



**BBVA** Creating Opportunities

# 3Q17 Results

October, 27<sup>th</sup> 2017

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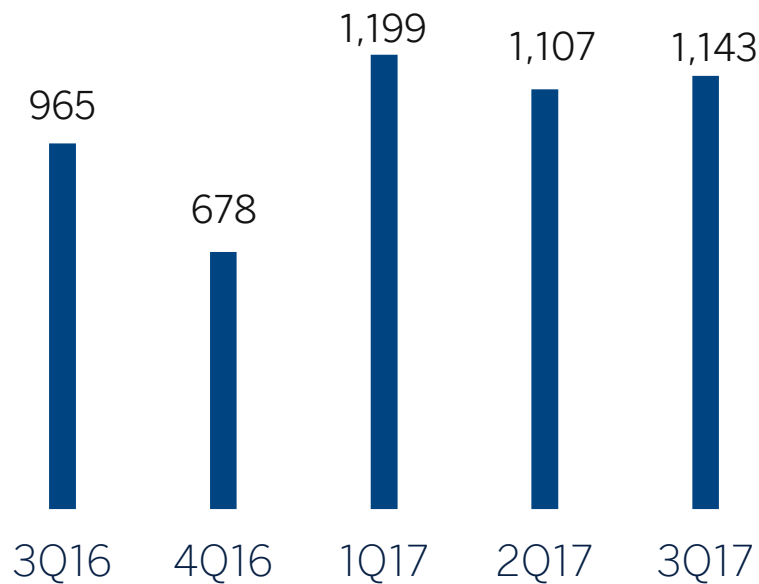
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# Solid growth trend continued in the 3<sup>rd</sup> Quarter

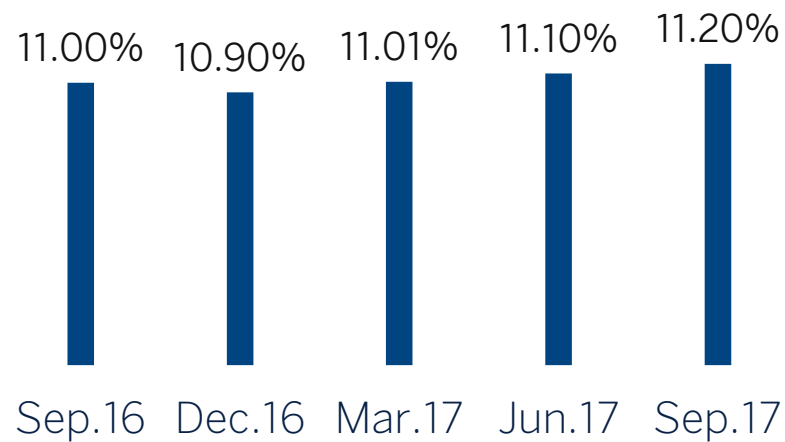
## Net Attributable Profit

Quarterly evolution (€m)



## CET1 fully-loaded – BBVA Group

Quarterly evolution (%)

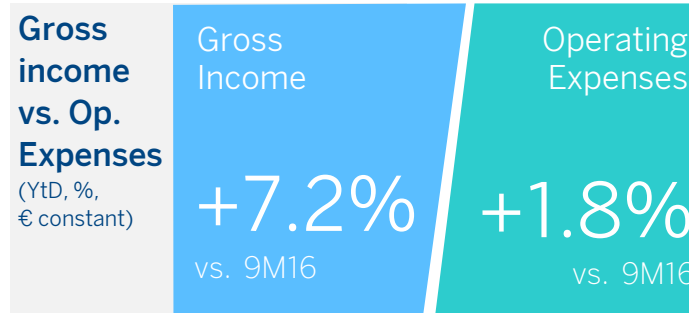


# 3Q17 Highlights

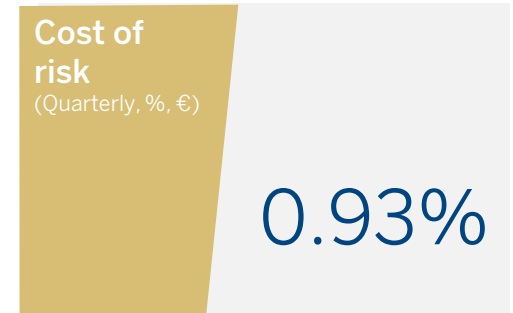
## Core revenues growth



## Cost control



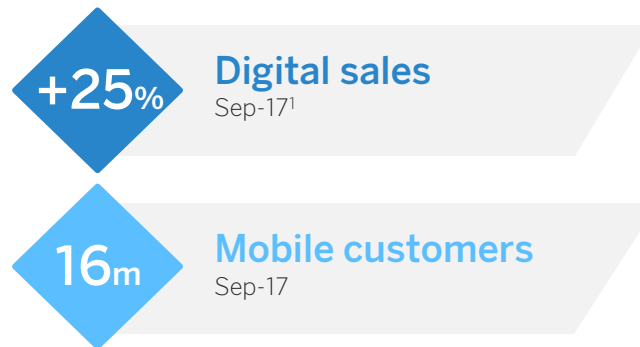
## Sound asset quality



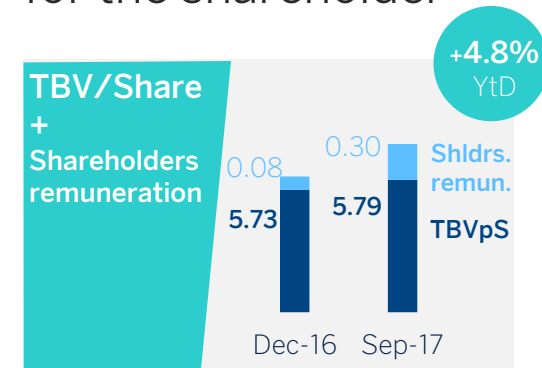
## Strong capital generation



## Delivering on our transformation



## Creating value for the shareholder



(1) % of total sales YtD, # of transactions

## 3Q17 Profit & Loss

BBVA Group (€m)	3Q17	Change 3Q17/3Q16	
		%	% constant
<b>Net Interest Income</b>	<b>4,399</b>	<b>2.1</b>	<b>9.8</b>
Net Fees and Commissions	1,249	3.4	9.5
Net Trading Income	347	-39.9	-36.1
Other Income & Expenses	195	88.3	42.9
<b>Gross Income</b>	<b>6,189</b>	<b>-0.1</b>	<b>6.2</b>
Operating Expenses	-3,075	-4.4	1.3
<b>Operating Income</b>	<b>3,115</b>	<b>4.5</b>	<b>11.5</b>
Impairment on Financial Assets	-976	-2.8	2.4
Provisions and Other Gains and Losses	-157	-40.0	-40.9
<b>Income Before Tax</b>	<b>1,981</b>	<b>15.5</b>	<b>25.6</b>
Income Tax	-550	18.2	32.6
<b>Net Income</b>	<b>1,431</b>	<b>14.5</b>	<b>23.1</b>
Non-controlling Interest	-288	0.9	18.6
<b>Net Attributable Profit</b>	<b>1,143</b>	<b>18.5</b>	<b>24.4</b>

Recurrent and strong results

## 9M17 Profit & Loss

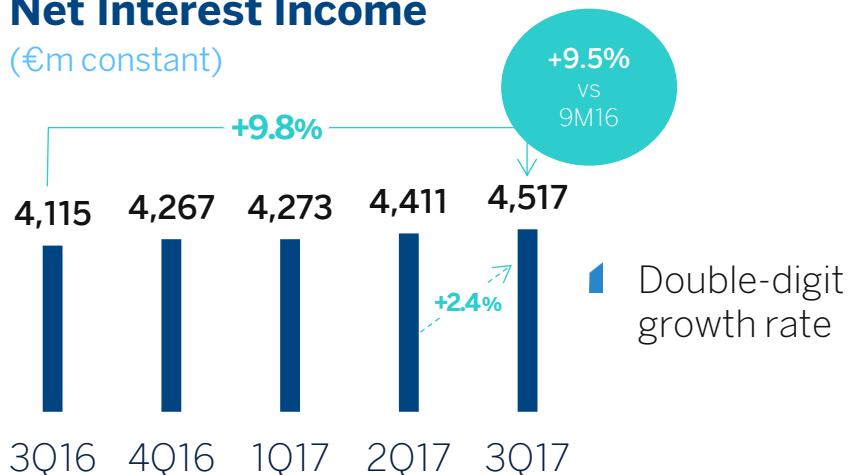
BBVA Group (€m)	9M17	Change 9M17/9M16	
		%	% constant
<b>Net Interest Income</b>	<b>13,202</b>	<b>4.2</b>	<b>9.5</b>
Net Fees and Commissions	3,705	4.2	8.4
Net Trading Income	1,416	-19.2	-13.3
Other Income & Expenses	585	31.1	8.9
<b>Gross Income</b>	<b>18,908</b>	<b>2.6</b>	<b>7.2</b>
Operating Expenses	-9,386	-1.7	1.8
<b>Operating Income</b>	<b>9,522</b>	<b>7.2</b>	<b>13.1</b>
Impairment on Financial Assets	-2,917	-6.3	-2.7
Provisions and Other Gains and Losses	-589	-10.9	-13.8
<b>Income Before Tax</b>	<b>6,015</b>	<b>17.8</b>	<b>27.0</b>
Income Tax	-1,670	20.6	33.4
<b>Net Income</b>	<b>4,345</b>	<b>16.7</b>	<b>24.6</b>
Non-controlling Interest	-896	-3.1	11.2
<b>Net Attributable Profit</b>	<b>3,449</b>	<b>23.3</b>	<b>28.7</b>

Recurrent and strong results

# Earnings - Gross Income

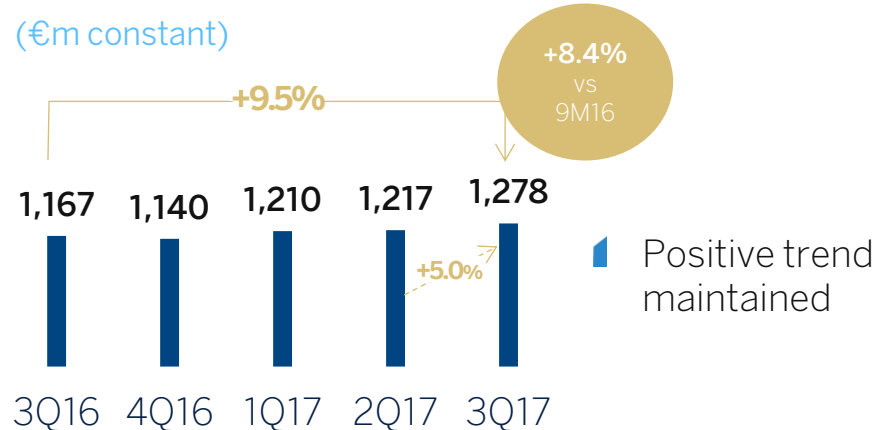
## Net Interest Income

(€m constant)



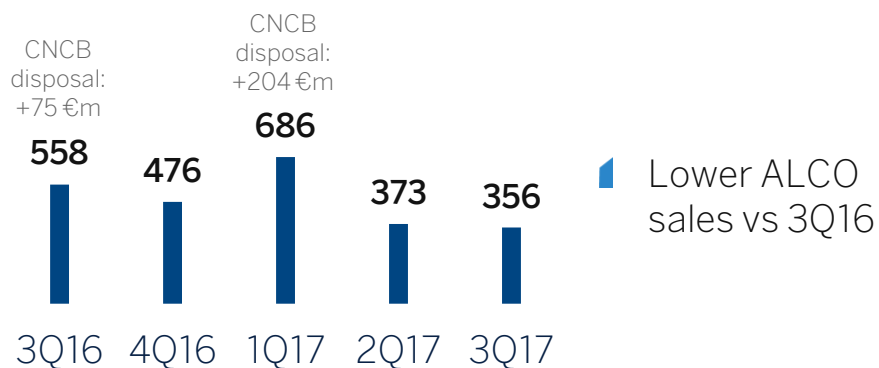
## Net Fees and Commissions

(€m constant)



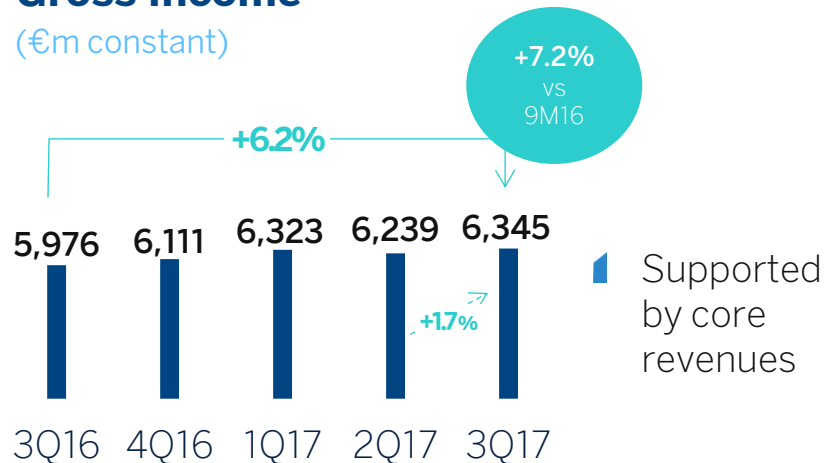
## Net Trading Income

(€m constant)



