



Fixed Income Investor Update

BBVA Compass Bancshares, Inc.

May 2018

“Safe Harbor” Forward Looking Statements

The following should be read in conjunction with the financial statements, notes and other information contained in BBVA Compass Bancshares, Inc.'s (the “Company”) Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

This presentation includes non-GAAP financial measures to describe the Company's performance. Reconciliation of those non-GAAP measures are provided within or in the appendix of this presentation. Additionally, certain ratios are presented on an annualized basis for comparison, which is the preferred industry standard.

Certain statements in this presentation may contain forward-looking statements about the Company and its industry that involve substantial risks and uncertainties. Statements other than statements of current or historical fact, including statements regarding our future financial condition, results of operations, business plans, liquidity, cash flows, projected costs, and the impact of any laws or regulations applicable to the Company, constitute forward-looking statements as defined by the Private Securities Litigation Reform Act of 1995.

Words such as “anticipates,” “believes,” “estimates,” “expects,” “forecasts,” “intends,” “plans,” “projects,” “may,” “will,” “should,” and other similar expressions are intended to identify these forward-looking statements. These forward-looking statements reflect the Company's views regarding future events and financial performance. Such statements are subject to risks, uncertainties, assumptions and other important factors, many of which may be beyond the Company's control, that could cause actual results to differ materially from anticipated results. If the Company's assumptions and estimates are incorrect, or if the Company becomes subject to significant limitations as the result of litigation or regulatory action, then the Company's actual results could vary materially from those expressed or implied in these forward-looking statements.

The forward-looking statements are and will be based on the Company's then current views and assumptions regarding future events and speak only as of their dates made. The Company assumes no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by securities law.

For further information regarding risks and uncertainties associated with the Company's business, please refer to the “Risk Factors” section of the Company's Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission on 2/28/18, as updated by the Company's subsequent SEC filings.

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BBVA: Overview of BBVA

BBVA's global presence

Mar.18

€ 685 bn
assets

73 mn
customers

24 mn
digital customers

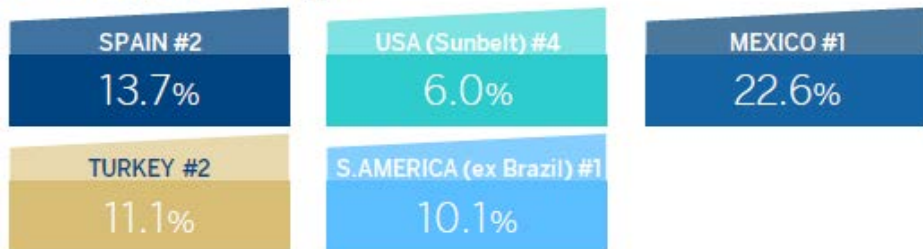
>30
countries

131,745
employees

8,200
branches

Leadership positioning

Market share (in %) and ranking ⁽⁷⁾



(7) Loans' market shares except for USA (Deposits). **Spain** based on BoS (Feb.18) and ranking by AEB and CECA; **Mexico** data as of Feb.18 (CNBV); **S. America** (Jan.18), ranking considering main peers in each country; **USA**: SNL (Jun.17) considering Texas and Alabama; **Turkey**: BRSA performing loans; market share (among commercial banks) and ranking (only considers private banks) as of Dec.17

Breakdown by Business Area

Total Assets

Mar.18



61% ⁽²⁾
Developed Markets

Gross Income ⁽³⁾

3M18



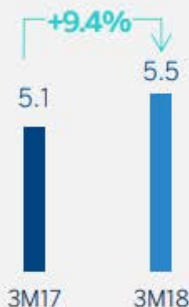
39%
Developed Markets

(1) Includes the areas Banking activity in Spain and Non Core Real Estate; (2) Excludes Corporate Center; (3) Percentages exclude the Corporate Center (3M18 Gross Income of €-106m)

BBVA: 1Q18 Financial Highlights

Core revenues growth

Net interest income and fees
(€ bn, constant)



Cost control

Gross income vs. Op. Expenses
(YtD, %, € constant)



Increasing results

Group Net Attributable Profit
(€ m, constant)



Sound asset quality⁽¹⁾

NPL 4.4%

Cost of Risk (YtD) 0.85%

Coverage 73%

Strong capital & liquidity ratios

CET1 FL 11.5% (Proforma⁽²⁾)

LCR⁽³⁾ 126% (BBVA Group)

LEVERAGE RATIO 6.4% (Fully-loaded)

Delivering on our transformation

37% Digital sales Mar-18⁽⁴⁾

19.3m Mobile customers Mar-18

(1) Data as of 1Q18 under IFRS9 standards; (2) Data proforma includes +57 bps from corporate transactions (sale of BBVA Chile and RE Assets to Cerberus); (3) Liquidity Coverage Ratio; (4) % of total sales in Mar-18, # of transactions

