

BBVA earns €5.45 billion through June, expects accumulated profit of €48 billion for 2025-2028, with an average ROTE of about 22 percent

BBVA posted a record €5.45 billion profit, up 9 percent yoy (+31 percent in constant euros) in the first half of 2025, driven by greater activity in Spain and Mexico. The bank reported excellent metrics in profitability -with ROTE above 20 percent-, and value creation for shareholders, with growth of the tangible book value per share plus dividends of nearly 15 percent. BBVA also improved its profitability and efficiency prospects at Group level, as well as lending and net interest income for Spain, among others. The bank also unveiled its financial goals for the 2025-2028 period. It expects to earn an accumulated net attributable profit of around €48 billion over four years, while having €36 billion of highest-quality capital available for distribution to shareholders through 2028¹. Furthermore, BBVA expects average ROTE to reach around 22 percent during this period, with the efficiency ratio improving to levels around 35 percent. The bank also set a goal to increase the tangible book value per share plus dividends by around 15 percent (CAGR).

Group Financial KPIs Goals 2025-2028

ROTE
(%, CURRENT)

c.22%
AVG. 2025-2028

TBV + DIV PER SHARE
(%, CURRENT)

Mid-teens
CAGR 2024-2028

C/I RATIO
(%, CURRENT)

c.35%
2028

NET ATTRIBUTABLE PROFIT
(€, CURRENT)

c.€48 Bn
CUMULATIVE 2025-2028

BBVA is living through one of the best moments of its history. We are one of the most profitable banks in Europe, with the best growth profile, with truly leading franchises in our main markets and excellent prospects for the future."



Onur Genç
Chief Executive Officer

¹ Subject to the approval of the corresponding governing bodies and the required regulatory authorizations.



Earnings 1H | 2025

JANUARY - JUNE

Net interest income driven by activity. Favorable fee income evolution.

NII + Fees	Lending activity
+11.6%	+16.0%
vs. 6M24 (constant €)	vs. Jun. 24 ¹ (constant €)

Outstanding profitability and efficiency metrics (6M25).

ROTE	ROE
20.4%	19.5%
Efficiency ratio	37.6%

Asset quality remains stable, ahead of expectations.

Cost of risk	NPL ratio	NPL coverage ratio
1.32%	2.9%	81%
6M25	Jun-25	Jun-25

Solid capital position, significantly above the target range.

CET 1
13.34%
vs. target range 11.5% - 12.0%

1. Performing loans under management excluding repos.

Except where otherwise stated, the evolution of each of the main headings and changes in the income statement described below refer to constant exchange rates. In other words, they do not take currency fluctuations into account.

At the top of the P&L account, **net interest income** stood at €12.6 billion, up 10 percent yoy, boosted by significant activity in Spain and Mexico (+6.3 percent and +11.7 percent, respectively).

Net fees and commissions grew by 18 percent yoy, to €4 billion, driven mostly by payments and asset management. The sum of NII and fees, which represent the core revenues of the banking business, increased by 12 percent, to €16.6 billion.

NTI contribution was €1.43 billion, down 13 percent yoy.

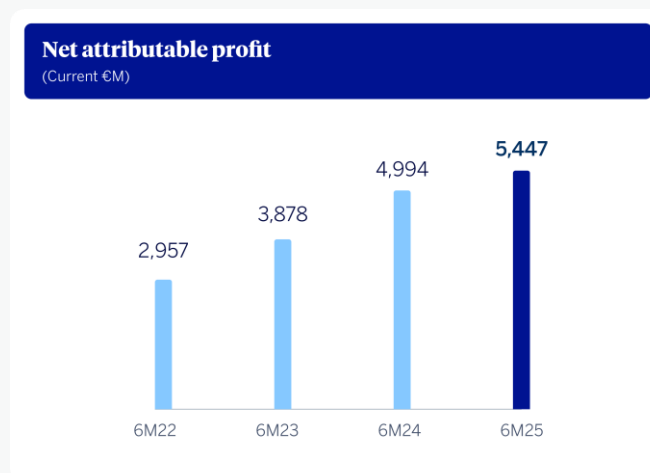
The line of other operating income and expenses showed a significant improvement in 1H25 vs the same period a year earlier, on the back of a lower impact from hyperinflation in Argentina and Türkiye and the good performance of the insurance business. Likewise, this year's heading compares favorably vs last year's, when it registered the total annual extraordinary tax on banking institutions in Spain in 1Q24 (€285 million)².

