

FINAL TERMS

4 January 2019

BBVA GLOBAL MARKETS, B.V.

(a private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid) incorporated under Dutch law with its seat in Amsterdam, the Netherlands but its tax residency in Spain)
(as “**Issuer**”)

Issue of Series 986 PEN 4,172,000 Fund Linked Notes due 2021 (the “**Notes**”)

under the €4,000,000,000
Structured Medium Term Note Programme

guaranteed by

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

(incorporated with limited liability in Spain)
(as “**Guarantor**”)

These Notes are not intended for, and are not to be offered to, the public in any jurisdiction of the EEA.

Any person making or intending to make an offer of the Notes may only do so in circumstances in which no obligation arises for the Issuer or the Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or to supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer.

Neither the Issuer nor the Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (“**MiFID II**”); (ii) a customer within the meaning of Directive 2002/92/EC (“**IMD**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the “**Prospectus Directive**”). Consequently no key information document required by Regulation (EU) No 1286/2014 (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions of the Notes (and, together with the applicable Annex(es), the “**Conditions**”) set forth in the Base Prospectus dated 18 June 2018 and the supplement to it dated 14 August 2018, 7 November 2018 and 22 November 2018 which together constitute a base prospectus for the purposes of the Prospectus Directive (the “**Base Prospectus**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus has been published on the websites of Euronext Dublin (www.ise.ie) and the Central Bank of Ireland (<http://www.centralbank.ie>).

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or under any state securities laws, and the Notes may not be offered, sold, transferred, pledged, delivered, redeemed, directly or indirectly, at any time within the United States or to, or for the account or benefit of, or by, any U.S. person. Furthermore, the Notes do not constitute, and have not been marketed as, contracts of sale of a commodity for future delivery (or options thereon) subject to the U.S. Commodity Exchange Act, as amended (the “**CEA**”), and trading in the Notes has not been approved by the U.S. Commodity Futures Trading Commission (the “**CFTC**”) pursuant to the CEA, and no U.S. person may at any time trade or maintain a position in the Notes. For a description of the restrictions on offers and sales of the Notes, see “*Subscription and Sale*” in the Base Prospectus.

As used herein, “**U.S. person**” includes any “**U.S. person**” or person that is not a “**non-United States person**” as either such term may be defined in Regulation S or in regulations adopted under the CEA.

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|----|-----|---|--|
| 1. | (a) | Issuer | BBVA Global Markets, B.V. (NIF: N0035575J) |
| | (b) | Guarantor: | Banco Bilbao Vizcaya Argentaria, S.A. (NIF: A48265169) |
| | (c) | Principal Paying Agent: | Deutsche Bank AG, London Branch |
| | (d) | Registrar: | Not applicable |
| | (e) | Transfer Agent: | Not applicable |
| | (f) | Calculation Agent: | Banco Bilbao Vizcaya Argentaria, S.A. |
| 2. | (a) | Series Number: | 986 |
| | (b) | Tranche Number: | 1 |
| | (c) | Date on which the Notes will be consolidated and form a | Not applicable |

	single Series:	
	(d) Applicable Annex(es):	Annex 1: Payout Conditions Annex 4: Fund Linked Conditions
3.	Specified Notes Currency or Currencies:	Peruvian New Sol (“ PEN ”)
4.	Aggregate Nominal Amount:	
	(a) Series:	PEN 4,172,000
	(b) Tranche:	PEN 4,172,000
5.	Issue Price:	97 per cent. of the Aggregate Nominal Amount
6.	(a) Specified Denomination(s):	PEN 500,000 and integral multiples of PEN 1,000 in excess thereof up to and including PEN 499,000. No notes in definitive form will be issued with denomination above PEN 499,000
	(b) Minimum Tradable Amount:	Not applicable
	(c) Calculation Amount:	PEN 1,000
7.	(a) Issue Date:	4 January 2019
	(b) Interest Commencement Date:	Issue Date
8.	Maturity Date:	28 December 2021 or if that is not a Business Day the immediately succeeding Business Day
9.	Interest Basis:	Applicable Fund Linked Interest (see paragraph 16 below)
10.	Redemption Basis:	Fund Linked Redemption
11.	Reference Item(s):	See paragraph 23(i) Fund Basket
12.	Put/Call Options:	Not applicable
13.	Settlement Exchange Rate Provisions:	Not applicable