BBVA: Improving Ratings Profile

Latest Rating Actions

Long Term Issuer / Senior Unsecured Ratings



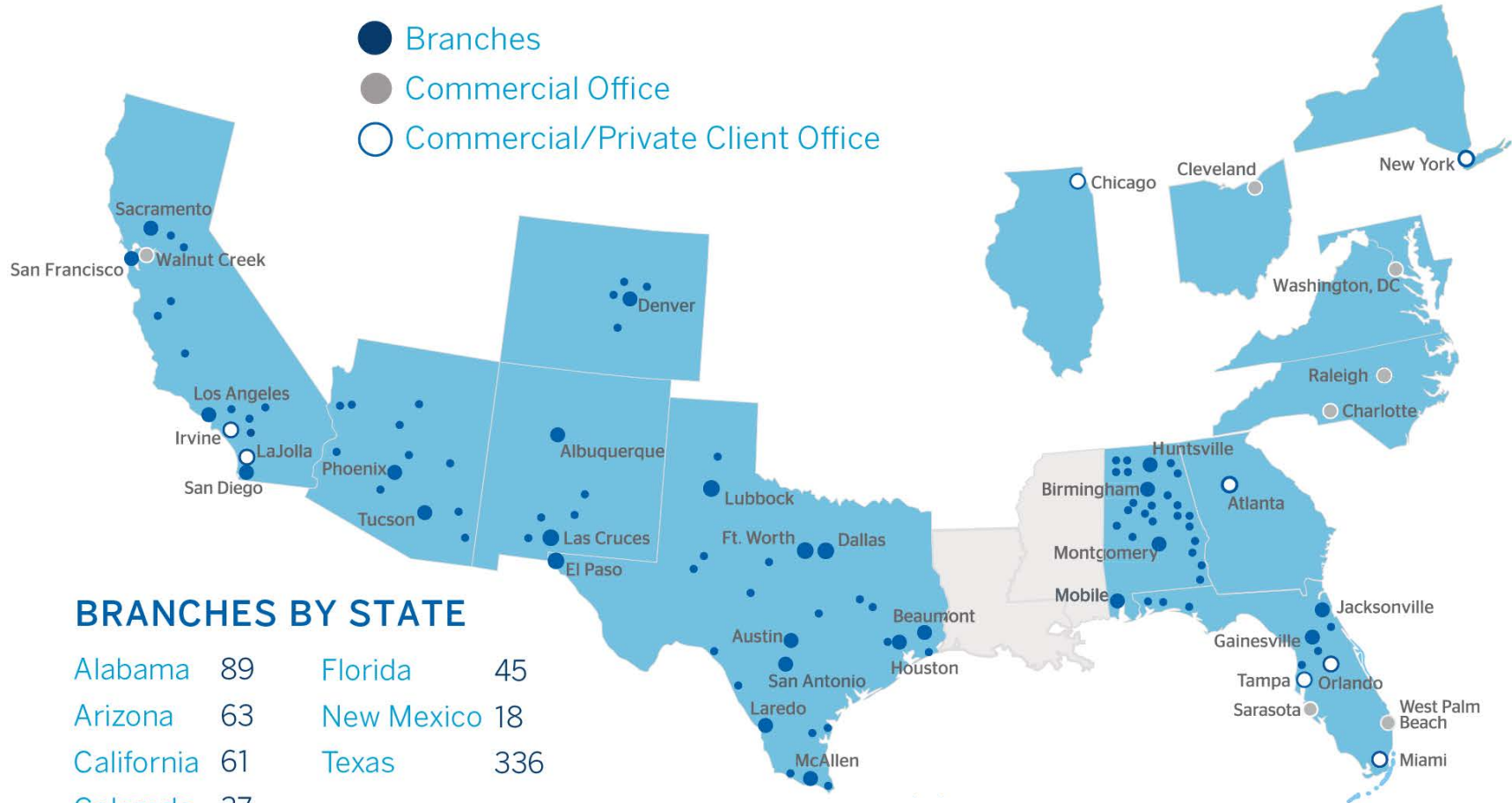
BBVA Ratings⁽¹⁾

Outlook Issuer/Senior	Moody's	S&P	Fitch
	Positive	Stable	Stable
Investment grade	Aaa	AAA	AAA
	Aa1 CB	AA+	AA+
	Aa2	AA	AA
	Aa3	AA- CB	AA-
	A1	A+	A+
	A2	A	A
	A3	A- Senior	A- Senior / SNP
	Baa1 Senior	BBB+ SNP	BBB+ T2
	Baa2	BBB T2	BBB
	Baa3T2 / SNP	BBB-	BBB-
Non Investment Grade	Ba1	BB+	BB+
	Ba2 AT1	BB	BB AT1
	Ba3	BB-	BB-
	B1	B+	B+
	B2	B	B
	B3	B-	B-
	(...)	(...)	(...)

Note: CB = Covered Bonds, SNP = Senior Non Preferred

(1) A security rating is not a recommendation to buy, sell or hold securities. The rating is subject to revision or withdrawal at any time by the assigning rating organization.

BBVA Compass: Attractive Franchise in Fast Growing Sunbelt



BRANCHES BY STATE

Alabama	89	Florida	45
Arizona	63	New Mexico	18
California	61	Texas	336
Colorado	37		

\$87.6

Billion in Assets

\$62.3

Billion in Loans

\$69.9

Billion in Deposits

649

Branches

10,797

Employees

Data as of 3/31/18 - Consolidated BBVA Compass Bancshares, Inc. data
 Large bubbles represent major metropolitan areas
 Employee total presented on a FTE (Full Time Equivalent) basis

BBVA Compass: Improving Profile with Moody's Upgrade

Latest Rating Actions

Long Term Issuer / Senior Unsecured Ratings



“...driven by improvement in core deposit funding and capital position⁽¹⁾⁽²⁾”

“With regards to profitability, higher interest rates will continue to provide an earnings benefit evidenced by the improvement in its net interest margin⁽¹⁾⁽²⁾”

BBVA Compass Group Ratings ⁽¹⁾

At April 30, 2018

	Standard & Poor's	Moody's	Fitch
BBVA Compass Bancshares, Inc.			
Long Term Debt Rating	BBB+	Baa2	BBB+
Short Term Debt Rating	A-2	–	F2
Compass Bank			
Long Term Debt Rating	BBB+	Baa2	BBB+
Long Term Bank Deposits ³	N/A	A2	A-
Subordinated Debt	BBB	Baa2	BBB
Short Term Debt Rating	A-2	P-2	F2
Short Term Deposit Rating ³	N/A	P-1	F2
Outlook	Stable	Stable	Stable

(1) A security rating is not a recommendation to buy, sell or hold securities. The rating is subject to revision or withdrawal at any time by the assigning rating organization.

(2) Moody's BBVA Compass Bancshares, Inc. Credit Opinion

(3) S&P does not provide a rating for Long-term bank deposits or short-term deposit ratings therefore the rating is N/A

BBVA Compass: Key Points for 1st Quarter 2018

Earnings and Capital Growth

- Net income of \$208.2¹ million in 1Q18 up 73% over 1Q17 or \$88 million.
- Capital ratios strengthened with CET1 up 31 bps vs 1Q17 to 12.08% reflecting improved earnings profile and moderate loan growth.

Drivers of Earnings Improvement

- Margin growth of \$71 million / 31 bps from 1Q17 driven by asset-sensitive balance sheet positioning.
- Broad drivers include non-interest income up 5% YoY, net interest income up 13% and no securities or other notable one-time gains in 1Q18.

Solid Asset Quality

- Asset quality metrics remain healthy with NPLs, Provision and Charge-offs at relatively low levels.
- Asset quality favorable relative to peers with ALLL/Loans consistently higher than regional bank peer group².

Focus on Cost Management

- Expenses well contained year over year reflecting continued discipline across expense categories with measured investment in future growth initiatives.



1Q18 Financial Summary

1Q18 Financial Summary

\$ in millions	1Q17	4Q17	1Q18	% Change QoQ	% Change YoY
Net interest income	551.4	603.5	622.6	3	13
Noninterest income	244.7	297.2	257.8	(13)	5
Revenues	796.1	900.7	880.4	(2)	11
Noninterest expense	549.3	615.8	562.9	(9)	2
Operating income	246.8	284.9	317.5	11	29
Provision	80.1	58.8	57.0	(3)	(29)
Pre-Tax income	166.7	226.1	260.5	15	56
Tax expense	45.8	174.0	51.8	(70)	13
Noncontrolling interest	0.4	0.5	0.5	-	25
Net income attributable to BBVA Compass Bancshares, Inc.	120.4	51.5	208.2	304	73
Total loans (\$B)	59.8	61.7	62.3	1	4
Total deposits (\$B)	67.5	69.3	69.9	1	4
Net Interest Margin (%)	2.96	3.22	3.27	5 bps	31 bps

Solid growth in operating income. Improved margin income helping drive operating leverage on revenue gains

Solid asset quality metrics with NPLs/Loans down 38 bps YoY improving ALLL/NPL coverage and provision expense down 29% from 1Q17

Favorable tax rate following last year's tax law resulting in benefit to 1Q18 net income

1Q18 Noninterest Income

\$ in millions	1Q17	4Q17	1Q18	% Change QoQ	% Change YoY
Service charges on deposits	55.2	56.1	56.2	-	2
Card/Merchant processing fees	30.0	33.4	39.7	19	32
Retail investment sales	27.5	26.3	30.1	14	9
Investment banking & advisory fees	28.3	25.0	23.9	(4)	(16)
Money transfer income	25.2	24.1	20.7	(14)	(18)
Asset management fees	9.8	10.3	10.8	5	10
Corp. and Corr. investment sales	8.9	11.8	12.1	3	36
Mortgage banking income	2.9	4.7	8.4	79	190
Other income ¹	57.0	105.5	56.1	(47)	(2)
Total noninterest income	244.7	297.2	257.8	(13)	5

Broad based improvement in key fee consumer income categories

Higher Card/Merchant fees driven by strong growth in net checking accounts and gains from 2H17 campaigns

Increase in Corporate & Correspondent investment sales driven by higher bond trading activity

¹ Other income includes all noninterest income items not specifically broken out, as detailed in BBVA Compass Bancshares, Inc. public filings.

