04/04/2016	06/20/2021	20,000
SMTN187	USD	04/06/2016	04/06/2026	20,846
SMTN188	USD	04/06/2016	04/06/2026	20,846
CNMV32 T-2	EUR	04/19/2016	06/20/2021	30,011
CNMV36	EUR	05/09/2016	05/09/2022	14,125
SMTN200	COP	05/27/2016	05/27/2021	1,323
SMTN196	EUR	05/31/2016	05/31/2021	800
CNMV41	EUR	06/09/2016	06/09/2022	7,925
SMTN186	EUR	06/17/2016	06/17/2024	1,000
CNMV47	EUR	06/20/2016	06/20/2021	5,000
CNMV49	EUR	06/22/2016	06/20/2021	1,600
CNMV52	EUR	06/29/2016	06/20/2026	5,000
CNMV51	EUR	06/29/2016	09/20/2026	5,000
SMTN207	GBP	08/05/2016	08/05/2022	567
SMTN216	USD	08/10/2016	10/10/2046	62,537
SMTN206	EUR	08/12/2016	08/12/2019	150
SMTN212	EUR	09/09/2016	09/09/2021	2,126
CNMV57	EUR	10/18/2016	10/18/2021	40,000
SMTN236	COP	10/19/2016	10/19/2026	2,511
CNMV62 - PP	EUR	11/02/2016	11/02/2036	999
SMTN241	USD	11/03/2016	01/07/2027	834
SMTN233	EUR	11/04/2016	11/04/2019	160
SMTN228	GBP	11/07/2016	11/07/2022	558
CNMV32 T-3	EUR	11/08/2016	06/20/2021	5,068
SMTN227	EUR	11/11/2016	11/11/2021	1,098
SMTN223	EUR	11/11/2016	11/11/2021	1,668
SMTN245	USD	11/14/2016	01/11/2022	834
CNMV65	EUR	11/16/2016	01/06/2027	2,000
SMTN243	USD	11/16/2016	11/16/2046	62,537
SMTN250	CHF	11/17/2016	01/10/2022	1,307
SMTN244	USD	11/18/2016	11/18/2046	62,537
CNMV64	EUR	11/22/2016	01/07/2022	5,000
SMTN253	USD	11/23/2016	01/11/2022	834
SMTN254	USD	11/23/2016	01/11/2022	834
SMTN258	USD	12/06/2016	12/06/2026	20,845
SMTN260	USD	12/07/2016	01/11/2022	1,126
SMTN261	USD	12/07/2016	01/11/2022	1,001
SMTN262	USD	12/07/2016	01/11/2022	792
SMTN263	USD	12/07/2016	01/11/2022	709
SMTN264	EUR	12/07/2016	01/11/2022	650
SMTN259	EUR	12/14/2016	12/14/2021	1,500

Issues as of December 31, 2017:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
SMTN268	USD	12/20/2016	01/11/2022	1,376
SMTN269	PEN	12/21/2016	12/21/2019	4,380
SMTN249	EUR	12/30/2016	12/30/2021	1,033
CNMV77	EUR	01/10/2017	01/10/2022	5,000
CNMV80	EUR	01/10/2017	01/10/2025	951
SMTN278	USD	01/12/2017	01/14/2019	834
CNMV79	EUR	01/13/2017	01/11/2027	999
SMTN276	EUR	01/13/2017	01/11/2027	1,000
SMTN281	USD	01/20/2017	01/20/2047	83,382
SMTN282	USD	01/20/2017	01/20/2047	83,382
SMTN285	USD	01/24/2017	01/24/2047	54,198
SMTN288	USD	01/24/2017	01/24/2022	417
SMTN289	EUR	01/26/2017	01/10/2022	992
SMTN290	EUR	01/27/2017	01/11/2027	750
SMTN295	COP	02/06/2017	02/06/2022	18,074
SMTN297	USD	02/09/2017	02/09/2022	834
SMTN300	COP	02/15/2017	02/15/2020	4,046
SMTN298	USD	02/16/2017	01/10/2022	792
SMTN299	EUR	02/16/2017	01/10/2022	630
SMTN286	USD	02/24/2017	02/24/2023	819
SMTN287	GBP	02/24/2017	02/24/2023	560
SMTN306	GBP	02/28/2017	02/28/2023	782
SMTN307	USD	02/28/2017	02/28/2023	331
SMTN284	GBP	03/01/2017	03/01/2023	1,343
SMTN318	USD	03/06/2017	03/09/2020	18,522
SMTN317	USD	03/08/2017	03/09/2020	83
SMTN319	USD	03/10/2017	03/10/2022	584
CNMV88	EUR	03/14/2017	03/14/2022	998
SMTN321	USD	03/20/2017	01/10/2022	667
SMTN296	GBP	03/20/2017	03/20/2023	848
SMTN322	EUR	03/21/2017	01/10/2022	2,782
SMTN324	EUR	03/21/2017	01/10/2022	1,000
SMTN323	EUR	03/22/2017	03/22/2022	883
CNMV92	EUR	03/24/2017	07/10/2027	1,999
SMTN327	USD	03/27/2017	01/10/2022	459
SMTN315	USD	03/28/2017	03/28/2023	1,600
CNMV91	EUR	03/29/2017	01/10/2020	1,125
CNMV94	EUR	03/29/2017	01/11/2027	999
SMTN328	EUR	03/31/2017	03/31/2022	1,190
SMTN302	EUR	03/31/2017	03/31/2020	500
SMTN311	GBP	04/06/2017	04/06/2022	610
SMTN308	USD	04/07/2017	04/11/2023	481
SMTN309	GBP	04/07/2017	04/11/2023	582
SMTN334	USD	04/18/2017	07/10/2023	1,647
SMTN314	GBP	04/20/2017	04/20/2023	1,436
CNMV97	EUR	04/27/2017	07/10/2022	1,250
SMTN337	EUR	04/27/2017	07/10/2022	1,000



Issues as of December 31, 2017:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
SMTN341	COP	04/27/2017	04/24/2022	3,906
CNMV96	EUR	04/28/2017	04/28/2023	10,000
SMTN342	USD	05/02/2017	07/10/2022	936
SMTN345	USD	05/08/2017	07/11/2022	1,668
CNMV95	EUR	05/15/2017	05/15/2020	2,375
SMTN348	EUR	05/18/2017	05/18/2022	1,264
SMTN331	GBP	05/25/2017	05/25/2023	1,435
SMTN332	USD	05/25/2017	05/25/2023	413
CNMV89	EUR	05/26/2017	05/26/2025	49,549
SMTN353	USD	05/30/2017	07/11/2022	775
SMTN352	USD	05/31/2017	05/31/2023	920
SMTN358	USD	05/31/2017	07/11/2022	2,016
SMTN359	EUR	06/02/2017	06/02/2020	1,091
SMTN354	GBP	06/02/2017	06/03/2024	558
SMTN363	USD	06/05/2017	07/11/2022	1,289
SMTN364	USD	06/05/2017	07/11/2022	1,289
SMTN370	USD	06/07/2017	06/08/2020	325
SMTN367	USD	06/07/2017	06/07/2022	689
SMTN368	USD	06/08/2017	06/30/2022	625
CNMV101	EUR	06/08/2017	07/10/2020	1,149
SMTN365	EUR	06/08/2017	07/10/2020	2,575
CNMV103	EUR	06/09/2017	06/09/2022	14,998
SMTN372	USD	06/14/2017	07/10/2020	2,043
SMTN374	USD	06/16/2017	06/16/2022	826
SMTN375	EUR	06/16/2017	06/16/2022	496
SMTN377	COP	06/22/2017	06/22/2022	16,193
CNMV104	EUR	06/23/2017	07/10/2027	499
SMTN290 T2	EUR	06/23/2017	01/11/2027	300
SMTN385	USD	06/28/2017	06/28/2019	554
SMTN388	COP	06/29/2017	06/29/2022	4,185
SMTN344	EUR	06/30/2017	06/30/2020	500
SMTN383	USD	07/03/2017	07/03/2047	41,691
CNMV107	EUR	07/06/2017	06/29/2023	1,324
SMTN355	GBP	07/07/2017	07/07/2023	1,648
SMTN356	USD	07/07/2017	07/07/2023	436
SMTN391	USD	07/10/2017	07/12/2021	2,501
SMTN392	USD	07/10/2017	07/12/2021	2,501
CNMV98	EUR	07/13/2017	07/13/2020	1,575
SMTN401	USD	07/14/2017	07/11/2022	3,009
SMTN402	USD	07/14/2017	07/11/2022	1,505
SMTN389	EUR	07/14/2017	07/14/2020	1,934
SMTN411	USD	07/18/2017	07/11/2020	468
SMTN412	USD	07/18/2017	07/11/2020	234
SMTN410	USD	07/18/2017	07/11/2022	1,330
SMTN406	EUR	07/18/2017	07/18/2023	8,878
SMTN400	USD	07/18/2017	07/18/2047	62,537
CNMV109 - PP	EUR	07/21/2017	07/21/2037	1,999