## Gross Income

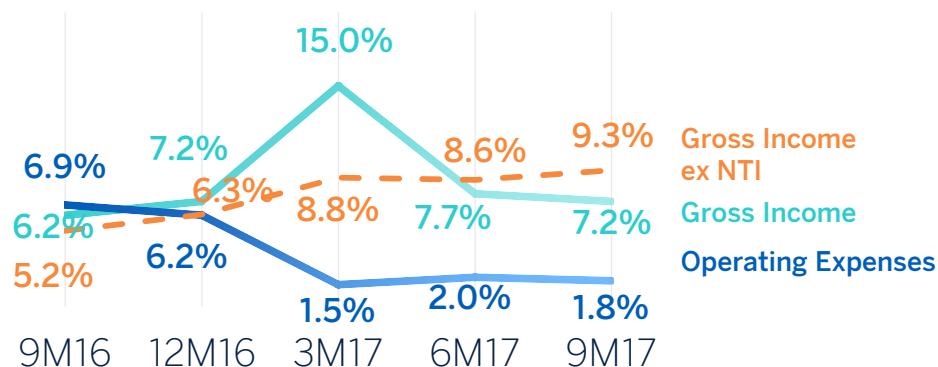
(€m constant)



# Operating Expenses

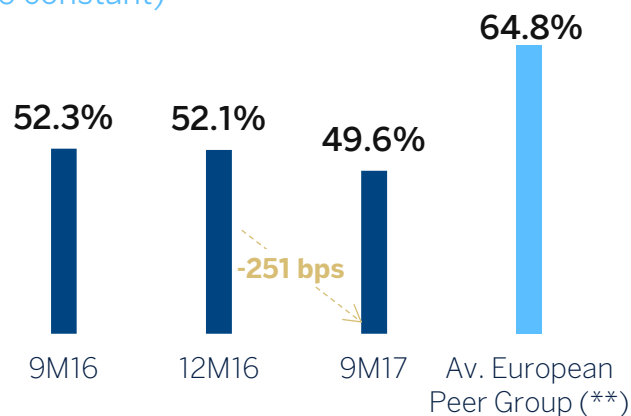
## Group Operating Jaws

YtD (%); (€ constant)



## Efficiency Ratio

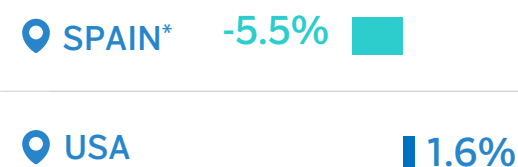
(€ constant)



## 9M17 vs. 9M16

(€ constant)

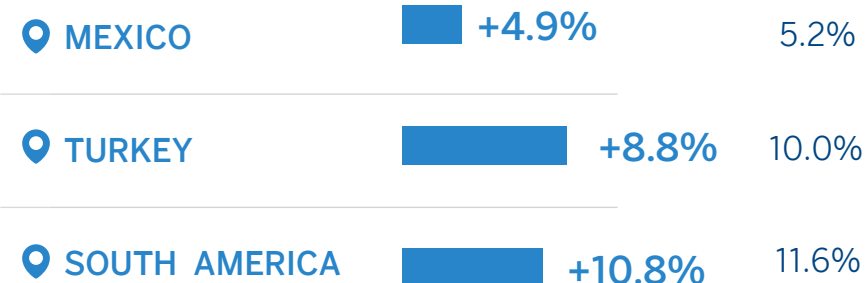
### Developed



**Inflation**  
Average 12m

1.9%  
2.0%

### Emerging



(\*) Spain includes banking and non core real-estate activities

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

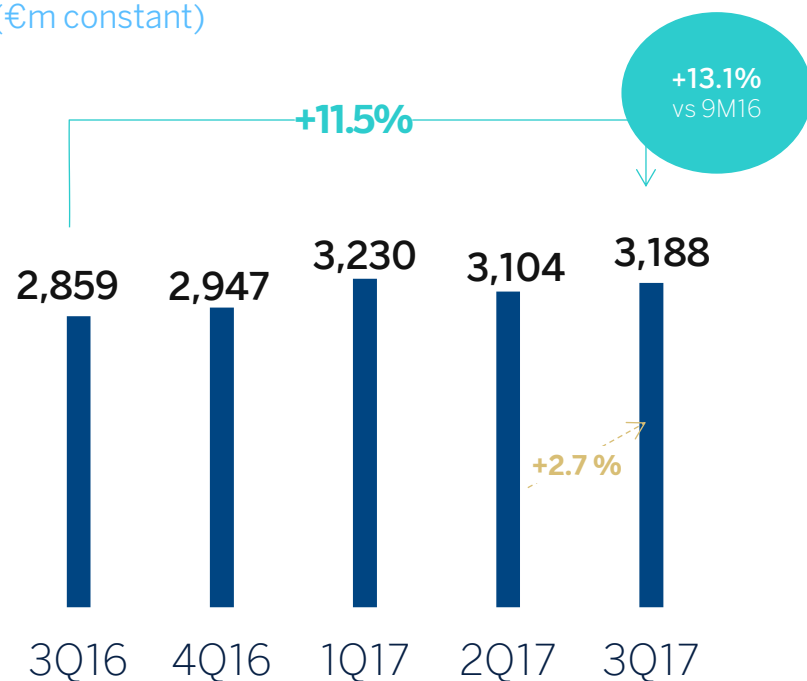
Transformation leading to efficiency gains



# Earnings - Operating Income

## Quarterly Evolution

(€m constant)



## 9M17 vs. 9M16

(€ constant)

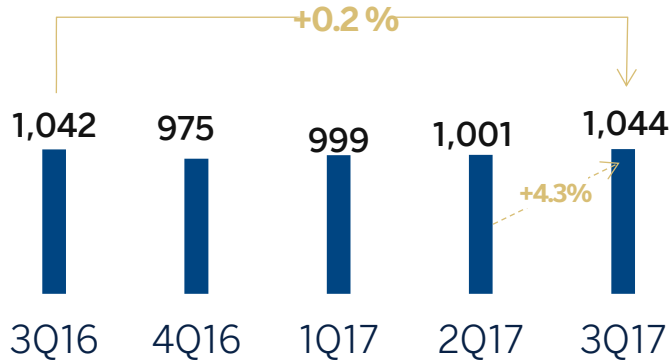
📍 BANKING ACTIVITY IN SPAIN	-3.0%
📍 USA	+22.5%
📍 MEXICO	+13.5%
📍 TURKEY	+15.5%
📍 SOUTH AMERICA	+15.0%

Double-digit operating income growth

# Risk Indicators

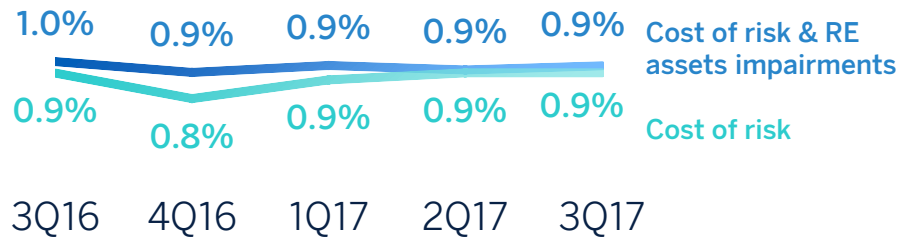
## Total Impairments (Financial Assets and RE)

(€m constant)



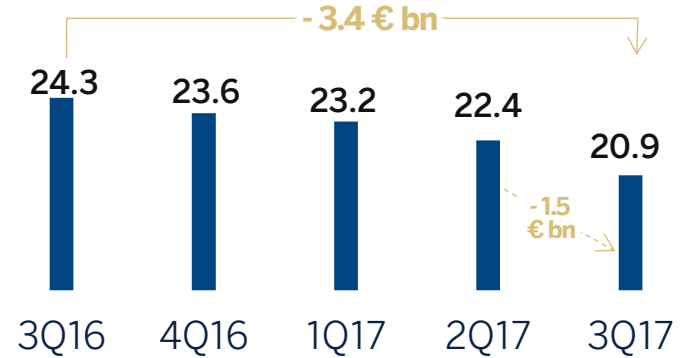
## Cost of risk

YtD (%)



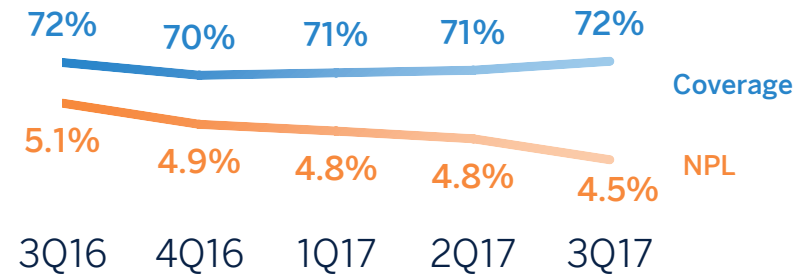
## NPLs

(€bn)



## NPL & Coverage ratios

(%)

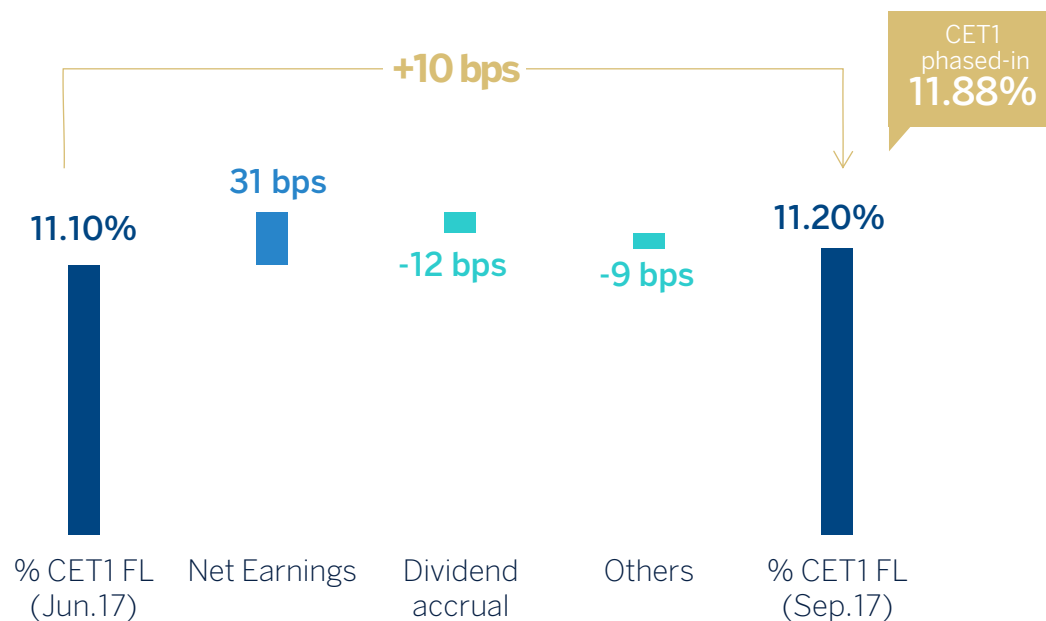


NPL ratio at 2012 levels

# Capital Ratios

## CET1 fully-loaded – BBVA Group

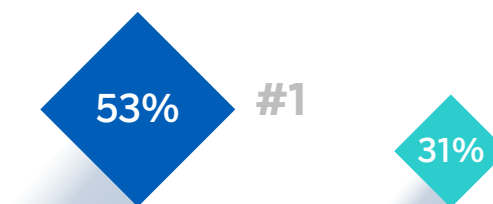
QoQ Evolution (% , bps)



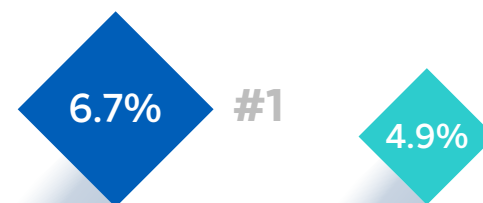
## High quality capital

(%)

RWAs/ Total Assets



Leverage ratio fully-loaded



◆ **BBVA**    ◆ European Peer Group Average

European Peer Group: BARC, BNPP, CASA, CS, CMZ, DB, HSBC, ISP, LBG, RBS, SAN, SG, UBS, UCI. European Peer Group figures as of June 2017. BBVA figures of September 2017

Sound capital position



# Delivering on our Transformation

# Customer Experience Improvements in 3Q17

## Products & Functionalities

### > *Economy* (Spain)

### > *New app design* (Spain)

- Insurance one-click (Mexico)

- Savings goals (Peru)

### > *ATM's cash withdrawals theft micro insurance* (Colombia)

- Collective Savings - Tandapp (Mexico)