1Q18 Noninterest Expense

\$ in millions	1Q17	4Q17	1Q18	% Change QoQ	% Change YoY
Salaries, benefits, and commissions	268.0	296.1	289.4	(2)	8
Professional services	57.8	76.1	60.6	(20)	5
Equipment	61.6	63.2	63.4	-	3
Net occupancy	42.1	41.1	40.4	(2)	(4)
Money transfer expense	16.3	15.7	13.7	(13)	(16)
Marketing	13.5	8.0	8.8	10	(35)
Communications	5.2	5.0	5.3	6	2
Amortization of intangibles	2.5	2.5	1.6	(36)	(36)
Other expense	82.1	108.1	79.7	(26)	(3)
Total noninterest expense	549.3	615.8	562.9	(9)	2

Higher salaries and benefits reflect increased headcount in client-facing/sales roles within Retail, Wealth and Commercial

Excluding higher salaries & benefits, total noninterest expense down year over year

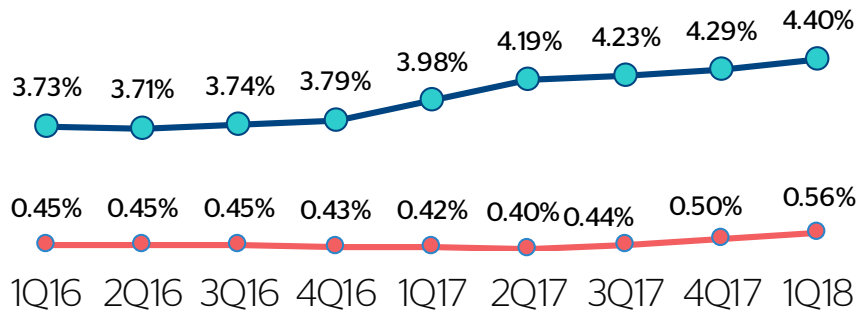
Decline in Marketing offset by commensurate increase in Business Development expenses reflected in Other expense



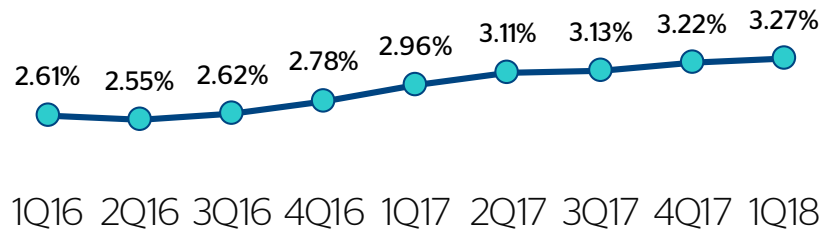
Margin & Balance Sheet Trends

Margin Trends and Rate Sensitivity

Loan Yields and Cost of Total Deposits¹

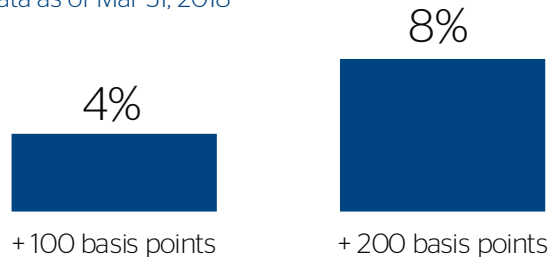


Net Interest Margin



Estimated % Change in NII²

Data as of Mar 31, 2018



YoY margin growth of \$71 million or 31 basis points

Margin now in-line among regional bank peers with Fed Funds at 1.75%.

Growth in deposits during rising rate environment.

Recent deposit cost increase driven by mix and indexed pricing, have not raised standard deposit pricing.

Asset sensitive balance sheet positioned for current rate environment

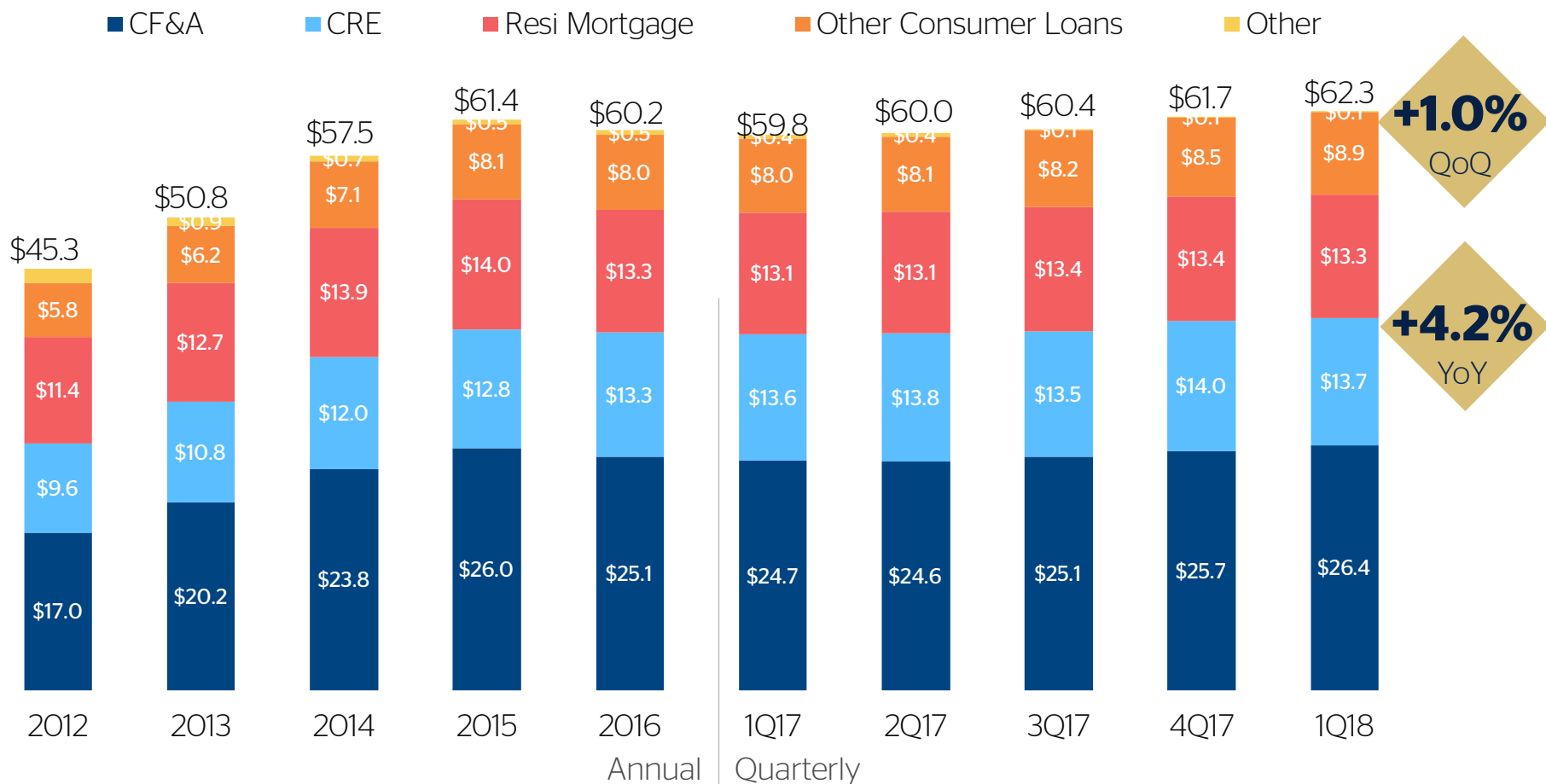
Majority of deposits are noninterest bearing or non-maturity deposits with managed rates. Majority of loans are reset monthly or quarterly.