Issues as of December 31, 2017:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
CNMV110	EUR	07/24/2017	07/10/2023	2,299
CNMV111	EUR	07/27/2017	07/10/2027	9,524
SMTN413	USD	08/02/2017	01/22/2019	332
SMTN417	USD	08/02/2017	01/25/2019	8,338
SMTN418	EUR	08/02/2017	08/02/2019	595
SMTN419	CHF	08/02/2017	08/02/2019	636
SMTN421	USD	08/03/2017	07/27/2023	735
SMTN420	USD	08/03/2017	08/03/2020	584
CNMV99	EUR	08/04/2017	07/17/2025	12,999
SMTN424	USD	08/08/2017	07/11/2022	834
SMTN422	USD	08/08/2017	02/04/2019	917
SMTN429	USD	08/08/2017	02/04/2019	500
SMTN426	EUR	08/09/2017	07/10/2027	1,200
CNMV114	EUR	08/10/2017	08/10/2022	6,999
CNMV115	EUR	08/11/2017	07/11/2024	2,374
SMTN407	USD	08/11/2017	08/11/2020	1,355
SMTN373	EUR	08/11/2017	08/11/2022	1,087
SMTN396	EUR	08/11/2017	08/11/2023	1,239
SMTN428	EUR	08/16/2017	07/11/2022	600
SMTN387	EUR	08/18/2017	08/18/2023	1,139
CNMV116	EUR	08/18/2017	06/09/2022	3,500
SMTN436	CLP	08/18/2017	02/06/2019	692
SMTN439	USD	08/23/2017	08/24/2020	1,396
SMTN434	USD	08/25/2017	02/25/2019	1,490
SMTN435	USD	08/25/2017	02/19/2019	667
SMTN437	USD	08/29/2017	07/11/2022	1,982
SMTN438	USD	08/29/2017	07/11/2022	1,101
SMTN440	USD	08/30/2017	08/31/2020	833
SMTN394	GBP	09/01/2017	09/01/2023	1,505
SMTN395	USD	09/01/2017	09/01/2023	752
SMTN444	GBP	09/05/2017	09/05/2019	447
SMTN448	EUR	09/08/2017	09/08/2022	200
SMTN452	USD	09/12/2017	09/12/2019	517
CNMV117	EUR	09/14/2017	09/14/2023	2,525
SMTN453	EUR	09/19/2017	09/19/2022	970
SMTN451	EUR	09/19/2017	07/11/2022	1,550
SMTN455	USD	09/20/2017	09/20/2019	2,448
SMTN459	USD	09/27/2017	07/10/2022	584
SMTN457	EUR	09/27/2017	09/27/2022	705
SMTN460	USD	09/28/2017	07/11/2022	1,543
CNMV105	EUR	09/29/2017	10/06/2022	1,982
SMTN464	USD	10/03/2017	04/02/2019	584
SMTN466	USD	10/03/2017	10/05/2020	1,980
SMTN462	USD	10/03/2017	07/11/2022	5,420
SMTN467	USD	10/04/2017	10/04/2020	375
SMTN456	USD	10/04/2017	07/10/2027	16,676
SMTN469	USD	10/06/2017	10/06/2022	413

Issues as of December 31, 2017:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
SMTN468	USD	10/11/2017	10/11/2019	410
SMTN470	USD	10/12/2017	10/13/2020	822
SMTN471	USD	10/12/2017	10/13/2020	817
SMTN441	GBP	10/13/2017	10/13/2023	2,318
SMTN443	USD	10/13/2017	10/13/2023	1,143
SMTN473	USD	10/17/2017	07/10/2022	374
SMTN474	USD	10/17/2017	07/10/2022	374
SMTN482	USD	10/17/2017	10/17/2023	9,910
SMTN483	USD	10/17/2017	11/07/2023	8,258
SMTN476	EUR	10/18/2017	10/18/2021	1,981
SMTN477	USD	10/18/2017	04/20/2021	991
SMTN479	GBP	10/19/2017	10/19/2023	1,395
SMTN480	EUR	10/20/2017	01/09/2023	600
SMTN478	EUR	10/20/2017	10/20/2027	500
SMTN481	USD	10/20/2017	10/20/2025	2,477
SMTN484	USD	10/24/2017	10/24/2025	1,651
SMTN489	EUR	10/26/2017	10/26/2022	2,971
SMTN493	EUR	10/26/2017	10/28/2019	1,734
SMTN488	USD	10/27/2017	01/09/2023	2,110
SMTN494	USD	10/27/2017	10/27/2020	910
SMTN486	CLP	10/30/2017	06/11/2019	3,499
SMTN497	EUR	11/01/2017	11/02/2020	1,311
SMTN500	USD	11/02/2017	11/02/2021	834
CNMV118	EUR	11/02/2017	11/02/2020	1,675
SMTN501	USD	11/03/2017	11/03/2022	826
SMTN495	USD	11/03/2017	11/03/2020	4,336
SMTN496	USD	11/07/2017	01/06/2023	542
SMTN498	USD	11/09/2017	05/03/2019	414
SMTN499	USD	11/09/2017	11/09/2026	1,651
SMTN504	USD	11/09/2017	11/09/2022	818
SMTN509	USD	11/14/2017	11/16/2020	1,787
SMTN503	USD	11/14/2017	11/14/2019	636
SMTN465	EUR	11/17/2017	11/17/2020	3,000
CNMV124	EUR	11/17/2017	11/17/2022	5,000
CNMV121	EUR	11/17/2017	01/09/2026	35,074
SMTN505	USD	11/17/2017	11/17/2023	1,668
SMTN515	USD	11/20/2017	11/22/2021	2,001
SMTN516	USD	11/20/2017	11/22/2021	917
SMTN512	CHF	11/20/2017	12/11/2023	16,924
SMTN507	USD	11/21/2017	11/23/2020	388
SMTN506	EUR	11/21/2017	12/30/2027	15,000
SMTN517	CHF	11/21/2017	12/12/2023	6,727
CNMV128	EUR	11/23/2017	05/30/2019	9,908
SMTN510	EUR	11/24/2017	11/24/2022	2,971
SMTN511	EUR	11/27/2017	11/27/2025	8,015
SMTN524	USD	11/28/2017	11/30/2020	575
SMTN525	EUR	11/28/2017	11/30/2020	680

Issues as of December 31, 2017:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
SMTN529	USD	11/29/2017	11/30/2020	384
SMTN519	COP	11/29/2017	11/29/2020	35,899
CNMV127	EUR	11/30/2017	12/30/2020	14,856
SMTN520	GBP	11/30/2017	11/30/2023	1,395
SMTN518	USD	12/01/2017	12/01/2023	413
SMTN533	USD	12/05/2017	12/06/2021	1,668
SMTN531	EUR	12/05/2017	12/05/2023	1,426
SMTN532	EUR	12/05/2017	12/05/2019	5,685
SMTN523	GBP	12/07/2017	12/07/2023	815
SMTN521	EUR	12/11/2017	12/11/2023	1,386
CNMV129	EUR	12/11/2017	12/18/2020	2,971
SMTN490	GBP	12/12/2017	12/12/2023	1,005
SMTN491	USD	12/12/2017	12/12/2023	880
SMTN537	USD	12/12/2017	01/09/2023	417
SMTN538	USD	12/12/2017	01/09/2023	500
SMTN530	USD	12/12/2017	01/09/2028	8,338
SMTN492	GBP	12/13/2017	09/25/2023	8,768
SMTN547	USD	12/13/2017	12/14/2020	413
SMTN542	USD	12/13/2017	12/14/2020	1,488
SMTN549	USD	12/14/2017	06/14/2019	1,007
SMTN472	USD	12/15/2017	12/15/2023	1,318
SMTN527	GBP	12/15/2017	12/15/2023	1,981
SMTN475	GBP	12/15/2017	12/15/2023	2,565
CNMV126	EUR	12/15/2017	03/15/2019	15,000
SMTN557	CHF	12/19/2017	01/09/2024	8,461
SMTN559	EUR	12/19/2017	12/19/2022	495
CNMV122	EUR	12/20/2017	12/12/2025	11,000
SMTN544	EUR	12/20/2017	12/20/2022	495
SMTN540	EUR	12/21/2017	12/21/2023	396
SMTN541	USD	12/21/2017	12/21/2023	330
SMTN550	USD	12/21/2017	12/23/2019	2,001
SMTN513	EUR	12/22/2017	12/22/2020	1,100
SMTN558	EUR	12/22/2017	12/22/2022	2,970
SMTN561	EUR	12/22/2017	11/05/2025	17,326
SMTN564	USD	12/27/2017	12/28/2023	1,073
SMTN565	USD	12/27/2017	12/29/2020	383
CNMV120	EUR	12/27/2017	03/27/2019	118,917
CNMV123	EUR	12/28/2017	12/28/2020	850
SMTN562	CLP	12/28/2017	06/12/2019	6,062
SMTN492 T-I	GBP	12/28/2017	09/25/2023	665
SMTN560	USD	12/29/2017	12/29/2025	1,651
SMTN502	EUR	12/29/2017	12/29/2022	515
SMTN569	EUR	12/29/2017	12/29/2022	2,970
SMTN568	EUR	12/29/2017	12/29/2022	2,970
NOTAS ESTRUCTURADAS 80	EUR	04/28/2011	04/30/2018 (*)	2,799
SMTN52	USD	02/14/2013	03/20/2018 (*)	11,173