Gross income reached €18 billion in 1H25, up 20 percent yoy.

Operating expenses grew by 10 percent yoy, to €6.79 billion. This increase is below the average inflation in the Group's footprint (13.4 percent) over the past 12 months. The solid performance of gross income and the containment of expenses helped to maintain [positive jaws](#), while the efficiency ratio improved 322 basis points compared to June 30, 2024, to 37.6 percent.

As a result of all the above, **operating income** stood at €11.25 billion, up 26 percent yoy.

Impairments on financial assets increased 10 percent yoy, due to greater loan growth in the most profitable segments. Risk indicators remained stable, at better than expected levels: the accumulated cost of risk in 1H25 stood at 1.32 percent, while the NPL ratio and the coverage ratio at the end of June were 2.9 percent and 81 percent, respectively.



BBVA posted a record **net attributable profit** of €5.45 billion in 1H25, up 31 percent from a year earlier (+9 percent in current euros), cementing the growing trend of recent years. In 2Q25, net attributable profit stood at €2.75 billion, up 18 percent yoy.

The Group also showcased profitability metrics that were above those of its European peers: ROTE stood at 20.4 percent while ROE was 19.5 percent. Furthermore, the tangible book value per share plus dividends rose 14.6 percent vs a year earlier, to €10.13.

As for capital, the CET1 ratio showed significant growth in the quarter, 25 bps, to 13.34 percent, a level well above both the requirement (9.12 percent) and the target range (11.5-12 percent).

² In 2025, the accrual of the new tax on NII and fees and commissions is being registered under the income tax heading. The amount for 1H25 is approximately €150 million, of which €65 million have been registered in 2Q25.

Finally, in 1H25, BBVA added 5.7 million new customers, while the loan book grew by 16 percent in constant euros, all of which helped to generate a very positive impact on society: 77,000 families purchased a home, the bank granted 500,000 new loans to SMEs and the self-employed, and 73,000 larger corporates had financing to invest in their growth.

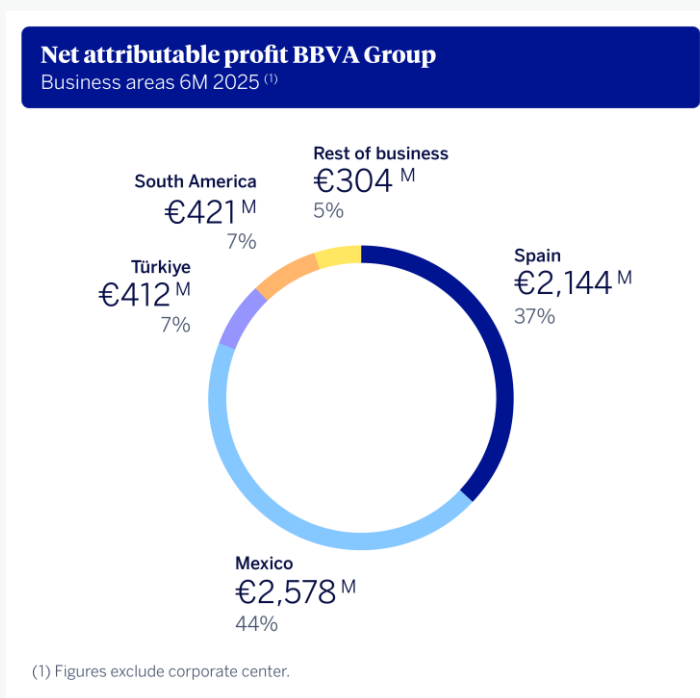
BBVA improved its prospects for 2025 in several key indicators. Specifically, the BBVA Group expects ROTE to stand at around 20 percent, with the efficiency ratio below 40 percent. In Spain, it expects a greater increase in lending (above 5 percent, surpassing the banking sector), as well as increasing NII and fees and commissions. Additionally, expenses and the cost of risk are expected to be below the estimates at the beginning of the year. In Mexico, it expects a 10 percent increase in lending, with a cost of risk below 350 basis points. In South America, it foresees the cost of risk to stand below 250 bps.