¹ Cost of Total Deposits as defined by SNL Financial as total deposit interest expense as % of total deposits

² Assumes a gradual and sustained parallel shift in interest rate

1Q18 Loan Portfolio Trends

Loan Portfolio Historical

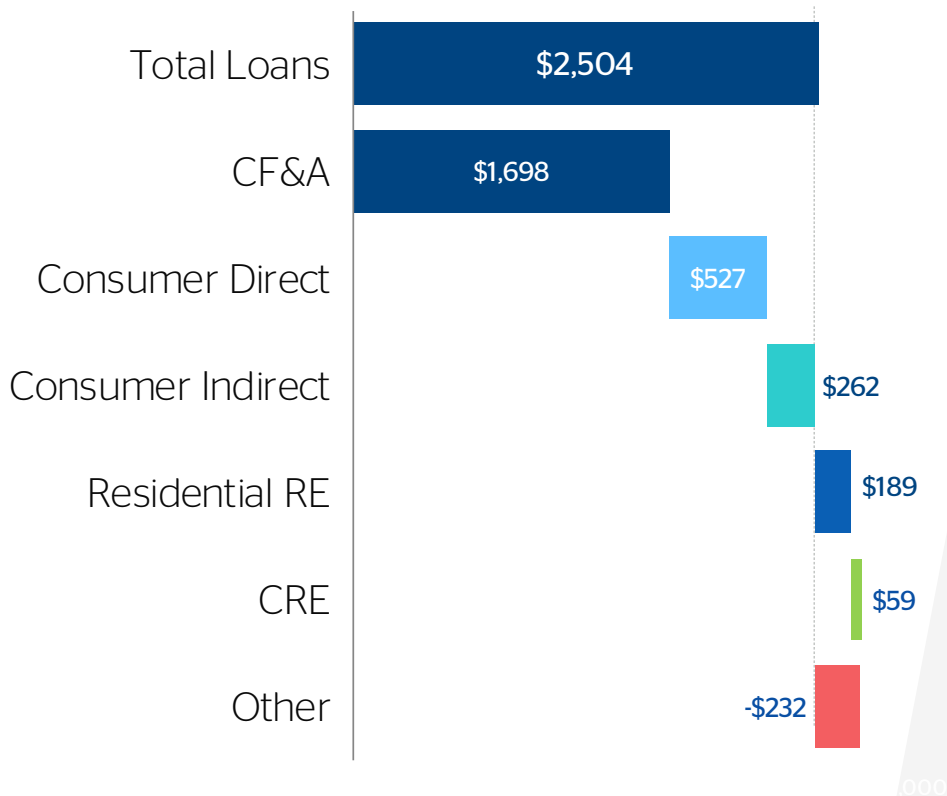


Modest year over year loan growth driven by CF&A and Consumer Lending

Loan Growth Detail

YoY Loan Growth by Category

\$ in Billions. Period-end 1Q18 vs 1Q17



Modest loan growth driven by initiatives across the franchise

- Continue to see broad **CF&A growth across sectors**, while some borrowers pay down lines with bond market proceeds and repatriation.
- Strong growth in **Institutional and Government** sector lending.
- Increased focus on **growing non-residential consumer lending** although portfolio relatively small.

Growth Focus: Small Business Lending

Small Business Loan & Deposit Detail

\$ in Billions. Period-end 1Q18



In 2017, BBVA Compass was the **6th most-active lender** by total number of loans and **10th by dollar volume¹** in the SBA flagship 7(a) loan program.

- Market leading small business franchise with high return profile helping drive profitable growth.
- Solid year over year growth in small business loans coupled with notably low cost deposit composition (~75% DDA balances).
- Several marketing partnerships to help raise profile for Small Business lending and deposit growth.

¹ Small Business Loan Administration Data

Small Business Lending is defined within the Retail Segment as Small Business Administration ("SBA") eligible loans and other lending products to small businesses with revenues up to \$10mm.

Commercial Real Estate Growth

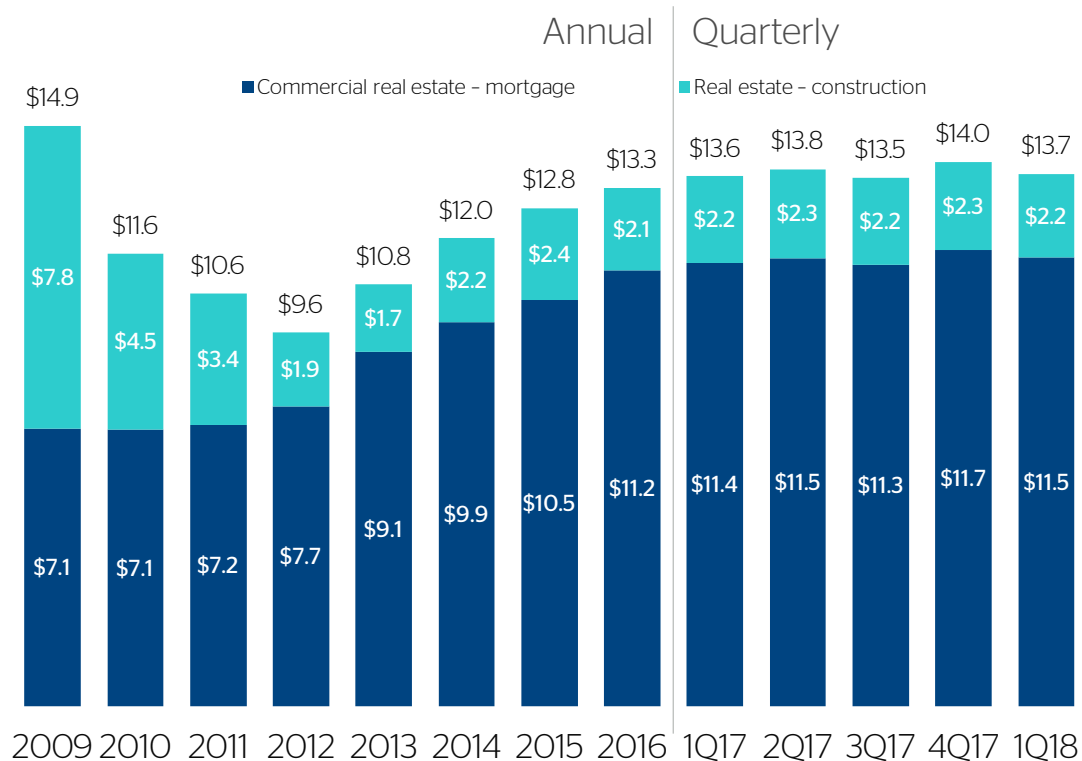
Slightly lower balances reflecting industry-wide trend of borrowers paying off existing CRE commitments.

Geographic growth trends mixed, with solid recent performance led by California, with modestly lower balances in Alabama.

Industries mixed with healthy growth in Industrial and Office, offset by slower trends in Multi-Family, Retail and Hotel/Motel.