Issues as of December 31, 2017:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
SMTN53	USD	02/28/2013	03/20/2018 (*)	1,834
SMTN57	USD	03/14/2013	03/20/2018 (*)	1,834
SMTN58	EUR	03/22/2013	03/20/2018 (*)	400
SMTN64	USD	05/16/2013	06/23/2018 (*)	12,507
SMTN67	USD	05/23/2013	11/23/2018 (*)	2,168
SMTN68	USD	06/13/2013	06/13/2018 (*)	2,918
SMTN71	USD	08/07/2013	06/20/2018 (*)	334
SMTN73	EUR	08/12/2013	09/20/2018 (*)	400
SMTN80	USD	10/08/2013	10/08/2018 (*)	407
SMTN83	EUR	10/21/2013	12/20/2018 (*)	400
SMTN87	USD	10/30/2013	12/20/2018 (*)	834
SMTN88	USD	11/19/2013	11/19/2018 (*)	1,155
CNMV2	EUR	05/29/2015	05/29/2018 (*)	999
CNMV7	EUR	06/10/2015	06/10/2018 (*)	100
CNMV9	EUR	07/17/2015	07/17/2018 (*)	1,000
SMTN163	EUR	12/01/2015	12/20/2018 (*)	1,000
CNMV14	EUR	12/18/2015	05/29/2018 (*)	6,989
SMTN235	COP	10/18/2016	10/18/2018 (*)	2,790
SMTN237	GBP	10/21/2016	10/22/2018 (*)	789
CNMV72	EUR	03/01/2017	03/01/2018 (*)	65,907
SMTN325	USD	03/17/2017	03/19/2018 (*)	859
SMTN335	USD	04/12/2017	04/11/2018 (*)	1,035
SMTN350	CLP	05/18/2017	11/08/2018 (*)	2,794
SMTN349	USD	05/19/2017	05/21/2018 (*)	457
CNMV100	EUR	05/24/2017	11/26/2018 (*)	4,971
CNMV106	EUR	06/30/2017	12/31/2018 (*)	9,935
SMTN404	USD	07/17/2017	07/10/2018 (*)	1,081
SMTN405	USD	07/17/2017	07/10/2018 (*)	1,663
SMTN430	EUR	08/08/2017	08/07/2018 (*)	1,190
CNMV113	EUR	08/10/2017	08/10/2018 (*)	1,023
SMTN454	EUR	09/19/2017	09/19/2018 (*)	1,275
SMTN463	USD	09/27/2017	09/26/2018 (*)	719
SMTN458	COP	09/27/2017	09/27/2018 (*)	2,430
SMTN487	USD	10/24/2017	10/24/2018 (*)	1,234
SMTN485	USD	10/27/2017	10/29/2018 (*)	603
SMTN508	USD	11/14/2017	11/14/2018 (*)	964
CNMV125	EUR	11/23/2017	02/23/2018 (*)	11,000
SMTN522	USD	11/24/2017	11/26/2018 (*)	484
SMTN526	USD	11/24/2017	11/27/2018 (*)	488
SMTN528	USD	11/28/2017	11/28/2018 (*)	698
SMTN539	USD	12/06/2017	12/06/2018 (*)	1,228
SMTN546	USD	12/13/2017	12/13/2018 (*)	350
SMTN548	USD	12/13/2017	12/13/2018 (*)	450
SMTN543	USD	12/13/2017	12/12/2018 (*)	504
SMTN551	USD	12/14/2017	12/14/2018 (*)	1,320
SMTN554	USD	12/18/2017	12/18/2018 (*)	917
SMTN563	USD	12/27/2017	12/27/2018 (*)	1,422

Issues as of December 31, 2017:	Currency	Issuance date	Maturity date	Amount (Thousands Euros)
SMTN563 T-1	USD	12/28/2017	12/27/2018 (*)	167
<b>Total Issues as of December 31, 2017</b>				<b>2,194,053</b>

(\*) Short-term debt securities issued amount to 169,998 thousand of Euros.

Issues as of December 31 <sup>st</sup> , 2016:	Currency	Issuance date	Maturity date	Amount (Thousands of Euros)
SMTN9	USD	10/26/2010	10/26/2040	142,302
Structured Notes 80	EUR	04/28/2011	04/30/2018	2,795
SMTN42	EUR	03/30/2012	03/28/2022	31,650
SMTN48	USD	11/29/2012	11/29/2042	7,001
SMTN46	USD	11/30/2012	11/30/2042	5,627
SMTN47	USD	11/30/2012	11/30/2042	7,000
SMTN49	EUR	12/27/2012	12/28/2020	3,000
SMTN52	USD	02/14/2013	03/20/2018	12,712
SMTN53	USD	02/28/2013	03/20/2018	2,087
SMTN57	USD	03/14/2013	03/20/2018	2,087
SMTN58	EUR	03/22/2013	03/20/2018	400
SMTN9	USD	10/26/2010	10/26/2040	142,302
SMTN50	EUR	04/30/2013	04/30/2021	2,000
SMTN62	EUR	05/10/2013	06/20/2023	2,000
SMTN64	USD	05/16/2013	06/23/2018	14,230
SMTN67	USD	05/23/2013	11/23/2018	2,467
SMTN68	USD	06/13/2013	06/13/2018	3,320
SMTN60	EUR	06/18/2013	06/18/2021	3,000
SMTN71	USD	08/07/2013	06/20/2018	379
SMTN73	EUR	08/12/2013	09/20/2018	1,075
SMTN78	EUR	09/23/2013	09/20/2019	1,350
SMTN80	USD	10/08/2013	10/08/2018	447
SMTN81	EUR	10/10/2013	12/20/2019	1,000
SMTN83	EUR	10/21/2013	12/20/2018	400
SMTN87	USD	10/30/2013	12/20/2018	949
SMTN88	USD	11/19/2013	11/19/2018	1,278
SMTN85	EUR	12/27/2013	12/27/2021	4,400
SMTN92	EUR	02/07/2014	02/07/2019	1,000
SMTN98	USD	02/07/2014	02/07/2019	464
SMTN93	EUR	03/28/2014	03/28/2022	2,000
SMTN99	EUR	04/04/2014	04/04/2019	1,000
SMTN101	EUR	04/24/2014	04/26/2019	18,000
SMTN102	EUR	06/13/2014	06/13/2019	1,595
SMTN110	USD	07/08/2014	07/08/2019	1,180
SMTN108	EUR	08/08/2014	08/08/2019	498
SMTN114	EUR	10/10/2014	10/10/2019	886
SMTN125	EUR	05/04/2015	05/20/2025	2,000
CNMV2	EUR	05/29/2015	05/29/2018	995
CNMV5	EUR	06/01/2015	06/01/2018	497
CNMV6	EUR	06/02/2015	06/02/2020	15,000