Furthermore, in the short term BBVA will have about €13 billion available for distribution to its shareholders³.

Business areas

Growth in lending activity and customer funds stood out in **Spain**. Loans increased by more than 6 percent yoy, with a solid performance of commercial, consumer and cards. Customer funds grew by 5 percent yoy, with significant growth in off-balance sheet funds. Spain posted a net attributable profit of €2.14 billion in 1H25 (+21 percent vs 1H24), driven by core revenues, and particularly NII (+1.5 percent), amid a context of lower interest rates. Risk indicators performed better than expected and remained virtually stable vs March 2025: from January the accumulated cost of risk stood at 0.32 percent, coverage ratio was 61 percent, and the NPL ratio stood at 3.5 percent.

Mexico contributed to the Group's earnings with €2.58 billion, up 6 percent yoy. Lending showed solid growth (+12 percent yoy), with a significant performance of all segments. Customer funds also grew at a solid pace (+15 percent). The strong activity, together with an effective price management, boosted NII growth (+9 percent yoy). Furthermore, loan-loss provisions increased in the face of a more adverse macroeconomic scenario, which drove the accumulated cost of risk higher, to 3.24 percent, a better than expected performance,



³ Subject to the approval of the corresponding governing bodies and the required regulatory authorizations.

nonetheless. At the end of June the NPL ratio stood at 2.7 percent, and the coverage ratio was 125 percent.

In **Türkiye**, growth in lending was noteworthy, both in Turkish lira (+42 percent yoy) and foreign currency (+21 percent). Customer deposits also increased handsomely, particularly in Turkish lira (+40 percent yoy). The solid performance of lending and the improvements in customer spreads in Turkish lira boosted NII. Net attributable profit in 1H25 stood at €412 million, up 17 percent in current euros, as a result of a better performance of core revenues and a lower impact from hyperinflation. As for asset quality indicators, the accumulated cost of risk at the end of June stood at 1.64 percent, the NPL ratio was 3.4 percent, and the coverage ratio stood at 86 percent.

In **South America**, growth in lending activity (+16 percent) and customer funds (+18 percent) stood out. The area reported a net attributable profit of €421 million in 1H25, up 33 percent in current euros, as a result of a lower adjustment for hyperinflation in Argentina and a more contained level of impairments. In the country breakdown, Peru posted a net attributable profit of €156 million, Argentina earned €91 million, and Colombia reported €73 million. Risk indicators saw an improvement in the region. The cost of risk shrank to 2.33 percent, and the NPL ratio stood at 4.2 percent. The coverage ratio remained virtually stable at 89 percent.

Medium-term financial goals

BBVA also presented its financial goals for the 2025-2028 period -not including the impact from the transaction with Banco Sabadell-, which are part of the [strategic plan presented at the beginning of the year](#). Specifically, the bank expects ROTE to stand at around 22 percent, with the efficiency ratio improving to levels around 35 percent. Likewise, BBVA plans to continue creating value for shareholders, with an increase in the tangible book value per share plus dividends of around 15 percent (CAGR). Finally, the bank aims to reach an accumulated net attributable profit of approximately €48 billion over four years.

Revenue growth and value creation

These goals are supported by several plans that will provide a significant boost to revenue growth and value creation:

- Ongoing improvement of market share thanks to customer base growth.
- BBVA's core countries will improve even further its high profitability, driven by activity and a lower cost of risk.
- Improvement of the franchises now operating in countries with hyperinflation (mainly Türkiye and Argentina), in particular in the second part of the 2025-2028 period.
- A significant increase in the contribution to earnings from the corporate segments and Corporate

& Investment Banking, on the back of cross-border businesses and sustainability.