- Money Deposit with QR (Turkey)

### > *Tuyyo* (USA)

- Integrated CRM Commercial Segment (Spain)

- Transportation Card online payment (Turkey)

- Online Transfer Services Enrollment & Payees (USA)

- Virtual spending pockets (Mexico)

- Trading equity structured products online (USA- CIB)

## Relationship Model

### > *Voice biometrics authentication* (Turkey)

- Cloud based customer integrated position management (USA)

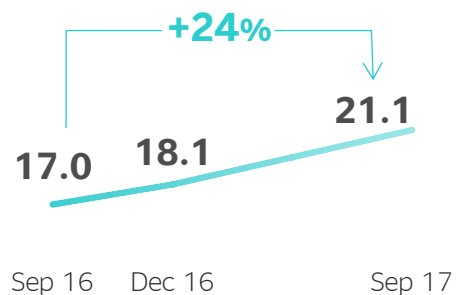


Delivering solutions to our customers

# Digital Customers BBVA Group

## Digital Customers

(Mn, %penetration)

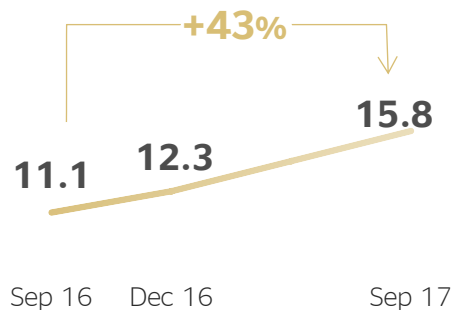


### PENETRATION

33%    36%    40%

## Mobile Customers

(Mn, %penetration)



### PENETRATION

22%    24%    30%

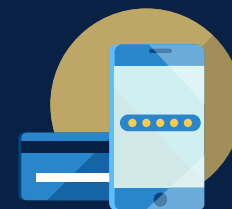
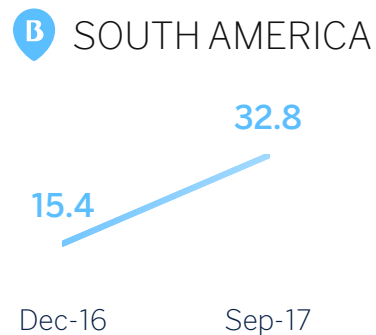
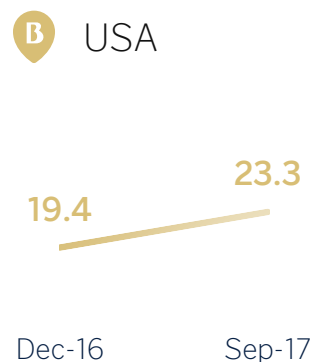
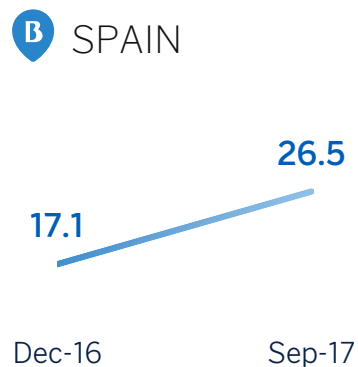


**Achieved 50%  
tipping point  
in digital  
customers**



# Digital Sales

(% of total sales YtD, # of transactions)



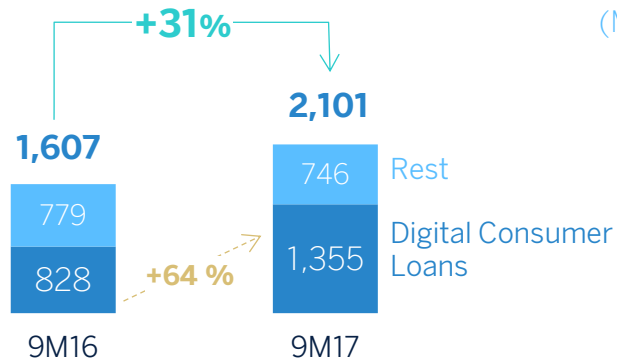
**>3.5 million**  
units sold  
in 3Q

**Exponential growth**

# BBVA Spain Transformation Tangible Results

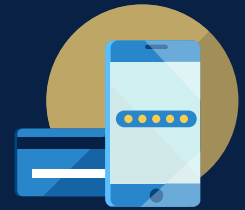
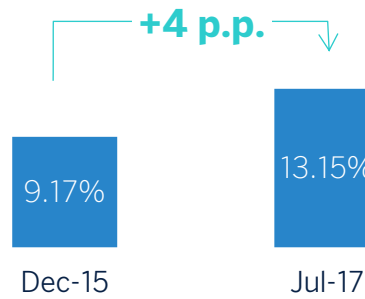
## Consumer loans: new loan production

(€m, %)



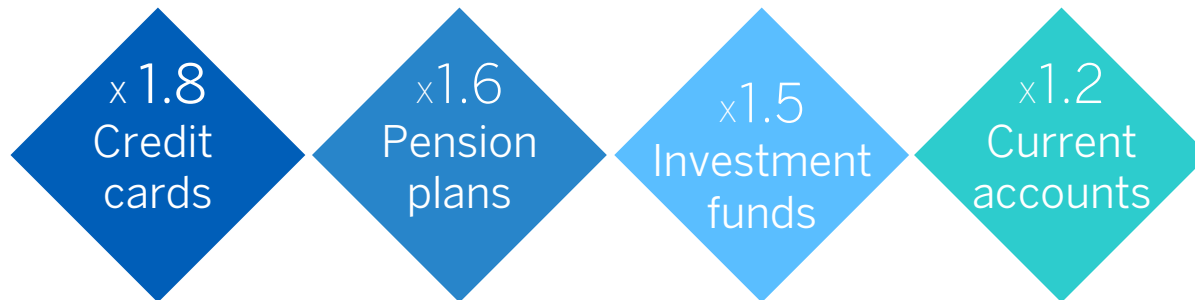
## Consumer loans: Growing market share in new loan production thanks to digital loans

(Market share, %)



## New app design- Mobile sales

(Average daily digital sales increase\*)



## Mobile product availability

%



(\*) Average daily digital sales increase from Sep 16<sup>th</sup>- Oct 16<sup>th</sup> vs Jul 1<sup>st</sup>-31<sup>st</sup> and Sep 1<sup>st</sup>- 15<sup>th</sup>

(\*) BBVA Spain App According to 2017 Forrester Research report, "Global Mobile Banking Benchmark"





# Business Areas

## Spain Banking Activity – Profit & Loss

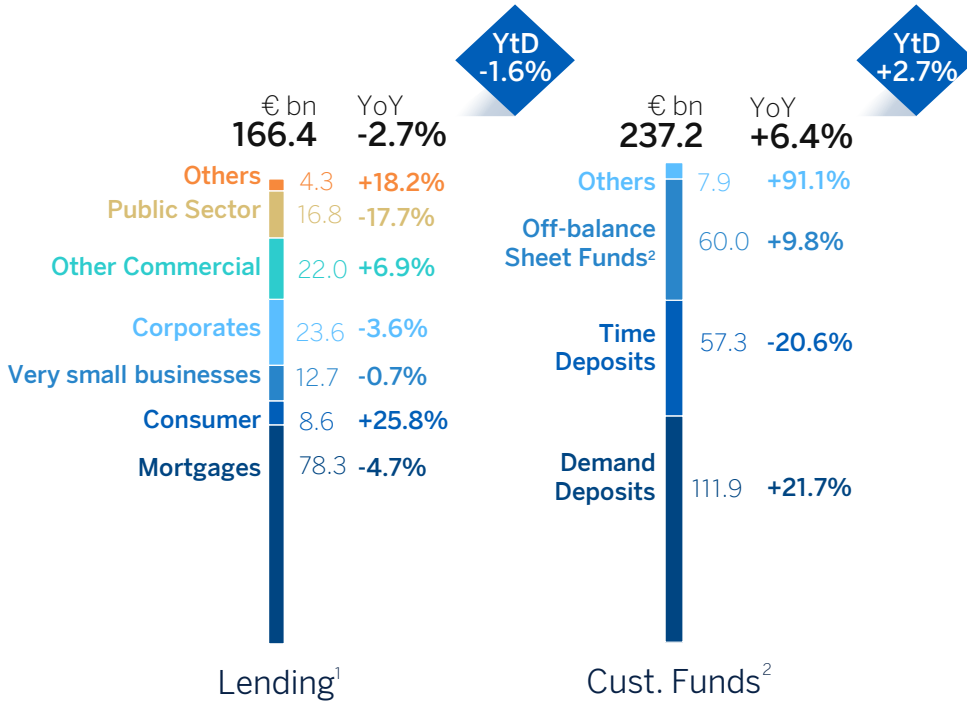
Spain Banking Activity (€m)	3Q17	Change (%)		9M17	Change (%)	
		3Q17 vs 3Q16	3Q17 vs 2Q17		9M17 vs 9M16	
<b>Net Interest Income</b>	<b>927</b>	<b>-3.8</b>	<b>-0.3</b>	<b>2,791</b>	<b>-3.9</b>	
Net Fees and Commissions	390	7.0	-2.7	1,173	4.3	
Net Trading Income	76	-65.8	-19.1	394	-35.6	
Other Income & Expenses	139	20.9	38.1	375	22.4	
<i>of which: Insurance</i>	104	4.7	-12.6	331	7.3	
<b>Gross Income</b>	<b>1,532</b>	<b>-7.9</b>	<b>0.5</b>	<b>4,733</b>	<b>-4.3</b>	
Operating Expenses	-838	-7.2	-1.9	-2,547	-5.4	
<b>Operating Income</b>	<b>694</b>	<b>-8.8</b>	<b>3.5</b>	<b>2,186</b>	<b>-3.0</b>	
Impairment on Financial Assets (net)	-126	-40.4	-8.0	-429	-40.5	
Provisions (net) and other gains (losses)	-44	-64.7	-63.1	-290	37.9	
<b>Income Before Tax</b>	<b>524</b>	<b>23.4</b>	<b>26.3</b>	<b>1,467</b>	<b>10.9</b>	
Income Tax	-133	17.9	11.1	-404	4.0	
<b>Net Attributable Profit</b>	<b>391</b>	<b>25.1</b>	<b>32.5</b>	<b>1,061</b>	<b>13.7</b>	

- Flat NII qoq despite seasonality, supported by Global Markets. YoY decrease in line with expectations
- Good trend in fees, despite seasonality
- NTI impacted by lower portfolio sales

Cost and impairments reductions as the main P&L drivers

# Spain Banking Activity – Activity & Spreads

## Activity (sep-17)



## Customer Spread (%)

(%)

### Yield on loans



### Customer Spreads



### Cost of Deposits



(1) Performing loans under management. (2) Includes mutual funds, pension funds and other off balance sheet funds.  
Note: Activity excludes repos

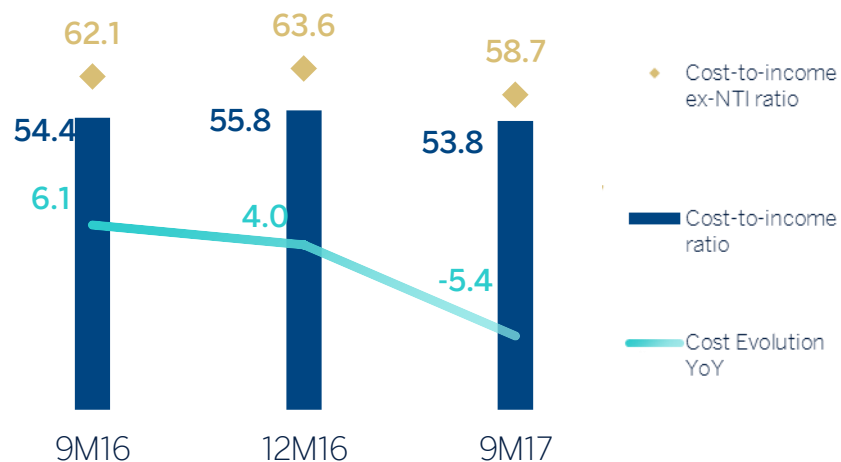
- Loan evolution impacted by deleverage in mortgages and public sector, more than offsetting significant growth in Consumer and SMEs
- Customer spread remains flat, thanks to successful price management
- NII sensitivity to interest rate hikes: +15%<sup>3</sup>

(3) Estimated impact on the NII in the first 12 months upon a +100bps (parallel movement of rates)

# Spain Banking Activity - Key Ratios

## Efficiency

(%, €)