14. Knock-in Event: Not applicable
15. Knock-out Event: Not applicable

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. **Interest:** Applicable
- (i) Interest Period End Date(s): As per General Condition 4(b)
- (ii) Business Day Convention for Interest Period End Date(s): Not applicable
- (iii) Interest Payment Date(s): As defined in the relevant Interest Basis Provisions below (See paragraph 23 (ix))
- (iv) Business Day Convention for Interest Payment Date(s): Following Business Day Convention
- (v) Minimum Interest Rate: Not applicable
- (vi) Maximum Interest Rate: Not applicable
- (vii) Day Count Fraction: 1/1
- (viii) Determination Date(s): Not applicable
- (ix) Rate of Interest: In respect of each Interest Payment Date (from i=1 to i=12) the Rate of Interest shall be determined by the Calculation Agent in accordance with the following formula:

Rate of Interest (x) - Range Accrual

$$\text{Rate} * n/N$$

Where:

“**Rate**” means, in respect of a Coupon Valuation Date, 2.50 per cent.

“**Coupon Barrier 1**” means 75 per cent.

“**Coupon Barrier Value**” means, in respect of a Range Accrual Day, Worst Value

“**Worst Value**” means, in respect of a Range Accrual Day, the RI Value

for the Reference Item(s) with the lowest or equal lowest RI Value for any Reference Item in the Basket in respect of such Range Accrual Day.

“RI Value” means, in respect of a Reference Item and a Range Accrual Day, (i) the RI Closing Value for such Reference Item in respect of such Range Accrual Day, divided by (ii) the relevant RI Initial Value.

“RI Closing Value” means, in respect of a Reference Item and a Range Accrual Day, if the relevant Reference Item is an Exchange Traded Fund, the Settlement Price of the Fund Share (as defined in the Fund Linked Conditions) on such Range Accrual Day

“RI Initial Value” means, in respect of a Reference Item, the Initial Closing Price

“Initial Closing Price” means the RI Closing Value of a Reference Item on the Strike Date.

“n” means, in respect of a Coupon Valuation Date, the number of Range Accrual Days in the relevant Range Period on which the Range Accrual Coupon Condition is satisfied.

“N” means for each Coupon Valuation Date, the total number of Range Accrual Days in the relevant Range Period.

“Range Accrual Coupon Condition” will be deemed satisfied if in respect of each Reference Item (k=1 to k=4), that the Coupon Barrier Value for such Reference Item for the relevant Range Accrual Day in the applicable Range Period is equal to or greater than the

relevant Coupon Barrier 1

In respect of each Reference Item (k) and a Range Accrual Day which is not Scheduled Trading Day or is a Disrupted Day for such Reference Item (k), the Coupon Barrier Value for such Reference Item (k) on such day shall be the Coupon Barrier Value for such Reference Item (k) on the immediately preceding Scheduled Trading Day that was not a Disrupted Day. The above provisions with regard to the consequences of a Disrupted Day or a day not being a Scheduled Trading Day will prevail over consequences provided for in any applicable Annex.

“Range Accrual Day” means a Scheduled Trading Day.

“Range Period” means for the first Range Period the period from, but excluding, the Strike Date to, and including, the first Coupon Valuation Date, and thereafter each successive Range Period shall begin on, and exclude a Coupon Valuation Date and end on, but include, the next succeeding Coupon Valuation Date

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|---|-----------------------------------|
| 17. Fixed Rate Note Provisions: | Not applicable |
| 18. Floating Rate Note Provisions: | Not applicable |
| 19. Specified Interest Amount Note Provisions: | Not applicable |
| 20. Zero Coupon Note Provisions: | Not applicable |
| 21. Index Linked Interest Provisions: | Not applicable |
| 22. Equity Linked Interest Provisions | Not applicable |
| 23. Fund Linked Interest Provisions: | Applicable |
| (i) Fund Basket: | The following Reference Items k=1 |

to k=4 will apply:

The Funds are Exchange Traded Funds

k	Fund Shares/Exchange Traded Fund	Bloomberg Code	ISIN	Exchange(s)
1	Shares of ISHARES RUSSELL 2000 ETF	IWM UP <Equity>	US4642876555	NYSE Arca
2	Shares of FINANCIAL SELECT SECTOR SPDR	XLF UP <Equity>	US81369Y6059	NYSE Arca
3	Shares of CONSUMER STAPLES SELECT SECTOR SPDR	XLP UP <Equity>	US81369Y3080	NYSE Arca
4	Shares of HEALTH CARE SELECT SECTOR	XLV UP <Equity>	US81369Y2090	NYSE Arca