Issues as of December 31 <sup>st</sup> , 2016:	Currency	Issuance date	Maturity date	Amount (Thousands of Euros)
CNMV7	EUR	06/10/2015	06/10/2018	99
SMTN134	EUR	06/30/2015	06/20/2020	2,950
SMTN132	USD	07/03/2015	06/20/2020	11,308
SMTN133	EUR	07/03/2015	06/20/2020	5,190
SMTN136	EUR	07/06/2015	07/06/2022	10,000
CNMV9	EUR	07/17/2015	07/17/2018	1,000
CNMV8	EUR	07/31/2015	07/30/2020	9,931
SMTN143	EUR	10/08/2015	10/08/2020	8,585
SMTN144	EUR	10/19/2015	10/19/2035	5,000
CNMV12	EUR	10/21/2015	10/22/2018	2,982
SMTN149	USD	11/06/2015	12/20/2020	1,067
SMTN146	USD	11/09/2015	11/09/2025	23,717
SMTN147	USD	11/09/2015	11/09/2025	23,717
SMTN148	USD	11/09/2015	11/09/2025	23,717
SMTN152	EUR	11/10/2015	11/12/2018	2,087
SMTN153	USD	11/10/2015	11/13/2018	1,885
SMTN154	CHF	11/12/2015	11/12/2021	4,619
SMTN157	CHF	11/12/2015	11/12/2021	6,558
SMTN142	EUR	11/20/2015	11/20/2023	1,400
SMTN160	USD	11/27/2015	11/29/2021	1,882
SMTN163	EUR	12/01/2015	12/20/2018	1,000
SMTN156	GBP	12/04/2015	12/06/2021	595
SMTN164	USD	12/07/2015	01/10/2020	1,962
SMTN161	USD	12/08/2015	12/08/2025	23,717
SMTN165	USD	12/08/2015	12/08/2020	1,176
CNMV18	EUR	12/18/2015	12/18/2035	5,000
CNMV19	EUR	12/18/2015	12/18/2035	1,500
CNMV14	EUR	12/18/2015	05/29/2018	6,962
CNMV13	EUR	12/18/2015	12/18/2020	5,954
SMTN171	EUR	12/22/2015	12/20/2020	2,873
SMTN166	USD	12/23/2015	12/23/2025	23,717
SMTN168	EUR	12/23/2015	12/24/2019	2,283
SMTN158	EUR	12/28/2015	12/28/2023	1,760
CNMV20	EUR	01/04/2016	01/04/2036	1,000
CNMV22	EUR	01/04/2016	01/04/2036	4,000
SMTN172	EUR	01/07/2016	01/07/2021	992
SMTN169	USD	01/29/2016	01/31/2022	1,202
SMTN170	GBP	01/29/2016	01/31/2022	1,966
CNMV24	EUR	02/05/2016	02/05/2019	4,965
SMTN176	USD	02/09/2016	02/09/2026	23,717
CNMV28	EUR	02/11/2016	02/11/2036	3,000
CNMV27	EUR	02/22/2016	02/22/2018	17,450
CNMV26	EUR	02/25/2016	02/25/2019	4,443
CNMV23	EUR	03/11/2016	03/23/2021	14,879
SMTN182	USD	03/28/2016	03/28/2026	23,717
SMTN185	USD	03/30/2016	03/30/2026	23,717
SMTN181	GBP	03/31/2016	03/31/2022	605

Issues as of December 31 <sup>st</sup> , 2016:	Currency	Issuance date	Maturity date	Amount (Thousands of Euros)
CNMV32	EUR	04/04/2016	06/20/2021	20,000
SMTN187	USD	04/06/2016	04/06/2026	23,717
SMTN188	USD	04/06/2016	04/06/2026	23,717
CNMV32 T-2	EUR	04/19/2016	06/20/2021	30,015
CNMV33	EUR	04/27/2016	04/24/2019	5,591
CNMV34	EUR	04/27/2016	04/24/2019	1,298
CNMV38	EUR	04/29/2016	04/29/2021	1,982
CNMV37	EUR	05/03/2016	05/03/2021	3,993
SMTN197	USD	05/05/2016	05/05/2022	1,386
CNMV36	EUR	05/09/2016	05/09/2022	14,125
SMTN195	GBP	05/19/2016	05/19/2022	1,160
SMTN200	COP	05/27/2016	05/27/2021	1,580
SMTN196	EUR	05/31/2016	05/31/2021	800
CNMV43	EUR	06/03/2016	06/04/2018	918
CNMV39	EUR	06/03/2016	06/03/2019	6,190
CNMV41	EUR	06/09/2016	06/09/2022	7,925
SMTN186	EUR	06/17/2016	06/17/2024	1,000
CNMV47	EUR	06/20/2016	06/20/2021	5,000
CNMV50	EUR	06/20/2016	06/20/2019	991
CNMV49	EUR	06/22/2016	06/20/2021	1,600
SMTN201	GBP	06/24/2016	06/24/2022	687
CNMV52	EUR	6/29/2016	06/20/2026	5,000
CNMV51	EUR	6/29/2016	09/20/2026	5,000
CNMV46	EUR	07/01/2016	07/01/2019	4,792
SMTN208	EUR	07/08/2016	07/04/2018	575
CNMV53	EUR	07/12/2016	07/12/2021	3,593
CNMV54	EUR	07/28/2016	07/29/2019	4,292
SMTN215	USD	07/28/2016	07/28/2023	643
SMTN205	GBP	07/29/2016	07/29/2022	574
SMTN207	GBP	08/05/2016	08/05/2022	587
SMTN216	USD	08/10/2016	10/10/2046	71,151
CNMV55	EUR	08/11/2016	08/11/2021	3,319
SMTN206	EUR	08/12/2016	08/12/2019	1,500
SMTN221	EUR	09/05/2016	08/25/2026	1,288
SMTN226	USD	09/06/2016	09/06/2019	941
SMTN212	EUR	09/09/2016	09/09/2021	2,126
SMTN229	CHF	09/27/2016	10/11/2022	5,215
SMTN230	CHF	09/28/2016	10/12/2022	10,709
SMTN231	GBP	09/28/2016	09/28/2022	868
SMTN225	GBP	09/30/2016	09/30/2022	1,727
SMTN234	EUR	10/11/2016	04/11/2018	500
SMTN235	COP	10/18/2016	10/18/2018	3,160
CNMV57	EUR	10/18/2016	10/18/2021	40,000
SMTN236	COP	10/19/2016	10/19/2026	2,844
SMTN238	CHF	10/21/2016	11/04/2022	1,844
SMTN237	GBP	10/21/2016	10/22/2018	818
SMTN239	USD	11/01/2016	11/01/2018	470



Issues as of December 31 <sup>st</sup> , 2016:	Currency	Issuance date	Maturity date	Amount (Thousands of Euros)
CNMV62	EUR	11/02/2016	11/02/2036	1,000
SMTN241	USD	11/03/2016	01/07/2027	949
SMTN240	USD	11/03/2016	05/03/2021	940
SMTN233	EUR	11/04/2016	11/04/2019	800
SMTN228	GBP	11/07/2016	11/07/2022	577
SMTN242	USD	11/07/2016	09/08/2019	235
CNMV32 T-3	EUR	11/08/2016	06/20/2021	5,087
SMTN227	EUR	11/11/2016	11/11/2021	1,098
SMTN223	EUR	11/11/2016	11/11/2021	1,668
SMTN245	USD	11/14/2016	01/11/2022	949
SMTN248	USD	11/14/2016	11/14/2022	513
SMTN243	USD	11/16/2016	11/16/2046	71,151
CNMV65	EUR	11/16/2016	01/06/2027	2,000
CNMV68	EUR	11/16/2016	11/18/2019	2,971
SMTN250	CHF	11/17/2016	01/10/2022	1,425
SMTN244	USD	11/18/2016	11/18/2046	71,151
SMTN251	CHF	11/18/2016	12/02/2022	9,221
CNMV64	EUR	11/22/2016	01/07/2022	5,000
SMTN253	USD	11/23/2016	01/11/2022	949
SMTN254	USD	11/23/2016	01/11/2022	949
CNMV70	EUR	11/23/2016	05/23/2018	4,954
SMTN265	USD	12/02/2016	12/03/2018	2,060
SMTN247	GBP	12/05/2016	12/05/2022	440
SMTN246	USD	12/05/2016	12/05/2022	555
SMTN258	USD	12/06/2016	12/06/2026	23,717
SMTN264	EUR	12/07/2016	01/11/2022	650
SMTN262	USD	12/07/2016	01/11/2022	901
SMTN260	USD	12/07/2016	01/11/2022	1,281
SMTN263	USD	12/07/2016	01/11/2022	806
SMTN261	USD	12/07/2016	01/11/2022	1,138
SMTN266	USD	12/12/2016	12/19/2022	4,696
SMTN259	EUR	12/14/2016	12/14/2021	1,500
SMTN270	USD	12/14/2016	12/14/2018	908
SMTN268	USD	12/20/2016	01/11/2022	1,565
SMTN269	PEN	12/21/2016	12/21/2019	15,576
SMTN256	USD	12/21/2016	12/21/2022	653
SMTN255	GBP	12/28/2016	12/28/2022	1,104
SMTN271	USD	12/29/2016	07/01/2021	940
SMTN272	USD	12/30/2016	06/29/2018	1,244
SMTN193	EUR	04/14/2016	14/07/2017 (*)	1,000
SMTN214	COP	07/21/2016	21/07/2017 (*)	2,844
SMTN218	COP	08/11/2016	11/08/2017 (*)	1,264
CNMV10	EUR	10/15/2015	18/04/2017 (*)	2,745
CNMV31	EUR	04/08/2016	10/04/2017 (*)	9,900
CNMV35	EUR	05/09/2016	09/11/2017 (*)	3,575
CNMV42	EUR	06/09/2016	11/12/2017 (*)	2,875
CNMV66	EUR	11/10/2016	08/11/2017 (*)	4,958