## Risk Indicators

### Coverage ratio



### NPL ratio



### Cost of Risk (YtD)

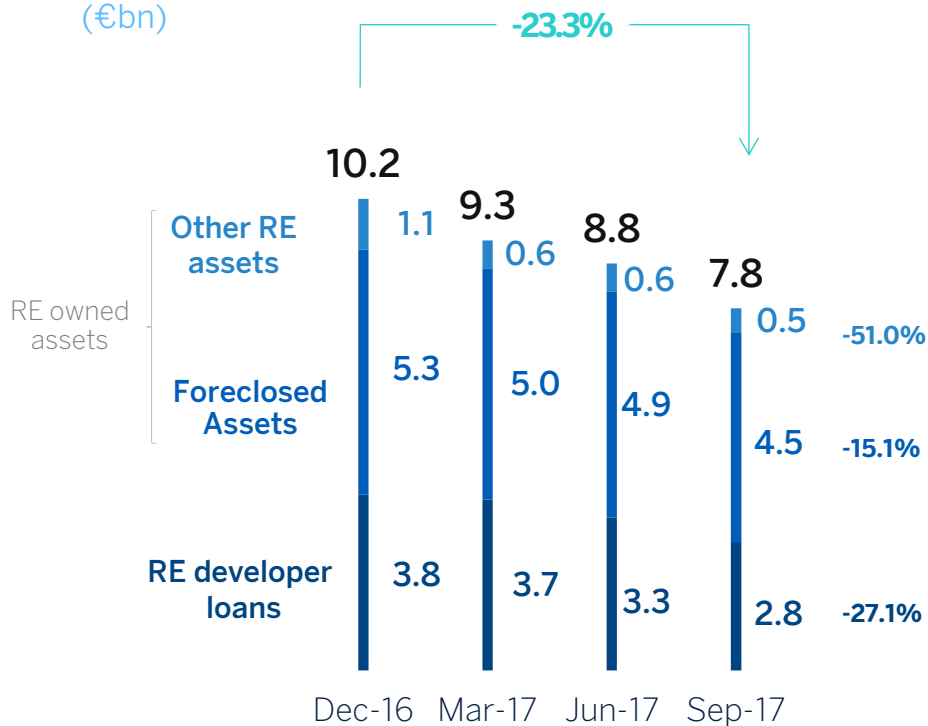


- Cost reduction accelerates in the quarter: CX synergies and ongoing efficiency measures
- Sound asset quality indicators, with CoR significantly below expectations (2017e <40 bps)

# Non Core Real Estate - Highlights

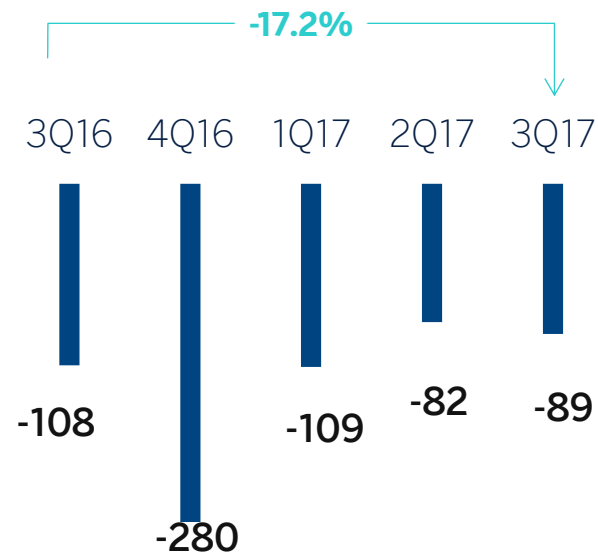
## Net exposure

(€bn)



## Net attributable profit

(€m)



- Continued positive RE market dynamics
- Significant reduction of the net exposure in the quarter (-10.6% qoq)

## USA – Profit & Loss

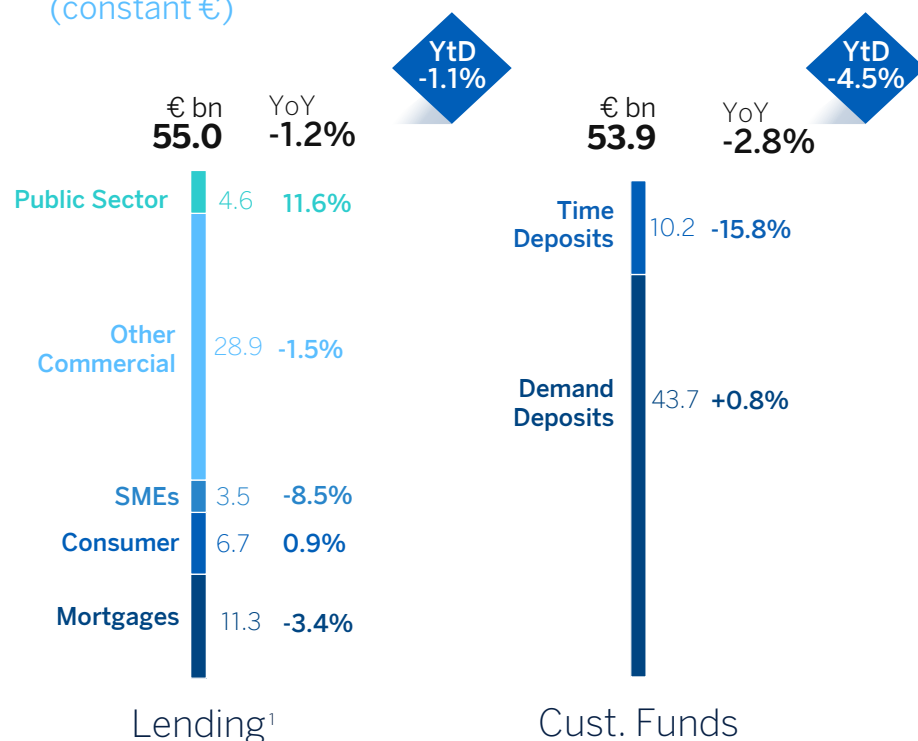
USA (constant €m)	3Q17	Change (%)		9M17	Change (%)	
		3Q17 vs 3Q16	3Q17 vs 2Q17		9M17 vs 9M16	9M17 vs 9M16
<b>Net Interest Income</b>	<b>555</b>	<b>14.8</b>	<b>-0.3</b>	<b>1,622</b>	<b>14.0</b>	
Net Fees and Commissions	167	-2.8	2.9	496	3.9	
Net Trading Income	24	4.7	6.8	78	-32.8	
Other Income & Expenses	0	-94.6	-99.3	-23	144.3	
<b>Gross Income</b>	<b>745</b>	<b>10.2</b>	<b>2.2</b>	<b>2,172</b>	<b>8.3</b>	
Operating Expenses	-470	2.0	-0.1	-1,388	1.6	
<b>Operating Income</b>	<b>276</b>	<b>27.8</b>	<b>6.5</b>	<b>784</b>	<b>22.5</b>	
Impairment on Financial Assets (net)	-86	65.9	123.8	-197	-2.3	
Provisions (net) and other gains (losses)	-13	150.9	1,388.5	-18	-56.9	
<b>Income Before Tax</b>	<b>176</b>	<b>11.3</b>	<b>-19.6</b>	<b>570</b>	<b>43.3</b>	
Income Tax	-42	9.7	-27.4	-148	46.9	
<b>Net Attributable Profit</b>	<b>134</b>	<b>11.8</b>	<b>-16.8</b>	<b>422</b>	<b>42.0</b>	

- Strong YoY revenue growth on the back of NII
- Focus on cost control and widening jaws
- Higher impairments in 3Q due to Harvey and Irma hurricanes (€54m), partially offset by provision releases in O&G portfolios

Positive earnings momentum maintained

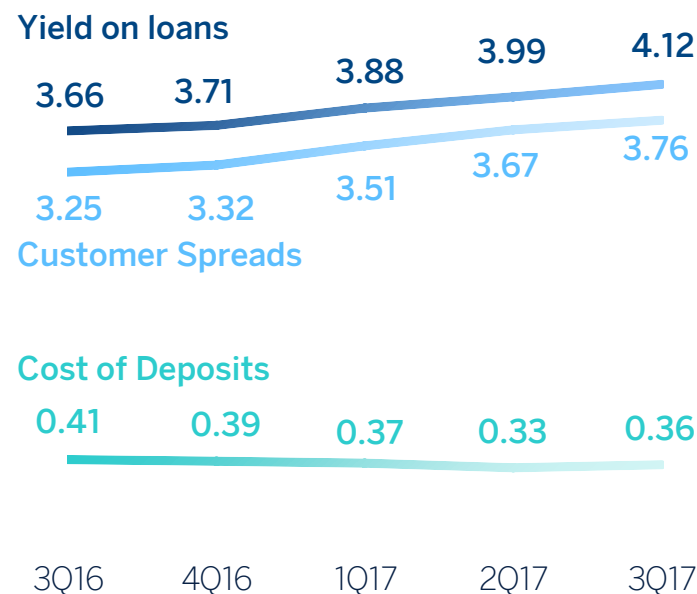
# USA – Activity & Spreads

## Activity (sep-17) (constant €)



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

## Customer Spread (%)



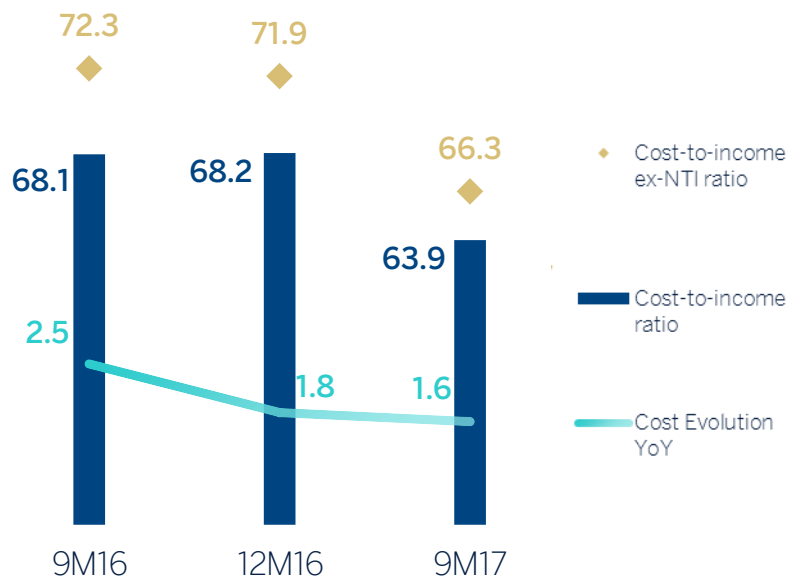
- Slight loan growth qoq (+0.6%), continued focus on growing the consumer portfolio
- Customer spread benefiting from higher rates and our focus on profitable growth
- NII sensitivity to interest rate hikes: + 6%<sup>2</sup>

(2) Estimated impact on the NII in the first 12 months upon a +100bps (parallel movement of rates)

# USA - Key Ratios

## Efficiency

(%, constant €)

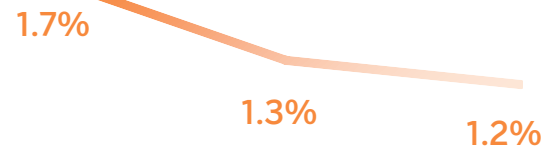


## Risk Indicators

### Coverage ratio



### NPL ratio



### Cost of Risk (YtD)



- Contained costs, growing below inflation. Efficiency improvement
- NPL ratio improvement thanks to recoveries in O&G portfolios and significant increase in coverage
- CoR better than expectations, despite the impact on impairments from hurricanes



## Mexico – Profit & Loss

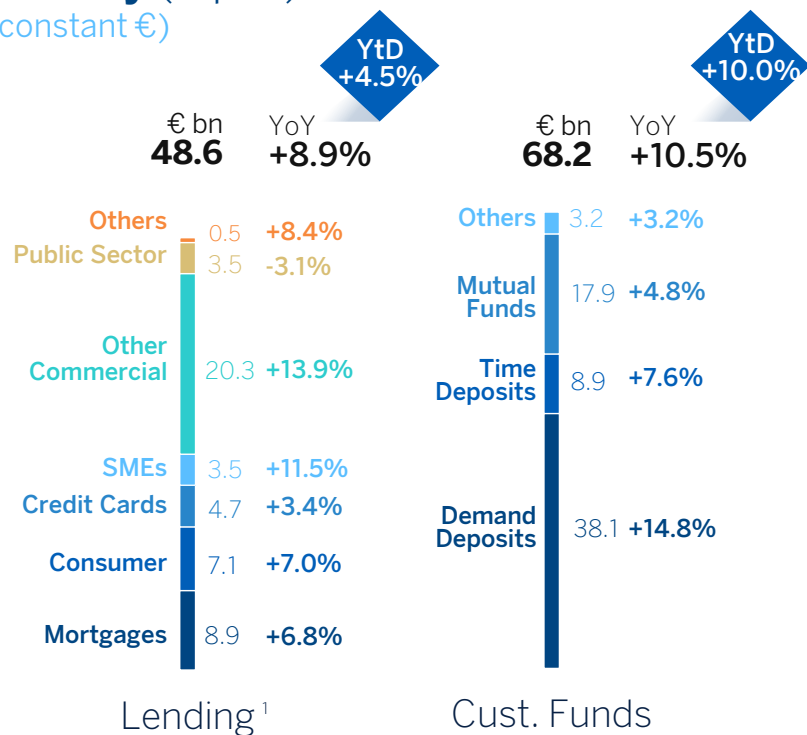
Mexico (constant €m)	3Q17	Change (%)		9M17	Change (%)	
		3Q17 vs 3Q16	3Q17 vs 2Q17		9M17 vs 9M16	9M17 vs 9M16
<b>Net Interest Income</b>	<b>1,398</b>	<b>10.2</b>	<b>3.2</b>	<b>4,078</b>	<b>9.5</b>	
Net Fees and Commissions	310	6.0	1.0	906	9.7	
Net Trading Income	64	44.7	50.6	180	31.5	
Other Income & Expenses	32	1.7	-34.6	152	18.7	
<b>Gross Income</b>	<b>1,804</b>	<b>10.2</b>	<b>2.9</b>	<b>5,317</b>	<b>10.4</b>	
Operating Expenses	-631	5.9	3.6	-1,831	4.9	
<b>Operating Income</b>	<b>1,173</b>	<b>12.6</b>	<b>2.5</b>	<b>3,486</b>	<b>13.5</b>	
Impairment on Financial Assets (net)	-436	6.9	4.3	-1,269	8.9	
Provisions (net) and other gains (losses)	-1	n.s.	-83.3	-9	-42.4	
<b>Income Before Tax</b>	<b>736</b>	<b>14.8</b>	<b>2.0</b>	<b>2,208</b>	<b>16.9</b>	
Income Tax	-202	19.8	5.6	-592	21.5	
<b>Net Attributable Profit</b>	<b>534</b>	<b>13.0</b>	<b>0.7</b>	<b>1,616</b>	<b>15.3</b>	