- (ii) Fund Shares: See table above
- (iii) Exchange: See table above
- (iv) Related Exchange: All Exchanges
- (v) Exchange Business Day: (All Fund Shares Basis)
- (vi) Scheduled Trading Day: (All Fund Shares Basis)
- (vii) Strike Date: 21 December 2018
- (viii) Averaging: Not applicable
- (ix) Interest Payment Date(s): See table below

i	Coupon Valuation Dates	Interest Payment Dates
1	21 March 2019	28 March 2019
2	21 June 2019	28 June 2019
3	23 September 2019	30 September 2019
4	23 December 2019	30 December 2019
5	23 March 2020	30 March 2020
6	22 June 2020	29 June 2020
7	21 September 2020	28 September 2020

8	21 December 2020	28 December 2020
9	22 March 2021	29 March 2021
10	21 June 2021	28 June 2021
11	21 September 2021	28 September 2021
12	21 December 2021	28 December 2021

- (x) Coupon Valuation Date(s): See table above
- (xi) Valuation Time: As per Fund Linked Condition 7
- (xii) Observation Date(s): Not applicable
- (xiii) Fund Service Provider: As set out in Fund Linked Condition 7
- (xiv) Fund Documents: As set out in Fund Linked Condition 7
- (xv) Fund Business Day: (All Fund Shares Basis)
- (xvi) Initial Calculation Date: Not applicable
- (xvii) Final Calculation Date: Not applicable
- (xviii) Calculation Date(s): Not applicable
- (xix) Exchange Rate: Not applicable
- (xx) NAV Barrier: Not applicable
- (xxi) NAV Trigger Percentage: Not applicable
- (xxii) NAV Trigger Period: Not applicable
- (xxiii) Number of NAV Publication Days: Not applicable
- (xxiv) Basket Trigger Level: Not applicable
- (xxv) Disrupted Day: As set out in Fund Linked Condition 7
Specified Maximum Days of Disruption will be equal to three
- (xxvi) Market Disruption: As set out in Fund Linked Condition 7
- (xxvii) Extraordinary Fund Event: As set out in Fund Linked Condition 4

(xxviii)	Additional Extraordinary Fund Event:	As per the Fund Linked Conditions The Trade Date is 21 December 2018
(xxix)	Delayed Payment Cut-Off:	As set out in Fund Linked Condition 6
24.	Inflation Linked Interest Provisions:	Not applicable
25.	Foreign Exchange (FX) Rate Linked Interest Provisions:	Not applicable
26.	Reference Item Rate Linked Interest:	Not applicable
27.	Combination Note Interest:	Not applicable

PROVISIONS RELATING TO REDEMPTION

28.	Final Redemption Amount:	Calculation Amount * Final Payout
29.	Final Payout:	Applicable

“Redemption (iv)-Digital”

(A) If the Final Redemption Condition is satisfied in respect of the Redemption Valuation Date:

100 per cent.; or

(B) Otherwise:

100 per cent. - [133.33333 per cent. * Max [0; 75 per cent. - FR Value]]

Where:

“Final Redemption Condition” means, in respect of the Redemption Valuation Date, that the Final Redemption Value on such Redemption Valuation Date, as determined by the Calculation Agent, is equal to or greater than the Final Redemption Condition Level

“Final Redemption Condition Level” means 75 per cent.

“Final Redemption Value” means, in respect of the Redemption Valuation Date, the Worst Value

“FR Value” means, in respect of the Redemption Valuation Date, the Worst Value

“Worst Value” means, in respect of the Redemption Valuation Date, the RI Value for the Reference Item(s) with the lowest or equal lowest RI Value for any Reference Item in the Basket in respect of such Redemption Valuation Date.

“RI Value” means, in respect of a Reference Item and the Redemption Valuation Date, (i) the RI Closing Value for such Reference Item in respect of such Redemption Valuation Date, divided by (ii) the relevant RI Initial Value.

“RI Closing Value” means, in respect of a Reference Item and the Redemption Valuation Date, if the relevant Reference Item is an Exchange Traded Fund, the Settlement Price of the Fund Share (as defined in the Fund Linked Conditions) on such Redemption Valuation Date

“RI Initial Value” means, in respect of a Reference Item, the Initial Closing Price

“Initial Closing Price” means the RI Closing Value of a Reference Item on the Strike Date.