Issues as of December 31 <sup>st</sup> , 2016:	Currency	Issuance date	Maturity date	Amount (Thousands of Euros)
CNMV73	EUR	12/12/2016	12/12/2017 (*)	4,954
CNMV74	EUR	12/12/2016	12/12/2017 (*)	4,954
CNMV75	EUR	12/19/2016	19/12/2017 (*)	4,953
CNMV76	EUR	12/22/2016	22/12/2017 (*)	4,952
SMTN103	USD	05/13/2014	20/06/2017 (*)	2,846
SMTN120	EUR	02/27/2015	27/02/2017 (*)	2,000
SMTN124	EUR	04/30/2015	05/05/2017 (*)	659
SMTN127	EUR	05/08/2015	08/05/2017 (*)	2,543
SMTN128	EUR	05/12/2015	12/05/2017 (*)	499
SMTN138	USD	08/04/2015	06/02/2017 (*)	712
SMTN139	USD	08/24/2015	24/02/2017 (*)	3,313
SMTN162	EUR	12/01/2015	20/12/2017 (*)	1,000
SMTN178	USD	02/12/2016	21/07/2017 (*)	125
SMTN209	USD	07/08/2016	12/07/2017 (*)	472
SMTN210	USD	07/08/2016	08/07/2017 (*)	5,692
SMTN220	EUR	08/16/2016	16/08/2017 (*)	1,200
SMTN252	USD	11/14/2016	14/11/2017 (*)	759
SMTN267	EUR	12/14/2016	14/12/2017 (*)	1,000
SMTN31	EUR	05/16/2011	16/05/2017 (*)	5,000
SMTN32	USD	11/19/2012	20/11/2017 (*)	569
SMTN33	USD	11/16/2012	16/11/2017 (*)	1,072
SMTN34	USD	05/21/2013	22/05/2017 (*)	474
SMTN35	EUR	10/30/2013	30/01/2017 (*)	15,000
SMTN36	USD	01/24/2014	20/03/2017 (*)	4,791
SMTN37	USD	01/30/2014	20/03/2017 (*)	2,372
SMTN38	USD	01/30/2014	20/03/2017 (*)	2,372
<b>Total debt securities outstanding as of December 31<sup>st</sup>, 2016</b>				<b>1,326,866</b>

(\*) Short-term debt securities issued amount to 103,392 thousand of Euros.

During 2017, early redemption was applied for 162 outstanding issues (67 outstanding issues during 2016). The detail of those issues appears in “Note 9 – Deposits due from Parent”.

The interests generated by the Company for the debt issuances in 2017 amounted to EUR 74,519 thousand (EUR 56,366 thousand in 2016), and was recorded under the heading “Interest expense and similar expenses” in the accompanying statement of comprehensive income.

The amount of the accrued unpaid interests on the aforementioned issuances totalled EUR 92,994 thousand as of December 31<sup>st</sup>, 2017 and EUR 68,806 thousand as of December 31<sup>st</sup>, 2016, and was recognized under “Interest payable to third parties” in the accompanying statements of financial position.

The average interest rate generated by the debt issuances for the year ended December 31<sup>st</sup>, 2017 is 3.24% (3.02% for the year ended as of December 31<sup>st</sup>, 2016).

A detail of issues made by the Company during the year 2017 with maturity in 2017 appears in “Note 9 – Deposits due from Parent”.

All the debt securities issues outstanding as of December 31<sup>st</sup>, 2017 and 2016 were listed on the Irish Stock Exchange or AIAF.

## **12. Shareholder’s equity**

### **Issued Share Capital**

The authorized share capital of the Company is EUR 90,000 divided into 900 ordinary shares of EUR 100 each, totally paid. The Company is a direct wholly-owned subsidiary of Banco Bilbao Vizcaya Argentaria, S.A. and does not have any subsidiaries of its own.

## **13. Financial instruments**

We refer to Note 7 for the Company’s risk management.

### **Interest rate risk management**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in interest rates.

A change of 50 positive basic points regarding the interest rates, would cause no impact on the Company’s statement of comprehensive income for the year ended December 31<sup>st</sup>, 2017. Likewise, a negative change of such interest rate would cause an identical impact on the Company’s statement of comprehensive income.

### **Fair value of financial instruments**

As of December 31<sup>st</sup>, 2017 the floating interest rate deposits at Parent (Note 9) are related to the Company’s debt instruments, the return on which is based on fixed or floating interest rates as appropriate (Note 9).

In the following breakdown, the financial instruments classified as “Fair value (Level 2)” are those, which have been measured with techniques using inputs drawn from observable market data. Referring to the instruments that are included in “Fair value (level 3)” are derivatives which values are based on models and unobservable inputs.

As of December 31<sup>st</sup>, 2017 and 2016, the financial instruments fair values as required by IFRS 7 “Financial Instruments: Disclosures”, where deposits and debt are net of embedded derivatives, are as follows:

**December 31<sup>st</sup>, 2017:**

	Thousands of Euros		
	Carrying amount	Fair value (Level 2)	Fair value (Level 3)
<b>ASSETS</b>			
Deposits due from Parent	2,195,016	2,355,328	
Derivative instruments	143,927	127,987	15,940
<b>LIABILITIES</b>			
Debt securities	2,194,053	2,355,328	
Derivative instruments (liabilities)	143,927	127,987	15,940

**December 31<sup>st</sup>, 2016:**

	Thousands of Euros	
	Carrying amount	Fair value (Level 2)
<b>ASSETS</b>		
Deposits due from Parent	1,327,512	1,372,018
Derivative instruments	45,349	45,349
<b>LIABILITIES</b>		
Debt securities	1,336,866	1,372,018
Derivative instruments (liabilities)	45,349	45,349

The following assumptions were used by the Company in estimating the fair value of financial instruments for which it is practicable to estimate that:

1. The face value of the floating interest rate deposits and floating interest rate notes represents fair value as required by the IFRS 7 “Financial Instruments: Disclosures”.
2. Some of the fixed interest rate deposits at the Parent are linked to fixed interest rate notes and have the same interest rate, maturity and amount.
3. For short-term instruments, carrying amount is a reasonable estimate of fair value.
4. For long-term instruments, fair value represents the present value of estimated future cash flows discounted at the interest rates.
5. For options traded in OTC (“over the counter”) markets, fair value is estimated based on theoretical year-end closing prices. These year-end closing prices are calculated estimating the amounts the Company would receive or pay based upon the yield curve prevailing at year-end or prices.

#### Market risk management

The Company's activities expose it primarily to the financial risks of changes in foreign currencies, exchange rates and interest rates.

#### Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies. Hence, exposure to exchange rate fluctuation is in place.

From the disclosure in Note 9 "*Deposits due from Parent*" and disclosure in Note 11 "*Debt Securities Issued*" it can be noted that the foreign currencies are the same. As a result the foreign currency risk is considered to be limited.

#### Credit risk management

Most of the assets are with Banco Bilbao Vizcaya Argentaria, S.A., the sole shareholder of the Company. The financial performance and positions of Banco Bilbao Vizcaya Argentaria, S.A. are important for the recoverability of the exposures in place.

#### Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

From the disclosure in Note 9 "*Deposits due from Parent*" and disclosure in Note 11 "*Debt Securities Issued*" it can be noted that the maturity profiles are the same.

### **14. Personnel**

The Company had no employees during 2017 and 2016.

### **15. Segmentation**

For management purposes, the Company is organized into one main operating segment.

### **16. Auditor's remuneration**

The auditor's remuneration is disclosed at BBVA Group. KPMG Accountants N.V. did not provide other services than the audit of the 2017 Financial Statements.

### **17. Tax matters**

Pursuant to the provisions of Law 27/2014, of November 27, of Corporate Income Tax, the Company is subject to corporate income tax. The Company also files consolidated tax returns as part of the 2/82 Group, whose parent company is Banco Bilbao Vizcaya Argentaria, S.A.

At the date in which these financial statements are prepared, the Company has the last four years open for inspection by tax authorities for the main taxes.

The breakdown of the account reconciliation between taxable income and taxable corporate income tax as of December 31, 2017 and 2016 is as follows:

	Thousands of Euro	
	2017	2016
<b>Profit before taxes</b>	154	234
Permanents differences		
Increases	5	2
Decreases	-	-
<b>Adjusted profit</b>	159	236
Temporary differences		
Increases	-	-
Decreases	-	-
Set-off of tax losses	-	-
<b>Taxable base</b>	159	236
Tax rate	30%	30%
<b>Gross tax payable</b>	48	71
Deductions	-	-
Tax withholdings and pre-payments	(6)	(10)
<b>Net tax payable</b>	42	61

Below is the calculation of the Company Tax expense for years 2017 and 2016:

	Thousands of Euro	
	2017	2016
<b>Adjusted profit</b>	159	236
30% on the adjusted profit	48	71
Impact due to temporary differences	-	-
Deduction due to double taxation	-	-
<b>Tax accrued in the fiscal year</b>	48	71
Set-off of activated tax losses	-	-
Adjust due to Corporate Income Tax on variation of temporary difference	-	-
Adjust due to Corporate Income Tax in previous fiscal years	(6)	5
<b>Expense/(Income) due to Corporate Income Tax</b>	42	76

As of December 31, 2017 and 2016, the Company does not present any deferred tax assets or liabilities recognised.