- An emphasis in business segments with higher revenues in commissions, such as insurance, asset management, and in transactional products.

Furthermore, the bank will amplify the impact through two additional levers: an active management of the balance sheet in order to optimize the use of capital and productivity programs through 'Next Gen' technologies and artificial intelligence.

Goals for geographical areas are as follows:

Business Units Financial KPIs Goals					
	 SPAIN	 MEXICO	 TÜRKİYE	 SOUTH AMERICA	 REST OF BUSINESS ¹
Activity Growth (CAGR ² 24-28, const. €)	Mid-single digit	High-single digit	Above inflation	High teens	High teens
Revenue Growth (CAGR ² 24-28, const. €)	Low to Mid-single digit	High-single digit	High-teens (Current €)	High-single digit (Current €)	c.20%
C/I (In 2028, constant €)	low 30's	c.30%	low 30's (Current €)	<40% (Current €)	<50%
Cost of Risk (Avg. 2025-28 current €)	c.30 bps	c.330 bps	c.200 bps	c.230 bps	c.20 bps
RoRWA³ (2028, constant €)	c.4%	c.6.5%	>3.5% (Current €)	c.3% (Current €)	>2%

(1) Mainly CIB business in US, Europe & Asia and digital banks (Italy, Germany). (2) Compound anual growth rate. (3) Return on Risk-Weighted Assets.

Capital generation available for distribution

BBVA expects to have approximately €49 billion of highest quality capital, or CET1, over the 2025-2028 period. The bank expects to generate organically €39 billion in capital over four years, and an additional €5 billion through securitizations and significant risk transfers (SRT). Moreover, BBVA already had €4.5 billion in excess capital above the 12 percent CET 1 ratio, at the end of 2024⁴.

Of this capital, BBVA will use about 30 percent to invest in growth (approximately €13 billion) and the remaining 70 percent would be available for distribution to shareholders -about €36 billion. Of this amount, taking into account a maximum payout of 50 percent set in BBVA's dividend policy, €24 billion would be ordinary distributions; and the rest, €12 billion, would be excess capital above the 12 percent of CET1, available for distribution. In both cases, distribution to shareholders will materialize through cash dividends or share buybacks⁵.

Strong CET 1 generation enabling significant capital distribution ¹

CET 1 Sources	c.€49 Bn	CET1 Uses	c.€49 Bn
Excess CET1 above 12% as of Dec '24 ²	€4.5 ^{Bn}	Investment in growth ⁴	€13 ^{Bn}
CET1 Generation 2025-2028	€39 ^{Bn}	Available for distribution	€36^{Bn}
SRTs ³ 2025-2028	€5 ^{Bn}	- Ordinary distribution (max. 50% payout)	€24 ^{Bn}
		- Excess capital ^{2,5}	€12 ^{Bn}

1) Capital accumulation from 2025-2028 in current €. The use of this capital can extend beyond the indicated period. (2) Includes the 1Bn€ SBB announced in Jan'25 pending to be executed in 2025. (3) Total RWAs release of 39Bn€ * 12% (upper part of our target range). (4) RWAs variation *12% (upper part of our target range) (5) Excess capital calculated with a CET1 ratio = 12%.

Note: Pending approval from the governing bodies and subject to mandatory regulatory approvals.

⁴ Includes the €993 million share buyback pending of execution.

⁵ Subject to the approval of the corresponding governing bodies and the required regulatory authorizations.