- Outstanding growth of core revenues: NII + fees
- Positive operating jaws
- Impairments growth in line with activity
- Double-digit bottom line growth maintained

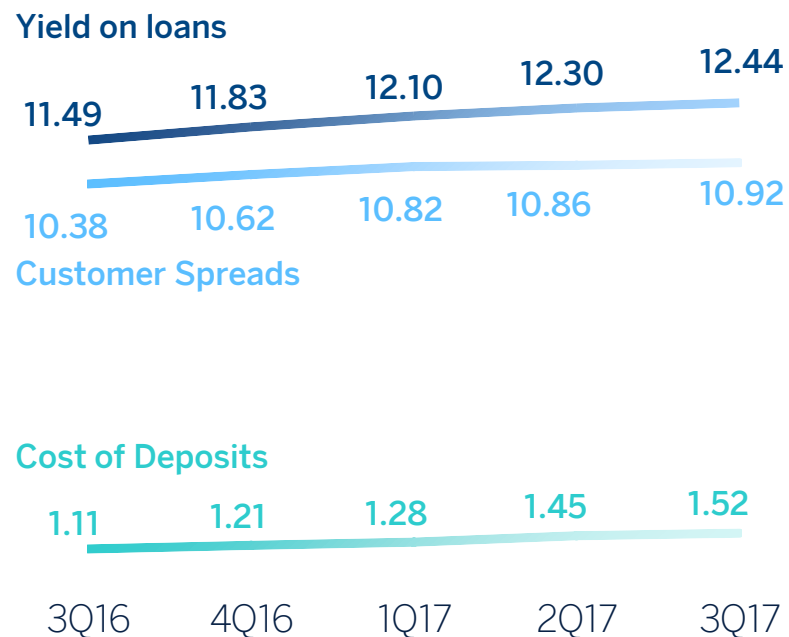
Sustained growth in all P&L lines

# Mexico – Activity & Spreads

## Activity (sep-17) (constant €)



## Customer Spread (%)

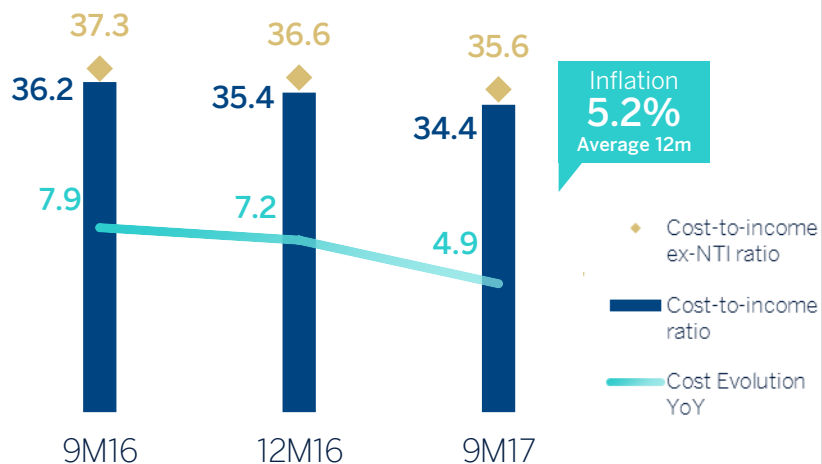


(1) Performing loans under management  
Note: Activity excludes repos

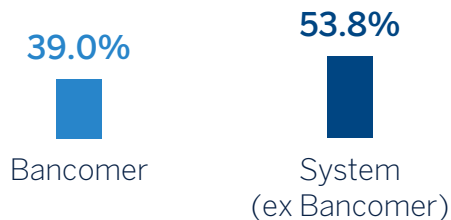
- High single digit loan growth, in line with expectations, driven by the commercial portfolio
- Profitable deposit mix
- Increasing spread, on the back of higher interest rates and our profitable growth strategy

# Mexico - Key Ratios

## Efficiency (%, constant €)

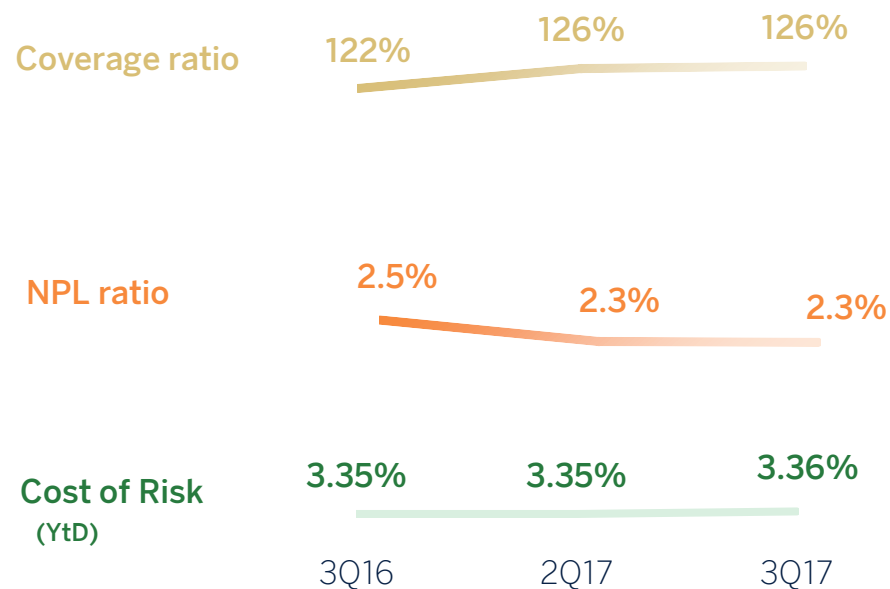


## Cost to income ratio <sup>(1)</sup>



(1) System figures as of August 2017 according to local data (Source: CNBV)

## Risk Indicators



- Positive operating jaws maintained with costs growing below inflation
- Stability of risk indicators
- CoR remains below 350 bps

## Turkey – Profit & Loss

Turkey (constant €m)	3Q17	Change (%)		9M17	Change (%)	
		3Q17 vs 3Q16	3Q17 vs 2Q17		9M17 vs 9M16	
<b>Net Interest Income</b>	<b>814</b>	<b>8.2</b>	<b>3.4</b>	<b>2,399</b>	<b>16.5</b>	
Net Fees and Commissions	191	24.5	7.4	537	13.6	
Net Trading Income	13	n.s.	-46.0	22	-78.8	
Other Income & Expenses	24	202.6	40.9	50	61.6	
<b>Gross Income</b>	<b>1,042</b>	<b>14.3</b>	<b>3.6</b>	<b>3,008</b>	<b>12.9</b>	
Operating Expenses	-380	4.0	1.7	-1,135	8.8	
<b>Operating Income</b>	<b>662</b>	<b>21.3</b>	<b>4.7</b>	<b>1,873</b>	<b>15.5</b>	
Impairment on Financial Assets (net)	-117	-15.2	0.6	-352	-8.1	
Provisions (net) and other gains (losses)	-29	-9.8	n.s.	-12	-63.0	
<b>Income Before Tax</b>	<b>516</b>	<b>37.3</b>	<b>-0.5</b>	<b>1,510</b>	<b>25.0</b>	
Income Tax	-111	32.8	19.6	-308	24.1	
Non-controlling Interest	-205	16.0	-4.7	-634	9.3	
<b>Net Attributable Profit</b>	<b>200</b>	<b>73.1</b>	<b>-5.0</b>	<b>568</b>	<b>49.6</b>	
<b>Net Attributable Profit change</b> (ex 9,95% additional stake in Garanti)		38.3	-5.0		25.1	

Strong core revenue growth, thanks to TL lending activity and good trend in fees

Higher contribution from CPI linkers in the quarter, that will continue to increase in 4Q

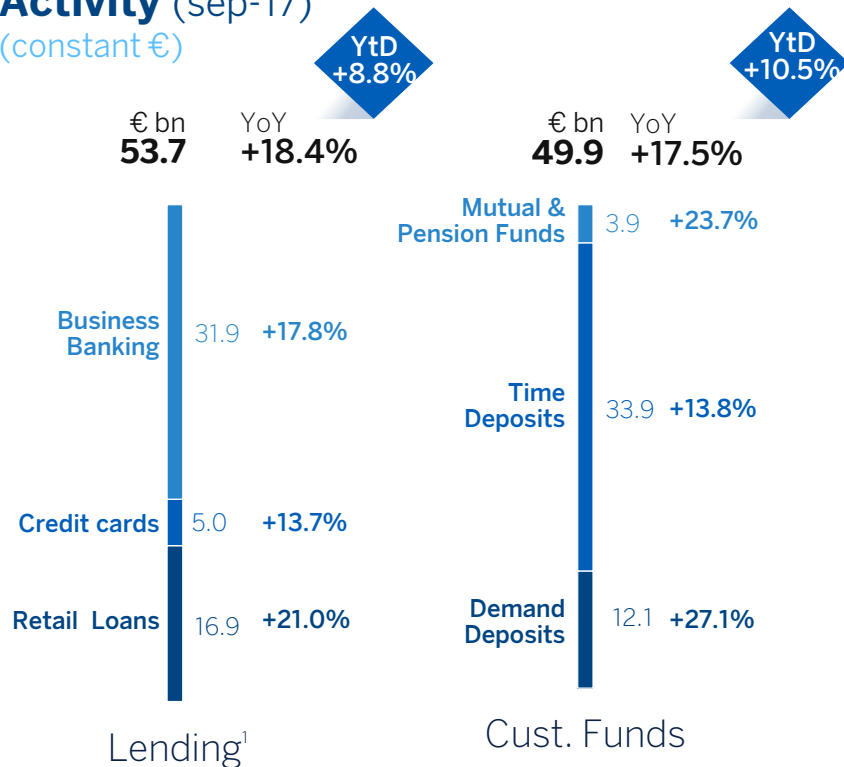
Positive jaws and cost control

Outstanding bottom-line growth

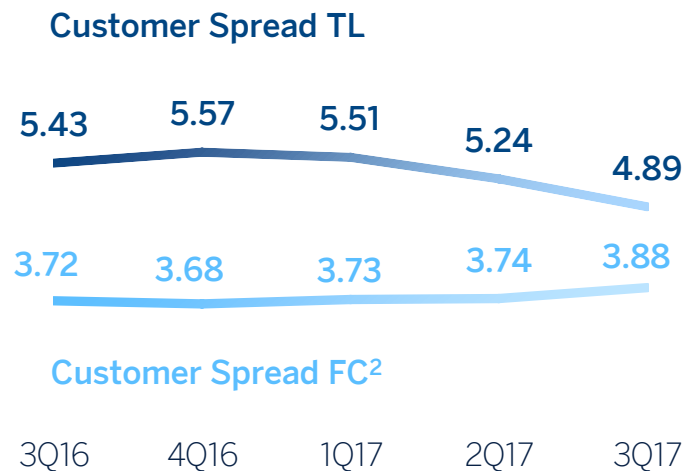
Outstanding growth across the board

# Turkey – Activity & Spreads

## Activity (sep-17) (constant €)



## Customer Spread (%)



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

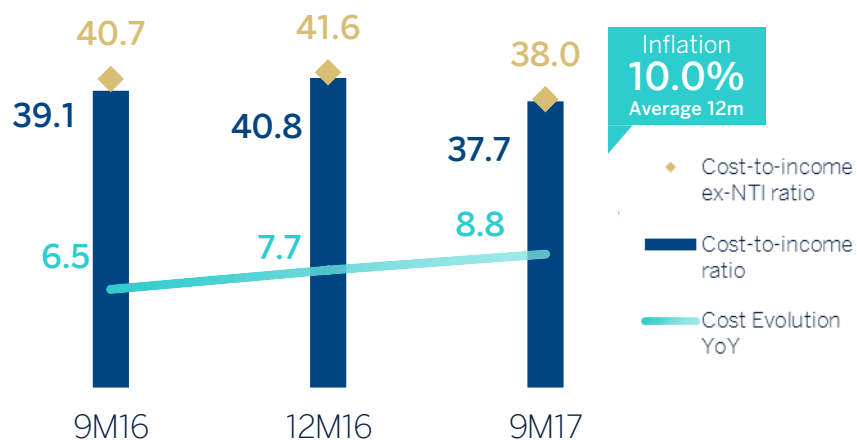
(2) Foreign Currency

- High TL loan growth despite slowdown in loans under the Credit Guarantee Fund scheme as Garanti has nearly reached the limit allocated
- Improving funding mix
- Pressure on TL customer spread due to higher cost of deposits