30. Automatic Early Redemption:

Applicable

ST Automatic Early Redemption

- (i) Automatic Early Redemption Event:

In respect of any Automatic Early Redemption Valuation Date (from $j=1$ to $j=11$), the AER Value is: greater than or equal to the Automatic Early Redemption Trigger

- (ii) AER Value: Worst Value
- “Worst Value”** means, in respect of an Automatic Early Redemption Valuation Date, the RI Value for the Reference Item(s) with the lowest or equal lowest RI Value for any Reference Item in the Basket in respect of such Automatic Early Redemption Valuation Date.
- “RI Value”** means, in respect of a Reference Item and an Automatic Early Redemption Valuation Date, the RI Closing Value for such Reference Item in respect of such Automatic Early Redemption Valuation Date, divided by (ii) the relevant RI Initial Value.
- “RI Closing Value”** means, in respect of a Reference Item and an Automatic Early Redemption Valuation Date, if the relevant Reference Item is an Exchange Traded Fund, the Settlement Price of the Fund Share (as defined in the Fund Linked Conditions) on such Automatic Early Redemption Valuation Date
- “RI Initial Value”** means, in respect of a Reference Item, the Initial Closing Price
- “Initial Closing Price”** means the RI Closing Value of a Reference Item on the Strike Date.
- (iii) Automatic Early Redemption Payout: The Automatic Early Redemption Amount shall be determined in accordance with the following formula:
- Calculation Amount * AER Percentage**
- (iv) Automatic Early Redemption Trigger 100 per cent.

- (v) Automatic Early Redemption Range: Not applicable
- (vi) AER Percentage: 100 per cent.
- (vii) Automatic Early Redemption Dates: See table below

j	Automatic Early Redemption Valuation Dates	Automatic Early Redemption Dates
1	21 March 2019	28 March 2019
2	21 June 2019	28 June 2019
3	23 September 2019	30 September 2019
4	23 December 2019	30 December 2019
5	23 March 2020	30 March 2020
6	22 June 2020	29 June 2020
7	21 September 2020	28 September 2020
8	21 December 2020	28 December 2020
9	22 March 2021	29 March 2021
10	21 June 2021	28 June 2021
11	21 September 2021	28 September 2021

- (viii) AER Additional Rate: Not applicable
- (ix) Automatic Early Redemption Valuation Date(s): See table above
- (x) Automatic Early Redemption Valuation Time: Scheduled Closing Time
- (xi) Averaging: Not applicable
- 31. Issuer Call Option:** Not applicable
- 32. Noteholder Put:** Not applicable
- 34. Index Linked Redemption:** Not applicable

35. Equity Linked Redemption:	Not applicable
36. Fund Linked Redemption:	Applicable
(i) Fund Basket:	See paragraph 23(i) above
(ii) Fund Shares:	See paragraph 23(i) above
(iii) Exchange:	See paragraph 23(i) above
(iv) Related Exchange:	All Exchanges
(v) Exchange Business Days:	(All Fund Shares Basis)
(vi) Scheduled Trading Day:	(All Fund Shares Basis)
(vii) Strike Date:	See paragraph 23(vii) above
(viii) Averaging:	Not applicable
(ix) Observation Date:	Not applicable
(x) Redemption Valuation Date(s)/Period(s):	21 December 2021
(xi) Valuation Time:	As per Fund Linked Condition 7
(xii) Fund Service Provider:	As set out in Fund Linked Condition 7
(xiii) Fund Documents:	As set out in Fund Linked Condition 7
(xiv) Fund Business Day:	(All Fund Shares Basis)
(xv) Initial Calculation Date:	Not applicable
(xvi) Final Calculation Date:	Not applicable
(xvii) Calculation Date(s):	Not applicable
(xviii) Exchange Rate:	Not applicable
(xix) NAV Barrier:	Not applicable
(xx) NAV Trigger Percentage:	Not applicable
(xxi) NAV Trigger Period	Not applicable

	(xxii) Basket Trigger Level:	Not applicable
	(xxv) Number of NAV Publication Days:	Not applicable
	(xxiv) Disrupted Day:	As set out in Fund Linked Condition 7 Specified Maximum Days of Disruption will be equal to three
	(xxvi) Market Disruption:	As set out in Fund Linked Condition 7
	(xxvii) Extraordinary Events:	As set out in Fund Linked Condition 4
	(xxviii) Additional Extraordinary Fund Event:	As per the Fund Linked Conditions The Trade Date is 21 December 2018
	(xxix) Delayed Payment Cut-Off:	As set out in Fund Linked Condition 6
37.	Inflation Linked Redemption:	Not applicable
38.	Credit Linked Redemption:	Not applicable
39.	Foreign Exchange (FX) Rate Linked Redemption:	Not applicable
40.	Reference Item Rate Linked Redemption:	Not applicable
41.	Combination Note Redemption:	Not applicable
42.	Provisions applicable to Instalment Notes:	Not applicable
43.	Provisions applicable to Physical Delivery:	Not applicable
44.	Provisions applicable to Partly Paid Notes; amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any	Not applicable