Commercial Real Estate Loan Trends

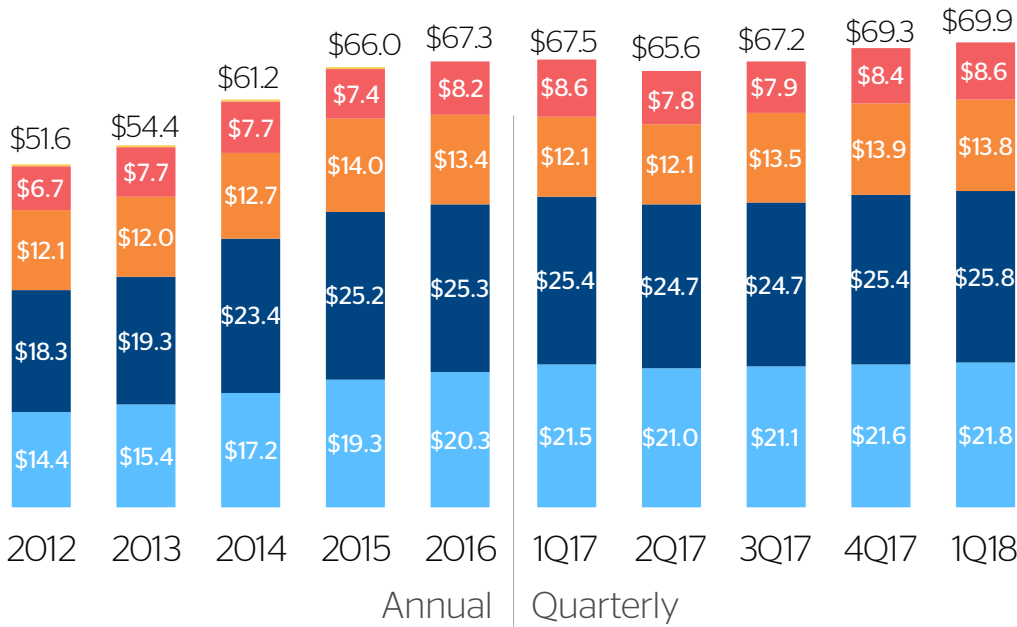
\$ in Billions. Period-end balances



Deposit Funding Mix

\$ in Billions. Period-end

- Noninterest DDA
- Savings & Money Market
- Time Deposits
- Interest Bearing DDA

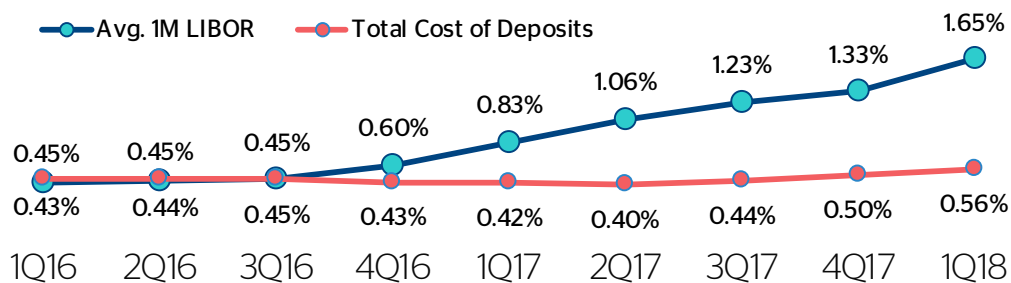


Customer deposit growth in second half of last year outpaced loan growth.

Loan & deposit trends continued into the first quarter of 2018.

Expect historical seasonal trends to play out in second quarter.

Customer deposits up **2% QoQ** and **1% YoY**.



Definitions | DDA: Demand Deposit Account, CD: Certificate of Deposit, Customer Deposits: Total deposits minus brokered deposits
 Total Cost of Deposits per SNL Financial as defined by total deposit interest expense over total deposits



Asset Quality Overview

Asset Quality Summary

Nonaccrual Details

- NPLs down QoQ and YoY with lower Energy NPLs and nonaccrual reductions in other CF&A loans partially offset by moderately higher consumer NPLs.
- Overall asset quality measures are stable with continued outperformance versus peers with NPLs/Loans lower than regional bank peer group¹.

Provision & Charge Off

- Provision normalizing after impacts of Hurricane Harvey/Irma in 3Q17, partial release as portfolio outperformed conservative expectations.
- Moderately higher provision for indirect auto and consumer direct lending where new loans have increased the base portfolio and impacted charge offs.
- NCO ratio down 13 bps YoY and up 2 bps QoQ as credits perform well.

Allowance Ratios

- Allowance for loan losses generally stable quarter over quarter.
- Coverage ratio stable reflecting comparable levels of provision & net charge offs.

¹ Peer group includes BBT, CFG, CMA, FITB, HBAN, KEY, MTB, PNC, RF, STI, USB, ZION.

Notes:

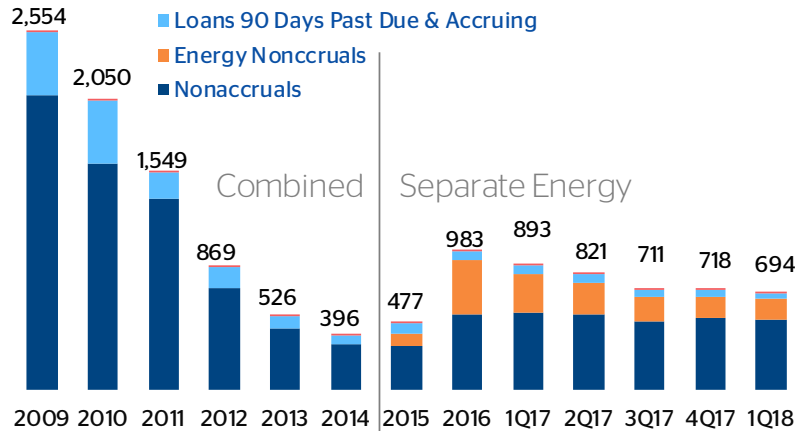
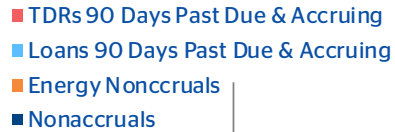
Nonperforming loans include nonaccrual loans and loans held for sale (including nonaccrual loans classified as TDR), accruing loans 90 days past due and accruing TDRs 90 days past due.

Troubled Debt Restructuring (TDR) totals include accruing loans 90 days past due classified as TDR.

Asset Quality Metrics

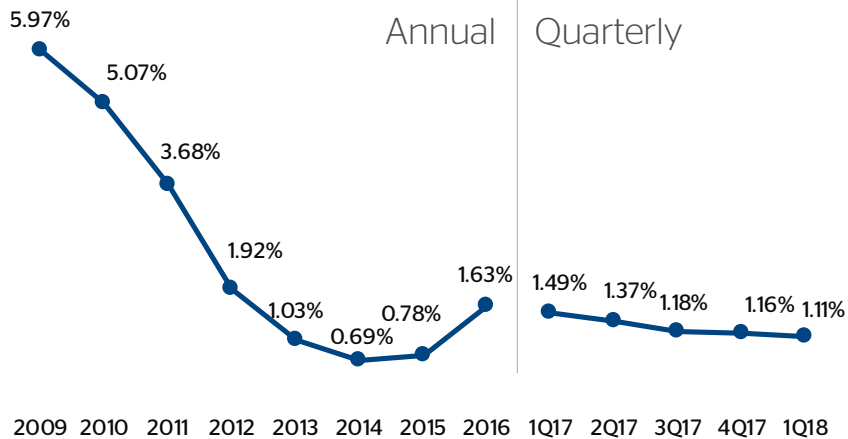
Nonperforming Loans

Nonaccrual loans + Past dues 90 days



Nonperforming Loans

Nonaccrual loans + Past dues 90 days



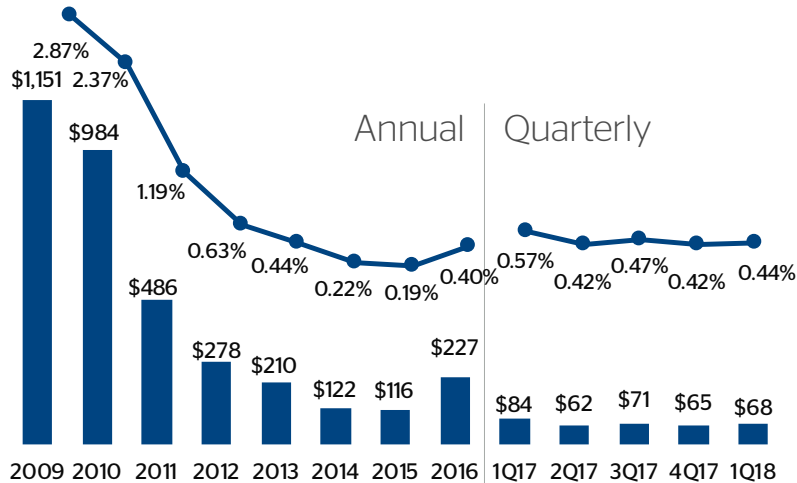
Credit quality remains solid

- Continued moderation of problem loans following recovery in oil portfolio.
- Hurricane Harvey and Irma proving to be less of a credit issue than initial estimates.