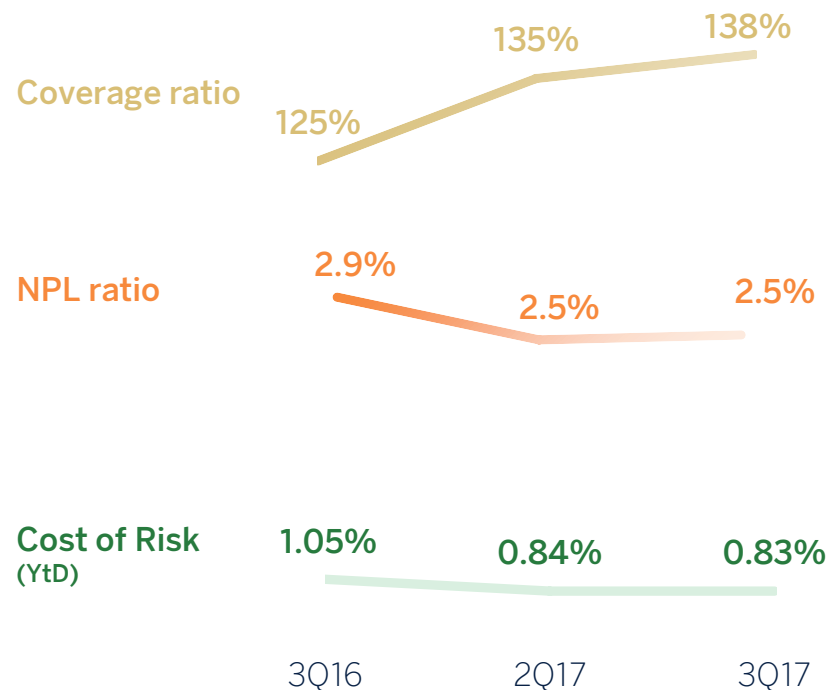
# Turkey - Key Ratios

## Efficiency

(%, constant €)



## Risk Indicators



- Cost growth below inflation and efficiency improvement
- 2017e CoR likely to be <100 bps

## South America – Profit & Loss

South America (constant €m)	3Q17	Change (%)		9M17	Change (%)	
		3Q17 vs 3Q16	3Q17 vs 2Q17		9M17 vs 9M16	9M17 vs 9M16
<b>Net Interest Income</b>	<b>842</b>	<b>19.0</b>	<b>6.2</b>	<b>2,393</b>	<b>12.9</b>	
Net Fees and Commissions	195	18.2	13.9	532	15.9	
Net Trading Income	112	5.9	-13.6	350	-0.4	
Other Income & Expenses	28	132.2	-1.2	65	165.6	
<b>Gross Income</b>	<b>1,177</b>	<b>18.8</b>	<b>4.9</b>	<b>3,340</b>	<b>13.1</b>	
Operating Expenses	-519	11.0	4.2	-1,513	10.8	
<b>Operating Income</b>	<b>658</b>	<b>25.9</b>	<b>5.6</b>	<b>1,827</b>	<b>15.0</b>	
Impairment on Financial Assets (net)	-193	41.4	3.7	-555	44.5	
Provisions (net) and other gains (losses)	-19	62.3	-31.6	-63	12.4	
<b>Income Before Tax</b>	<b>446</b>	<b>19.1</b>	<b>8.9</b>	<b>1,209</b>	<b>5.3</b>	
Income Tax	-127	8.9	8.4	-347	0.9	
Non-controlling Interest	-95	<b>25.1</b>	<b>20.1</b>	-246	<b>11.6</b>	
<b>Net Attributable Profit</b>	<b>225</b>	<b>23.1</b>	<b>5.0</b>	<b>616</b>	<b>5.4</b>	

- Double-digit growth in core revenues due to higher lending activity
- Jaws turning positive
- Impairments evolution in line with expectations

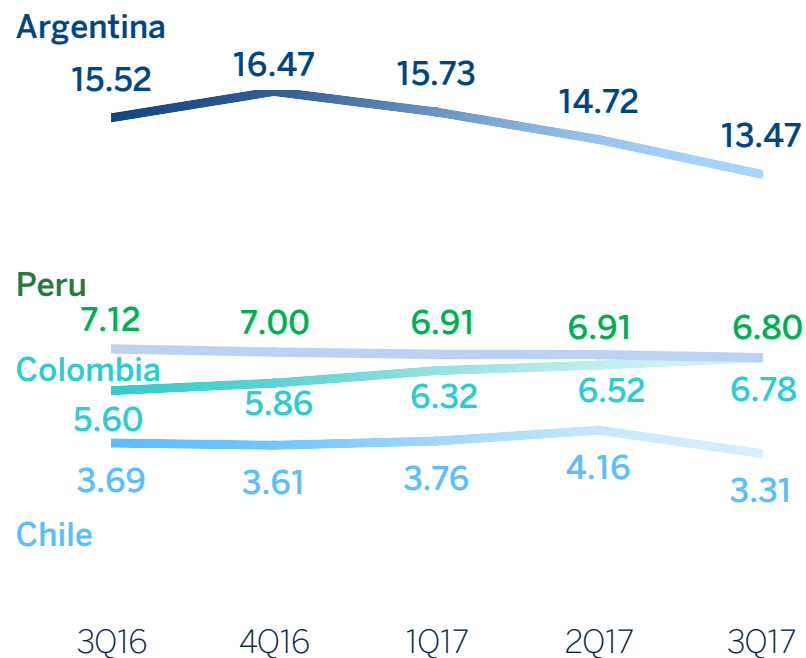
Improving trends vs previous quarters

# South America – Activity & Spreads

## Activity (sep-17) (constant €)



## Customer Spread (%)



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

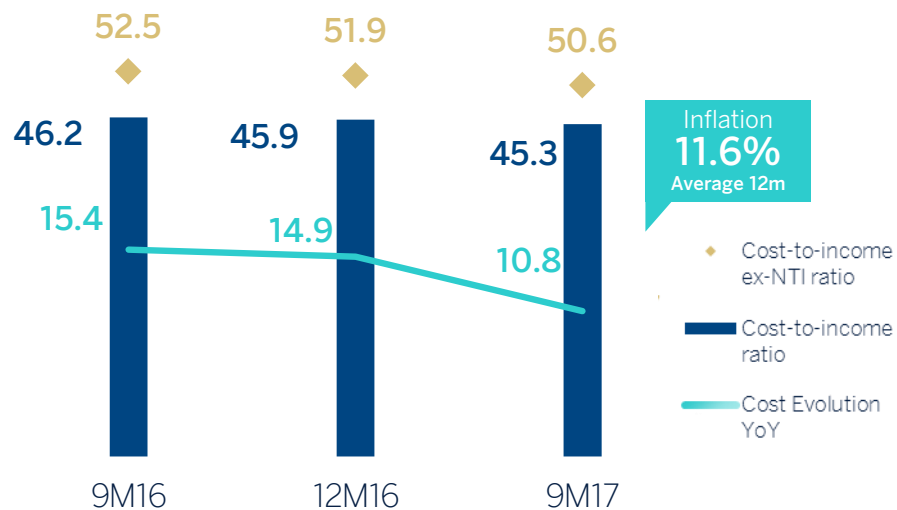
- Loan growth acceleration in the quarter, mainly explained by Argentina and Peru
- Customer spread increases in Colombia. In the rest of the countries mainly lower rates and inflation (in Chile) explain qoq evolution



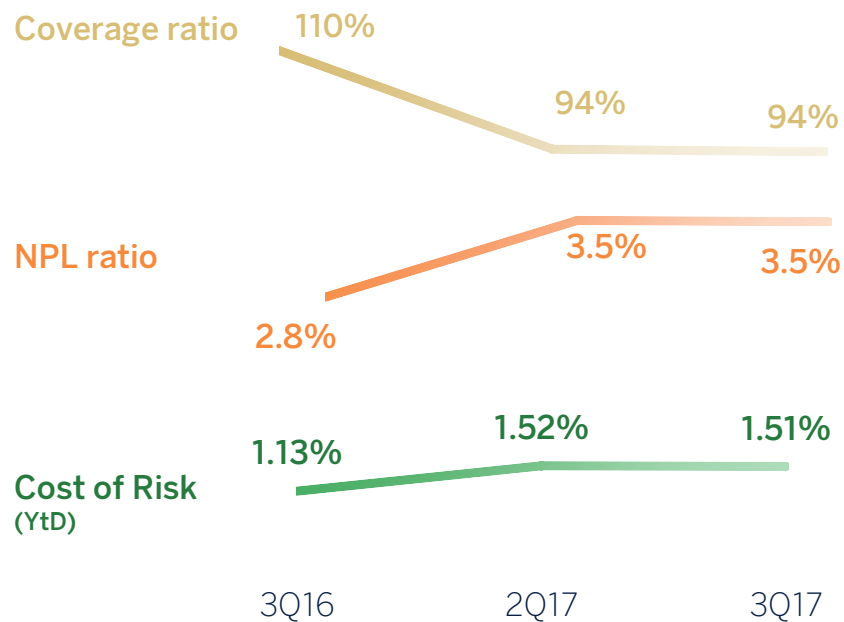
# South America – Key Ratios

## Efficiency

(%, constant €)



## Risk Indicators



- Positive jaws in all countries in the quarter. Excluding high inflation countries, costs are flat in 9M
- Asset quality indicators remain stable in the quarter, in line with expectations
- Cost of risk to remain around current levels

# 3Q17 Key Takeaways

## 1. Excellent set of results, solid trends strengthened

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- ▮ Earnings growth supported by core revenues
- ▮ Transformation leading to efficiency gains
- ▮ Good evolution of CoR
- ▮ Strong capital generation

## 2. Delivering on our transformation: tangible results

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## 3. Creating value for the shareholder

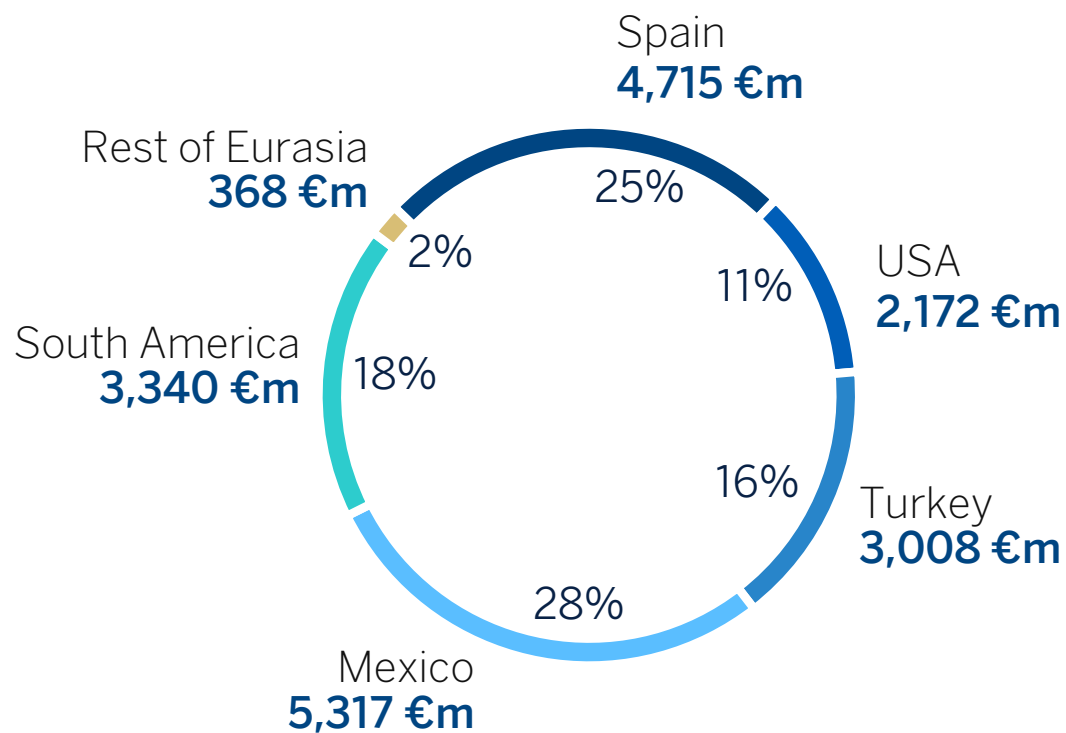
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# Annex