**right of the Issuer to forfeit
the Notes and interest due
on late payment:**

- | | |
|-------------------------------------|---|
| 45. Variation of Settlement: | The Issuer does not have the option to vary settlement in respect of the Notes as set out in General Condition 5(b)(ii) |
| 46. Payment Disruption Event | Applicable |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 47. Form of Notes: | Bearer Notes:

Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for definitive Bearer Notes only upon an Exchange Event excluding the exchange event described in paragraph (iii) of the definition in the permanent Global Note |
| 48. New Global Note: | No |
| 49. (i) Financial Centre(s): | Lima and New York |
| (ii) Additional Business Centre(s): | Lima and New York |
| 50. Talons for future Coupons or Receipts to be attached to definitive Notes (and dates on which such Talons mature): | No |
| 51. Redenomination, renominalisation and reconventioning provisions: | Not applicable |
| 52. Prohibition of Sales to EEA Retail Investors: | Applicable |
| 53. Sales outside EEA only: | Applicable |

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms and declare that the information contained in these Final Terms is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

Signed on behalf of the Issuer:

By: Christian Maluense

Duly authorised
Authorised Signatory
Firma Autorizada

Signed on behalf of the Guarantor:

By: _____

Duly authorised
MARIAN COSCARÓN TOMÉ
Authorised Signatory
Firma Autorizada

PART B-OTHER INFORMATION

1 Listing and Admission to trading

Application has been made for the Notes to be admitted to trading on Euronext Dublin's regulated market with effect from the Issue Date.

2 Ratings

Ratings: The Notes have not been rated.

3 Interests of Natural and Legal Persons Involved in the Issue

Save for any fees payable to the Dealer, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

4 Estimated Net Proceeds and Total Expenses

- (i) Estimated net proceeds: PEN 4,046,840
- (ii) Estimated total expenses: The estimated total expenses that can be determined as of the issue date are up to EUR 1,000 consisting of listing fees, such expenses exclude certain out-of pocket expenses incurred or to be incurred by or on behalf of the issuer in connection with the admission to trading

5 Performance of Funds, Explanation of Effect on Value of Investment and Other Information concerning the Underlying

The past and future performance, the volatility and background information about each Reference Item can be obtained from the corresponding Bloomberg Screen Page as set out in paragraph 23(i) above

For a description of any adjustments and disruption events that may affect a Reference Item and any adjustment rules in relation to events concerning a Reference Item (if applicable) please see Annex 4 (*Additional Terms and Conditions for Fund Linked Notes*) in the Issuer's Base Prospectus.

The Issuer does not intend to provide post-issuance information.

6 Operational Information

- (i) ISIN Code: XS1930073843
- (ii) Common Code: 193007384
- (iii) CUSIP: Not applicable
- (iv) Valoren Code: Not applicable

- (v) Other Code(s): Not applicable
- (vi) Any clearing system(s) other than Euroclear, Clearstream Luxembourg and the DTC approved by the Issuer and the Principal Paying Agent and the relevant identification number(s): Not applicable
- (vii) Delivery: Delivery against payment
- (viii) Additional Paying Agent(s) (if any): Not applicable
- (ix) Intended to be held in a manner which would allow Eurosystem eligibility: No

7 Distribution

7.1 Method of distribution: Non-syndicated

7.2 If non-syndicated, name and address of relevant Dealer: Banco Bilbao Vizcaya Argentaria,S.A.
C/ Saucedo 28
28050 Madrid Spain

7.3 U.S. Selling Restrictions: The Notes are only for offer and sale outside the United States in offshore transactions to persons that are not U.S. persons in reliance on Regulation S under the Securities Act and may not be offered, sold, transferred, pledged, delivered, redeemed, directly or indirectly, at any time within the United States or to, or for the account or benefit of, or by, any U.S. person.

Each initial purchaser of the Notes and each subsequent purchaser or transferee of the Notes shall be deemed to have agreed with the issuer or the seller of such Securities that (i) it will not at any time offer, sell, resell or deliver, directly or indirectly, such Securities so purchased in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person and (ii) it is not purchasing any Securities for the account or benefit of any U.S. person.

Reg. S Compliance Category 2; TEFRA D

7.4 U.S. "Original Issue Discount" Not applicable

Legend:

7.5 Non-Exempt Offer: Not applicable

The Issuer is only offering to and selling to the Dealer pursuant to and in accordance with the terms of the Programme Agreement. All sales to persons other than the Dealer will be made by the Dealer or persons to whom they sell, and/or otherwise make arrangements with, including the Financial Intermediaries. The Issuer shall not be liable for any offers, sales or purchase of Notes by the Dealer or Financial Intermediaries in accordance with the arrangements in place between any such Dealer or any such Financial Intermediary and its customers.