Reserve Coverage and Provision Metrics

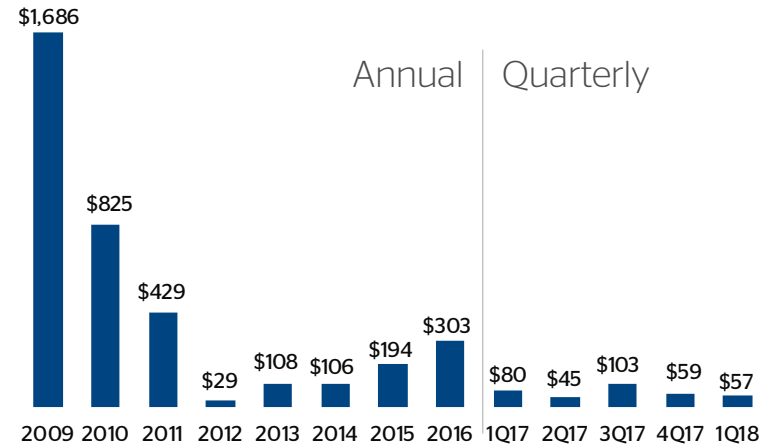
Net Charge Offs

Quarters Percentage Annualized as a % of average loans



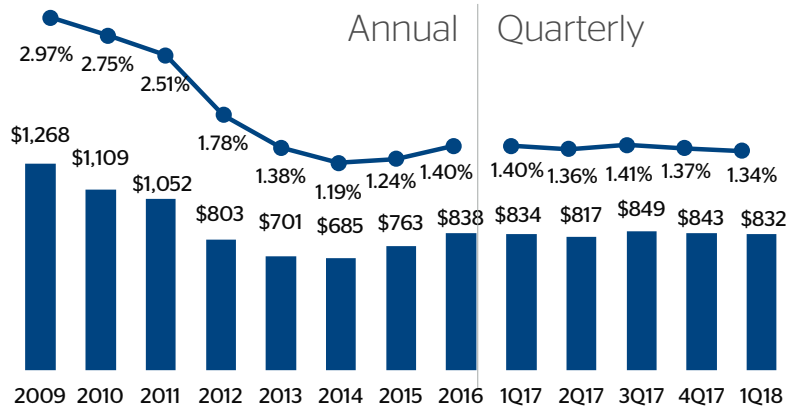
Provision Expense

(\$ in millions)

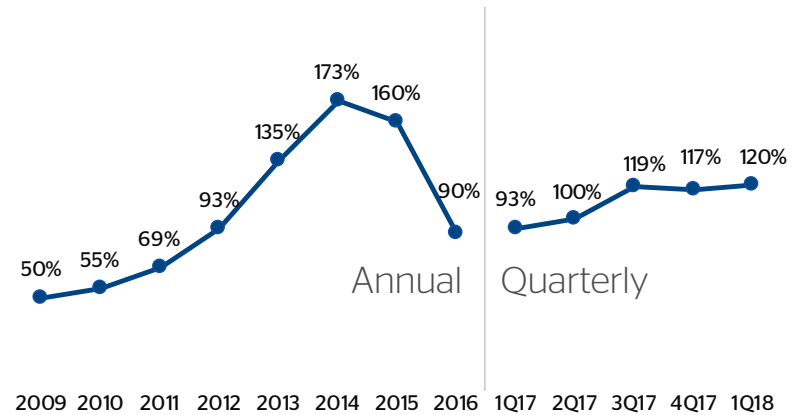


ALLL and ALLL / Total Loans

(\$ in millions)