## **18. Proposed appropriation of results**

Awaiting the decision of the shareholder, the result of the year 2017 is included in the shareholder's equity as "Result of the year". As of April 27<sup>th</sup>, 2017 the shareholder adopted the

decision of including the net result for 2016 in “Shareholder’s equity” as “Net income/(profits) for the year”.

## **19. Subsequent events**

Since January 1<sup>st</sup>, 2018 until the date of this report, the Company has issued the following Notes:

<b>Issues as of April, 2018:</b>	<b>Currency</b>	<b>Issuance date</b>	<b>Maturity date</b>	<b>Nominal Amount (Thousands of original currency)</b>	<b>Nominal Amount (Thousands Euros)</b>
SMTN610	USD	02/02/2018	02/02/2022	1,100	917
SMTN570	USD	01/04/2018	01/04/2021	642	535
SMTN571	USD	01/04/2018	01/04/2021	774	645
SMTN572	USD	01/02/2018	01/04/2019	2,150	1,793
SMTN649	USD	03/06/2018	03/07/2022	2,000	1,668
SMTN609	USD	02/08/2018	02/08/2019	1,000	834
SMTN573	USD	01/24/2018	01/09/2028	10,000	8,338
SMTN611	USD	02/09/2018	02/09/2021	994	829
SMTN612	GBP	02/09/2018	02/09/2021	568	640
SMTN621	USD	02/09/2018	02/09/2022	1,100	917
SMTN625	USD	02/12/2018	02/12/2019	1,020	850
CNMV130	EUR	01/08/2018	01/08/2024	2,975	2,975
CNMV131	EUR	01/10/2018	01/11/2023	1,650	1,650
SMTN566	EUR	01/16/2018	01/16/2020	500	500
SMTN582	USD	01/16/2018	01/18/2022	1,300	1,084
SMTN585	USD	01/17/2018	01/18/2022	1,300	1,084
SMTN589	USD	01/22/2018	01/19/2022	1,000	834
SMTN592	USD	01/23/2018	01/23/2020	700	584
SMTN683	USD	03/26/2018	03/23/2022	2,400	2,001
SMTN597	USD	01/24/2018	01/24/2019	700	584
SMTN599	USD	01/29/2018	01/26/2022	1,800	1,501
SMTN591	USD	01/30/2018	01/30/2020	20,000	16,676
SMTN598	USD	01/29/2018	01/28/2019	1,123	936
SMTN603	USD	01/30/2018	01/30/2024	1,050	876
SMTN604	USD	01/31/2018	07/31/2019	1,290	1,076
SMTN535	GBP	02/02/2018	02/02/2024	1,235	1,392
SMTN536	USD	02/02/2018	02/02/2024	394	329
SMTN618	USD	02/07/2018	02/08/2021	750	625
SMTN620	USD	02/08/2018	02/07/2019	1,215	1,013
SMTN594	CHF	01/24/2018	02/14/2024	15,000	12,818
SMTN596	CHF	01/24/2018	02/14/2024	5,000	4,273
SMTN626	USD	02/13/2018	02/13/2020	1,000	834
SMTN633	USD	02/14/2018	02/14/2020	500	417
SMTN634	USD	02/14/2018	02/16/2021	500	417
CNMV134	EUR	02/15/2018	02/15/2021	5,000	5,000
SMTN577	GBP	02/21/2018	02/21/2024	4,056	4,572
SMTN578	USD	02/21/2018	02/21/2024	1,554	1,296
SMTN602	CHF	01/30/2018	02/27/2024	7,300	6,238
SMTN644	USD	02/27/2018	02/28/2028	1,500	1,251

Issues as of April, 2018:	Currency	Issuance date	Maturity date	Nominal Amount (Thousands of original currency)	Nominal Amount (Thousands Euros)
SMTN614	USD	02/07/2018	02/28/2024	10,000	8,338
SMTN643	USD	02/28/2018	02/28/2020	1,088	907
SMTN608	EUR	03/01/2018	03/01/2024	1,072	1,072
SMTN627	USD	03/01/2018	03/01/2024	1,110	926
SMTN623	CHF	02/12/2018	03/04/2024	10,000	8,546
SMTN624	CHF	02/12/2018	03/04/2024	4,000	3,418
SMTN653	EUR	03/07/2018	03/07/2023	2,000	2,000
SMTN657	CHF	03/12/2018	03/12/2024	4,000	3,418
SMTN606	USD	03/13/2018	03/13/2024	768	640
SMTN607	GBP	03/13/2018	03/13/2024	2,338	2,635
SMTN650	USD	03/13/2018	03/15/2021	15,000	12,507
SMTN651	USD	03/13/2018	03/13/2020	885	738
SMTN658	USD	03/19/2018	03/19/2021	15,000	12,507
SMTN672	USD	03/19/2018	03/19/2019	490	409
SMTN667	USD	03/21/2018	03/23/2020	1,322	1,102
SMTN668	USD	03/21/2018	03/23/2020	616	514
CNMV137	EUR	02/23/2018	06/25/2018	11,000	11,000
SMTN492 T-2	GBP	01/05/2018	09/25/2023	195	220
SMTN492 T-3	GBP	01/15/2018	09/25/2023	124	140
SMTN492 T-4	GBP	01/23/2018	09/25/2023	76	86
SMTN492 T-5	GBP	02/14/2018	09/25/2023	32	36
SMTN492 T-6	GBP	03/07/2018	09/25/2023	250	282
SMTN492 T-7	GBP	03/22/2018	09/25/2023	500	564
SMTN638	EUR	03/28/2018	03/28/2024	355	355
SMTN639	GBP	03/28/2018	03/28/2024	4,416	4,977
SMTN640	USD	03/28/2018	03/28/2024	5,954	4,965
SMTN555	USD	01/12/2018	12/29/2023	320	267
SMTN556	GBP	01/12/2018	12/29/2023	495	558
SMTN659	CHF	03/13/2018	04/05/2024	20,000	17,091
SMTN660	CHF	03/13/2018	04/05/2024	7,450	6,366
SMTN677	EUR	03/28/2018	01/09/2023	4,600	4,600
SMTN534	GBP	01/12/2018	01/12/2024	617	695
SMTN678	USD	03/23/2018	04/15/2024	13,000	10,840
SMTN580	USD	01/22/2018	01/09/2023	1,000	834
SMTN545	USD	01/31/2018	01/31/2024	706	589
SMTN605	EUR	02/01/2018	08/01/2019	700	700
SMTN587	GBP	02/23/2018	02/16/2024	650	733
CNMV136	EUR	02/26/2018	02/26/2020	2,000	2,000
SMTN646	USD	03/05/2018	03/05/2021	500	417
SMTN600	GBP	03/21/2018	03/07/2024	500	564
SMTN601	USD	03/21/2018	03/07/2024	500	417
SMTN601 T-2	USD	03/28/2018	03/07/2024	154	128
SMTN629	USD	03/07/2018	03/07/2024	482	402
SMTN630	USD	03/07/2018	03/07/2024	1,000	834
SMTN676	USD	03/21/2018	03/21/2028	2,510	2,093
SMTN622	USD	03/14/2018	03/14/2024	500	417
SMTN675	USD	03/27/2018	03/29/2021	1,000	834