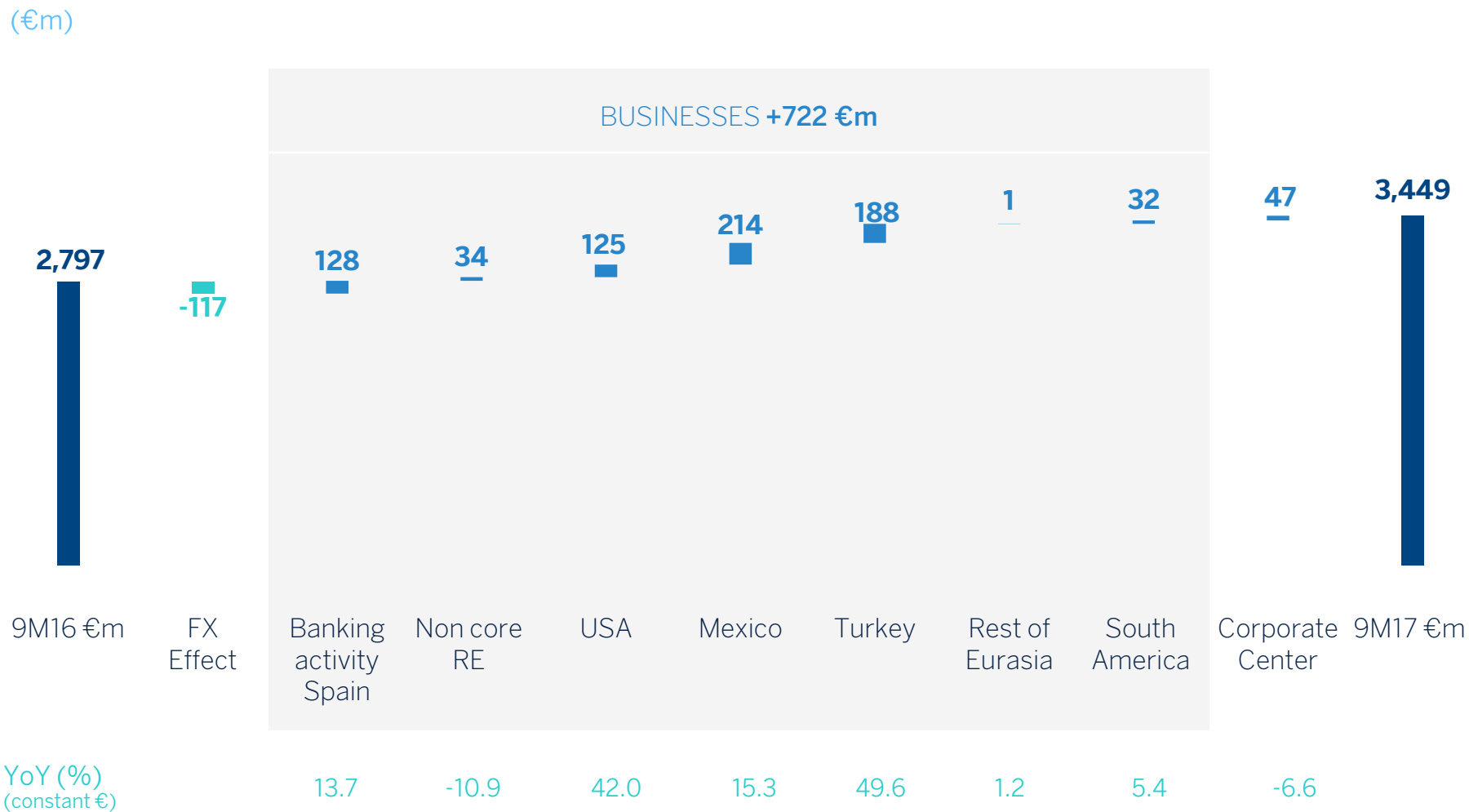
# Gross Income - Breakdown

9M17



Note: Spain includes the areas Banking activity in Spain and Non Core Real Estate. Figures exclude Corporate Center

# Group – Net Attributable Profit



## Total Spain – Profit & Loss

Total Spain (€m)	3Q17	Change (%)		9M17	Change (%)	
		3Q17 vs 3Q16	3Q17 vs 2Q17		9M17 vs 9M16	
<b>Net Interest Income</b>	<b>944</b>	<b>-2.2</b>	<b>-0.8</b>	<b>2,839</b>	<b>-3.7</b>	
Net Fees and Commissions	391	6.5	-2.6	1,176	4.1	
Net Trading Income	76	-65.6	-19.1	394	-35.5	
Other Income & Expenses	110	52.9	17.3	306	32.8	
<b>Gross Income</b>	<b>1,520</b>	<b>-6.4</b>	<b>-1.3</b>	<b>4,715</b>	<b>-4.1</b>	
Operating Expenses	-865	-6.8	-1.9	-2,631	-5.5	
<b>Operating Income</b>	<b>655</b>	<b>-5.9</b>	<b>-0.5</b>	<b>2,083</b>	<b>-2.4</b>	
Impairment on Financial Assets (net)	-163	-35.5	-26.7	-555	-34.5	
Provisions (net) and other gains (losses)	-86	-50.8	-28.7	-421	3.3	
<b>Income Before Tax</b>	<b>406</b>	<b>51.3</b>	<b>28.9</b>	<b>1,107</b>	<b>25.9</b>	
Income Tax	-104	63.3	1.1	-326	25.4	
<b>Net Attributable Profit</b>	<b>301</b>	<b>47.5</b>	<b>41.7</b>	<b>780</b>	<b>26.3</b>	

## Non Core Real Estate - Profit & Loss

Non Core Real Estate (€m)	3Q17	Change (%)		9M17	Change (%)	
		3Q17 vs 3Q16	3Q17 vs 2Q17		9M17 vs 9M16	
<b>Net Interest Income</b>	<b>17</b>	<b>733.3</b>	<b>-22.7</b>	<b>48</b>	<b>10.5</b>	
Net Fees and Commissions	1	-67.9	131.7	3	-37.8	
Net Trading Income	0	-97.9	n.s.	0	-98.8	
Other Income & Expenses	-30	-32.0	307.4	-69	-9.2	
<b>Gross Income</b>	<b>-12</b>	<b>-70.1</b>	<b>n.s.</b>	<b>-18</b>	<b>-37.5</b>	
Operating Expenses	-27	9.2	-1.4	-84	-7.6	
<b>Operating Income</b>	<b>-39</b>	<b>-39.8</b>	<b>212.1</b>	<b>-103</b>	<b>-14.8</b>	
Impairment on Financial Assets (net)	-37	-9.6	-56.8	-126	0.5	
Provisions (net) and other gains (losses)	-43	-17.1	n.s.	-131	-33.7	
<b>Income Before Tax</b>	<b>-118</b>	<b>-24.5</b>	<b>18.1</b>	<b>-360</b>	<b>-18.9</b>	
Income Tax	29	-41.3	72.4	78	-39.4	
<b>Net Attributable Profit</b>	<b>-89</b>	<b>-17.2</b>	<b>8.7</b>	<b>-281</b>	<b>-10.9</b>	

## Rest of Eurasia - Profit & Loss

Rest of Eurasia (€m)	3Q17	Change (%)		9M17	Change (%)
		3Q17 vs 3Q16	3Q17 vs 2Q17		9M17 vs 9M16
<b>Net Interest Income</b>	<b>49</b>	<b>31.5</b>	<b>-1.4</b>	<b>144</b>	<b>17.1</b>
Net Fees and Commissions	43	-1.4	4.8	125	-6.6
Net Trading Income	19	88.9	-39.8	98	41.9
Other Income & Expenses	1	n.s.	n.s.	1	-98.0
<b>Gross Income</b>	<b>112</b>	<b>24.3</b>	<b>-7.5</b>	<b>368</b>	<b>0.1</b>
Operating Expenses	-73	-10.7	-1.4	-227	-9.1
<b>Operating Income</b>	<b>39</b>	<b>382.8</b>	<b>-17.2</b>	<b>141</b>	<b>19.7</b>
Impairment on Financial Assets (net)	1	-95.9	-64.3	10	39.7
Provisions (net) and other gains (losses)	-2	n.s.	-28.3	-8	n.s.
<b>Income Before Tax</b>	<b>38</b>	<b>10.6</b>	<b>-18.6</b>	<b>142</b>	<b>4.0</b>
Income Tax	-9	11.0	-26.3	-41	11.9
<b>Net Attributable Profit</b>	<b>28</b>	<b>10.5</b>	<b>-15.6</b>	<b>101</b>	<b>1.2</b>



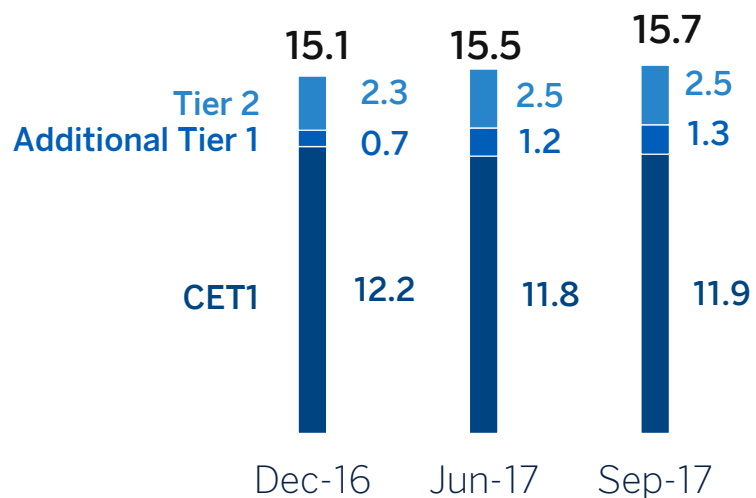
# Corporate Centre - Profit & Loss

Corporate Center (€m)	3Q17	Change (%)		9M17	Change (%)
		3Q17 vs 3Q16	3Q17 vs 2Q17		9M17 vs 9M16
<b>Net Interest Income</b>	<b>-84</b>	<b>-15.3</b>	<b>4.5</b>	<b>-274</b>	<b>-20.2</b>
Net Fees and Commissions	-18	-27.2	-56.7	-66	-18.3
Net Trading Income	50	-68.5	63.5	293	18.8
Other Income & Expenses	-2	n.s.	n.s.	34	-63.9
<b>Gross Income</b>	<b>-55</b>	<b>n.s.</b>	<b>88.7</b>	<b>-13</b>	<b>-84.6</b>
Operating Expenses	-221	1.0	-4.6	-660	-1.5
<b>Operating Income</b>	<b>-275</b>	<b>60.7</b>	<b>5.8</b>	<b>-673</b>	<b>-10.7</b>
Impairment on Financial Assets (net)	0	-28.4	-88.1	-1	-96.9
Provisions (net) and other gains (losses)	-9	-85.2	-77.3	-58	-59.6
<b>Income Before Tax</b>	<b>-285</b>	<b>21.9</b>	<b>-5.8</b>	<b>-731</b>	<b>-20.7</b>
Income Tax	31	-42.1	-20.8	92	-59.1
<b>Net Attributable Profit</b>	<b>-253</b>	<b>40.7</b>	<b>-9.3</b>	<b>-654</b>	<b>-6.6</b>

# Capital Base

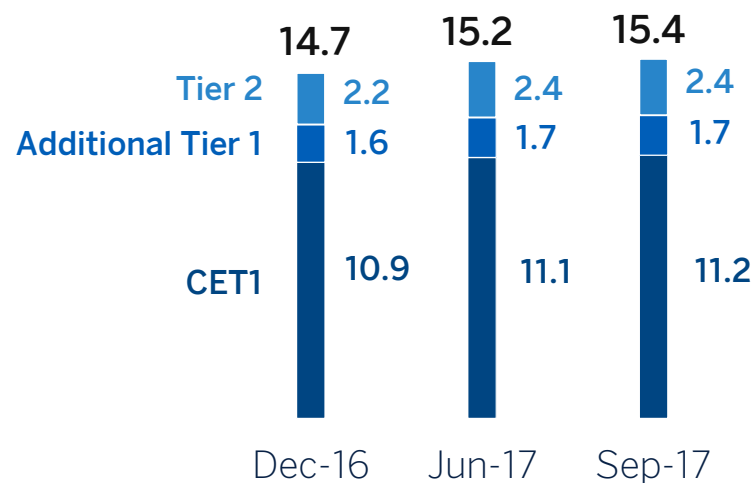
## Evolution of phased-in capital ratios

(%)