ALLL to NPLs



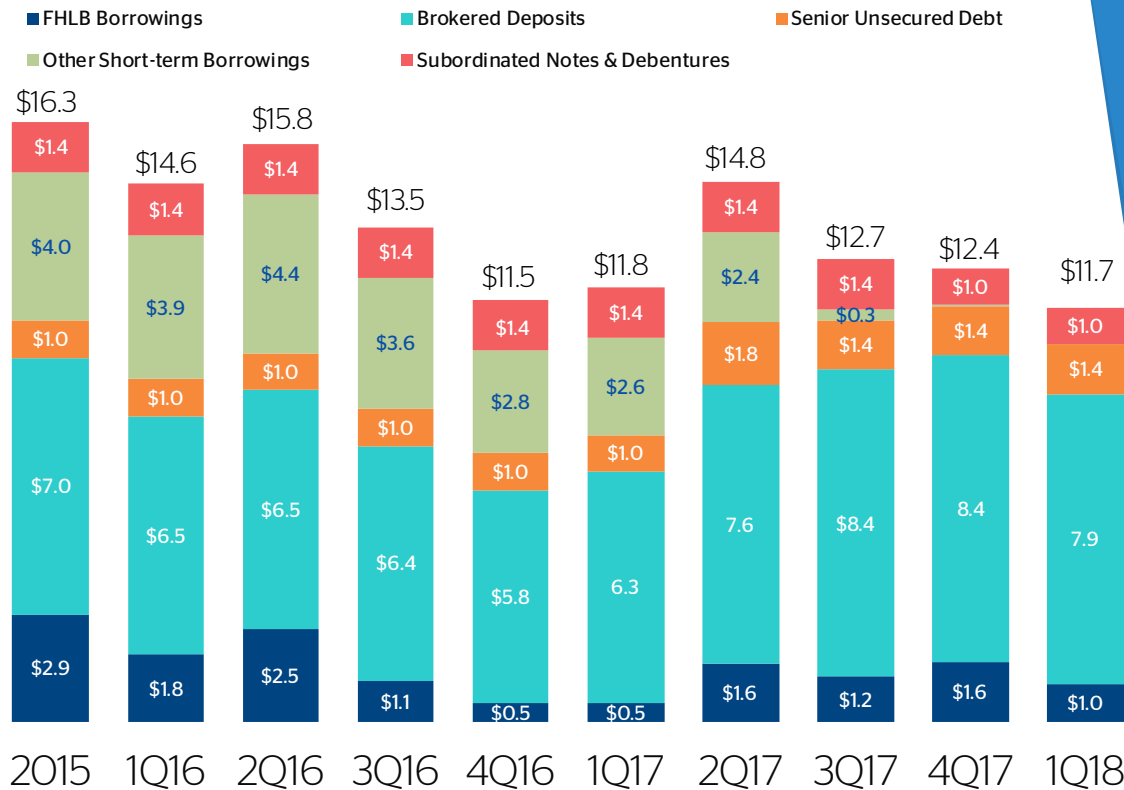


Liquidity & Capital

Wholesale Funding Levels

Wholesale Funding Composition

\$ in Billions. Period-end

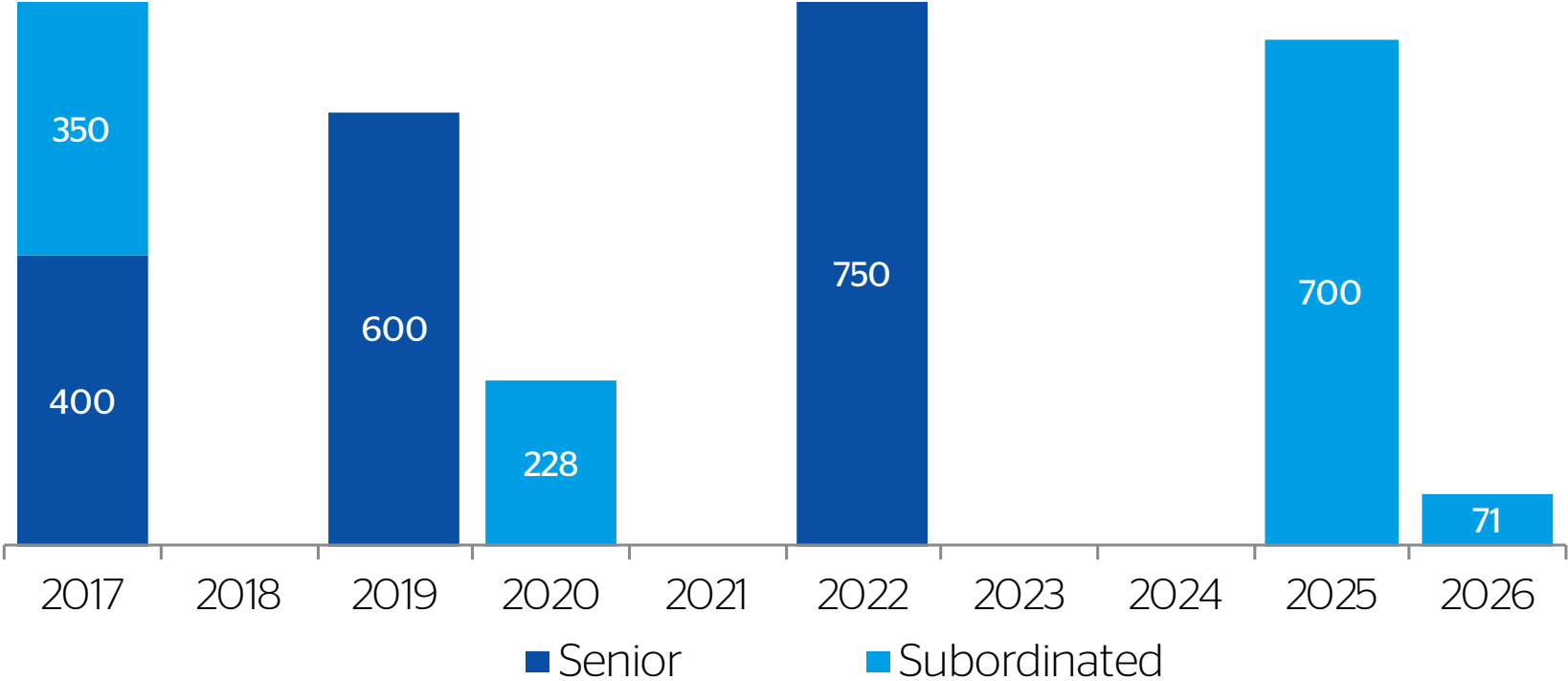


Wholesale funding levels dropped modestly from 4Q17 reflecting lower FHLB borrowings and brokered deposits.

Increase in wholesale funding vs 1Q17 helping fund growth in HQLA.

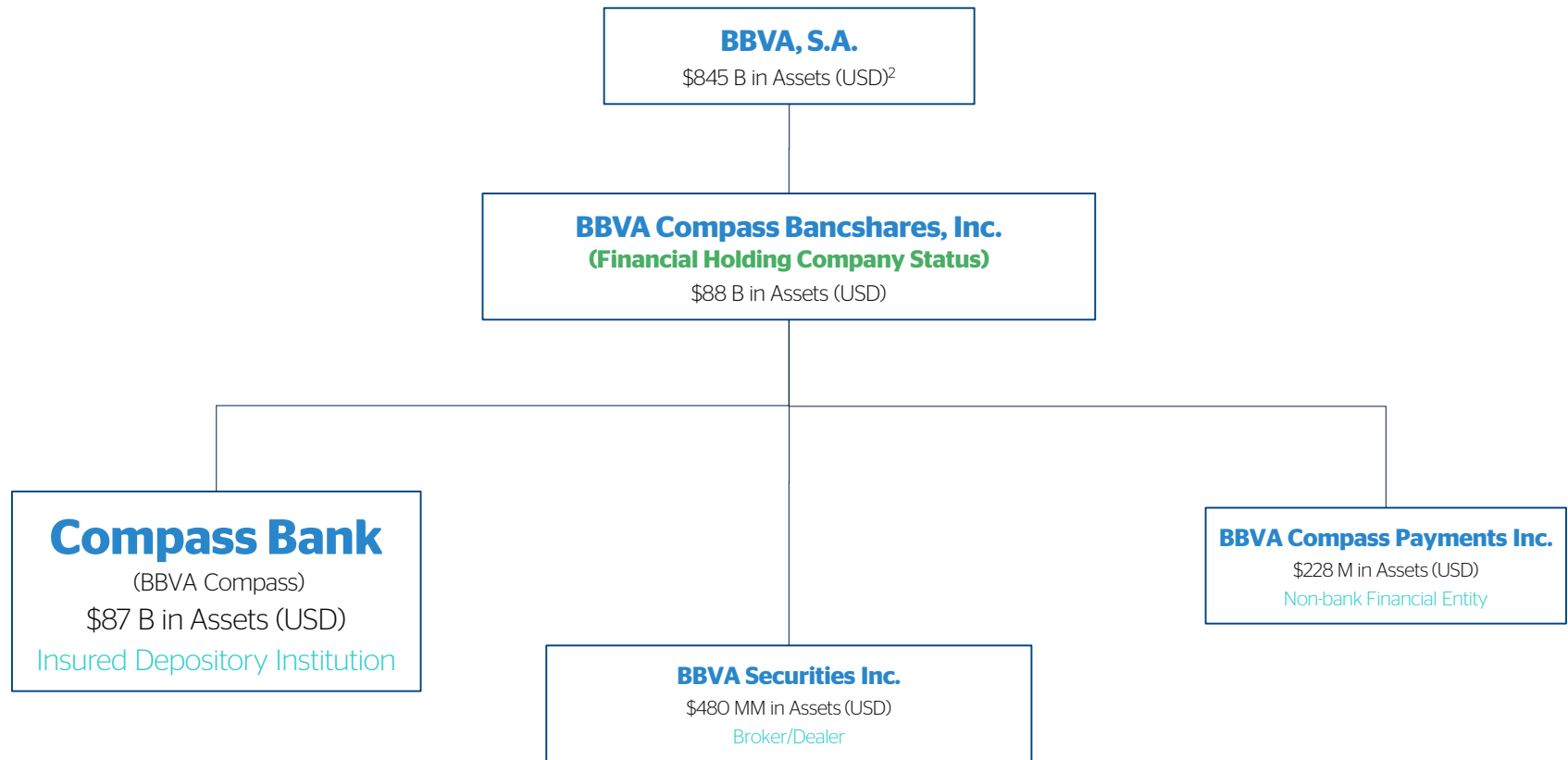
BBVA received Financial Holding Company status which drove 2H17 reduction of Matched Repo book at BSI.