Issues as of April, 2018:	Currency	Issuance date	Maturity date	Nominal Amount (Thousands of original currency)	Nominal Amount (Thousands Euros)
CNMV132	EUR	01/05/2018	01/05/2023	10,000	10,000
CNMV119	EUR	01/09/2018	01/09/2023	3,000	3,000
SMTN613	EUR	02/15/2018	01/09/2021	2,000	2,000
SMTN647	USD	03/22/2018	01/09/2025	650	542
SMTN648	USD	03/06/2018	01/09/2023	1,300	1,084
SMTN590	EUR	01/30/2018	01/09/2021	1,000	1,000
SMTN656	USD	03/19/2018	01/19/2024	2,500	2,085
SMTN552	USD	02/09/2018	02/09/2024	752	627
SMTN553	GBP	02/09/2018	02/09/2024	1,256	1,416
SMTN632	EUR	02/21/2018	02/14/2023	1,000	1,000
SMTN641	EUR	02/19/2018	02/20/2023	1,000	1,000
SMTN575	GBP	02/21/2018	02/21/2024	820	924
SMTN576	USD	02/21/2018	02/21/2024	1,442	1,202
SMTN635	EUR	02/22/2018	02/23/2024	500	500
SMTN636	USD	02/22/2018	02/23/2024	600	500
SMTN581	EUR	03/14/2018	03/14/2024	1,373	1,373
SMTN615	GBP	03/23/2018	03/25/2024	992	1,118
SMTN616	USD	03/23/2018	03/25/2024	538	449
SMTN669	EUR	03/23/2018	03/23/2021	2,000	2,000
SMTN661	USD	03/29/2018	04/02/2024	1,004	837
SMTN662	USD	03/29/2018	04/02/2024	630	525
SMTN628	USD	03/07/2018	03/07/2024	600	500
SMTN579	USD	01/12/2018	01/13/2020	600	500
SMTN567	USD	01/04/2018	01/04/2021	1,174	979
SMTN619	USD	02/08/2018	02/08/2021	1,601	1,335
SMTN617	GBP	02/09/2018	02/09/2024	2,000	2,254
SMTN642	EUR	02/23/2018	02/23/2021	2,000	2,000
SMTN645	USD	03/15/2018	03/15/2024	2,000	1,668
SMTN673	USD	03/27/2018	03/29/2021	1,000	834
SMTN583	USD	01/31/2018	01/31/2048	75,000	62,537
SMTN584	USD	01/31/2018	01/31/2048	75,000	62,537
CNMV135	EUR	02/26/2018	02/28/2028	1,000	1,000
SMTN631	MXN	02/21/2018	02/21/2023	744,700	31,473
SMTN654	USD	03/14/2018	03/14/2024	500	417
SMTN655	USD	03/14/2018	03/14/2024	500	417
SMTN685	USD	04/02/2018	04/02/2020	870	725
SMTN689	EUR	04/03/2018	09/28/2018	2,000	2,000
SMTN690	USD	04/04/2018	04/03/2023	500	417
SMTN692	CHF	04/04/2018	04/04/2024	1,500	1,282
SMTN492 T-8	GBP	04/06/2018	09/25/2023	445	502
SMTN691	USD	04/06/2018	04/06/2021	10,000	8,338
SMTN693	USD	04/10/2018	07/10/2023	584	487
SMTN684	USD	04/11/2018	07/10/2025	1,200	1,001
SMTN697	USD	04/18/2018	04/18/2019	450	375
SMTN698	USD	04/18/2018	04/19/2021	500	417
CNMV138	EUR	04/13/2018	07/10/2023	1,275	1,275
SMTN663	GBP	04/19/2018	04/19/2024	411	463

Issues as of April, 2018:	Currency	Issuance date	Maturity date	Nominal Amount (Thousands of original currency)	Nominal Amount (Thousands Euros)
SMTN664	USD	04/19/2018	04/19/2024	638	532
SMTN637	EUR	04/20/2018	04/20/2021	1,000	1,000
SMTN688	GBP	04/23/2018	04/23/2024	395	445
SMTN700	EUR	04/25/2018	04/25/2023	3,000	3,000
SMTN686	GBP	04/27/2018	04/29/2024	1,310	1,477
SMTN687	USD	04/27/2018	04/29/2024	950	792
SMTN574	USD	01/10/2018	03/12/2018	2,000	1,668
SMTN593	USD	01/23/2018	03/23/2018	2,400	2,001
SMTN586	EUR	01/18/2018	04/18/2018	500	500
SMTN588	EUR	01/19/2018	04/19/2018	3,000	3,000
SMTN595	CHF	01/24/2018	04/24/2018	10,000	8,546
CNMV133	EUR	01/30/2018	04/30/2018	10,000	10,000
<b>Total</b>					<b>476,354</b>

Additionally, since January 1<sup>st</sup>, 2018 until the date of this report early redemption was applied for 63 outstanding issues and, therefore, the Company cancelled the associated deposits whose nominal value was the same amount. The detail of those issues is as follows:

2018							
Issue	Currency	Issuance date	Maturity date	Redemption date	Initial Value (Thousands of Euros)	Redemption Value (Thousands of Euros)	Final Value (Thousands of Euros)
SMTN466	USD	10/03/2017	10/05/2020	01/03/2018	2,026	2,026	-
CNMV77	EUR	01/10/2017	01/10/2022	01/10/2018	5,000	5,000	-
SMTN468	USD	10/11/2017	10/11/2019	01/11/2018	417	417	-
CNMV121	EUR	11/17/2017	01/09/2026	01/11/2018	35,000	10,000	25,000
SMTN470	USD	10/12/2017	10/13/2020	01/12/2018	834	834	-
SMTN471	USD	10/12/2017	10/13/2020	01/12/2018	834	834	-
SMTN482	USD	10/17/2017	10/17/2023	01/17/2018	10,006	10,006	-
SMTN413	USD	08/02/2017	01/22/2019	01/19/2018	334	334	-
SMTN454	EUR	09/19/2017	09/19/2018	01/19/2018	1,275	1,275	-
SMTN515	USD	11/20/2017	11/22/2021	01/22/2018	2,001	2,001	-
SMTN288	USD	01/24/2017	01/24/2022	01/23/2018	417	417	-
SMTN489	EUR	10/26/2017	10/26/2022	01/26/2018	3,000	3,000	-
SMTN421	USD	08/03/2017	07/27/2023	01/29/2018	742	742	-
SMTN485	USD	10/27/2017	10/29/2018	01/29/2018	603	603	-
SMTN494	USD	10/27/2017	10/27/2020	01/29/2018	919	919	-
CNMV128	EUR	11/23/2017	05/30/2019	01/30/2018	10,000	10,000	-
SMTN133	EUR	07/03/2015	06/20/2020	01/19/2018	4,090	1,360	2,730
SMTN134	EUR	06/30/2015	06/20/2020	01/19/2018	2,150	2,050	100
SMTN164	USD	12/07/2015	01/10/2020	01/10/2020	1,751	1,751	-
SMTN260	USD	12/07/2016	01/11/2022	01/11/2022	1,126	1,126	-
SMTN132	USD	07/03/2015	06/20/2020	01/19/2018	9,939	9,939	-
SMTN262	USD	12/07/2016	01/11/2022	01/11/2022	792	792	-
SMTN345	USD	05/08/2017	07/11/2022	07/11/2022	1,668	1,668	-
SMTN241	USD	11/03/2016	01/07/2027	01/19/2018	834	834	-
SMTN268	USD	12/20/2016	01/11/2022	01/11/2022	1,376	1,376	-

2018							
Issue	Currency	Issuance date	Maturity date	Redemption date	Initial Value (Thousands of Euros)	Redemption Value (Thousands of Euros)	Final Value (Thousands of Euros)
SMTN497	EUR	11/01/2017	11/02/2020	02/01/2018	1,323	1,323	-
SMTN418	EUR	08/02/2017	08/02/2019	02/02/2018	600	600	-
SMTN419	CHF	08/02/2017	08/02/2019	02/02/2018	641	641	-
SMTN500	USD	11/02/2017	11/02/2021	02/02/2018	834	834	-
SMTN483	USD	10/17/2017	11/07/2023	02/07/2018	8,338	8,338	-
SMTN509	USD	11/14/2017	11/16/2020	02/14/2018	1,827	1,827	-
SMTN269	PEN	12/21/2016	12/21/2019	02/08/2018	4,380	4,380	-
SMTN300	COP	02/15/2017	02/15/2020	02/08/2018	4,046	4,046	-
CNMV125	EUR	11/23/2017	02/23/2018	02/23/2018	11,000	11,000	-
SMTN522	USD	11/24/2017	11/26/2018	02/26/2018	496	496	-
SMTN524	USD	11/28/2017	11/30/2020	02/28/2018	580	580	-
SMTN525	EUR	11/28/2017	11/30/2020	02/28/2018	687	687	-
SMTN528	USD	11/28/2017	11/28/2018	02/27/2018	708	708	-
SMTN405	USD	07/17/2017	07/10/2018	02/28/2018	1,668	1,668	-
CNMV72	EUR	03/01/2017	03/01/2018	03/01/2018	66,000	66,000	-
SMTN440	USD	08/30/2017	08/31/2020	03/02/2018	834	834	-
SMTN533	USD	12/05/2017	12/06/2021	12/06/2021	1,668	1,668	-
SMTN512	CHF	11/20/2017	12/11/2023	03/12/2018	17,091	17,091	-
SMTN517	CHF	11/21/2017	12/12/2023	03/12/2018	6,794	6,794	-
SMTN574	USD	01/10/2018	01/00/1900	01/10/2022	1,668	1,668	-
CNMV88	EUR	03/14/2017	03/14/2022	03/14/2018	1,000	1,000	-
SMTN325	USD	03/17/2017	03/19/2018	03/19/2018	859	859	-
SMTN455	USD	09/20/2017	09/20/2019	03/20/2018	2,501	2,501	-
SMTN52	USD	02/14/2013	03/20/2018	03/20/2018	11,173	11,173	-
SMTN53	USD	02/28/2013	03/20/2018	03/20/2018	1,834	1,834	-
SMTN57	USD	03/14/2013	03/20/2018	03/20/2018	1,834	1,834	-
SMTN58	EUR	03/22/2013	03/20/2018	03/20/2018	400	400	-
SMTN550	USD	12/21/2017	12/23/2019	03/21/2018	2,001	2,001	-
SMTN593	USD	01/23/2018	01/00/1900	01/25/2022	2,001	2,001	-
CNMV117	EUR	09/14/2017	09/14/2023	04/04/2018	2,550	2,550	-
SMTN557	CHF	12/19/2017	01/09/2024	04/10/2018	8,546	8,546	-
SMTN335	USD	04/12/2017	04/11/2018	04/11/2018	1,038	1,038	-
SMTN586	EUR	01/18/2018	04/18/2018	04/18/2018	500	500	-
SMTN588	EUR	01/19/2018	04/19/2018	04/19/2018	3,000	3,000	-
SMTN487	USD	10/24/2017	10/24/2018	10/24/2018	1,247	1,247	-
SMTN595	CHF	01/24/2018	04/24/2018	04/24/2018	8,546	8,546	-
CNMV133	EUR	01/30/2018	04/30/2018	04/30/2018	10,000	10,000	-
N.ESRDAS80	EUR	04/28/2011	04/30/2018	04/30/2018	2,800	2,800	-
<b>Total</b>					<b>290,144</b>	<b>262,314</b>	<b>27,830</b>