## Evolution of fully-loaded capital ratios

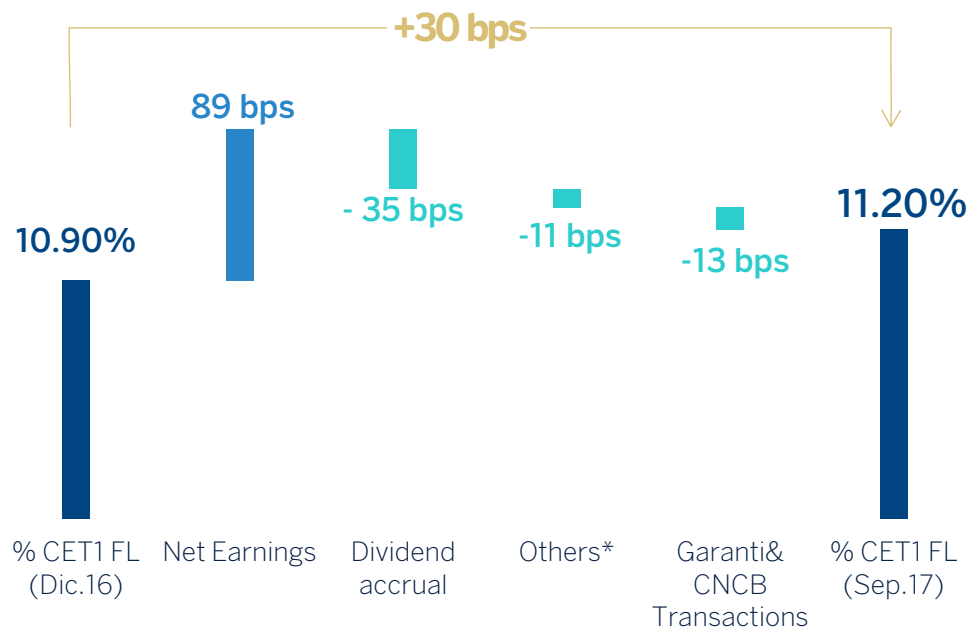
(%)



# Capital YtD Evolution

## CET1 fully-loaded – BBVA Group

YtD Evolution (% , bps)



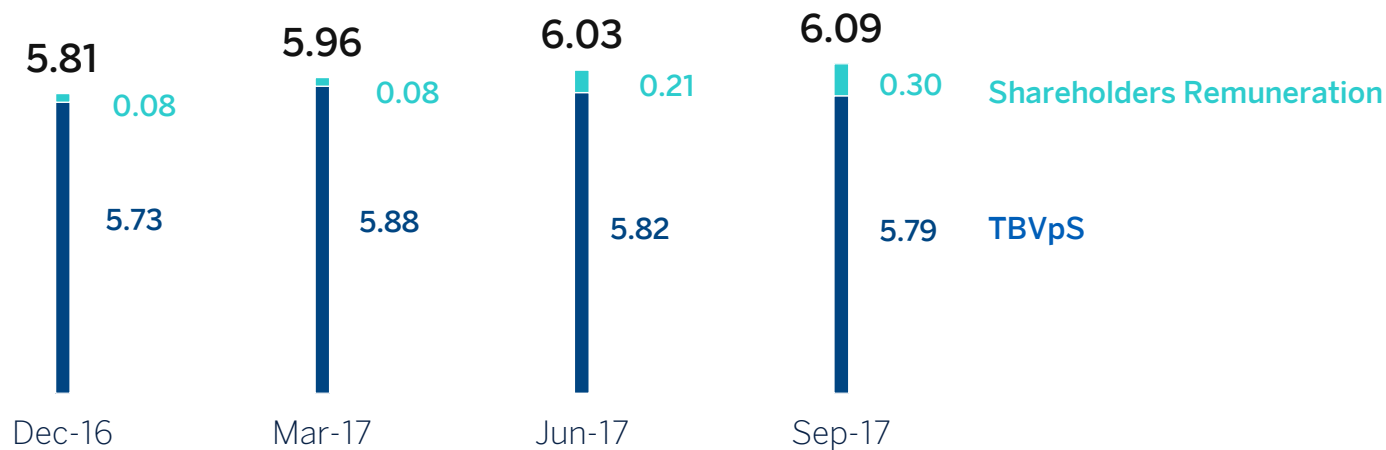
# Risk-Weighted Assets by Business Area

Breakdown by business areas and main countries (€m)	Phased-in RWA		
	Dec-16	Jun-17	Sep-17
Banking activity in Spain	113,194	107,809	106,302
Non core Real Estate	10,870	10,298	9,905
United States	65,492	60,571	58,244
Turkey	70,337	67,270	64,611
Mexico	47,863	48,628	47,624
South America	57,443	53,755	53,923
Argentina	8,717	8,785	8,540
Chile	14,300	13,417	13,652
Colombia	12,185	11,805	12,001
Peru	17,400	15,536	15,203
Venezuela	1,360	978	1,446
Rest of South America	3,480	3,235	3,080
Rest of Eurasia	15,637	14,144	13,525
Corporate Center	8,115	10,791	11,373
<b>BBVA Group</b>	<b>388,951</b>	<b>373,265</b>	<b>365,507</b>

# Shareholder's Return: TBV per Share and Dividends

## TBV per Share & Shareholder Remuneration

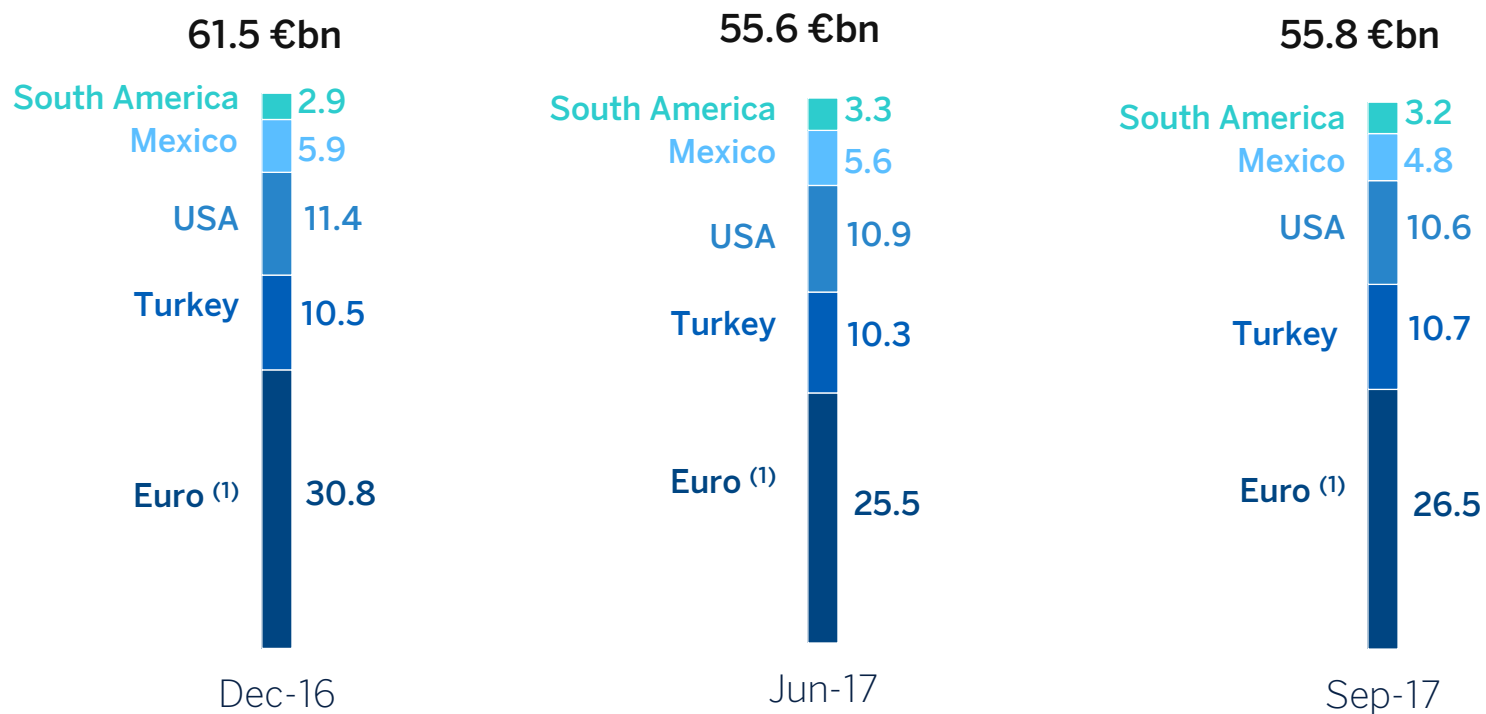
(€ per Share)



# ALCO Portfolio

## ALCO Portfolio breakdown by region

(€ bn)



(1) Figures excludes SAREB bonds (5.2 €bn for Dec-16, Jun-17 and Sep-17)

# Customer Spreads

## Average (€)

	3Q16	4Q16	1Q17	2Q17	3Q17
<b>Spain</b>	<b>1.88%</b>	<b>1.91%</b>	<b>1.92%</b>	<b>1.94%</b>	<b>1.93%</b>
Yield on Loans	2.09%	2.06%	2.04%	2.02%	2.00%
Cost of Deposits	-0.21%	-0.15%	-0.11%	-0.08%	-0.08%
<b>USA</b>	<b>3.25%</b>	<b>3.32%</b>	<b>3.51%</b>	<b>3.67%</b>	<b>3.76%</b>
Yield on Loans	3.66%	3.71%	3.88%	3.99%	4.12%
Cost of Deposits	-0.41%	-0.39%	-0.37%	-0.33%	-0.36%
<b>Mexico</b>	<b>10.38%</b>	<b>10.62%</b>	<b>10.82%</b>	<b>10.86%</b>	<b>10.92%</b>
Yield on Loans	11.49%	11.83%	12.10%	12.30%	12.44%
Cost of Deposits	-1.11%	-1.21%	-1.28%	-1.45%	-1.52%
<b>South America</b>	<b>6.22%</b>	<b>6.38%</b>	<b>6.54%</b>	<b>6.63%</b>	<b>6.45%</b>
Yield on Loans	10.19%	9.98%	10.01%	9.98%	9.55%
Cost of Deposits	-3.97%	-3.60%	-3.47%	-3.35%	-3.09%
<b>Argentina</b>	<b>15.52%</b>	<b>16.47%</b>	<b>15.73%</b>	<b>14.72%</b>	<b>13.47%</b>
Yield on Loans	24.68%	22.77%	21.18%	19.97%	18.63%
Cost of Deposits	-9.16%	-6.30%	-5.46%	-5.24%	-5.16%

	3Q16	4Q16	1Q17	2Q17	3Q17
<b>Chile</b>	<b>3.69%</b>	<b>3.61%</b>	<b>3.76%</b>	<b>4.16%</b>	<b>3.31%</b>
Yield on Loans	6.68%	6.44%	6.42%	6.71%	5.47%
Cost of Deposits	-2.98%	-2.83%	-2.67%	-2.55%	-2.15%
<b>Colombia</b>	<b>5.60%</b>	<b>5.86%</b>	<b>6.32%</b>	<b>6.52%</b>	<b>6.78%</b>
Yield on Loans	11.77%	11.84%	12.08%	11.94%	11.62%
Cost of Deposits	-6.17%	-5.98%	-5.76%	-5.42%	-4.84%
<b>Peru</b>	<b>7.12%</b>	<b>7.00%</b>	<b>6.91%</b>	<b>6.91%</b>	<b>6.80%</b>
Yield on Loans	8.41%	8.26%	8.23%	8.32%	8.17%
Cost of Deposits	-1.29%	-1.26%	-1.32%	-1.41%	-1.37%
<b>Venezuela</b>	<b>18.85%</b>	<b>19.89%</b>	<b>20.17%</b>	<b>19.77%</b>	<b>19.95%</b>
Yield on Loans	21.70%	21.95%	21.72%	21.15%	21.24%
Cost of Deposits	-2.85%	-2.06%	-1.55%	-1.38%	-1.29%
<b>Turkey TL</b>	<b>5.43%</b>	<b>5.57%</b>	<b>5.51%</b>	<b>5.24%</b>	<b>4.89%</b>
Yield on Loans	13.10%	13.11%	13.15%	13.48%	13.75%
Cost of Deposits	-7.67%	-7.55%	-7.65%	-8.25%	-8.86%
<b>Turkey FC<sup>1</sup></b>	<b>3.72%</b>	<b>3.68%</b>	<b>3.73%</b>	<b>3.74%</b>	<b>3.88%</b>
Yield on Loans	5.42%	5.52%	5.63%	5.76%	5.95%
Cost of Deposits	-1.70%	-1.85%	-1.90%	-2.02%	-2.07%

(1) Foreign currency

Note 1: USA ex NY Business Activity

Note 2: Customer spreads, difference between yield on loans and cost of deposits from customers

Note 3: Customer spread calculation has been changed in order to harmonize all business areas and exclude all singular items non-related to the yield on loans or cost of deposits



**BBVA** Creating Opportunities

# 3Q17 Results

October, 27<sup>th</sup> 2017