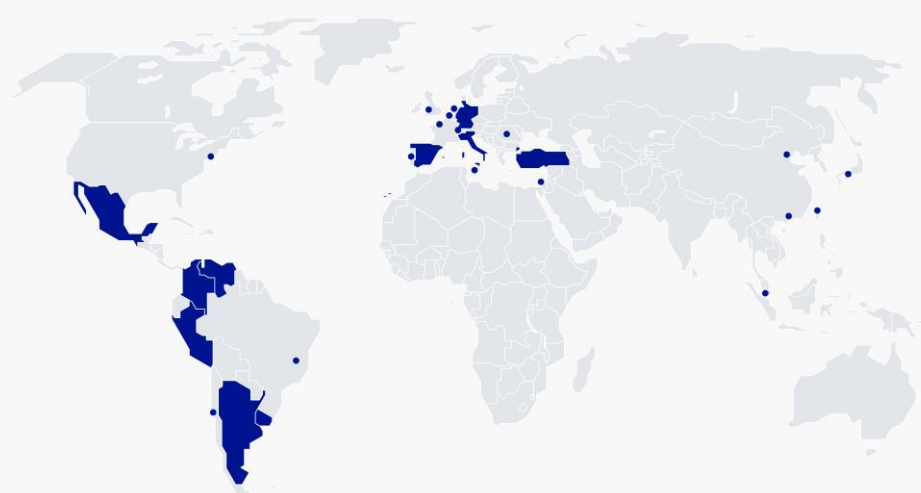
BBVA GROUP (€M)	6M25	Change 6M25/6M24	
		% const.	%
Net Interest Income	12,607	10	-3
Net Fees and Commissions	4,010	18	4
Net Trading Income	1,431	-13	-24
Other Income & Expenses	-15	n.s.	n.s.
Gross Income	18,034	20	3
Operating Expenses	-6,787	10	-1
Operating Income	11,247	26	6
Impairment on Financial Assets	-2,761	10	-3
Provisions and Other Gains and Losses	-62	n.s.	n.s.
Income Before Tax	8,424	31	8
Income Tax	-2,626	23	4
Non-controlling Interest	-351	132	35
Net Attributable Profit	5,447	31	9

Note: 6M24 includes annual Spanish banking tax of -285 €M. 6M25 includes Spanish banking tax quarterly accrual in 1Q25 and 2Q25 of -85 €M and -65 €M respectively.

BBVA GROUP (€M)	2Q25	Change 2Q25/2Q24		Change 2Q25/1Q25	
		% const.	%	% const.	%
Net Interest Income	6,208	11	-4	4	-3
Net Fees and Commissions	1,951	18	0	4	-5
Net Trading Income	484	-49	-57	-42	-49
Other Income & Expenses	67	n.s.	n.s.	n.s.	n.s.
Gross Income	8,710	12	-6	2	-7
Operating Expenses	-3,224	7	-7	-2	-9
Operating Income	5,485	14	-5	4	-5
Impairment on Financial Assets	-1,377	9	-7	8	-1
Provisions and Other Gains and Losses	-33	n.s.	n.s.	13	13
Income Before Tax	4,076	14	-6	3	-6
Income Tax	-1,160	1	-16	-14	-21
Non-controlling Interest	-167	63	8	17	-9
Net Attributable Profit	2,749	18	-2	11	2

Note: 1Q25 and 2Q25 includes Spanish banking tax quarterly accrual of -85 €M and -65 €M respectively.

About BBVA



NORTH AMERICA

Mexico USA

SOUTH AMERICA

Argentina Peru
Brazil Uruguay
Chile Venezuela
Colombia

EUROPE

Belgium Portugal
Cyprus Romania
France Spain
Germany Switzerland
Netherlands Turkey
Italy U.K.
Malta

ASIA-PACIFIC

China Taiwan, China
Hong Kong Japan
(S.A.R., China) Singapore

€776.9

billion in total assets

79.1

million active clients

>25

countries

5,668

branches

30,328

ATMs

125,864

employees

Active clients: individuals or legal entities holding an active product contract.

Data at the end of June 2025. Those countries in which BBVA has no legal entity or the volume of activity is not significant, are not included.

BBVA is a global financial services group founded in 1857. The bank is present in more than 25 countries, has a strong leadership position in the Spanish market, is the largest financial institution in Mexico and it has leading franchises in South America and Turkey.

BBVA contributes with its activity to the progress and welfare of all its stakeholders: shareholders, clients, employees, providers and society in general. In this regard, BBVA supports families, entrepreneurs and companies in their plans, and helps them to take advantage of the opportunities provided by innovation and technology. Likewise, BBVA offers its customers a unique value proposition, leveraged on technology and data, helping them improve their financial health with personalized information on financial decision-making.



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