Senior and Subordinated Debt Maturity Schedule



Original par amounts on 2020 and 2026 Subordinated notes prior to tender offers were \$300 mm and \$275 mm, respectively.

Organizational Structure¹



¹ Abridged organizational representation of primary subsidiaries, does not include all entities, trusts, property companies, leasing companies or other holding entities.

² BBVA assets reported in dollars under IFRS 9 with Euro at 1.2321

Highly Liquid with Large Pool of HQLA

Continue to build significant stock of High Quality Liquid Assets (HQLA) for LCR ratio in the U.S. and for BBVA Group.

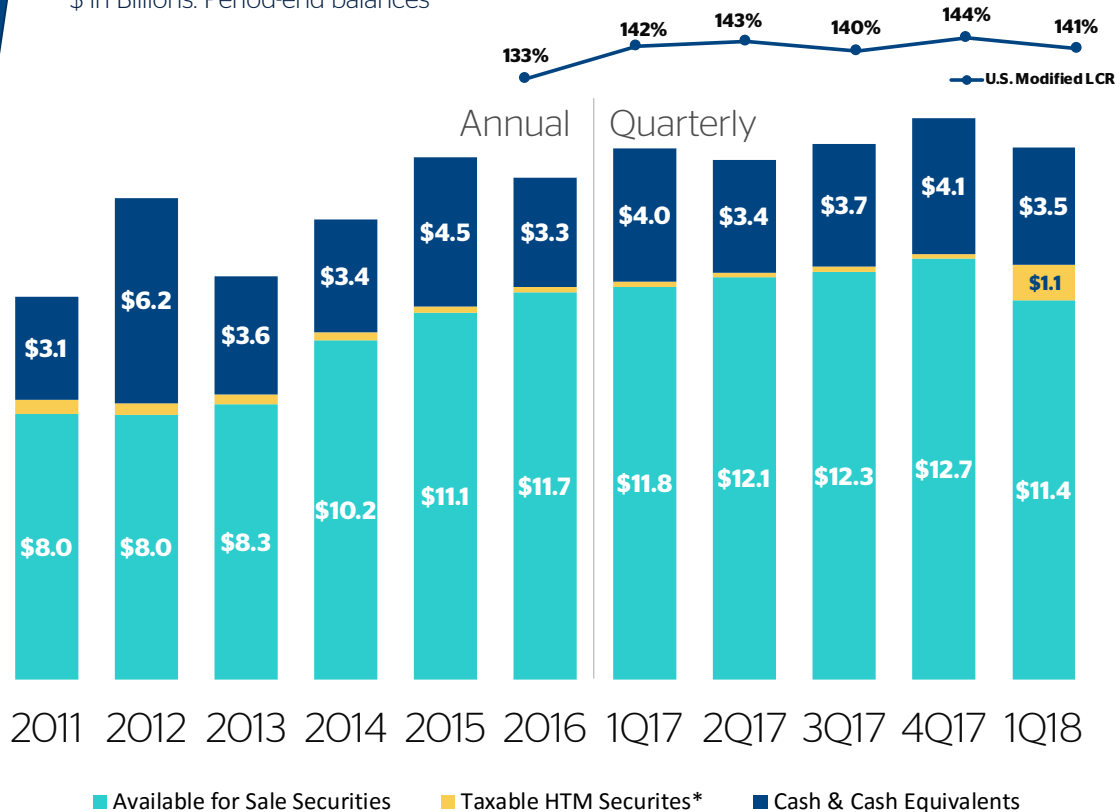
LCR materially exceeds Modified U.S. LCR requirements. Subject to more stringent parent requirements.

LCR limits established at BBVA level, ensuring strong liquidity profile across subsidiaries.

In 1Q18, transferred approximately \$1.0 billion of agency collateralized mortgage backed securities from available for sale to held to maturity.

AFS /Liquid HTM Securities & Cash

\$ in Billions. Period-end balances

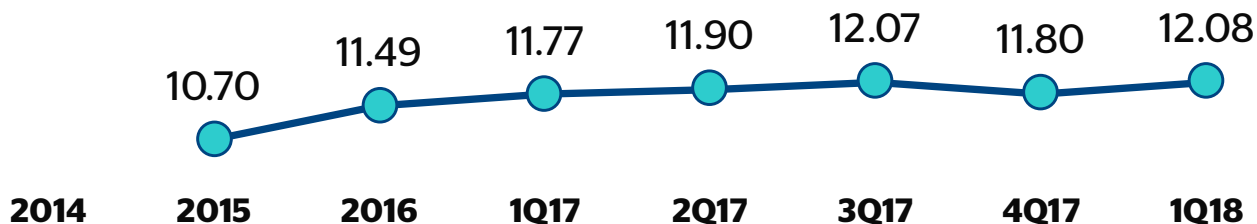


*Taxable HTM Securities = Total HTM Less State and Political Obligations.

Strong Capital Levels

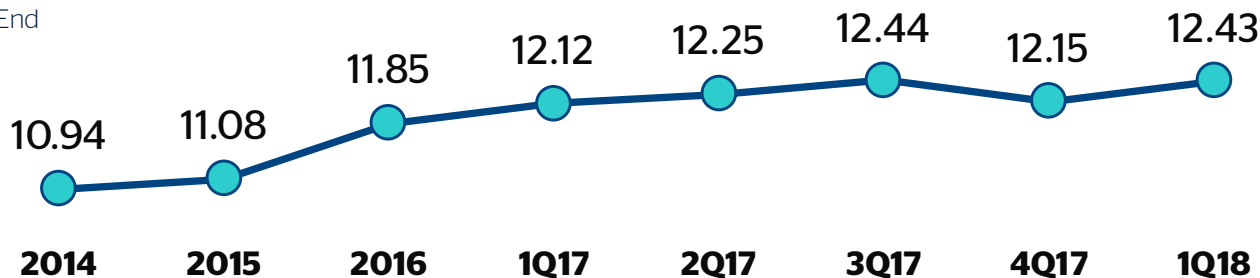
Tier 1 Common Equity Ratio (%)

Period End



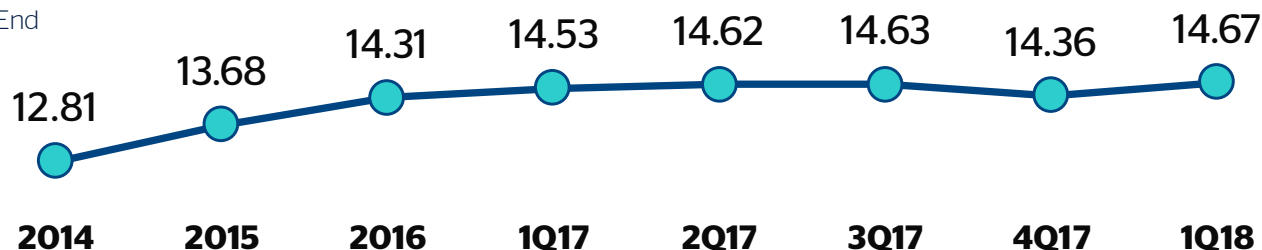
Tier 1 Capital Ratio (%)

Period End



Total Capital Ratio (%)

Period End



Buybacks not feasible reflecting ownership structure, making total capital distribution levels lower than regional peers¹.

¹ Peer group includes BBT, CFG, CMA, FITB, HBAN, KEY, MTB, PNC, RF, STI, USB, ZION.
 Note: 2014 Tier 1 Common Equity Ratio not calculated under BASEL III

Fixed Income Investor Update

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May 2018