## **20. Remuneration of directors**

No remuneration is paid by the Company to the managing directors, The Managing Directors receive remuneration from Banco Bilbao Vizcaya Argentaria, S.A. The Managing Directors are as follows:

Name	Position of the Company	Present Principal Occupation Outside of the Company
Raul Moreno Carnero	Managing Director	Institutional Funding Manager of BBVA
Marian Coscarón Tome	Managing Director	Head of Global Structured Securities of BBVA
Christian Hojbjerre Mortensen	Managing Director	Global Structured Securities manager of BBVA
Eloy Fontecha Fernández	Managing Director	Head of Global Fixed Income of BBVA

## **21. Sign off**

Amsterdam, April 27<sup>th</sup>, 2018

Board of Directors:

Marian Coscarón Tomé  
Eloy Fontecha Fernández  
Raúl Moreno Carnero  
Christian Hojbjerre Mortensen

## **OTHER INFORMATION**

### **Statutory provisions concerning the appropriation of results**

The appropriation of profit is governed by Article 21 of the articles of association. The profit is at free disposal of the general meeting. The general meeting may decide to pay dividend (if the Company is profitable), only after adoption of the annual accounts and if profit so permits.

### **Independent auditor's report**

The independent auditor's report is presented on page 78.



# Independent auditor's report

To: the General Meeting of Shareholders and the Audit Committee of BBVA Global Markets B.V.

## **Report on the audit of the financial statements 2017 included in the annual report**

### **Our opinion**

In our opinion the accompanying financial statements give a true and fair view of the financial position of BBVA Global Markets B.V. as at 31 December 2017 and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

### **What we have audited**

We have audited the financial statements 2017 of BBVA Global Markets B.V. (the Company) based in Amsterdam.

The financial statements comprise:

- 1 the statement of financial position as at 31 December 2017;
- 2 the following statements for 31 December 2017: the statements of comprehensive income, changes in shareholder's equity and cash flows; and
- 3 the notes comprising a summary of the significant accounting policies and other explanatory information.

## Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of BBVA Global Markets B.V. in accordance with the EU Regulation on specific requirements regarding statutory audits of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Audit approach

### Summary

#### MATERIALITY

- Materiality of EUR 24 million
- 1% of total assets

#### KEY AUDIT MATTERS

- Identification of embedded derivatives
- Estimation uncertainty in respect of the credit risk related to Loans to the parent company

#### UNQUALIFIED OPINION

## Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at EUR 23,975,000 (2016: EUR 12,802,000). The materiality is determined with reference to total assets (1%) and therefore the materiality level increased in line with the total assets. We consider total assets as the most appropriate benchmark because this reflects the entities main objective being the issuance of debt and the financing of BBVA as parent company. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

Misstatements in excess of EUR 1,200,000 which are identified during the audit, would be reported to the Audit Committee, as well as smaller misstatements that in our view must be reported on qualitative grounds.

## Initial Audit

The year 2017 was the first year we have audited the annual accounts of the Company, therefore we provide more information on how we prepared for this so-called initial audit.

Before commencing our audit work, we ensured that we were independent of the Company. This involved ceasing commercial relationships and changing financial arrangements for partners and for staff who work on the audit of the Company before commencing our audit procedures.

After being appointed we developed a comprehensive plan to ensure an effective transition from the predecessor auditor. Our transition activities included, but were not limited to, obtaining an initial understanding of the company and its business, its strategy and business risks, the IT landscape and the financial reporting and internal controls framework. We assessed the opening balances and selection and consistent application of the accounting policies by discussing the audit with the predecessor auditor and reviewing their audit file. The foregoing steps were undertaken to assist us in performing our risk assessment procedures and served as a basis for preparing our audit approach.

## Our key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Audit Committee. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Identification of embedded derivatives

#### Description

Certain instruments issued by the company include embedded derivatives such as credit default swaps and equity options. It is the objective of the company to economically hedge all exposure to market risk with the Parent company. Identifying and accurate reporting of embedded derivatives is complex. Failing to accurately identify embedded derivatives can have a material effect on the financial statements and it may expose the company to market risk as there is no economic hedge. We therefor considered this to be a key audit matter.

#### Our response

Our audit procedures include an assessment of the company's internal controls and substantive testing of embedded derivatives. We have performed, among others things, the following procedures with respect to the identification of embedded derivatives:

- Evaluated the company's accounting policies related to identification and bifurcation of embedded derivatives.
- Tested the operating effectiveness of internal control over the bifurcation of embedded derivatives.
- Performed substantive procedures over a sample of instruments issued by the company to determine any embedded derivatives were identified and accurately bifurcated.

#### Our observation

Based on our audit procedures we have found embedded derivatives included in the instruments issued by the company have been identified and accurately bifurcated and reported in the financial statements.



## Estimation uncertainty in respect of the credit risk related to Loans to the parent company

### Description

The Company is a financing entity entering into financing arrangement with the parent company (the 'parent'). The Company has no substantial assets other than the loans to the parent. The Company's results are therefore highly dependent on the performance of the parent for repayment of its debt instruments and meeting its financial obligations. Given this pervasive impact on the financial statements of the Company, we considered this a key audit matter.

### Our response

Our audit procedures among others things included an assessment of the financial robustness of the financial position and liquidity of the parent to assess whether it is able to meet its contractual obligations, or whether in case of non-performance of the parent it will be able to collect the assets. We have performed, amongst other things, the following procedures with respect to the exposure on the parent:

- Evaluated if there are over-due payments from the parent to the Company.
- Inspect the audited 2017 financial statements of the parent.
- Inquire and discuss with the Group auditor KPMG Spain recent developments in the financial position and cash flows of the parent and whether any conditions existing as at, or subsequent to the reporting date that may lead to the parent's inability to meet its contractual obligations.
- Inspect the terms and conditions of the Credit Agreement between the parent and the Company.

### Our observation

We found that Management's assessment of the recoverability of the intercompany funding to the parent resulted in a balanced outcome and that the risk is adequately disclosed in the notes to the financial statements.

## Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- the Director's report;
- the other information pursuant to Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The Board of Directors is responsible for the preparation of the other information, including the Director's report in accordance with Part 9 of Book 2 of the Dutch Civil Code and the other information pursuant to Part 9 of Book 2 of the Dutch Civil Code.

## **Report on other legal and regulatory requirements**

### **Engagement**

We were engaged by the Audit Committee as auditor of BBVA Global Markets B.V. for audit for the year 2017 and have operated as statutory auditor since that financial year.

### **No prohibited non-audit services**

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audits of public-interest entities.

## **Description of responsibilities regarding the financial statements**

### **Responsibilities of the Board of Directors and the Audit Committee for the financial statements**

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Board of Directors is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Board of Directors should prepare the financial statements using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. the Board of Directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The Audit Committee is responsible for overseeing the Company's financial reporting process.

### **Our responsibilities for the audit of the financial statements**

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A further description of our responsibilities for the audit of the financial statements is included in the appendix to this auditor's report. This description forms part of our auditor's report.

Amstelveen, 30 April 2018

KPMG Accountants N.V.

R. Huizingh RA

Appendix: Description of our responsibilities for the audit of the annual accounts



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KPMG Accountants N.V., registered with the trade register in the Netherlands under number 33263683, is a member firm of the KPMG network of independent companies affiliated with KPMG International Cooperative ('KPMG International'), a Swiss entity.

## Appendix

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- concluding on the appropriateness of the Board of Directors' use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with to the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audits of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the to the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.